

Question No 06

→ Understanding the Boom - And - Bust Cycle:

8/20

Pakistan economy has historically been marked by periods of rapid growth followed by sharp downturns. These cycles are driven by structural weaknesses such as reliance on external financial, weak industrial growth, low export base and political instability.

2. Significance of Structural Reforms

Structural reforms aim to address the root cause of these issues by transforming key sectors. Reforms in taxation, governance, energy, trade policy and capital development are essential to create a stable and sustainable economic environment.

→ Fiscal Reforms: Broadening the tax base and improving tax are necessary to reduce budget deficits and reliance on external debt.

→ Energy Sector: By reducing circular debt, improving energy efficiency and promoting renewable energy can mitigate the power crisis.

→ Governance and Institutional Reforms

Ensuring transparency, tackling corruption, improving regulatory framework are critical for sustainable growth.

→ Trade and Industrial Policies:

enhancing industrial capacity and encouraging exports through value addition, diversification can reduce the trade deficit.

→ Challenges in Implementation:

Reforms in Pakistan faces a numerous challenges.

→ Political Instability: The political instability in Pakistan can disrupt the long-term policy planning.

→ Public Discontent:

spending or ~~cutting~~ raising taxes might upset public if they not supported by programs to help those in need.

→ Resistance from Interest Groups:

Reforms often face opposition from powerful groups benefiting from the status quo.

International Context:

Global economic condition such as inflation, rising interest rates and geopolitical tensions also influence Pakistan's economy. Structural reforms should align with global trends such as digital transformation.

Conclusion:

Comprehensive structural reforms are indeed essential to break the cycle of economic instability in Pakistan. However, the success of these reforms depends on political will, stakeholder consensus. Without addressing the structural weaknesses, any economic recovery is likely to remain temporary, perpetuating the boom - and - bust cycle.



Question No 07

→ Introduction:

9/20

To design a strategy for a grand political dialogue aimed to ensuring political stability as a prerequisite for socioeconomic stability in the country. We want to adopt the following comprehension.

→ Objective for the Grand Political Dialogue:

Objectives for the grand political dialogues are to create a roadmap for socioeconomic stability and sustainable development and to ensure commitment to constitutional norms and rule of law and democratic principles.

→ Key stakeholder to involve:

1. Political Parties: Representations from all major and minor parties to ensure inclusivity.

2. Civil Society:

Engage academia and NAOs to provide experts insights.

3. Business Community:

Business community include representatives from Industries and trade bodies to align economic goals with political policies.

4. Media: ensure transparency and public engagement while avoiding political polarization.

5. International Partners: Considered neutral observer for credibility.

→ Guiding Principles of the Dialogue

1. Inclusivity: All stakeholders must feel represented to avoid alienation.

2. Transparency: The dialogue should be clear, open and well-communicated to the public.

3. Neutral Facilitation: A neutral body individuals should mediate.

Agenda for Dialogue:

1. Political Stability: Develop a transition framework for smooth transition of power and agree on mechanisms to ensure free, fair, and transparent elections.

2. Socioeconomic Parties: address the key issues like poverty, unemployment, and inflation and ensure continuity of economic policies.

3. Judicial and Electoral Reforms: Reform the electoral system and establish judicial impartial processes to protect democratic processes.

→ Steps for Implementation: Create a committee for detailed discussion on agenda point. Hold town hall meetings and public discussion to keep citizens informed.

→ Anticipated Challenges and Solution:

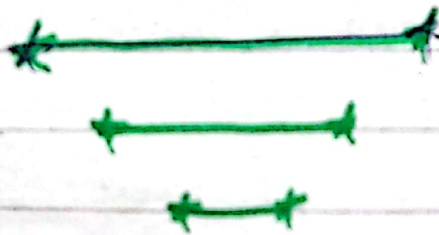
Face many challenges like lack of trust, polarization. Its solutions are to engage neutral mediators, and ensure transparency.

Focus on common socioeconomic goals to reduce hostility. Maintain regular communications.

→ Conclusion:

A grand political dialogue is essential to create a stable political environment, which in turn drives socioeconomic progress.

