

## Question No: 03

Critically evaluate the reasons for the slowing down of CPEC projects. What options would you recommend to Islamabad and Beijing to re-invigorate the project and make phase II a tangible reality?

### Introduction:

CPEC - China Pakistan Economic corridor is a flag ship project to BRI (Build and road initiative). BRI have six corridors in which CPEC are under construction. CPEC was launched in 2015, its first phase was completed 2020, which was slow due to ~~the~~ rising security issue in Pakistan, role of IMF bailout, interprovincial issues and India regional strategies. However, there are some recommended measures, which make CPEC - Phase II a tangible reality.

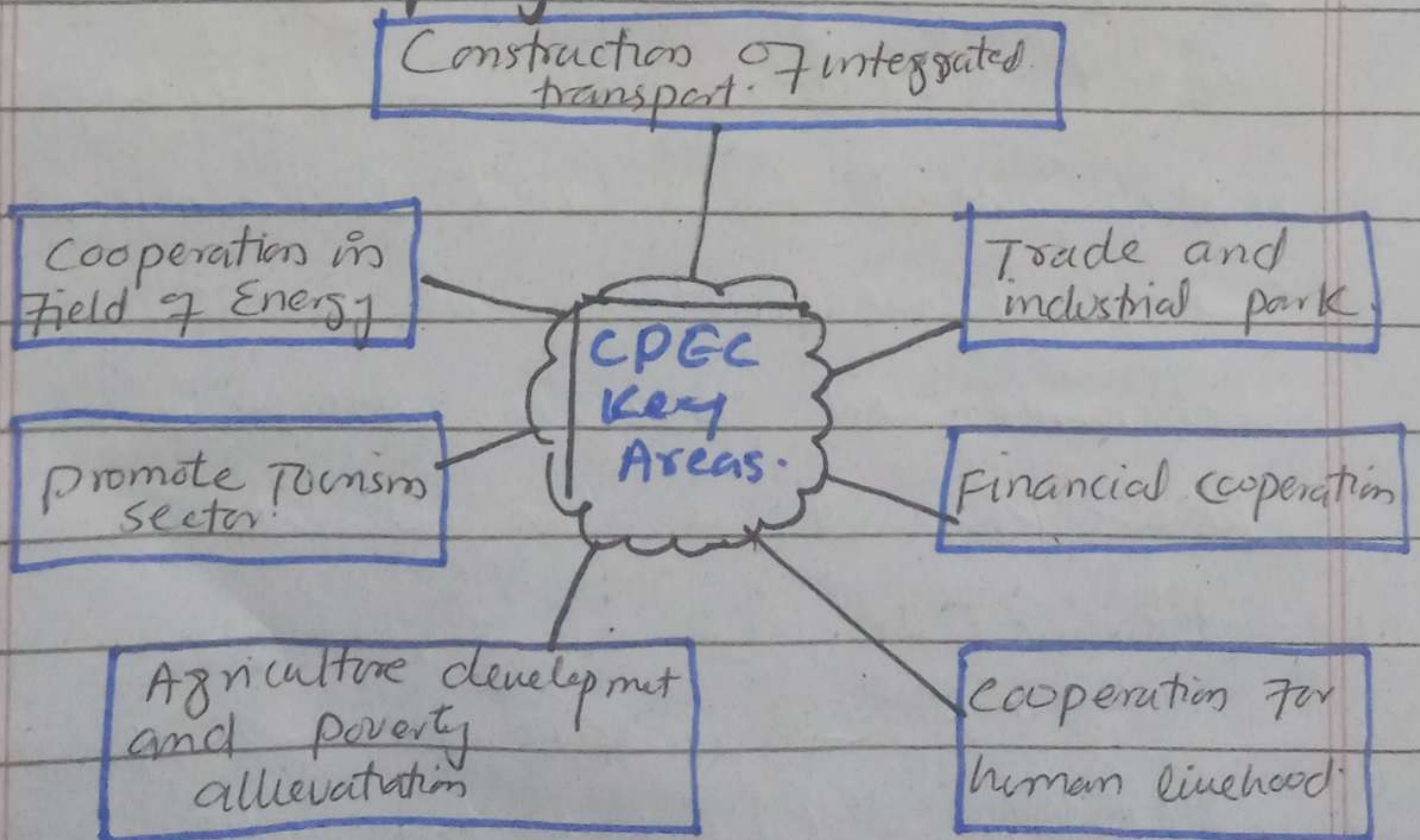
### ① CPEC: Overview:

CPEC is an economic project, which was launched by Chinese



President Xi Jinping in 2015, under BRI. BRI have six corridors which connect three continents of the globe and about 121 countries. Its aims was to create connectivity among states and provide opportunities for ease access to the global market. Only CPEC is under construction, for which \$43 billion was allocated and spend about \$25 billion over different projects of CPEC. Its first phase was completed in 2020 and second phase are under construction.

