

"M. Wasim"

(i) Introduction

(ii) Historical Analysis of Pakistan
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(iii) Negative ~~Global~~ impacts of the
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(a) Increasing the interest rate

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the socio-economic condition

(c) Market based Exchange rate
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(iv) Recommendation for coming out from ~~the~~ IMF trap:

- (a) Structural reforms in Economy
- (b) Broadening Tax bases to reduce tax evasion
- (c) Boosting Exports
- (d) ~~Attracting~~ Attracting foreign FDI

(v) Conclusion:

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~~(i)~~ ~~Introduction:~~

(i) Introduction:

Twin deficits, budget deficit and payment crises, leads Pakistan to knock the door of IMF. Due to these two reasons, Pakistan has taken the loan almost 24 times, yet the economic situation is deteriorating continuously. It seems that IMF international monetary ~~policy~~ funds is not the ultimate cure of the economic fragility. As its tough conditionalists,

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which includes deregulation, trade liberalisation and privatisation, creates hurdles for economy. Therefore, Pakistan, without relying on IMF, needs to adopt some strategic measures in order that Pakistan will come out from IMF traps.

(ii) Historical Analysis of Pakistan and IMF:

Pakistan, was during 1950s, became the member of International Monetary Fund (IMF). But secured first IMF loan in the era of Ayub Khan, 1958. Then, Zulfikar Ali Bhutto government secured its largest funds. Then after, with during 1988 to 1999, Pakistan went to IMF almost thirteen times. and after that the era of economic fragmentation had started, so every government, at the very first stage of government formation, secured its IMF loan.

In a nutshell, Pakistan, within #67 years, secured IMF loans for 24 times. But, yet, Pakistan's economy did not get stability.

(iii) Negative Impacts of IMF conditionalists on Pakistan's economy :-

Due to twin deficits, Pakistan always compels to knock the door of IMF since 1958. However, instead to strengthen the roots of shaken economy, IMF tough conditionalists further deteriorate the economic condition of Pakistan. Here ~~are~~ is its general analysis that how IMF conditionalists wrench Pakistan's economy.

① Increasing interest rate:

IMF conditionalists include to rise the interest rate, so this creates a toxic environment for the local and foreign investors.

Currently, the interest rate touch its extreme point (20%). ~~It~~ Therefore, it reduced the economic growth rate Pakistan is grappling with the low economic growth rate due to high interest rate

(b) Tight fiscal policies exacerbate Pakistan's ~~the~~ socio-economic condition ~~of the~~

Furthermore, IMF prohibits the country to subsidise the socio-economic products, such as oil, gas, electricity, consumer products and reduce the jobs opportunities. So it creates a tough condition for already an under-developed and developing nations.

During 2022-23, IMF tight the fiscal policies as a result, it brought down almost 6.5 million people below the threshold of poverty.

(c) Market based Exchange rate leads to Currency devaluation:

Additionally, Market based exchange rate is another tough policy, that incites destabilisation

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in Pakistan's economy. The market based exchange rate leads to currency devaluation.

So Pakistan has import oriented economy. Thus it leads Pakistan further in further economic losses.

(d) One fit for all prescription creates hurdles for developing countries:

Moreover,

~~Pakistan~~ IMF single set policies imposes on all countries without understand its basic economic issues. For example, Sri Lanka economy collapsed due to Covid-19.

~~their~~ ~~Due~~ their economy was tourism oriented, hence Covid hit out its economic model. However, IMF offered its own on same conditionalities. These conditionalities suffocated Pakistan's economy. yet, again ~~the~~ IMF compels Pakistan to implement these policies.

(e) Austerity Measures pushes Pakistan toward Privatization:

Since 1990, after the disintegration of Soviet Union, IMF

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enforce its debtor to privatize the SOEs. ~~Pakistan~~ Although it is a best policy for short term economic revival, in a long run, it has a devastating impacts on the economy - for example, ~~IPPs~~ IPPs.

Therefore, IMF conditionalists deteriorates the country economy rather than directing economy on ~~its~~ a right track.

(iv) Recommendations for coming out Pakistan's Economy from IMF trap:

Pakistan

needs to work/amend its economic structure and model, ~~for it needs~~ otherwise, she

will remain stuck in the IMF trap.

~~The recommendations are follow~~

① Structural reforms in Economy:

Pakistan

needs to revive the structure of economy. its almost 50% population engaged in agricultural sector which ~~genero~~ generate s

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19 to 21% revenue, while real State Sector generates 60% revenue and only 20%.

People are engage. Therefore, utilize this 50% population in effective ways.

This ~~will~~ may resolve the economic hard hurdles which compel us to acquire loan.

(b) Broadening tax bases to reduce tax evasion:

Pakistan has lowest tax-to-GDP ratios in the region. ~~IMF~~ frequently world Bank frequently suggest to broader the tax bases. Pakistan needs to ~~include~~ ~~agriculture~~ ~~to~~ ~~impose~~ taxes on agriculture and real state sector. The it will shrink the government expenditure and tax collection gap. It will ensure Pakistan to rely on it own.

