



Talat Fatima Current Affairs Test 03

Q. - Analyse the expansion of BRICS and the SCO emphasizing the transition from old to New Multilateralism

Introduction

The expansion of BRICS and Shanghai cooperation organization reflects a profound transformation in global governance from western dominated, rule based multi-lateralism to new interest-driven lateralism.

This shift is driven by relative decline of western economic dominance, rise of Global South and growing dissatisfaction with IMF, World Bank and WTO. For Pakistan, these evolving platforms offer both strategic opportunities and diplomatic test in redefining its multilateral foreign policy beyond traditional alliance

Shift in Multilateralism

Old multilateralism shifted after World War II that was largely institutional, hierarchical and multi-centric emphasizing ideological alignment and rigid set of rules. In contrast, new multilateralism as embodied by BRICS and SCO is

- Inclusive

Incorporating emerging and developing economies

- Flexible

Prioritizing consensus over binding legalism.

- Sovereignty

This consciousness resisting political conditionalities

- Issue-based

Focus on development, connectivity and security.

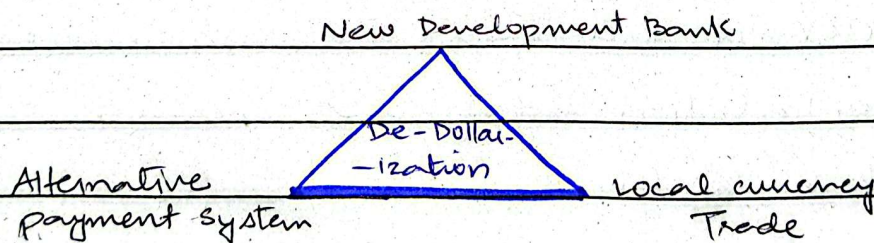
This transition reflects a broader geopolitical realignment where power



to dispersing rather than
concentrating.

Expansion of BRICS - Strategic Significance

The inclusion of countries such as Saudi Arabia, Iran, UAE, Egypt and Ethiopia is transformed BRICS from an economic group to geo-economic and geo-political bloc. With control over significant energy resources, trade routes, financial capital. BRICS now challenges dollar dominance through initiatives



This expansion aspires Global South for strategic autonomy.

Evolution of SCO

Shanghai cooperation organization is originally a security focussed forum led by China and Russia, the SCO has evolved into a comprehensive platform addressing

- 
- Counterterrorism and regional security
 - Economic integration and energy cooperation
 - Connectivity via Belt and Road initiative

The inclusion of India, Pakistan and Iran has enhanced its regional relevance but also introduced internal contradiction testing SCO consensus based model.

Opportunities For Pakistan

Pakistan can leverage BRICS and



SCO in multiple dimensions

1. Strategic Diversification

Participation allows Pakistan to reduce overdependence on Western financial institutions and rebalance its foreign policy through diversified partnerships.

2. Economic and Financial Space

Engagement with National Development Bank and SCO-linked development issues that can provide alternative financing for infrastructure and climate adaptation.

3. Regional Connectivity Hubs

Pakistan can position itself as a bridge between South Asia, Central Asia and middle East through CPEC energy corridors and transit trade frameworks.

4. Security and Counterterrorism

SCO provides a credible platform for intelligence sharing and regional stability particul-

- Only in the context of Afghanistan -
- Islam -

Constraints And Challenges

The factors that constrain Pakistan's capacity to capitalize is

- **Weak Economic Fundamentals**

Circular Debt, fiscal insufficiency and weak economic fundamentals in region.

- **Diplomatic Inconsistency**

Inconsistent and unstable governance structure weakens the policy implementation

- **Limited Institutional preparedness**

Weak institutions and lack of insight for preparedness limited to beneficiary from BRICS

- **India - Pakistan Rivalry within SCO**

The geo-political ties within India

Pakistan extends to be the constraining reason for SCO.

Without internal reforms mere membership risks symbolic partnership than strategic gain.

Way Forward - to Fully Benefit

Pakistan must look into some suggestions

- - Develop Issue-specific diplomacy within these forums
- - Align domestic economic reforms with multilateral goals
- - Enhance bureaucratic and research capacity
- - Phase geo-economics over geo-politics

Conclusion

The expansion of BRICS and SCO marks the rise of new multilateralism rooted in

pragmatism rather than ideology. For Pakistan, these platforms offer an opportunity to recalibrate its foreign policy toward strategic autonomy and economic diplomacy. However, success depends not on membership alone but on internal coherence, reform-driven credibility and proactive engagement.