## ② Key area of cooperation under CPEC - projects





③ Critical evaluation of the reasons of slowing down of CPEC projects:

a) Rising security threat in Pakistan:

Pakistan has facing the issue of insecurity in which the foreign investors are targeted, particularly Chinese. Many terrorist groups like BLA, ISKP and TTP are involved to do terrorist attack on Chinese workers. For example, Karachi university attack by women in 2022, Turbat attack 2024, Karachi airport bombing 2024. These activities conducting for the purpose to create fear among workers due to which CPEC phase one project seen to be slow.

b) Political instability in Pakistan:

In Pakistan from last 7 to 6 year, the political condition are seen to be polarized. It was further exacerbate, when the previous



government was dissolved by vote of no confidence. Moreover, after 9-May, incident the conditions become too worst and government are continuously change. Therefore, due to political instability the CPEC project are affected and become slow.

### c) Role of IMF bailout package:

Pakistan is dependent on IMF loan to run the state economic affairs. IMF had reduce borrowing which directly hamper CPEC project and asks Pakistan to remove sovereign guarantees in energy sector. Moreover, also demanded Pakistan for the elimination of subsidies and tax relief in existing special economic zones and no more new zone would be made.

### d) Interprovincial tensions:

In Pakistan, Punjab government received most of the ~~the~~ financial



incentives to build Lahore-Islamabad  
motorway, Sukker <sup>and</sup> metrolink, orange  
metrolink in Lahore. On other side,  
Balochistan and KP provinces increased  
due to no project were given, inspite that  
these are no main focus area of CPEC.

### e) Grievance of local against Chinese incursion:

Local public of Pakistan,  
particularly Balochistan people are  
too affected due to CPEC project most  
of them have occupation of fishing  
which was ban by the government. There  
grievance was exacerbate due to  
jobless and effect their employment  
sources. Economic marginalization and  
restriction of fishing hinder these  
traditional mean of earning.

### 7) India reparious strategies to counter CPEC:

In the South-Asian region  
India is the strategic ally of USA  
and have worst ties with Pakistan.



and China. India intervene in CPEC project to encourage terrorist activities for the purpose to ruin CPEC project. That reason also contribute in slowing down of CPEC project.

④ Recommendation to Islamabad and Beijing to make CPEC Phase-II a tangible reality:

a) Establish security zones around key infrastructure area:

Both Islamabad and Beijing need to establish security zones around the key infrastructure areas for the purpose to protect workers from terrorist attacks. The government of Pakistan take some step to make 12,000 CPEC police and appointed 3000 frontier corps for Chinese worker protection. That step make CPEC Phase-II more tangible.

b) Make local beneficiaries of CPEC:

