Farzana Ali
04-01-2026

General Knowledge II
Current Affairs

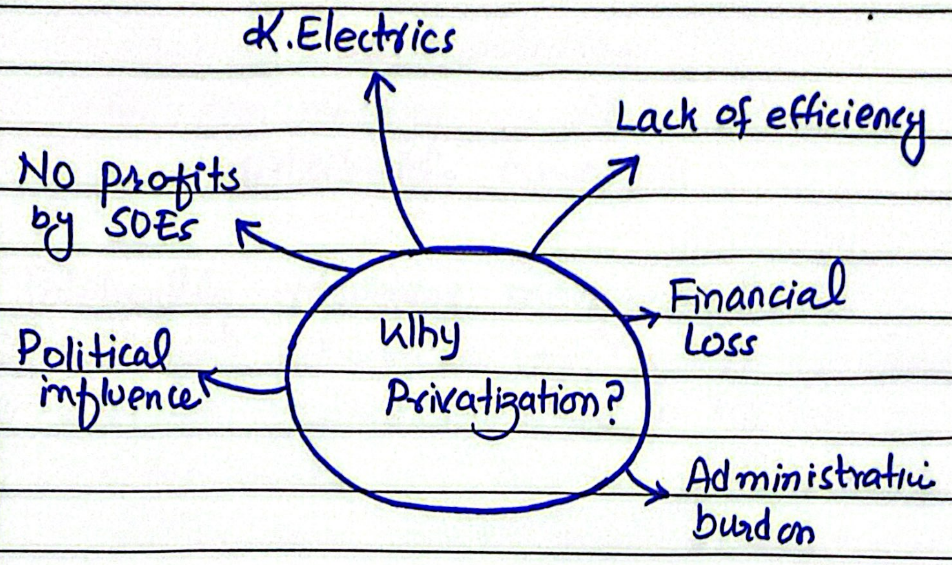
Part - II
Question no : 2

Privatization is inevitable in Pakistan, give recommendations.

1- Introduction:

State owned enterprises were established in Pakistan to provide essential services, and ensure public welfare However over time, many SOEs have turned into financially loss-making entities due to poor governance, political interference, and inefficiency. In a country facing chronic fiscal deficits, rising public debts, and pressure from international lenders, continued support to failing SOEs has become unsustainable. As a result, privatization is increasingly viewed as an inevitable policy option to reduce the budgetry burden and improve economic performance

II. Why is Privatization inevitable in Pakistan



i) Lack of Efficiency:

Most SOEs in Pakistan suffer from
operational inefficiency
overstaffing
out-dated systems and
weak accountability.

Example: PIA is the example of poor management and low productivity.
Pakistan Railways has failed to modernize its infrastructure and operation

ii) Administrative burden on economy:

SOEs place a heavy burden on Pakistan's budget. Billions of rupees are spent every year in the form of

- subsidies
- bailout, and
- debt servicing

for loss making entities such as **power distribution companies.**

iii) Politically influenced management:

Political influence is one of the major causes of SOEs failure. Appointments in SOEs are often made on political considerations rather than merit, leading to incompetent leadership and poor-decision making

iv) Successful Examples of Privatization:

K - Electric

The privatization of K-Electric demonstrate how private management can improve performance. After Privatization K-Electric improved bill recovery, reduced power theft, and invested in infrastructural development. This shows, privatization can enhance efficiency and service delivery

III- Recommendations for effective privatization:

Effective Privatization
- → Public private partnership
- → Transparent process
- → Gradual transfer
- → Labour Rights
- → Strong legal Framework
- → Encouraging competition
- → Performance evaluation

i) Public-private partnership:

Instead of complete privatization, Pakistan should adopt PPP in strategic sectors such as
Railways
Ports and
Postal services.

It can combine private sector efficiency with public oversights.

ii) Gradual and Transparent transfer:

Privatization should be carried out gradually and transparently to prevent corruption and public distrust. Clear
- evaluation
- Competitive bidding and
- parliamentary oversight

are essential for transparency.

iii) Protection of Labour rights:

Privatization raises concerns about unemployment. Therefore, government should protect labour rights through
- retaining programs and
- social safety nets.