Q: Analyze Pakistan's journey with IMF, is it a path to long term economic stabilization.

Introduction

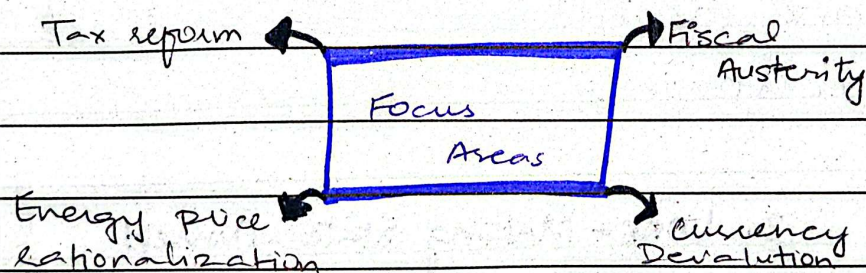
Pakistan's engagement with the international monetary fund (IMF) has become a recurring feature of its economic management, with over twenty programs since 1958. While IMF assistance has repeatedly helped avert balance-of-payment



crisis, it has failed to deliver long term economic stabilization. This raises a critical question is Pakistan trapped in a cycle of short-term relief at the cost of sustainable growth

IMF Programs - Stabilization Without Transformation

IMF programs in Pakistan have largely focused on



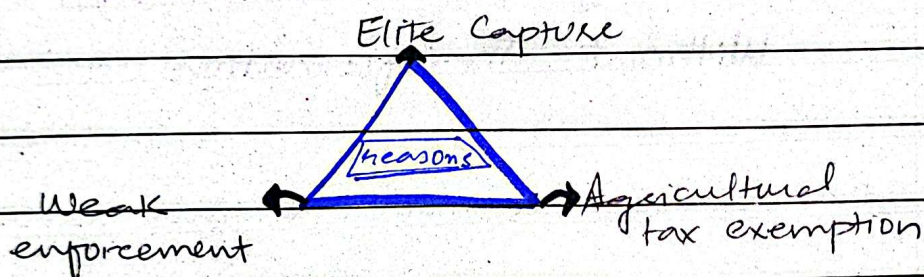
While these measures temporarily stabilize macroeconomic indicators they seldom address deep-rooted structural weakness. As a result economic stabilization remains fragile

and reversible.

Structural Inefficiencies - The Core Problem

1. Narrow Tax Base

Pakistan tax to GDP ratio remain among the lowest globally due to



This perpetuates fiscal deficit and dependence on external borrowings.

2. Loss-Making State-Owned Enterprises

SOE's such as PIA, Pakistan Steel Mills and DISCO's drain public finances, neglecting governance failures and political interference.



3. Energy Sector Dysfunction

Circular Debt, inefficiencies and poor recovery mechanism undermine industrial productivity and investor confidence

4. Import Dependent Growth Model

Pakistan's growth remains consumption led and import intensive causing recurrent external account crisis during economic upturns

Political Instability and Policy Discontinuity

Political instability severely undermines IMF-driven reforms

- Frequent Government Changes
- Reversal of Unpopular Reforms
- Weak parliamentary ownership of economic decision

IMF conditions often lack domestic

political consensus turning reforms into externally imposed obligations over national strategies.

Social And Development Costs

IMF mandated disproportional affects

- low-middle income group
- Public Service Delivery
- Human development indicators.

This fuel public resentment and weakens reform sustainability.

Short-Term Relief Vs Long Term Stability

In practice, IMF programme provides



- Temporary Foreign Exchange, inflows

- Market confidence signal

- Debt rollover facilitation

However, they do not substitute for

- Export Diversification

- Industrial upgrading

- Institutional Reform

Thus Pakistan's IMF journey seems cyclical rather than transformational.

Way Forward – Breaking IMF Cycle

To move beyond dependency, Pakistan must

- Build political consensus on economic reforms

- Reform taxation and SEO's decisively.

- Shift toward export

- led growth
- Strengthen institution and governance
- IMF engagement should complement, not substitute domestic reform ownership.

Conclusion

Pakistan's experience with the IMF reflects a pattern of crisis management rather than sustainable economic restructuring. While IMF programs offer short-term stabilization, long term growth remains elusive due to structural inefficiencies and political instability. Without internal reform and policy continuity, IMF assistance will remain a lifeline - not a ladder to economic sovereignty.