The government of Pakistan need to make the local beneficiaries

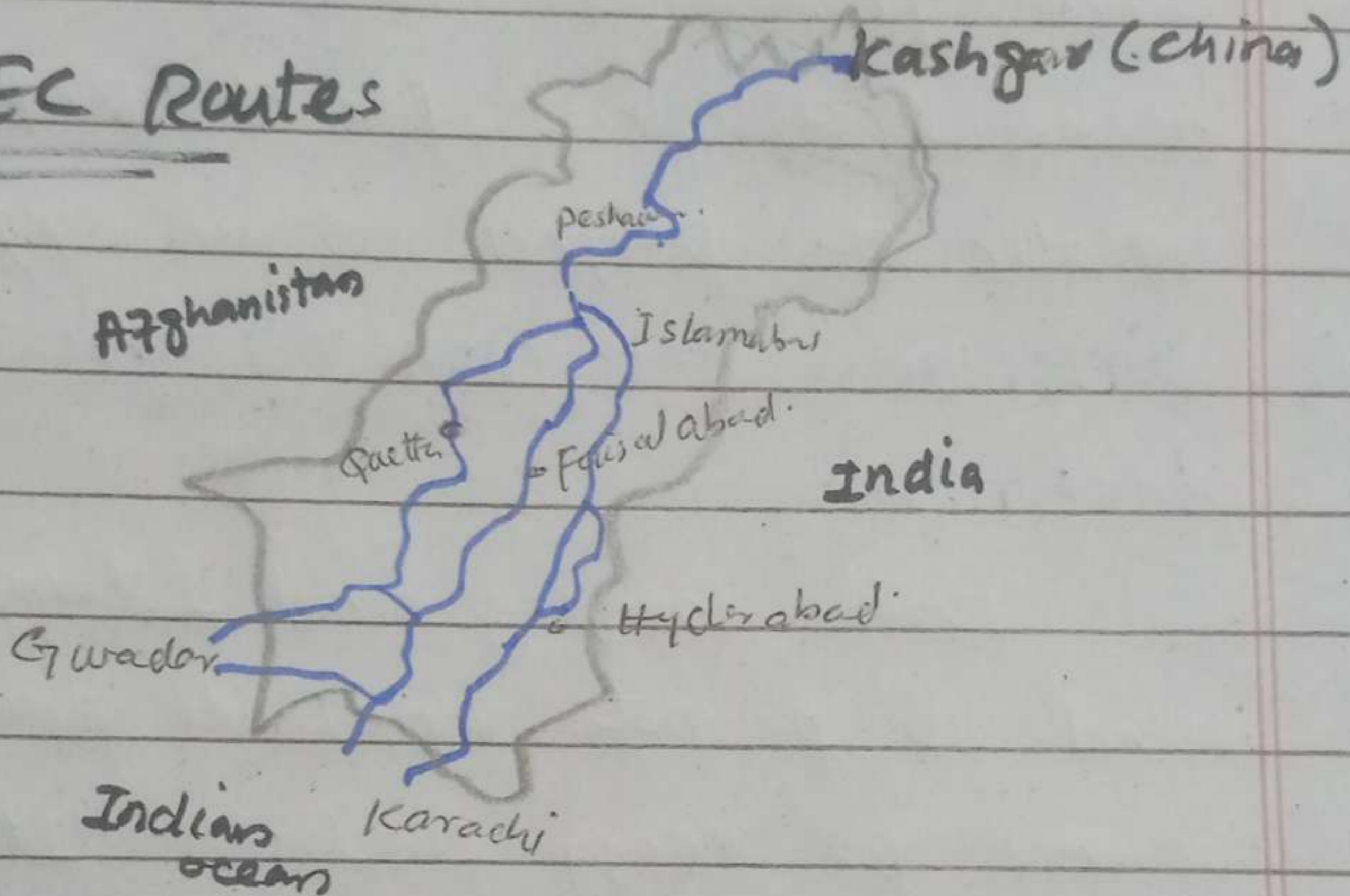


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of CPEC. Especially the people of Balochistan to address their grievances for the purpose to make CPEC Phase-II more tangible.

## CPEC Routes



### c) Shift to equity based financing for future project:

The government of Pakistan needs to distribute financing on equity base among all provinces. It would reduce the grievances of the provinces and make CPEC project more efficient. It has also leads to reduce Pakistan loan burden to earn from the local project and make CPEC phase II a tangible reality.



#### d) Federal government support, the local authority:

Federal government needs to support the local authority to provide them financial incentives and technical assistance, for the purpose to make the project more efficient.

#### e) Encourage the use of green technology:

Both Beijing and Islamabad need to promote renewable energy resource for energy production. It will reduce the production cost and also minimize the environmental threats.

#### (5) Conclusion:

CPEC Phase-I has faced many challenges due to which its efficiency become reduce. Both internal and external factors are responsible. However, Both Islamabad and Beijing need some pragmatic measures that lead the CPEC - phase II project toward a tangible reality.



## Question: 04

Islamabad - Kabul tension lingers on due to TIP using Afghan land as a launching pad for terrorist in Pakistan. Critically evaluate the situation. Give possible recommendations?

### Introduction:

Pakistan and Afghanistan are two neighboring muslims states of the South Asia. Which have closed cultural, linguistic and religious ties. From the last four decades Afghanistan became the epicenter of Pakistan political interest. Their relations are not better from the beginning and the tension between them became exasperate after NATO withdrawal from Afghanistan. It has adverse impacts on both states brotherly ties, TIP skirmishes further affects Pakistan in security, social and political affairs. However, their ties can be normalized through some pragmatic measures, that create the a peaceful and cooperative environment in the region.



## ① Background of Pakistan and Afghanistan tensions:

Since independence of Pakistan, Afghan government have irredentism claims over Pakistan. It made both state relations worst and Afghanistan denied Pakistan recognition. In 1970s Soviet-Afghan war started both and fought war against Soviet Union. After 9/11 the relations became too worst that Pakistan support NATO against Afghan government. However, after NATO withdrawal 2021, Tehrik-i-Taliban Pakistan had started terrorist activities in Pakistan by using Afghan land, which further aggravate the tension between Islamabad and Kabul.

