

IR-II MOCK

Q4:

The International Monetary Fund (IMF) financial interventions have multifaceted impacts on developing economies like Pakistan, influencing economic recovery, structural adjustments and long-term sustainability.

EXTENT TO WHICH IMF LOANS PROMOTE ECONOMIC RECOVERY IN PAKISTAN:

• Balance of Payments support:

IMF loans provide immediate foreign exchange relief, enabling Pakistan to meet external debt obligations and stabilize its currency, which can restore investor confidence and prevent a financial crisis.

• Macro-economic stabilization:

Conditionally often requires fiscal consolidation and monetary tightening, which can reduce inflation and improve fiscal balances, laying groundwork for medium-term recovery.

Programs may push institutional changes intended to improve efficiency and attract ^{investment} ~~make~~ ^{potentially} boosting growth over time.

Some studies suggest that IMF programs correlate with short-term economic

stabilization in Pakistan, but outcomes depends heavily on implementation quality and complementary domestic policies.

RISKS AND CRITICISMS ASSOCIATED WITH LONG-TERM EFFECTS OF IMF LOANS:

• AUSTERITY AND SOCIAL IMPACT,

fiscal tightening can lead to reduced public spending on health, education and subsidies, exacerbating poverty and inequality which has been a frequent criticism in Pakistan.

• DEBT DEPENDENCY:

Repeated borrowing may increase external debt burdens and create reliance on future IMF assistance, limiting fiscal sovereignty.

• CONDITIONALLY CONTROVERSIES:

policy prescriptions sometimes trigger inflation or social unrest and may not fit local economic contexts.

• GROWTH CONSTRAINTS.

Rigid structural reforms can hamper long-term investment and growth if they prioritise short-term stabilization over productive capacity building.

• POLITICAL ECONOMY EFFECTS.

IMF programs can influence domestic politics, shifting policy priorities and potentially causing governance challenges in

Q3:-

The Indian Ocean Region (IOR) is a geopolitical hotspot whose strategic importance stems from its role as a conduit for global trade, a reservoir of natural resources, and a theater for military competition. The region encompasses critical chokepoints such as the Strait of Hormuz, the Strait of Malacca and the Bab-el-Mandeb through which a significant portion of the world's oil and commercial goods pass. Control over the IOR therefore affects energy security, economic stability and military logistics for states worldwide.

CHINA'S EXPANDING PRESENCE IN IOR: Belt and Road Initiatives.

China's BRI includes massive investments in ports, roads and infrastructure across the IOR, aiming to secure sea lines of communication and facilitate trade.

Naval base in Djibouti:

China's first overseas military base provides logistical support for naval operations in the western Indian Ocean, enabling protection of Chinese shipping and projection of power.

Post Investments:
Facilities such as Gawadar, Hambantota and others give China commercial access and potential military footholds, enhancing its strategic reach.

Maritime strategy:
China seeks to safeguard its energy imports and expand economic influence, which has led to increased naval deployments and participation in regional exercises.

Indian's evolving maritime policy:

Naval modernization: India is expanding its fleet with submarines, aircraft carriers and maritime patrol aircraft to strengthen defense of its exclusive economic zone and trade routes.

STRATEGIC PARTNERSHIPS:

India has deepened ties with Quad nations to counterbalance Chinese influence, focusing on joint naval exercises and intelligence sharing.

INDIGENOUS SHIPBUILDING:

Emphasis on domestic production aims to reduce dependency on foreign suppliers and boost maritime capabilities.

SECURITY PRIORITIES:-

Protecting offshore resources, ensuring freedom of navigation, managing disputes in the

PAKISTAN'S MARITIME DEVELOPMENTS:

- **Gawadar Port:** Developed with Chinese investments under the China-Pakistan Economic corridor, Gawadar is envisioned as a commercial hub and potential naval asset.

• **Naval Upgrades:**

Pakistan is enhancing its fleet and maritime surveillance to secure its EEZ and protect economic interests linked to CPEC.

• **Strategic Positioning:**

Pakistan seeks to leverage its geographic location to gain economic benefits and diplomatic leverage amid regional competition between India and China.

IMPACT ON MARITIME SECURITY DYNAMICS IN 2025:

• **Heightened naval competition:**

Increased presence of Chinese, Indian and allied naval forces raises the likelihood of encounters and requires robust communication mechanisms to avoid escalation.

