

Good attempt

Discuss your paper in tutorial

Qno: 7

① Introduction:

Pakistan's economy has been faltering from one crisis to other. It heavily relies on bailouts and rollbacks from friendly countries. Pakistan's import-led growth is focused on stabilization rather than economic revival.

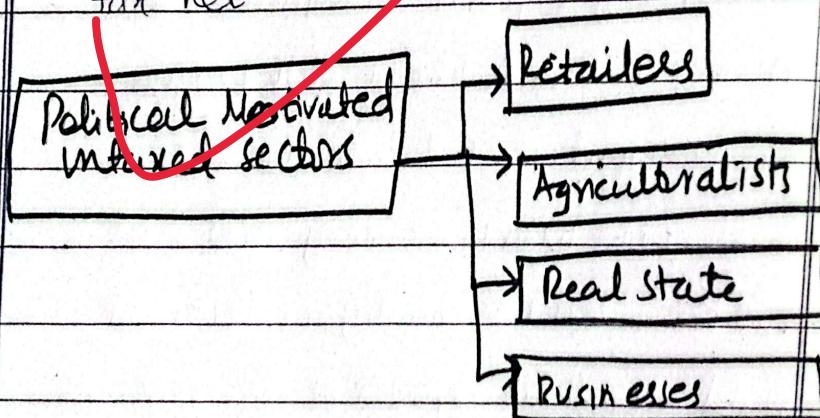
The policy confusion throughout the history of this Pakistan still lingers on to haunt it till date. The cosmetic and quick fixes to economy will not work unless the country undertakes bold structural reforms in its economic landscape. The internal economic indicators need to be improved to see the trickle down effects on the ordinary citizens of Pakistan.

Add problems first

② Broad-Based structural Reforms

(1) Widen the Tax Net Instead of Deepening it

The economists have been calling for widening the tax net, instead of deepening it. Instead of heavily relying on the salaried class, the government needs to bring the untaxed and untaxed sectors under the tax net.



(2) Reduce Non-Development Expenditure

The government has been heavily relying on external and internal

debt to spend on various projects.

However, most of the money goes to fund non-developmental infrastructure projects. Most of the politicians use loans and debt rollovers to patronize their constituents for gaining political capital.

"The politics and economy

in Pakistan are interlinked

in an unholy nexus" — Munir Khan

(3) Government Interference in Markets

Historically, the government of Pakistan

has played an overseeing role in

economic markets. The government bodies

have tampered with market prices to

control inflation. However, this has

done more harm than good to the

investors, particularly. Thus, the

economic markets should be allowed to

set prices naturally on supply demand

basis.

"The role of government in market should be that of a regulator, not controlling it" — Khurram Abbasi.

(4) Control Macroeconomic Indicators

The government has always tried to control the macroeconomic indicators, leaving microeconomic indicators behind. The interest rates, market prices and fiscal or monetary policies have been improving without any tickle down effect on the ordinary consumers.

"Pakistan applies 18% General Sales Tax on packaged milk, ~~is~~ the highest globally" — Zeeshan Gul.

(5) Political Motivated Subsidies

Despite the unstable and fragile economic outlook, the country has been providing

1.1.3.1
Subsidies worth trillions to powerful
elites of the country. Tax exemptions
, too, are provided to those who
needly need it the most. The economic
elites have been the immediate
beneficiaries in all cases.

⑥ Stagnant Private Investment

The government has been unable to
rightly incentivize the private sector
to improve the economic indicators of
the country. Both local and foreign
private firms are discouraged to
work in Pakistan, preventing
investment of all kinds.

"At 13% of GDP, investment

is the lowest among regional
peers." — Aneel Salman.



(7) Privatize loss-making SOEs

The loss-making state-owned enterprises are a huge burden on the exchequer and taxpayers. Millions of rupees and tax exemptions are given to them without any return in investment. The state keeps on patronizing them out of political expediency.

~~↳ The biggest loss during FY24 was~~

~~reported by NHAI (National~~

~~Highway Authority)" — Business Records.~~

(8) Import-led Growth

The export base has remained low throughout. Exports have fallen drastically in recent years due to low investment by both local and foreign creditors. Our country relies heavily on luxurious imports rather than high-value exports.

11:30
"Exports have decreased from 16% to 8% in just a decade." — PIDE.

(9) Energy Sector's Circular Debt

Without electricity, no firm can work in a country. The closure of Careem and Ubers is a stark example of Pakistan's chronic energy issues.

The accumulating circular debt year after year now runs in billions.

"The country has accumulated 2.7 trillion rupees." — IMF.

(10) No Home-Grown Economic Policy

To fix the economy, the country has relied on foreign countries (U)

a savior. However, the country

needs to build a strong, robust

home-grown economic policy to

shun dependence on foreign-backed

policy choices:

"IMF has always imposed a 'borrow-and-spend model' on Pakistan, instead of a self-reliant reform approach?" — IPR.