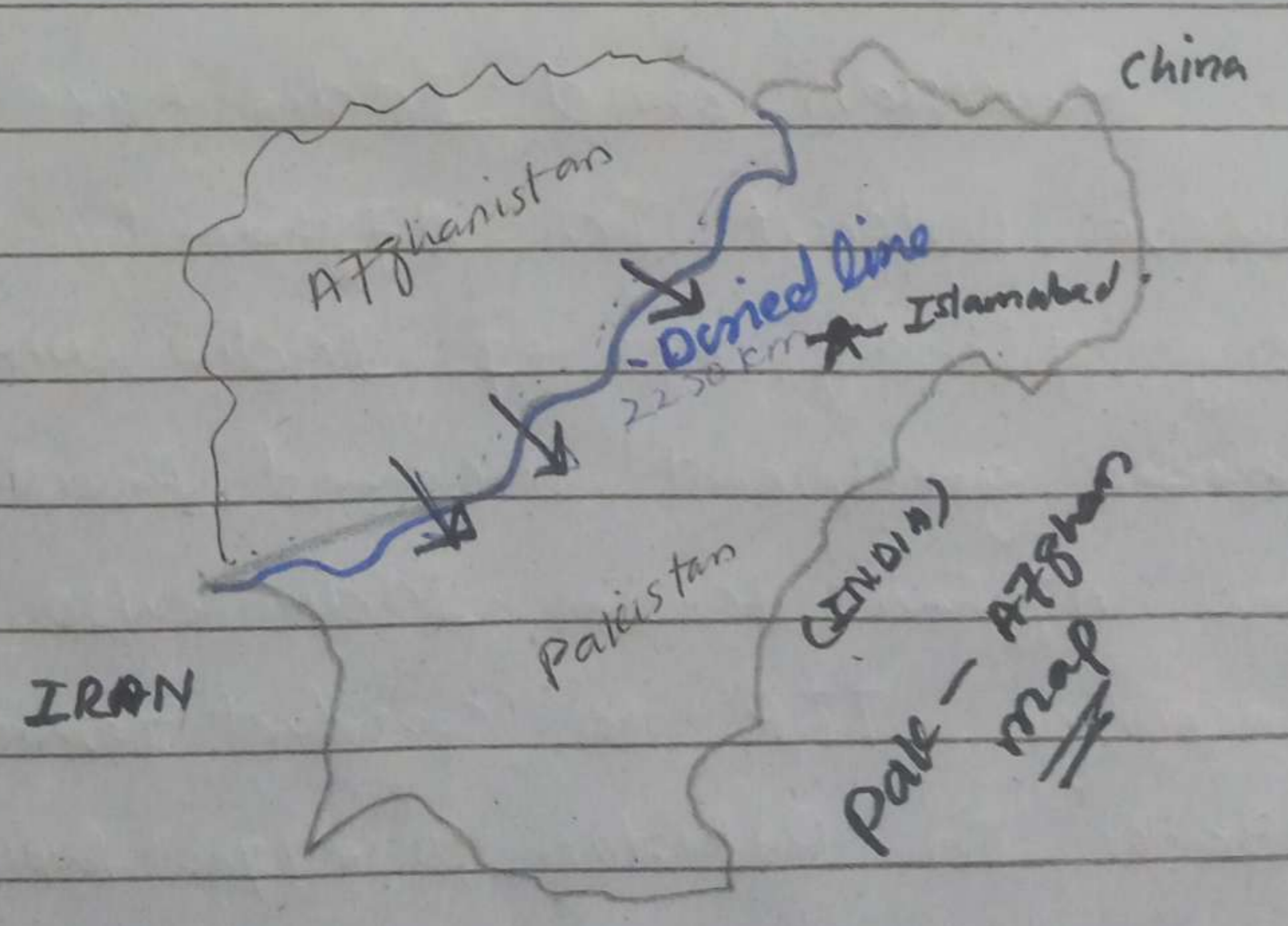
## ② Critical evaluation of Islamabad and Kabul tensions:

i) Diverged line issue between Pakistan and Afghanistan:

Kabul ~~has~~ <sup>has</sup> irredentism claims



over Pakistan, that exacerbate the tension between both neighbour states. In 2021, Pakistan government started fencing ~~at~~ on Duried line but Afghan government denied to considered Duried line as an international boarder. It caused skirmishes and even remove fence. Afghan ~~de~~ Taliban defence spokesman said, fencing is illegal and Taliban government donot recognized Duried line as international boarder.



ii) TTP terrorist attacks in Pakistan;  
TTP is an terrorist organization



which used Afghanistan land against Pakistan to involve in terrorist activities. Many terrorist attacks in Pakistan like APS - school attacks 2014, Dasu dam attack on Chinese worker and Besham bomb attack on Chinese are conducted by TTP. These terrorist activities further boost up Islamabad and Kabul tensions, which has unwanted consequences on the region.

### iii) Engagement of India to encourage TTP and Afghan Taliban against Pakistan:

Pakistan and India have diverse interest in Afghanistan. The rising friendly ties of India with Taliban government increased Pakistan and Afghan tensions. India also encourage TTP to conduct terrorist attacks in Pakistan to effect Pakistan and Afghanistan relations and leads toward regional tensions.



### ③ Impacts of Islamabad and Kabul tensions:

#### i) Cross-border skirmishes:

Due to TTP terrorist activities in Pakistan and external entities intervention lead Pakistan and Afghanistan toward border tensions. Several tensions happened in the last and now in December 2024, Pakistan military launched attacks against TTP in Afghan land which further aggravate both state relations.

#### ii) Disturbance in cross border trade:

Afghanistan is land lock country, depends on Pakistan for trade and exchange of goods. Due to TTP terrorist activities most of the time border became close, which have far dangerous consequences on both state relations.

#### iii) Refugees crisis in Pakistan:

Due to TTP terrorist attacks Pakistan also facing refugee crisis. In Pakistan there are about 3 million Afghan refugees in which 2.4 million are



registered. Pakistan force these refugees to back to Afghanistan, which also affect both side ties.

#### ④ Possible recommendation to minimize Islamabad - Kabul Tension:

##### i) Track-one diplomacy for peaceful resolution of conflict:

Both states, Pakistan and Afghanistan need to solve the conflict through one-to-one diplomatic negotiation. The Kabul needs to ensure that Afghan territory would not be used against Pakistan and also need to solve border dispute to consider Durand line as international border.

##### ii) Using SCO - Platform - RATS:

Shanghai cooperation organization have RATS (Regional anti-terrorist Squad) platform, which are working for the combat of terrorism in the region. Both states should use SCO-platform to resolve tensions through peaceful negotiation.



iii) Strengthen economic interdependence bond between Kabul and Islamabad.

The tensions between both states become rampant, they need to strengthen economic bond to ~~Partly~~ Create economic interdependency over each other. These economic interdependency would prevent both states from aggressive behavior against each other and lead toward prosperity of the region.

iv) Open dialogue in Parliament to made counter terrorism policy:

The government of Pakistan need to made anti terrorism policy, which must be specific toward Afghanistan. These type of legislation will empower the government to protect the public from the aggression of TTP attacks.

v) Take non-kinetic measure to reduce tensions.

