

2- Natural Resources: A Blessing or a Curse

Outline

1- Introduction

Thesis Statement: Natural resources are blessings. These can be evident through ~~the~~ positive impacts on socio-economic conditions of states. However, there are some critics over natural resources. The same ~~are~~ have been neutralized through valid counter arguments.

2- An overview of natural resources.

3- Natural Resources are blessings. (Thesis)

a- Support indigenous capability.

- Norway's hydropower.

b- Supports economic stability by providing economic opportunities.

- GPEC in Pakistan.

- Oil reserves of Middle East.

c- Upgrade living standards of citizens.

- Qatar per capita income.

d- International dependency: safeguard national interests.

- 1970s oil embargo

e- Natural environment purifier.

- Forest.

4- Natural resources are curse. (Anti-thesis)

a- It leads to dutch diseases

- Netherland gas reserves in 1960s.
- b- lead to volatile economy.
- Congo and Angola case studies.
- c- Weakend social fabric of the state.
- ~~USA~~ case study of Balochistan.
- d- can lead to international isolation.
- Sanctions over Iran by US, EU, UN.
- e- Environment degradation and natural hazards.
- World Meteorological organizations report over natural hazards.

5- Balancing the criticism - (Synthesis)

- a- Mismanagement of resources leads to dutch disease not resources
- b- Structural imbalances are reasons behind volatile economy not resources
- c- Unethical practices in institutions hampers social fabric
 - International Transparency report
- d- Conflicts among states and International regulations lead to sanctions International Isolation not resources.
- e- man made activities lead to environment degradation not resources.

6- Conclusion.

The Essay

"If conservation of natural resources goes wrong, nothing else will go right?" S.M. Swaminath. The saying goes well with the phenomenon of natural resources being a blessing or a curse. As natural resources are blessings. These blessings can be evident from positive impacts on socio-economic conditions of states. However, there are some critics over natural resources. The same have been neutralized through valid counter arguments. In order to support the stance over natural resources being blessings evidences can be an indigenous capacity of states to meet their demands, and as well as provision of economic opportunities. Other than that natural resources upgrades living standards of people, they safeguard national interests on international levels. Furthermore natural resources are natural environment purifier. On the other hand critics objects that natural resources are curse as they lead to dutch disease phenomenon to its beholding state. This can lead to a volatile economic conditions, weekend social fabric, international isolation and environment degradation. Although, the critics have raised ~~many~~ many objection but the same are hereby balanced through countering arguments. These

arguments proves that the natural resources are blessings are all the critics are settled with one or another justifications.

Natural resources are those resources which are present in a state without any external influence. Such as water, forests, minerals, hydrocarbons, and the list goes on. These resources are taken as a blessing for any country which possesses it. At the same time these resources help other states by fulfilling their demands in different fields of lives. As in a contemporary world the world has become connected which connects demands and supplies of every state to another. This way dependency of countries to each other increases. There are ~~states~~ ~~whose~~ ~~whole~~ ~~a~~ There are many objections over natural ~~to~~ resources being a curse. However, those who believe in positives of natural resources settle these objections of critics with valid counter arguments.

Natural resources are blessings. The same can be proven with the stance that natural resources provide opportunities and capacity to its beholding / possessing state to fulfill its needs and demands indigenously. As the same will not only reduce dependence on other states but also leads to

save revenue of state which would have been spent on purchases of commodities from foreign countries. For instance energy/electricity demands are increasing around the world and countries are forced to import expensive hydrocarbons to generate required energy/electricity. On the other hand countries like Norway, whose water resources have proven to be a blessing as Norway supports its energy need through hydropower plants. According to 2022 report of Norway's Bank the country had 88% hydropower production out of total demands of the year.

The same substantiate the stance that natural resources are blessing. As without water resources Norway would not be able to generate this much energy and would have to import expensive hydrocarbons.

In addition to rapid indigenous capacity building, natural resources provide economic opportunities to its possessing states to stabilize economic conditions of the country. When there are enough resources in the state the access of the same is used to export which generates export revenue for the state and stabilize economy. For instance Kingdom of Saudi Arabia possesses 18% of world's proven oil reserves, according

to OPEC. The same oil is used to export to other countries. Kingdom of Saudi Arabia's oil reserves contribute to 90% of its total export revenue. Thus, it can be concluded that oil reserves of Saudi Arabia has largest contribution to its economic well being. At the same time KSA is utilizing its oil reserves revenue in other sectors to diversify its economy. For instance KSA's vision 2030 is an example of that. Another example of this can be Norway's Government Petroleum Fund in which Norway utilized its revenue from petroleum which is a natural resource asset for the country. Therefore it can be said that natural resources are blessings as it not only stabilize economy of the state ~~but~~ through revenues but also help to diversify economy as well as ~~offer~~ provide reserves for investment. Hence, natural resources stabilize economic conditions.