• **Infrastructure rivalry:**

Competition over port facilities and logistics networks influences diplomatic negotiations and economic investments in the region.

Security alliances-

India and Pakistan are likely to strengthen external partnerships, Pakistan with China, India with QUAD and the US to enhance maritime security and economic resilience.

maritime governance:

Issues such as resource exploitation, piracy, environmental protection and freedom of navigation demand improved regional cooperation or risk intensifying tensions.

Q7:- The Pakistan-saudi Arabia defense pact is a bilateral security agreement that has several strategic implications for regional security dynamics in the middle East and for Pakistan's foreign policy amid shifting global alliances.

STRATEGIC IMPLICATIONS OF THE DEFENSE PACT:

• **Mutual security commitment:**
The pact typically involves commitments for military cooperation, intelligence sharing, and joint exercises enhancing the defense capabilities of both nations.

• **Deterrence Effect:**
The agreement can act as a deterrent against potential aggressors, signaling that Pakistan and Saudi Arabia have aligned security interests.

• **Access to Resources:**
Pakistan may gain access to Saudi financial aid, military technology or training while Saudi Arabia could benefit from Pakistan's military expertise and manpower.

• **Regional Balancing:**
The pact influences the regional balance of power, especially concerning Iran, which may perceive the alliance as a threat and respond with its own strategic moves.

INFLUENCE ON REGIONAL SECURITY DYNAMICS IN THE MIDDLE-EAST:-

◦ Saudi-Iranian rivalry:-

The partnership can intensify the Saudi-Iranian competition, affecting proxy conflicts in Yemen, Syria or elsewhere in the region.

◦ GCC relations:-

The agreement may affect Pakistan's ties with other Gulf Cooperation Council members, depending on how they view the pact's alignment with their own security strategies.

◦ Security architecture:-

It contributes to a shifting security architecture in the Middle East, where traditional alliances are being reconfigured due to emerging threats & interest.

BORDER IMPLICATION FOR PAK'S FOREIGN POLICY IN SHIFTING GLOBAL ALLIANCE:

◦ Balancing China and West:

Pakistan must navigate its deepening ties with China while managing relations with western, ensuring the defense pact does not strain its strategic autonomy.

◦ Diplomatic maneuvering:-

The agreement gives Pakistan leverage in diplomatic negotiations, allowing it to play a more prominent role in middle eastern security.

affect and extract economic benefits.

◦ Policy Flexibility:

Pakistan may adopt a more flexible foreign policy aligning with multiple power centers to maximize national interests.

◦ Impact on India relations:

The pact could affect Pak-India dynamics especially if Saudi support influences Pakistan's military posture toward India.

◦ Global Alliance Shifts:

As global alliances evolve Pakistan may adjust its engagements to maintain relevance and security guarantees.

15. The normalization of Pakistan-Bangladesh relation involves assessing both the potential for improved ties and the mechanisms through which historical grievances can be addressed.

FACTORS:

The key factors influencing reconciliation include:-

◦ **Historical Legacy Of the War 1971:-**

The separation of Bangladesh from Pakistan left deep political and emotional scars. Acknowledging the events and their humanitarian impact is central to rebuilding trust.

◦ **POLITICAL WILL AND LEADERSHIP:**

Diplomatic initiatives driven by pragmatic leadership in both countries can prioritize economic and strategic cooperation over past conflicts, enabling formal apologies or joint commemorations that ease tensions.

◦ **ECONOMIC INCENTIVES:**

Enhanced trade opportunities, investments and regional connectivity projects can motivate both nations to pursue normalization for mutual benefit.

◦ **REGIONAL GEOPOLITICS:-**

The influence of external actors, can either facilitate dialogue or exacerbate rivalries shaping the pace

reconciliation.

• People to people engagement:-

Cultural exchanges, people to people cooperation and academic dialogues help reshape public perceptions and build grassroots support for normalized relations.

To address historical issues and foster improved diplomatic ties, strategies may include:-

- Establishing a bilateral truth and reconciliation commission to document and discuss the 1971 events transparently.

- Signing economic agreements that prioritize joint development projects that thereby, shifting focus to shared interests.

- Promoting educational programs that present balanced narratives of history to younger generations in both countries.