The government of Pakistan and



Law enforcement agencies always used kinetic means to counter terrorism, due to which it became increased. They need to ensure the role of religious scholars to portray anti-terrorism narrative and present the real teaching of Islam. This effort will make better the ties between Kabul and Islamabad.

## ⑤ Conclusion :

Islamabad and Kabul tensions become rampant, which have adverse impacts on the region. Both need to use diplomatic platform and enhance economic interdependence between each other to reduce the tension. Moreover, Afghan Taliban need to start effort against TTP that should not be used in Afghanistan against Pakistan. Therefore, these efforts lead both states toward prosperity and development.



## Question No: 01

The HTS Islamist rebels have toppled down Bashar-ul-Asad regime in Syria. Critically evaluate the reasons and implications of the unprecedented change in Syria.

### Introduction:

Syria is an Islamic state in Middle East, which has been ruled by Asad Family since 1970. Ruler Bashar-ul-Asad belongs to Shia muslim group, his government has toppled down by Sunni muslim group Hay'at Tahri' al-Islam (HTS) in the end of 2024. The regime change have many reasons including Russia sanction, stop Iran support, economic crisis and political instability in Syria. It has also adverse implications on the region: militization of Middle East, reduce Russia and Iran influence and abolishment of Shia influence over Syria.



## Background

Syria has been ruled by Asad family since 1970. First his father Hafeez-al-Asad then Bashar-ul-Asad since 2000. In Syria two major groups of population, about 75% Sunni and 20% Shia. Bashar-ul-Asad belong to Shia muslimo group. During financial crisis 2008, Arabs' economy faced huge crisis due to which Arab spring started. Also protester do protest against Asad regime but Iran and Russia support him to suppress the protester. So, at last in december 2024 - HTS toppled down Asad's regime.

## Reasons of toppled down Asad regime:

### a) Economic sanction on Russia's

Syria government particularly Asad-regime had been supported by Russia for many years.



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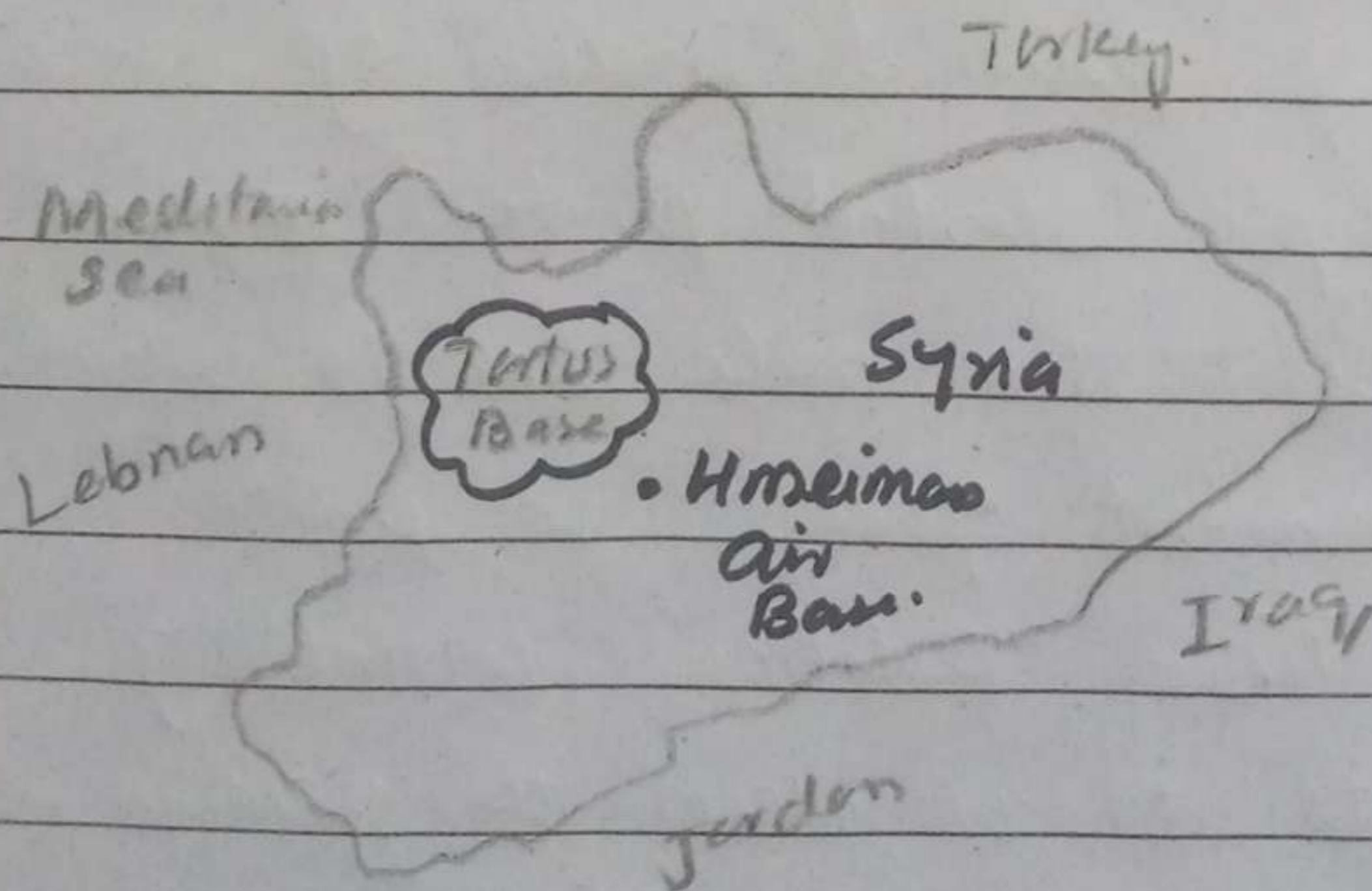
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Russia have been the strategic partner of Syria since 1971, having Tartus Naval base and Hmeimem air base for the purpose to maintain influence over middle east.