(c) Boosting Exports:

Pakistan's growth imbalance export and import ~~exacerbate~~ exacerbate the trade deficit. Pakistan needs to export atleast ~~30 items~~

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to balance the import. The ultimate ways to reduce the electricity cost, value added products and aligning ~~IT~~ with industries with academia

(V) Conclusion :-

Pakistan's economy has highly relying on the foreign aid, especially IMF. However, the its tough conditionalists further deteriorate the country economy. Therefore, Pakistan needs to strengthen all the pillars of its economy, rather than relying on IMF aid.

Q No 3

Answer

(i) Introduction

(ii) Historical Context of Separatist
insurgencies in Baluchistan(iii) Understanding the incentives behind
the separatist insurgencies in
Baluchistan:

(a) identity Crisis

(b) Resource exploitation

(c) foreign factor

(d) Low socio-economic status

(e) Provoking Measures of the State

(iv) Recommendations to resolve the issue

Once for:

(a) Resolving the issue of identity
Crisis(b) Revival of their Socio-economic
Status(c) Adopting negotiation rather than
convening them through kinetic measures(d) ~~But~~ Ensurance of Bottom to top

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terrorism counter measures

(v) Conclusion:

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(i) Introduction :-

Pakistan, since the independence, is facing several security issues. One of them, Baluchistan insurgency, it has been ignited since 1948 when ~~Pakistan~~ ~~force~~ they are forced to join Pakistan. However, after joining Pakistan, their term and condition had violated due to internal domestic issues and external regional security dynamics. However, there several incentives factors provoked Baluchistan's people to require an autonomous status. Therefore, some highly recommended measures need to be adopted which align with nature of this issue.

(ii) Historical Context of the Separatist insurgencies in Baluchistan:

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The Khan of Kalat ~~also~~ did not want to submerge with Pakistan, but the sharp diplomatic tactics of Qaid-e-Azam compelled him to join on the same terms and conditions. For example, Baluchistan would be an independent/autonomous province. However, during two Scheme formula in 1952, violate this ~~the~~ term so that people ~~erect~~ stood against the state policies. After that, state adopted kinetic measures to suppress it. Later, the 1962 Constitution as a presidential nature further erupted the protest. Then, during the Zulfikar Ali Bhutto government and ~~Musharraf~~ General Pervez Musharraf government ~~they~~ did military operation. Consequently, ~~they~~ their force and voice in the region ~~was~~ were strengthened.

(iii) Understanding Some Incentive factors behind the separatist insurgency in Baluchistan:

There are several factor ~~lies~~ behind the insurgencies ~~of~~ in Baluchistan.

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(a) Identity Crisis :

People takes biased Views against the State when they are aside from ~~main~~ mainstream politics, social and economic decision making. The unfair distribution of economic, social and political privileges to the people led ~~to~~ Baluchistan People against the State. State continuously oppressed them, and violates their term and conditions. Therefore, State ~~biased~~ indiscriminate view toward them made them Separatists.

(b) Resources exploitation :

Another factors, Separatist uses to legitimate their violence is their resources exploitation. They are not beneficiary of their indigenous resource. For example, ~~china mining factory~~ china-Pakistan agreement on Gold mining. Chinese used to take 50%, with Port Center of Pakistan took 40% of its share while Baluchistan government would take only 10% of the resources. This led them to justify their Separatism.

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(c) Foreign factor involvement:

India continuously fuel this separatist movement through different means. For example, ~~the~~ Kalboshan Jadhav was surrendered red hand in Baluchistan. India creates issues for Pakistan in so that she can gain a geostrategic and geo-economic benefits.

(d) Low Socio-economic Status:

Moreover, another reason is their low economic status. ~~foreign~~ According to the latest economic survey, Baluchistan has the largest ratio of poverty. around 70% people live below the poverty. Hence, foreign funding in the separatist organisation becomes the attractive reason for youth and common people.

(e) Provoking measures of the State:

Additionally, State always took a kinetic measures

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to resolve this issue. However, it
provokes the separatist movement further.
Since the 1948, many time State attempt
to sort out this issue. However, they
use kinetic measures which further fuel
the separatist movement.

(iv) Recommendations to resolve the
issue once for all:

To analyse the
history, one thing becomes clear that
Baluchistan issue would be sort out
by adopt soft kinetic measures. Therefore,
it need some soft-measures. Some of
them are given below:

(a) Resolving the issue of identity
Crisis:

~~Identity Crisis~~ ~~resol to~~
~~sort this~~, Single identity, but a
broader one ensure unity. as an
France, UK and US. However, involving
Baluchistan in economic is mainstream

Economic matter, ensures their political participation and Similarly, their social inclusion will ~~not~~ inculcate Pat them patriotism rather than tribalism.

(b) Revival of their Socio-economic Status:

Moreover, it is another soft-measures to revive their Socio-economic Status. People who are involved in BLA, BLS, and BLF they have ~~very~~ subordinate Socio-economic conditions. For example, the people of Quetta and Gawadar. This will ensure their activities Pro-state.

(c) Adopting negotiation rather than Conquering through kinetic measures:

~~As~~ As mentioned early, Kinetic measures is not a wise solution. Therefore, Pakistan needs to ~~listen~~ listen their political, economic and social grievances. It

the problem. It is possible only if State take a long breath before the negotiation.

(v) Conclusion :

The Separatist movement damaged Pakistan socially, economically and politically as well. Some authors mentioned that state biased measures provoked their separatist movements. However, state needs to adopt soft measures so that ~~it~~ it may handle the situation.