The question has two parts

Mention reforms and then their impact

Pakistan's economic landscape has remained fragile and unstable.

The import-led growth, narrow export base, and foreign-backed, context-insensitive economic models are some of the structural issues that need to be fixed in Pakistan. Only then can save Pakistan from this low-investment, low-growth, and high-debt equilibrium trap. The country can be its own savior by undergoing bold, economic reforms across all sectors.

Qn. 8 US has imposed double tariffs on India. Emphatically evaluate its economic and geopolitical implications on regional and global power politics.

ANSWER

(a) Introduction :

India as a "South Asian hegemon" has often touted itself as an emerging Middle power with immense bargaining power in geopolitical and geoeconomic landscape. However, recently, the US has imposed double tariffs on it (now 50%) due to its double balancing act with Russia. It will significantly alter the balance of power in not only South Asia but the international world. Since India has often allied with the US to counter China, the implications of this new global order will reach beyond the South Asia region.

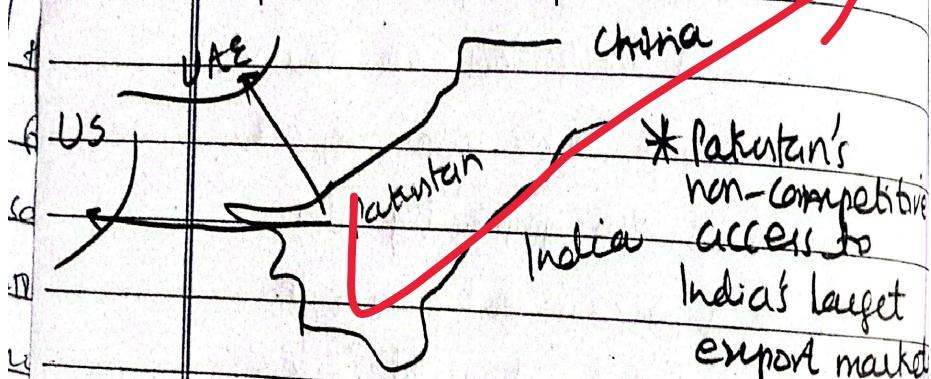
② Regional Implications

(a) Economic Implications

(P) Access to Previous Indian Markets

With a double tax on Indian products, now Pakistan and other regional players have the access to economy markets once reigned by India.

USA and UAE have been the largest export destination of India.



Make a link with the statement

(Pi) Improve IT Exports

India has been exporting its IT products and services to earn billions in GDP. However, with

now huge fall on Indian products,

Pakistan and Bangladesh, along

with other regional players, have

the opportunity to step up their

IT products export to improve

their GDP.

"India has been exporting

IT products and services,

earning \$123.2 bn?" — The Times

of India.

(i) Lower Oil Prices

Now that India cannot buy ~~Russian~~

oil in cheaper prices, the oil price

may come down. This will benefit

the regional players as they now

do not need to buy expensive

Russian oil with increased

demand across the world.

"Russian oil price may

see a steep decline?" — The

Guardian

(b) Geopolitical Implications

(i) Detet India's Orwellian Ambitions

India wanted to develop its own geopolitical clout by its 'Look East' policy. Its multilateral tendencies have been greatly deterred now.

The US seems to be distant from India due to its buying of Russian oil.

"India's hegemonic designs in South Asia need to be checked upon" — ISS

(ii) Pak-US Improved Ties

With India being sidelined, the once transactional ties of US and Pakistan are growing into a

strategic bilateral relationship.

US wants to invest in Pakistan's mineral, energy, and digital assets.

11/8/18
"US wants to improve bilateral ties beyond contestation?" — JD Vance

(iii) Re-Hyphenation of Indo-Pak

India wanted to be seen as a parallel global player like China. However, the imposition of double tax on India has again dehyphenated it with Pakistan. It cannot wish away the new geopolitical reality.

(2) Global Implications

(a) Economic Implications

(i) Open Market Access

Because of its huge population, India is one of the top 10 economies of the world. With increased tax on Indian products, the market access globally would be open and

less competitive for other global players to take its place. The developing countries could seize this opportunity to improve their narrow export base.

(ii) Increased Economic Clout of Global South

With initial hegemony of India in the global economy, the developing countries of the Global South have a unique opportunity to improve their economic landscape through export-led growth. Bangladesh, for instance, "Bangladesh could take India's place in the new geo-economic reality" — BBC.

could face less competition in garments and leather exports.

LMI

(iii) Diminished Indian Role in WTO

The previous WTO was always skewed in favor of developed countries.

Now, with the diminished geoeconomic clout of India in WTO, the trade policies could evolve to be more mature and fairer. The smaller

countries may get a novel chance to influence WTO in their favor.