Russia has facing huge sanction due to Russia - Ukraine war, and which weaken Russian's economy.

Moreover, Russia private military group Wagner also started mutiny against Russian government. So, Russia loose its support, that's why Assad regime topple down.

### Syria map:



b) Stop Iran support - USA sanctions

In Syria Shia government



has been facilitated by Iran during Arab spring and also supported its rebels conflict. But, now Iran has faces huge economic sanctions and Trump regime become a new threat for Iran to impose more sanctions. Iran feels the fear of ~~Rev~~ revolution due to economic crisis and unable to support Syria (Asad regime) that's way Asad-regime toppled down by HTS.

### c) Political instability in Syria

In Syria there is severe type of political instability since 2011. People started protest against authoritarian Shia rule, due to which the government face huge political crisis. These political instability contribute to weaken the government in Syria and leads them toward collapse.



## d) Syrian Army Exhaust to Fighting War since 2011:

Syrian army has been fighting war in different directions since 2011. These continuous fighting make exhaust Syrian and become incapable to counter the attacks of HTS. So, these weakness cause Assad-regime collapsed.

## e) Economic instability in Syria:

Syria has been facing huge economic instability since 2008 - Global Financial Crisis. These crisis weaken the Syrian oil base economy. These economic crisis loose public support toward Assad-regime and leads them toward collapse.

## Implication of unprecidential change in Syria:

### i) Humanitarian crisis:

Toppled down of Assad regime



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Caused humanitarian crisis in Syria.  
 About 12-million people displaced internally and some become refugees in the neighboring states, like Jordan, Turkey and Iraq.

## ii) Rise of Kurdistan movement for separate state:

Change in ~~reg~~ regime provide opportunity for Kurd population to restart Kurdistan movement for separate state. Kurd population live in Syria, Turkey and Armenia start demand of separate state, which become a threat toward for Turkey and Syria. It is because about 20% of Turkey population is Kurd.

## iii) Reduce Russia influence in middle East:

Russia have military and air bases in Syria to maintain its



influence over middle east affair. For that purpose try support of Assad regime. The economic sanctions on Russia make them unable to help the Assad to protect his regime from collapse.

#### iv) Threats toward Iran Influence in Middle East:

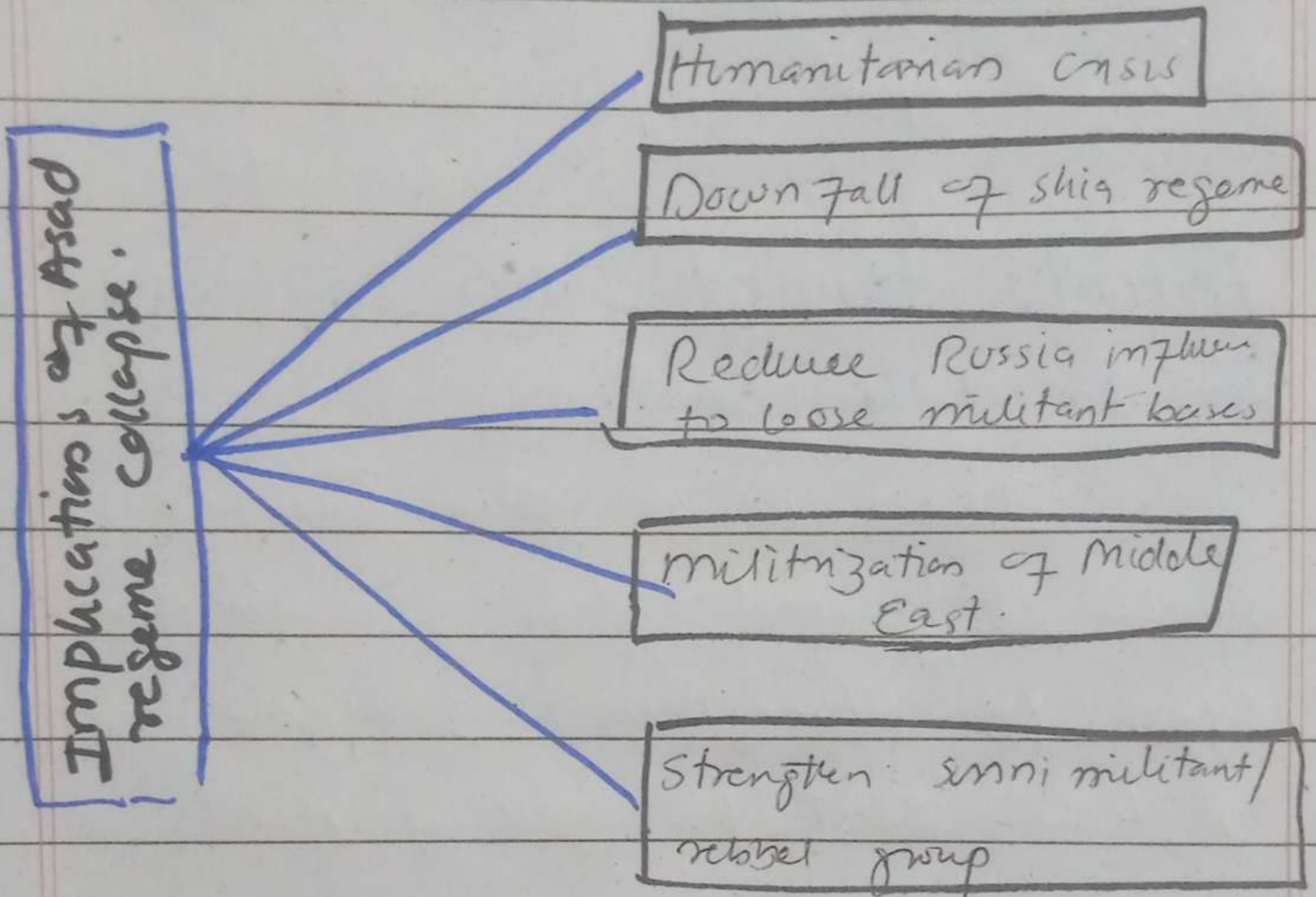
Iran is a Shia Theocratic state, supported Shia government in Syria to strengthen its hegemony in middle east. The fall of Assad regime reduce Iran influence in Syrian affairs because HTS is Sunni muslim group back by Saudi Arabia - and United State of America against Shia population.