Moreover, natural resources upgrade living standards of citizens. As countries with natural resources get enough opportunities to stabilize economic conditions as well as enhance/develop economy through investment and all. The same stable and growing economy enables governments to invest in enhancement of living standards of its citizens. For instance Qatar has one of the highest gas reserves in the world. The same is extended

Revenue generated from exports is utilised to public life development. According to the United Nation's Human Development report Qatar stands at 40th position on Human Development Index. with that per capita income of Qatar is \$ 72,181/yr as per World Bank and International Monetary Fund (IMF). All these indicators prove that ~~not~~ natural resources have enabled Qatar to increase spending on human development and provide better living conditions to its citizens. The same would ~~be~~ have not been possible if Qatar would not ~~have~~ had exports revenue generated from natural resources.

Other than ~~that~~ ^{the} above, natural resources safeguard national interests of possessing state at international level. The world has become a global village where countries depend on each other. This dependency provides a bargaining chip to the country over which others depend. In contemporary world everyone is in race ~~to~~ and wants to bypass others whether its economy, industry, space and so on. The same ambitions increase dependency. For instance western world heavily depends over middle eastern hydrocarbons to run their economies as well as day to day lives. The same was utilised by middle east in 1970s while imposing oil embargo in 1970s amidst

Palastine - Israel war. There natural resource oil was being utilized as a source to safeguard muslim interest or particularly Palastinian cause. Therefore, if natural resources are called to be a bargaining chip to safeguard national, community interest on international level then there is no wrong in it. Hence, natural resources are blessings not at domestic or internal affairs but also at international levels.

Furthermore, natural resources work as a natural purifier of environment. Forests are natural resources which nature has given in abundance such as Amazon Forest, South African forests, and many more. These are huge forests. Other than that there are many small forests in the world. The man made activities such as industrialization, power generation through non-renewable resources such as oil and gas. These activities emit carbons which harm environment but at the same time forests have a natural ability to absorb carbons from the environment and purify environment. Without forests human survival is very difficult due to environment degradation caused by carbon emissions. Forests not only absorb carbons from environment but it also provides oxygen in air which is necessary for human survival. That is the reason tree plantation campaigning campaigns are running around the world.

to substantiate the loss of environment made through human activities and ambitious nature. Thus, it can be said that natural resources are blessings in their core nature & of being an environment purifier.

On the contrary, if there are many critics over natural resources which believe them to be a curse. The first argument over natural resources is that natural resources lead to Dutch disease phenomenon to its possessing states. Dutch disease means over reliance on particular things. In resources it refers to the concept of relying on natural resource completely. This hinders countries to work on other economic opportunities. As the whole economy rely on natural resource. For instance, Netherlands had explored gas reserves in 1960, after which the performance of domestic sectors of Netherlands got severely damaged as the government heavily relied on gas exports and ignored other sectors. Here over-reliance on natural resources damaged other industries and sectors as government does not invest in other sectors in the hope of utilizing natural resources. However, countries bypassed the reality that these natural resources will ~~not~~ be finished one day. As these hydrocarbons are non-renewable

Resources which take hundreds of years to get formed and humans can not wait for that long. Moreover, the world is moving towards ~~non~~ renewable energy resources such as hydro, solar, etc. Thus, natural resources are curse as they set the states in the trap of Dutch diseases.

Furthermore, natural resources lead to volatile economic conditions. The states due to its over reliance over natural resources and not diversifying economic institutes make economies vulnerable to any mishaps. Whenever, there ~~too~~ would be any slightest change in the world which have chances to affect natural resources. This will result in affecting the economy of the state severely. For instance, The Republic of Congo heavily depends over its hydrocarbon exports. During Covid-19, the economies around the world got shut. That led to reduce demand of hydrocarbons. The same shift in the demand of hydrocarbons led to hit heavily on economies / such as The Republic of Congo and Angola. These states relied on their natural resources. The same reliance made their economies vulnerable during Covid-19 era. Therefore, it is said that the natural resources are curse. As a small interruption in demand of natural resources globally will result in hampering

The economy of the country.