"India as a middle power has been influencing WTO

negatively" — Refaia Zakaria

(b) Geopolitical Implications

(i) Russia's Diminished Role

The Russia's role could be diminished after US imposition of taxes on countries.

trading with Russia. However, the

Alaska summit of Trump and Putin

says otherwise. Putin was not

in the mood to negotiate with Trump
with conditions imposed on him from the
latter. Thus, Russia could intact its
geopolitical significance.

“Trump wants to appear

as a deal maker

after the Alaska summit.” — Dawn.

(PP) Deflection from Gaza War

The war has been sympathizing
with Ukraine over Russian aggression.

However, the war has deflected

the attention from the Gaza war

inflicted by Israel. so far 60,000

Civilians had been martyred (with

18,000 children in it). Thus, the

Alaska summit need to be extended

to Gaza, too

“Trump's peace-making efforts

should not stop at Ukraine”

— Abbas Nasir

(iii) Balance of Power Shifted

The balance of power will likely get disrupted. With the Alaska summit, the Russian president, Putin might not be ready to make any compromises. Thus, Trump is likely to make a deal from the position of weakness. The shifting geopolitical winds are too unpredictable to be guessed about.

"The balance of power may force Trump to make a deal from a position of weakness."

(iv) Loss of Multipolarity

With the deal, the principles of multilateralism and multipolarity seem to be at stake. The developing countries cannot do a balancing act between the global superpowers. They may be forced to choose sides now.

Conclusion

Thus, it could be concluded in the end that with increased taxes on Indian products, the regional and global economic and political landscape would turn upside down. The hegemony of India would be diminished, with increased opportunities for smaller, developing countries to assert their diplomatic standing. Thus, the Global South could seize this chance to improve its socio-economic and geopolitical status.

Content is fine though

You need to go for diversification of references

~~Ques. 6~~

The China and US have been the two

historical global power players

on world stage. Their fierce

competition over power, trade, and

diplomacy have become more evident

than ever. China believes in soft

diplomatic and less vocal gestures.

However, the US has been assertive

in political, economic, and diplomatic

decision. Its aggressive stance to

impose taxes on both friends and

enemies has harmed its international

image. Now, China aims to replace

the Western-led global order to

pave a new route centred on

soft power, not a show of hard

power like the US. It will disbalance

the power equation on both regional and

international arena.

② Opportunities For China

(a) US Damaged International Image

The China has a novel chance to replace the western-led international order. The display of hard power by US has tilted the balance of power towards the south. China could emerge to replace the US.

"The Future belongs to the Asian economies" — The Diplomat

(b) Less competitive Economic Market

The world market is now open to China with less competition. The US has imposed higher taxes on both allies (Mexico, Canada) and enemies (China). Thus, China has a unique chance to

expand its export base higher than before.

"China could enter the global economic market without any competition!" — The Guardian

(C) Decreased Role of India

The US had been using India to counter the China's rise. However, with the US imposition of 50% tariff on India, China could replace Indian markets in the microconductors and chips industry. China could benefit from the decreased geopolitical role of India.

"China could reclaim greater geopolitical role with India being sidelined" — SIPRI

(D) Europe Trade with China

With the political differences between the US and the Europe, the European countries could in retaliation, reconsider trading with China. As China has imposed 125% tariff on US products whereas the US has imposed 100% tariffs on the Chinese products, it could get the chance to widen its export base.

"China could change its European policy, irrespective of the US!" — Al-Jazeera.

Challenges to China

(i) Fading relevance of Chinese Products

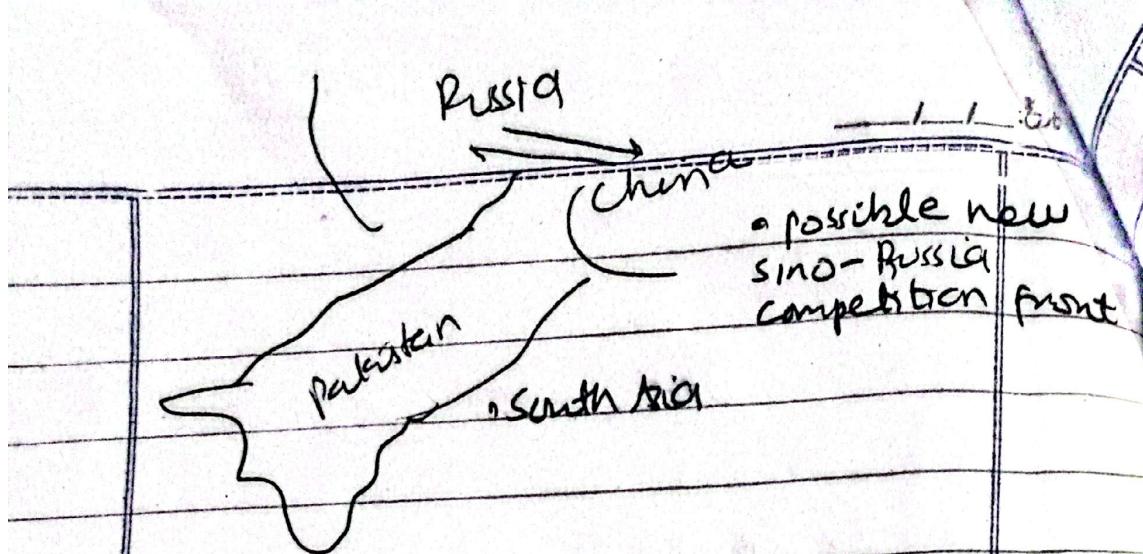
With the imposition of 100% tariff on China, its products would face challenges in the foreign countries.