#### v) Militrization of Middle East:

The change in regime further boost up anarchy in middle east. Protester and Syrian army fighting



with each other and also provide opportunities for other militant groups like Hamas, Hezbollah and Houthis to exacerbate their militant activities



### Conclusion:

Wreak the power surge of Iran, economic sanctions on Russia, political polarization and economic crisis lead Assad regime to collapse. It has immense implication over middle east like humanitarian crisis, loss of Russia military bases and militarization of middle east.



## Question No: 06

To turn around the economy and end the repeated boom and bust cycle, there is an urgent need of comprehensive structural reforms in Pakistan. Evaluate.

### Introduction:

Pakistan is facing the problem of economic challenges due to inconsistency in economic policies and political instability in the country. The country is rich of natural resources and have the potential to earn from tourism. The state needs to some comprehensive structure reforms to repeat the boom and bust cycle for the welfare and prosperity of the nation. These reforms are privatization of SOEs, empower local government system, digitilization of economy and de-centralization of FBR.

### Why needs Comprehensive reforms:

Pakistan needs comprehensive reforms for the purpose to ensure



economic growth, reduce dependency on external debt, strengthen currency growth and welfare of the nation.

The government faces the problems of circular debt, inconsistency in economic policy, unemployment, reduction in remittances, current account deficit and de-valuation of currency.

**Comprehensive structural reforms in Pakistan to repeat boom and bust cycle:**

### i) Privatization of SOEs:

Privatization of state owned enterprises is a significant step toward the economic revival of Pakistan. The SOEs in Pakistan are in loss and become unable to fulfill the employees wages. It became burden over government and state resources. The state owned enterprises are INAPDA, steel mills, PIA and railway.



SOEs	losses
INAPDA	RS = 2.7 trillion
PIA	RS = 500 bn
Steel mills	RS = 600 billion
Railways	R = 60 billion from last 3 years

According to the report, the PM of Pakistan on occasion of five years plan (2025-2030) claims that SOEs losses about 60 trillion PKR is the last ten years.

#### ii) Empower local government system for efficient tax collection

The government needs to empower local government system for tax collection from the grass root level. Ex-president Perwaiz Musharraf made an efficient local government system under local government ordinance act, which empowers the local bodies



to collect tax from tehsil and village council. Therefore, the empowerment of local government can play an efficient role in Pakistan's economic growth.

### iii) Promotion of tourism in Pakistan:

Pakistan has been gifted by the God with natural resources and beautiful hills and valleys. These resources are considered as wealth for Pakistan. According to POBS international report 2021, Pakistan has the potential to earn **\$40 billion** per year from tourism sector. So, the promotion of tourism in Pakistan can play a pivotal role in state economic growth.

### iv) Digitilization of economy:

In Pakistan most of the enterprises are undocumented and



The government have no record that how many the concern enterprise earn daily. For example Pakistan agriculture system are contribute about 22% in revenue collection but <sup>about</sup> ~~the~~ 50% of population use their potential. So due to indigitilization the government cannot identify its revenue. due to which its contribution in tax become to less, which is about 0.03%.

#### v) Encourage Foreign investors:

Pakistan is rich of natural resources and huge large agriculture land, that become an opportunity for foreign investors to invest in concern sector. The government need to encourage foreign investors through the platforms of SIFC and BOI. Pakistan agriculture sector have the potential of about \$30 - 50 billion investment per years. moreover, Pakistan has also the potential of \$30 billion per years in



mining sector investment. These investments bring FDI that repeat the boom and bust cycle of Pakistan economy.