Skill development opportunities should be promoted to reduce social resistance.

IV. Conclusion:

In Pakistan's fragile economic situation, loss-making SOEs have become an unsustainable burden on the national economy. Persistent inefficiency, political interference, and administrative failures make privatization inevitable. Therefore, a balance approach through transparent privatization can help Pakistan reduce fiscal pressure and improve quali service delivery for long term economic stability.

Question no 06

Trump's pull out from Paris climate agreement...... COP 21?

1- Introduction:

The Paris climate Agreement (COP21) of 2015 aims to limi global warming below 2°c. The US, as a major emitter, played a key role. In 2017, President Trump announced the US withdrawl, citing econo-mic reasons. This decision affected global climate efforts and raised concerns about meeting COP 21 targets. However, the decision has increased the burden of responsibi-lity on the shoulders of China, and Europe to meet the targets of COP 21 despite being large emitters after US.

II. Implications of US pull out from Paris Agreement.

i) **More emissions from an industrialized state:**
US withdrawl led to rollback of climate policies like clean power plan and support for renewable energy. This increases global emissions at time when urgent cuts are needed. US absence weakens collective effort.

ii) **Difficulty to reduce global emissions:**
Without the US fully participating, reaching global targets become harder. Global warming is a cumulative problem, and othe countries now face more pressure. Developing countries may hesitate to take strong action if industrialized countries donot share responsibility

iii) **Absence of Major economy in Loss and damage policy:**
US withdrawl affect climate funding for vulnerable ~~funding~~ countries. Poor countries depend on supports to cope with floods, storms, and droughts. Without US contribution, global programs for

adaptation face funding gaps.

iv) Intensifying Global North-South Divide:
The withdrawal worsens tensions between developed and developing countries. Developing nations expect industrialized nations to lead in reducing emissions and providing finance

III- US Claim, "We are still in" initiative

Even after Federal pull out, many US states, cities, and companies joined "We are still in" coalition to follow Paris goals. This shows that some climate action continues but can not replace global leadership and international funding.

IV- Role of China and Europe

i) Acknowledgment of Large economies:
China and Europe are now the largest emitters and have taken active roles since US pullout. China aims for **carbon neutrality** by **2060** and invests in renewable energy and electric vehicles. Europe launched **European green deal** to reach net-zero by **2050**.

ii) Geo-political influence:

China and Europe have political power to push other countries to stay comitted. Europe links trade deals to climate rules, and China promotes green energy through **Belt and Road initiative** projects. Their influence supports global cooperation even without US leadership.

iii) Putting finances for implementation:

Europe provides billions of euros to help poor countries, and China funds renewable energy projects world wide. Still, their combined contribution cannot fully replace US funding. Their leader-ship, however, prevents global climate effort from stalling.

V- Conclusion:

Trump's pull out caused higher emissions, harder targets, funding gaps and more inequality US states continue some action but federal absence is significant. China and Europe are important leaders, yet, full global success still depends on all major economies.

Questionno 05

Palcistan-KSA Defense Pact ..... Palcistan

I- Introduction:

Palcistan and Saudi Arabia (KSA) have had a long history of political, economic and military cooperation. Recently, both countries signed a defense pact to strengthen military ties and enhance regional security. This agreements comes at a time when the Middle-East and South-Asia face growing geopolitical tensions. This pact is significant not only for security but also for economic cooperation, offering opportunities for Palcistan.

II- Geo-political achievement of Pact for Saudi and Palcistan.

i) Strengthening Mutal Deterrence:

By working together, Palcistan and Saudi can deter regional threats more effectively. Both coutries are better prepared to better handle security challenges.

