

Q NO 3

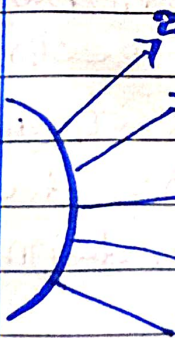
1. Introduction

Pakistan finds itself in a repeating cycle of economic instability because of low productivity, balance of payment crisis and high inflation.

The issues are fundamentally structural. The failures of political economy are not the cause of crisis, but rather the reason these structural flaws have never been fixed.

The solution for structural crisis lies in comprehensive tax reforms, export-led growth policy, human capital investment and others.

2. The Core of Crisis: Structural Flaws

- 
- 2.1) Chronic Fiscal Deficit
 - 2.2) Narrow Tax Base
 - 2.3) Energy Sector Circular Debt
 - 2.4) Low Exports and Diversification
 - 2.5) Inefficient State Own Enterprises

2.1. Chronic Fiscal Deficit and Narrow Tax Base

The state consistently spends far more than it earns. This is not a political choice but a structural flaw. The tax-to-GDP ratio is around 9-10% (one of the lowest in the region). The agriculture and retail sectors are largely untaxed.

2.2. Low Exports and Diversification

The exports are not diversified, with textiles making up the vast majority (over 80%) of total exports. This is making the economy vulnerable to balance of payments crisis.

2.3. Energy Sector Circular Debt

The inefficient power generation, high transmission and distribution losses led to energy sector circular debt which is around Rs. 2.6 trillion. It is due to a flawed structural design.

DATE: ___/___/___

2.1. Inefficient State Own Enterprises

Entities like Pakistan Steel Mills, PIA and DISCO, accumulate Hundreds of billions of rupees in losses annually, requiring massive government bailouts.

3. Solution for Structural Crisis

3.1. Comprehensive Tax Reforms

3.3 Export-led Growth Policy

3.4 Human Capital Investment

3.2. Energy Sector Overhaul

3.1. Comprehensive Tax Reforms

Not just new taxes, but a fundamental overhaul. End all exemptions; bring agriculture and retail into tax net, and simplify the FBR.

3.2. Energy Sector Overhaul

Privatize distribution companies (DISCOs), renegotiate costly power contracts, and invest in sustainable, cheaper energy sources to end circular debt.

3.3. Export-Led Growth Policy

Shift state focus from import substitution to export promotion. Aggressively incentivize IT, pharmaceuticals, and high-value manufacturing to diversify dollar earnings.

3.4. Human Capital Investment

It is a long term structural fix. Divert funds from non-productive sectors to education and public health to build a skilled workforce for a modern economy.

In the words of Mehboob-Ul-Haq:

"The real test of development is not whether a Country can build dams and factories, but whether it can change the structure of its society".

DATE: / /

4. Conclusion

Pakistan's economic challenges are deep-rooted in a flawed structure. Without addressing the foundational structural flaws in taxation, exports, energy, and state-owned enterprises, the country will remain trapped in this crisis.

Q no 4

1. Introduction

When the Taliban took power in Kabul in August 2021, there was a wide spread feeling of optimism in Pakistan. The hope was for a friendly, stable government that would secure Pakistan's western border, ending the long-standing problem of Indian influence and cross-border terrorism. The core issues of border security, refugees, and regional politics have created a new era of mistrust and conflict.

DATE: ___/___/___

2. Afghan Taliban Takeover (August 2021)

Pakistan's

Expectations

- i) End of TTP
- ii) Stable Border
- iii) Pro-Pakistan Government

Afghanistan

~~Expectations~~

- i) TTP given safe haven
- ii) Border Clashes
- iii) Independent Foreign Policy

Bilateral Ties Collapsed

Pak Response

- i) Border Closures
- ii) Refugee expulsions
- iii) Kinetic Strikes

Afghan Response

- i) Anti-Pakistan rhetoric
- ii) Increased TTP freedom
- iii) Reaching out to India

3. Core Drivers of Bilateral Ties

3.1

Border Security

3.2

Refugees Issue

3.3

Regional re-orientation

3.1. Border Security

It is root cause of entire relationship collapse.