## vi) Encourage provinces for efficient tax collection:

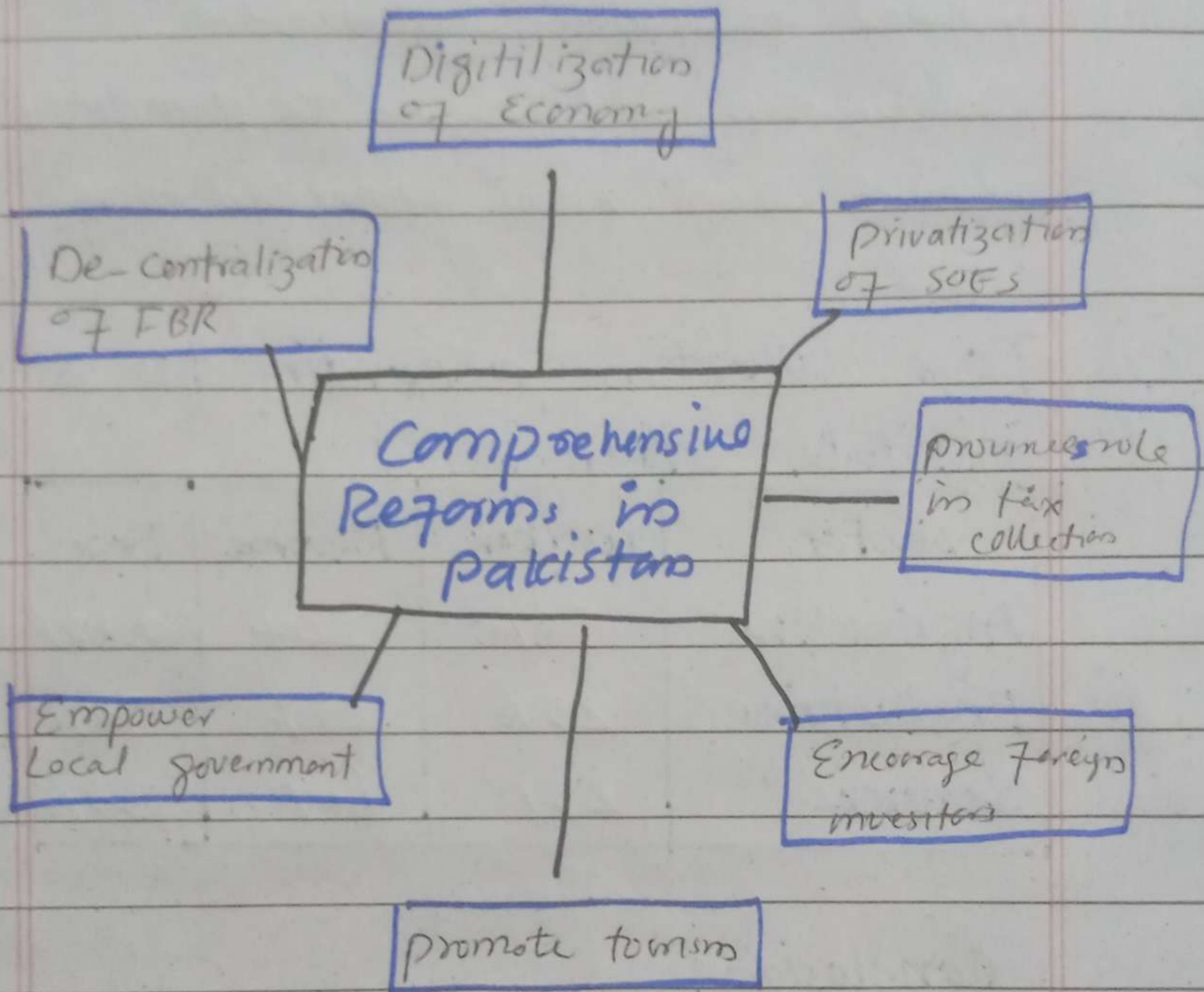
Historically, Pakistan have highly centralized government, but after 18<sup>th</sup> amendment the provinces became too powerful than center. The provinces need to ensure efficient tax collection in their concern area. For instance, center contribute about 84% of tax collection while the units contribute about 16%. Which is too less and need immediate steps.

## vii) De-centralization of FBR:

De-centralization of FBR (Federal Board of Revenue) is an essential step for efficient tax collection from ~~the~~ all the regions of the state. The government need to



made regional and local FBR office to ensure tax from all the sectors of society.



viii) Ensure collaboration between industries and educational institutions:

Collaboration between the industries and educational institutions is an efficient step to promote practical work. In Pakistan more



them 64% youth population, in which most of them are education but have no practice work experience due to flawed education system. These collaborations will ensure the promotion of research and new innovation in the state -

### ix) Tax collection according to institute strength:

Sector	worker	Revenue	Tax
Agriculture	50%	22%	0.03%
Industries	25%	25%	70%
Services	25%	60%	30%

### Conclusion:

Pakistan is a developing country, the comprehensive structure reform will boost up the state economic growth and development. These reforms will ensure the the growth of society and recover the prosperity of the nation.