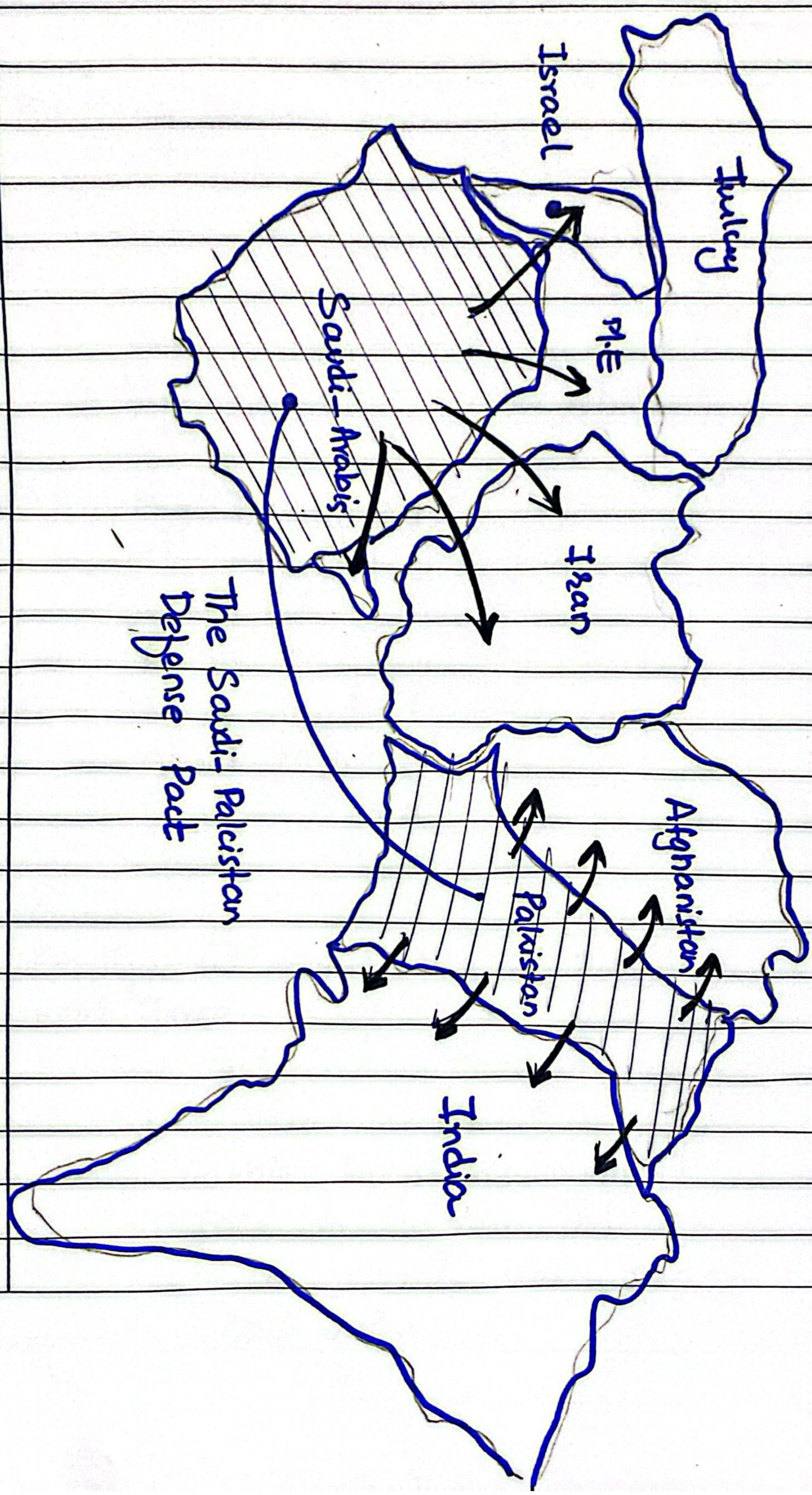
Pakistan builds deterrence against Afghanistan and Indis.
Saudi builds edefense capacity against Iran, and Israel.

ii) **Saudi Arabia's reduced dependence on US depense support:**
The pact allows Saudi Arabia to diversify its security partners and reduce dependence on US military for support.

iii) **Enhancing Regional security capacity:**
Pakistan's military expertise and cooperation contributes to broader stability in Gulf region, which benefits both countries economically and politically.

iv) **Increased diplomatic influence:**
Stronger defense ties boost the international stature of both Pakistan and Saudi Arabia. For **Pakistan** it enhances its role as a strategic partner in the middle east. For **Saudi Arabia**, it strengthens alliance that can influence regional policies

in Asia and the Gulf.