Additionally, natural resources are not only make countries' economy vulnerable and fragile but also weaken the social fabric of the state. Countries which possess natural resources usually face internal rift due to unequal share of resources. Over resources. For instance, Balochistan, a province of Pakistan is under a continuous social unrest and face insurgencies. The social fabric of the ~~state~~ province is weakened. One of the reasons behind fragile social cohesion is resources. People of Balochistan feel discriminated over resources. This rift over resources weakens the state integrity and weakens social fabric. The critics argue that the resources are curse as it hampers social integrity, provides fault lines in the society which can be easily exploited and further tarnish the ~~resources~~ social fabric of the state. The critics argue that the whole rift over resources is due to the existence of resources themselves. Hence, resources are curse due to its hampering the social fabric and weakens national integrity and making states vulnerable to ~~any~~ any social issues. Moreover, natural resources

lead to international isolation of the state possessing states. A The world is changing making countries connected with each other. The same has increased its dependency over each other. The states which left isolated in this connected, global world lead to leave behind in the list of global advantages. ~~to~~ whereas globalization connects countries, while natural resources lead to international isolation. For instance, Iran ~~is a~~ has proven reserves of hydrocarbons and was one of the world's leading and largest exporter of hydrocarbons. However, the same state was heavily sanctioned by the United States, the European Union, and the United Nations. The sanctions banned exports of hydrocarbons, countries were restricted to purchase Iranian oils and gas. Those sanctions isolated Iran in the international market. No country purchased Iranian oil and gas ~~off~~ through official and declared means. The reason behind these sanctions was Iran alleged ~~at~~ uranium extraction by Iran. Therefore, the critics argue that the Iran got isolated and sanctioned in international market due to its natural resources. As natural resources - Uranium ~~was~~ was a reason behind sanctions. If there were no uranium there would be no sanctions. Moreover, if Iran would not have hydrocarbons, the world

would not have isolated it. In absence of natural resources Iran would have other means of economics. Thus, natural resources are curse ~~it~~ in their existence with social and economical

In addition to economic and social impacts, resources are argued to be cursed in environment as well. Natural resources such as minerals, hydro carbons, etc. when get extracted through mining lead to damage environment. mining process produces by-products ~~ex~~ for example dust particles in the atmosphere, during coal mining dust as well as coal absorbs in the atmosphere. These particles are environment pollutants. The same happens environment. The environment ~~is~~ ~~a~~ These environmental damages caused by natural resource extraction lead to natural hazards. According to the World Meteorological Organization, natural hazards are everyday phenomenon/activity in past 50 years. This report shows how vulnerable the world has become to natural hazards in last 50 years.

The same is the era ~~of~~ in which utilization of natural resources have increased multi fold. Therefore, the critics argue that the natural resources are curse as it cause environmental degradation which produces natural hazards and make the world more vulnerable to disasters.

Hence, natural resources are curse.

On the contrary, although the critics have tried to substantiate their ~~argument~~ criticism in one way or another.

However, the same criticism are balanced and neutralized with more substantive arguments.

First of all the critics argues that the natural resources are curse as it they cause dutch diseases to its

possessing states. However, the truth is that the mismanagement of resources cause dutch diseases not the resources themselves.

For instance, Norway is also a resource rich country but instead of with petroleum products. But instead of relying wholly on petroleum revenue the country opened its ~~to~~ fund under the name of Government Petroleum Fund (GPF). The same fund is

highly contributing to countries economic growth. According to the reports the fund's reserves reached 10 trillion Koen in 2022. This shows

the growth of the fund and management of resources. Therefore, critics claim over dutch diseases is neutralized here with management issues. The same is neutralized

with the example of Norway, which has managed its resources in a better way. And leads the country to the path of prosperity. The example of ~~not~~ Norway

provides critics with a mechanism to use instead of blaming natural resources

Over mismanagement of the same by humans. Thus, natural resources are not a curse but the mismanagement is a root cause.

Another criticism of critics is that ~~these~~ natural resources are a curse as they lead to a volatile economic conditions. The same is counter balanced with the argument that it is not the resources but the structural imbalances of the states which lead to volatile economic conditions.