- **Surge in Terrorism:** After the Taliban take over, the TTP, which shares an ideology with the Afghan Taliban, was freed. TTP fighters were released from Afghan jails and given safe heavens.

- **Attack Statistics:** As a result attacks in Pakistan, especially in KPK and Baluchistan, have increased. 2021 and 2022 have been the deadliest years for Pakistan's security forces in a decade.

DATE: / /

- **Border Clashes:** Pakistan's military has accused the Afghan Taliban of doing nothing to stop the TTP. This has led to direct clashes between the two countries.

- **Pakistani Strikes:** Pakistan has conducted direct military airstrikes inside Afghanistan targeting TTP hideouts. In response, they retaliated.

3.2. The Refugee Issue

Because the Taliban government would not act against the TTP, Pakistan decided to return the millions of Afghan refugees living in country.

- **IFRP Plan**

In late 2023, Pakistan announced the "Illegal Foreigners Repatriation Plan" (IFRP). This policy ordered all undocumented foreigners, the vast majority of Afghans, to leave the country or face deportation.

DATE: / /

• Mass Deportation

This Policy led to hundreds of thousands of Afghans being forced to return to Afghanistan.

This was not just an immigration issue but also a political tool to put economic and social pressure on Taliban regime.

3.3. Regional Re-alignments

The breakdown in relations has forced both countries to look for new friends, changing the politics of entire region.

• Afghanistan Looks to India

The Taliban has actively increased its engagement with Pakistan's main rival, India.

• Afghanistan and China

The Taliban^{is} also bypassing Pakistan to build direct ties with China, inviting Chinese companies to invest in mining and discussing extension of CPEC into Afghanistan.

Concluding Remarks

To sum up, the trajectory of Pakistan - Afghanistan relations post 2021 is one of failure. The Taliban's refusal to crack down on the TTP remains the core problem. This has changed the regional and internal alignments.

Q NO 7

1. Introductory Remarks

Pakistan's position as top V20 (Vulnerable 20) group highlights its extreme susceptibility to climate shocks, as seen in the terrible 2022 and 2025 floods. While global climate change is a trigger, it is Pakistan's deeply flawed, environmental-hazardous-development model that serves as the greater disaster. Without proper management and policy making, and proper solution, Pakistan cannot get out of this situation.

2. The Root Cause: The Hazardous-Development Model

This is the core problem.

2.1. Unplanned Urbanization

and Encroachment

2.2. Massive Deforestation

2.3. Failed Water and Infrastructure Management

2.1. Unplanned Urbanization and Encroachment

For decades, development has meant conquering nature, not working with it.

Karachi

Swat

Indus Basin

Main drainage channels were encroached upon by illegal settlements, blocking water flow.

Hotels and markets were built directly on the river beds.

Poorly planned highways and embankments trapped water, creating vast stand water for months.

2.2 Massive Deforestation

Forests are the primary natural defense against flash floods. They slow down water and prevent soil erosion. In KPK and northern areas, timber mafias and land clearing for developments have removed this natural sponge.

2.3 Failed water and Infrastructure Management

Pakistan's infrastructure is old, inefficient and not built for resilience.

- **Silted Canals:** The irrigation system is choked with silt, reducing its capacity to carry flood water.
- **Poor Drainage:** Cities lack proper storm drains, turning moderate rain into urban flooding.

3. Recommendations

A) Mitigate Risks

B) Enhance Resilience

A) Mitigate Risks

Massively invest in reforestation and re-wilding catchment areas.

Mandate Strict Environmental Impact Assessments for all major housing and infrastructure projects.

B) Enhance Resilience

Build climate resilient roads, bridges and Energy systems.

Use modern weather radar and community based alert systems to give people time to evacuate

DATE: ___/___/___

4. Conclusion

Palestine's VEO status is not just a badge of victimhood; it is a mark of our self-inflicted vulnerability.