This dialogue must be seen not as a one-term event but as an ongoing process to adapt the involving challenges.



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

Question # 01

9/20

→ Introduction:

The China-Pakistan Economic Corridor (CPEC) a flagship project of China's Belt and Road Initiative (BRI) has faced significant challenges leading to a slowdown in its implementation.

There are many reasons for this slowdown of the project are given below.

→ Reason for the Slowdown:

1. Economic Challenges in Pakistan:

→ Debt Crisis: Pakistan's mounting external debt and declining foreign reserves have reduced its ability to invest its share in CPEC project and ensure payment to China.

2. Energy Sector Crisis: Circular debt in Pakistan's energy sector has reduce further investment in Energy project under CPEC.

→ Political Instability: Changes in government and policy shifts create uncertainty slowing down project and also lack of consensus among provinces on project can slowdown CPEC project.

→ Security Concerns: Attack on Chinese nationals and CPEC projects by groups in Balochistan have raised safety concerns for workers and investor. These security situation can necessary additional cost for protection can slow down the CPEC project.

Bureaucratic Inefficiencies:

decisions making process and the slow

Lack of coordination between federal and provincial system have also hampered the project

Recommendation for Islamabad and Beijing to Reinvigorate CPEC

→ For Islamabad

1. Economic Reforms: Implement fiscal discipline to address the debt crisis and create more stable economic environment. And also want energy sector reforms to resolve circular debt issue.

2. Improve Governance: Streamline the decision making processes and want to reduce bureaucratic hurdles and ensure transparency and accountability in the use of CPEC funds to rebuild investor confidence.

For Beijing:

1. Flexible Financing: Restructure debt repayment terms to

reduce Pakistan financial burdens like extending loans. Shift focus from loans to grants for select project.

→ Integrated Security Framework:

Collaborate with Pakistan to develop a comprehensive security frameworks to protect CPEC and workers.

→ Conclusion:

The slowing down of CPEC is rooted in a combination of economic, political and security challenges. Islamabad must address its internal governance and economic issues, while Beijing needs to adopt flexible financing and integrated security framework. Both nations ensure transparency and sustainability to ensure CPEC.



Russia - China growing economic strategic and geo-political collaboration is an effort to potentially challenge the US led world order. Discuss.

Question #03

9/20

→ Introduction:

Russia and China have significantly deepened their economic, strategic, and geopolitical collaboration in recent years, presenting a potential challenge to the US-led global order.

There are some key aspects of this partnership which are given below

1. Economic Collaboration:

1. Energy Cooperation: Russia is a major energy supplier to China, with natural gas pipelines growing trade. China demand for energy and Russia supply capacity create a strong mutual dependency.

2. Bilateral Trade: With increasing transactions trade between the two countries has expanded

rapidly \$200 billion annually in local currencies to reduce reliance on the US dollar.

Infrastructure Projects: Investments in infrastructure projects, particularly in BRI are creating new economic corridors connecting the two nations.

Strategic Partnership

→ Military Ties: Joint military exercise, technology sharing, and arms deals underscore their economy. This collaboration enhances both nations' military capabilities.

→ Cybersecurity and Technology

Cooperation in artificial intelligence, cybersecurity and technology development reduce reflects a shared interest in reducing reliance on Western tech firms.

→ Geopolitical Alignment

→ Multipolar World Order: Russia and China advocate for a multipolar world where power is distributed among several major states, challenging the unipolar dominance of US.

→ Opposition to US Hegemony: Both nations view US dominance as a threat to their sovereignty and interest. They both coordinate their position in international forums like the UN to counter US-led initiatives.

Challenges and Implication

→ Global Impact: Their collaboration could lead to the creation of alternative global institutions, tracing the system potentially fragmenting the current world order.

→ Shared Goals:

While both countries shared a common goal of countering the US.

Conclusion:

The Russia - China partnership is an evolving dynamic that seeks to undermine the dominance of the US-led world order by creating alternative centers of powers. While their collaboration is not without limitations, and the long term success depends on their ability to navigate mutual interests and external pressure.