Moct Test
Current affairs

QNo7:-

US ~~economy~~ economy:-

The United States has a highly developed diversified market-oriented economy. It is the world largest economy. As ~~the~~ of 2025, it has the world's 9th highest nomial GDP Per capita and 11 highest GDP per capita by PPP. **According to the World Bank, the United states** acount for 14.8% of the global aggregate GDP in **2024** in purchasing power and 26.2% in nomial terms. **The U.S dollar** is the currency most used in International transactions and world's foremost reserve currency. Since at the end of world War II, the U.S. conomy has achieved relatively steady growth, low unemployment and inflation, rapid advances in technology, but now faces challanges suchas avery high debt-to-GDP ratio, slower economy growth and a housing crisis.

The american economy is fueled by high productivity, well-developed transportation infrastructure and extensive natural resources. **The U.S. trading partners** are Mexico, Canda, China, Japan, Germany, vietnam (as well as other ASEAN members). **The U.S.** the world's largest importer and second-largest exporter. It has free trade agreements with several countries, including Canda and Mexico (through the UMSCA)

Australia, Israel and several other countries. Total U.S. trade was $ 7.4 trillions in 2023. During the Great Recession of 2008, the U.S. economy suffered a significant decline. In 1970s and 1980 it was popular ~~that~~ in U.S. ~~and~~ a to believe that Japan's economy would surpass that of the U.S. economy, but this did not occur. According to KOF index of globalization, (Foreign magzine), U.S. has relatively high degree of globalization. The U.S. is the second largest manufacturer of the world.

⇒ **The economy of China :-**

The China has a developing mixed socialist market economy. It has world second largest economy by GDP since 2016.

It has largest manufacturing economy and exporter of goods. , the 9th ^nex^ largest in the World . China is also regarding as largest trading nation in the world. The China has decreased poverty rate from 88% to 0.2% between the 1981 and 2019. The world only country was China in 2020, expansion in GDP during the Pendemic conditions of covid - 19. The china has been become the part of World Trade Organization in 2001. The china has also done different agreements on trade with several countries which have also include the "free trade" agreements. The china also excelling in export all over

How US used Chips and China in turn rare earth metals.

As we know. U.S. currency is high valued if it offers monetary policies and fiscal policies of economy - California is home for sillicon, it hosts many corporations and focus on technology.

As studies shows that in 2014 .U.S. ~~m~~ 4 multinational corporation ranking in the top of 50 for volume in R & D, microsoft, intel etc.

As the data of Feb 2023, The largest America companies by market capitilization , Apple, microsoft, google, Amazone , Tesla visa etc.

→ America is foremost country in the production of semiconductors

of importance of its energy supplies for china.

→ <u>Future of trade war:-</u>

There are two ways chinese companies choose to enter a foreign market i.e. organic growth and Merge & Acquisition (M&A). Money chinese countries would be prefer (M&A). for following reason.

→ It is a fastest way for a company to expand into another country.

→ The second reason is that china has become world's largest economy. So it requires foreign companies

→ The risk of failure of organic growth can be avoided by chinese companies as they

Bank conditions, selling off numerous industrial units.

→ (**Recent Focus**)

2010s – 2020s resumed efforts to privatize large loss-making SOEs like Pakistan's Steel Mills, PIA, WAPDA, driven by massive fiscal burdens, inefficiency, and corruption within these entities.

→ **Role of a leadership in countries policies and economy:-**

Pakistan needs a good governance to overcome all the social and economic concerns. Pakistan is a ~~and~~ developing country which mostly rely on "the monatory funds for the survival of economy. Unfortunately, corrupt and uneducated leaders ~~which~~ who have no vision on carring the country on the road of progress.

According to IMF Finding its late 2025, "Governance and corruption Diagonsitic Report" that elite capture, complex regulations, week oversight and tax loopholes cost Pakistan significantly (upto 6% of GDP every year). hindering growth and benefiting politically connected firms, leading to high corruption risks across fiscal, regulatory and financial sectors.

→ Pakistan sores pooly on Transparency International's corruption perceptions Index (CPI), with a 27 out of 100 in the report 2024, it as highly corrupt.

, chemicals, steel, fertilizers.
, automotive.
(2) Utilities :- oil, gas, water.
(3) PIA (as in 2025)
→ According to IMF ~~research~~ research paper Nov, 2025
Privatization promotes economic efficiency and growth, thereby reinforcing macroeconomic adjustment. In the short run, however, it can lead to job losses and wage cuts for workers and higher prices for consumers.
→ (**PIA privatization**)
Pakistan International Airlines, the country's flag carrier, has been Privatized after year of persistent losses. Is this goal, a good deal for the government, and its people?
The government sold 75% of the operating airline under

a structure that combine a small cash payment to the state with a much larger capital injusion into company. Roughly Rs. 10bn arrives as cash proceed to the government, while about Rs 125bn is injected into the airline as new equity to recapitalize the business.

⇒ What worries?

Pakistan has privitized before - banking is the obvious example - yet growth has steadily slowed in the years since. That does not mean Privitization "failed" but it does underscore a harder point: ownership changes are not a substitute for a broader environment that reward investment, competition and productivity.

→ Is privatization is beneficial?

→ **Improved management and of productivity:-**

Private ownership can introduce technical and managerial experties that SOEs lack. due to take "red tape" and bureaucratic rigidity.

Recommdations:-

→ **(Independent Boards)**

Appoint the professional, independent boards, free from political interference.

→ Ensure accountibility.

→ **Professional management:-**

There is need to hire professional managers on merit based selections.

→ **Strict financial control:-**

There is need to empowers the Auditor General to enforce decisions on irregularities.

→ **Seek global learning:**

There is also need of

decentralized managements.

(Conclusion)

Privatization can reduce economy loss of country's institutions, if it will be persued by professional management, strict control and by learning global management. Privatization is not a new thing in Pakistan but it can also slowed the economy progess as like before Pakistan has Privatized banking system yet growth has readily slowed down.

(QNO#08)

Outline:

Gaza peace Plan (2025)

It is to end the Gaza conflicts; it is 20 point U.S. brokered ceasefire and peace frame work.

on 10 oct 2025.

→ ceasfire and immediate Reduction involance

(a)→ International stabilization Force.

(b)→ Poltical and sovereignty limitations

⇒ Islambad's policy

(a) official positions and diplomatic statements

(b) conditional stance on Peacekeeping.

⇒ **Possible Fallout For Pakistan :-**

(a) Foreign policy Integrity vs Alignment pressures

(b) Regional and Geopolitical Repercussions.

(c) domestic Political pressures

(d) economic considerations and external relations

⇒ **Conclusion**