For instance, countries like The Republic of Congo and Angola overly relied on one commodity or can be said that one revenue generation mechanism. Instead of developing other sectors of the country. Moreover, countries like Netherlands which instead of investing in its domestic industries after oil & gas exploration, had ignored the other sectors and focused only one sector. The same shows structural issues of the country. These countries instead of balancing their structural issues through long term plans and reforms, and policies, focused on short term gain. The short term gains no doubt were huge but in a long run the same short term gains generated through short term goals and policies become bone of contention in

economic well being of the state. Since, the countries do not focus on their structural flaws and tried to cash the situation as much as possible. The same lead to volatile economy. not the resources. Thus, it can be concluded that the resources are not cause as main reason behind volatile economy is structural issues which need to be solved rather than calling natural resources curse.

Another criticism over natural resources is that ~~it~~ they cause weak soil fabric of the state. ~~How~~ whereas, unethical practices of state institutions lead to weak soil fabric not the resources. For instance Venezuela, a highly rich ^{with} hydrocarbons proven reserves. The state is under continuous weak soil fabric, the people there are in the state of civil unrest. The same civil unrest is not caused by resources but the ill practices of the state institutions. According to the Transparency International Index for the year Venezuela stands at 177 out of 180 countries. The same is the case with ~~for~~ The Republic of Congo where corruption is very high. And the country is under civil unrest. People of these states are not satisfied with the performance of the state institutions due to higher

Corruptions and other malpractices. Another example can be of Pakistan where Balochistan province is ~~too~~ vulnerable to insurgencies supported by a weakened social fabric. The reason behind this weak social bond is unfair, and unjust, and unequal distribution of resources. For instance Sui gas was ~~exp~~ extracted and given to other provinces since the start of 1960s, but Sui itself is still deprived from Sui gas. These unequal distribution of resources ~~direct~~ creates fault lines which resultantly weaken the social fabric. Therefore, it can be said that the ~~unequal~~ ~~distribut~~ unethical practices of state institutions cause weak social fabric not the resources.

Moreover, the critics claim that the natural ~~resource~~ resources lead to international isolation of the possessing state. The same is counter balanced with the stance that ~~the~~ it is not the natural resources but the conflicts among the countries and international regulations, or violations of the same lead to international sanctions. For instance, Russia exported gas and oil to Europe but the same was stopped or minimized after sanctions by the United Nations, the United States, and the European Union and European countries.

But the thing is that the sanctions were not caused by natural resources, but Russian attack over Ukraine. The attacker violated the international regulations over sovereignty of territories. Here Russia violated Ukraine's sovereignty by attacking. This leads to sanctions. Thus it can be said that the international sanctions are due to international regulations and their violations, not because of the resources, so natural resources are not cause.

The last criticism is that natural resources ~~cause~~ ~~degrade~~ environment and cause natural disasters. However, the same is counter balanced with the report of International Platform of Climate Change (IPCC) in the year 2014 the institute published a report which indicates that the average temperature of the earth has increased by (1.1°C) 1.5°F since the pre-industrial era of 1970s. This report indicates that the temperature increased after industrial revolution. So it can be said that it was man's ambitious industrial activities which degraded environment not the resources. Moreover, World Meteorological Organization's report which shows that the natural hazards are everyday event of last 50 years. Also shows that the frequent natural hazards are caused in

in last 50 years which is a same period of industrial revolution. Therefore, it can be said that it was not the resources which caused environment degradation and frequent natural hazards. but men's ambitious activities in the field of industry ~~and~~ which degraded environment and caused natural disasters. So, natural resources are not curse.

At the end of the discussion it can be summed up that the natural resources are blessings not curse. Natural resources provides indigenous capacity and economic opportunities in the state. They enhance public living conditions which strengthen social fabric, safeguard nation's interests on international level as well as purifies environment. ~~However~~ ^{Although}, the critics ~~are~~ argue too that resources are curse by leading to dutch diseases, volatile economic conditions, weak social integrity, international isolation and degrading degradation of environment which ultimately cause frequent natural disasters. However, the critics are counter balanced with the arguments that dutch disease are caused by mismanaged resources, volatile economy is due to structural imbalances and short sightedness of policy makers. Furthermore, weak social fabric is caused by unethical practices of state institutions.

international isolation is due to ~~is~~ violations
of international regulations and at the end
environmental degradation is due to man's
ambitious activities. Hence, it can be summed
up that all the criticisms are being
balanced with substantiative counter arguments
~~and~~ Hence, ~~the~~ natural resources are
blessings not curse.

~~do~~ _____ ~~do~~