IV. Economic opportunities for Pakistan:

i) Boosting defense economy:

The pact allows Pakistan to export denfense equipment and technology to Saudi-Arabia. give a mjor boost to country's defense industry. around **6 billion $.**

ii) Attracting Investments:

closer ties with S.A encourage investments in Pakistan. Saudi Arabia has committed to significant investment in Pakistan about **10 b$** to shift from traditional aid to commercially viable projects

iii) Employment opportunities for Pakistan's work force

Saudi Arabia's Vision 2030 development plan present significant opportunities to **double Pakistan's annual workforce** to kingdom. This increases number of workers from **500,000** to **one million**.

iv). Remittance stability:

Pakistan recieved a record of **38b$** in remittances in fiscal year 2024-2025. This increase is about **8b$** over previous year indicating remittance growth and stability with Pak-saudi strategic deal.

V. Conclusion:

The Pak-KSA defense Pact is a strategic and economic mileston for both countries. Geopolitically it strengthens mutual deterrence, reduces Saudi dependence on US, improves regional security and increase diplomatic influence. Economically, it supports Pakistan's defense industry, attracts investments, and creates jobs. Thus, This pact not only reinforce security but also pens new avenues for Pakistan's economic growth.

Question no 8

Evaluate Gaza peace plan... its fallouts on Pakistan

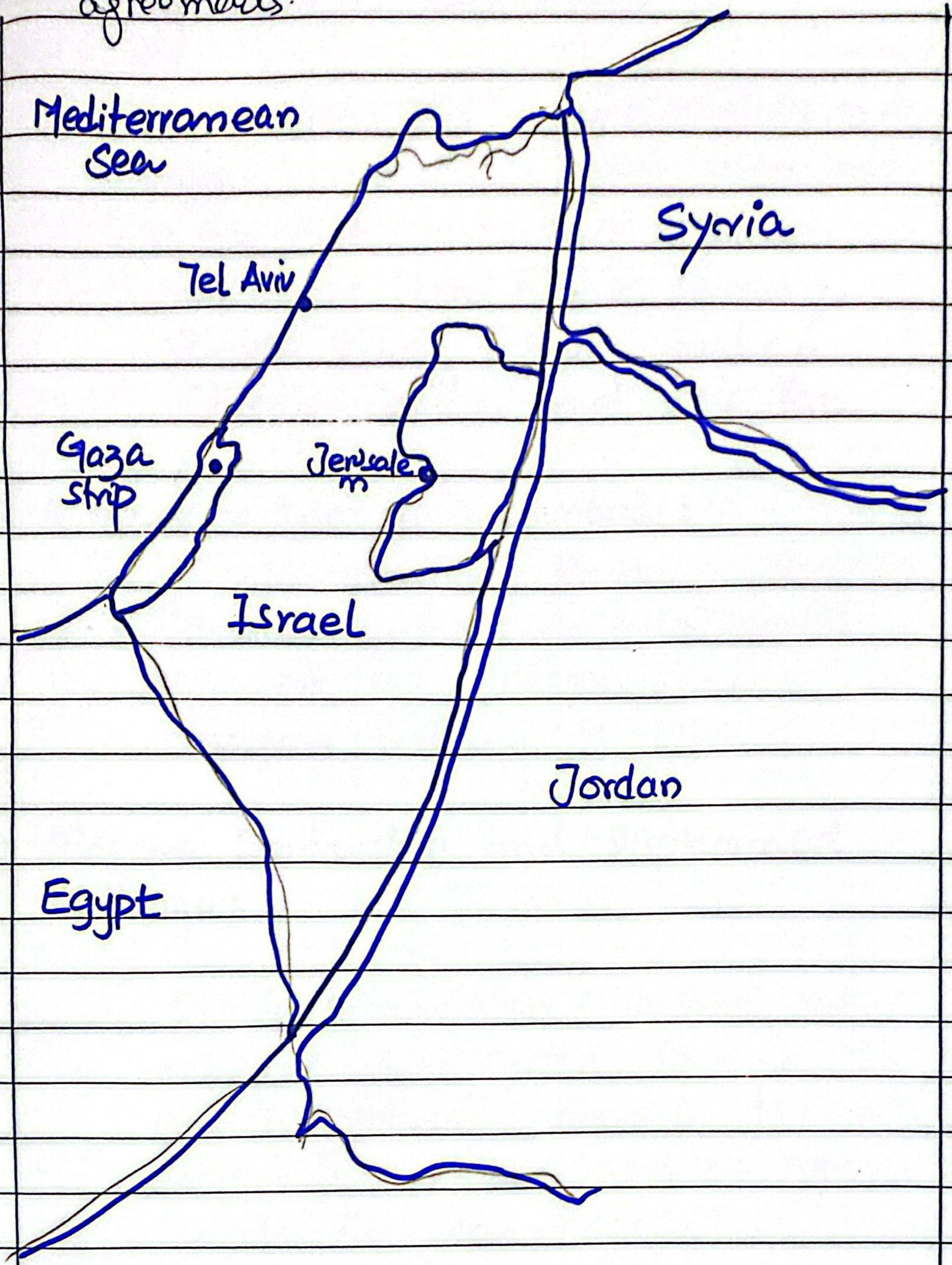
I- Introduction:

The Gaza conflict has been a long-standing issue between Israel and Palestine causing massive destruction. To reslove this, several peace plans have been proposed, including the latest Gaza peace plan. While it promises to end voilence and bring stability, its success depends on multiple political, social, and regional factors. Pakistan, as a supporter of Palestinian cause, closely watches these developments and its policy could affect depending on the outcomes.

III- Why Gaza Peace Plan can be successful

i) US mediation:

The US has strong influence over Israel and can push for agreements.


Mediterranean Sea
Syria
Tel Aviv
Gaza strip
Jersalem
Israel
Jordan
Egypt

ii) Invovling multiple stake holders:

The plan includes regional countries and organizations to monitor peace and support reconstruction. It include contribution from France, Germany, Russia, UAE, Egypt, Turkey, Qatar, Canda, and Pakistan.

iii) A pause to Talar torn countries:

The plan provides temporary ceasefire, allowing civilians to accon food, medical aid, shelter, and reducing suffering in Gaza.

iv) Massive Destruction and Displacement in Gaza:

Due to high civilian casualties and destroyed infrastructure there is an international pressure for peace. This urgency creates opportunities for reconstruction.

Why Gaza Peace plan may not succeed

i) US- Irael Hegemony:
Critics argue that the plan favours Israel due to US support. This imbalance can lead to mistrust and rejection by Palestine.

ii) Disarmament of Hamas.
The plan requires Hamas to disarm. which they may refuse. It is a major obstacle, as Hamas sees its weapons as essential for defending Gaza.

iii) ISF and External Armed Forces:
The presence of International and Israeli forces to monitor peace could cause tension and resisted by local groups.

V- Policy of Islamabad and its fallout

i) Support for Palestine:
Pakistan has traditionally supported and may oppose plan favouring Israel over Gaza

ii) Input in Gaza Peace plan:
Palestan has contributed in Gaza peace plan However, holds reservation on omitting its point from plan.

iii) Sending Militia in ISF?
Pakistan could face pressure by US to provide militia for ISF. However, Pakista should thoughtfully send to ensure Palestinean security.

VI- conclusion:
The Gaza peace plan has the potential to reduce violence and end years of conflict. However, its success etc is limited due to US-Israel dominance in the region. Pakistan supports Palestine and may provide diplomatic backing but is cautious about direct involvement.