The export base of Chinese products could suffer drastically in the process.

(ii) Russia-China War

A new economic war could emerge between China and Russia.

As Russia with its increasing relevance post-Alaska summit with Trump could envy the rise of China. It could seriously challenge China on both political and economic fronts.



(iii) Difficult to replace Dollar Hegemony

The yuan cannot possibly replace the hegemony of the king dollars.

The Western-led financial system

is hard to dismantle - China

may find it difficult to use the allies and enemies of the US.

It would possibly face the dollar-led financial institutions.

"China could not replace

the economic hegemony

of the US; thought

has replaced it

political clout?" — Michael Kugelman

Conclusion

thus, it could be concluded in the end that the increased taxes on both allies and enemies imposed by the US could bring both opportunities and challenges

for China. China could increase

its economic and political

clout through its RMB

it cannot replace the

dollar hegemony and

align the Europe with it.

Russia could possibly enter

into an unspoken deal with

China with replace the US

dominance.

Elaborate first part as well

Content is fine though

Ans.

① Introduction

Pakistan has faced fatal flash floods in 2021, 2022 and now in 2023. The devastating floods have impacted the lives and livelihoods of all provinces across the country. However, the government did not take any timely action to prevent floods. Even after the floods ravage whole villages, the mitigation efforts of government authorities has been nothing short of a managing a crisis instead of solving it altogether.

② Reasons of Floods

(i) Faulty Urban Development Model

The urban development model in Pakistan is obsessed with construction projects. More construction projects are linked with better infrastructure. However, this has never been the case.

- 1 The successive construction projects near river banks exposes the faulty development pattern. — Naved Iftikhar

(ii) No Vertical Development of Building

The cities are growing horizontally. However, the government is not overseeing the construction projects and infrastructure plans to encourage vertical development. All three provinces have seen unregulated horizontal growth of

cities.

"Except Karachi no city
has seen vertical
development of buildings".

— Naseer
Memon.

iii) No Management of Dams

Pakistan has learnt to make new
dams. However, not has failed

misably when it comes to

manage the water inside dams

to use meaningfully. With the
overflow of dams, it could

risk flooding of whole cities.

"Floods are man-made
disasters". — Arsh Khan

(iv) Climate Change

With the rising effects of climate change, the extreme weather events (floods, heatwaves) are growing more in intensity as well as frequency. The climate change effects could not be controlled artificially by any government.

"Climate change has made floods more frequent and drastic." — WB Report

(v) Political Motivations

The infrastructure projects in particular constituencies are neglected as they do not have large voter base for politicians. However, in politically dominant cities like Punjab, politicians

overdevelop such regions to gain political capital for themselves. Such unregulated overdevelopment of one region disrupts the natural flow of water.

(VI) ~~Poor~~ Poor Wastewater Treatment

The waste water is not treated properly in Pakistan. This untreated wastewater may gather to disrupt the natural flow of water table and underground water as well.

"Misgovernance related to water has resulted in fatal floods" — MET Reportment

(b) Policy Options

(a) Early warning system

Develop the early warning systems

systematically to block the

floods on time. The weather

forecasting should be improved.

(b) Improve Interprovincial Coordination

The provinces and centre should

exchange weather information

frequently to prevent floods.

This could lead to improved

migration practices.

General instructions to get good marks in current affairs paper

Important Note:

Marks would be given on the following parameters

a- Content 60% References 15%

Subject specific language 15%.

Graphs and charts 10%

Add 12-13 headings in each question

the questions carry 3-4 parts... each part has equal weightage so discuss all equally

(D) Build small Dams

Give examples from present events to justify answers

Give attractive introduction and Conclusion as well

always give headings from the question statement... take words from the statement

link each of the argument to the asked part in the question... if you fail to do so, no matter how accurate content is, if your heading is not aligned with what is asked in the question, it won't be accurate

Good Luck