

Part II : Subjective Part.

Ans 1) Introduction:

The two years long standing war between Israel and Palestine has come to an end after Trump proposed his 20 points Peace Plan on 29 September 2025. Though it has some flaws which make it complicated for Palestine to accept, and these flaws are a major pitfall to the implementation of Peace Plan (2.0).

2) Overview of the Trump Peace Plan (2.0)

Trump proposed his 20 points Peace Plan back on 29 September 2025.

Though it was not his first plan about Israel-Palestine ceasefire, the first plan he had presented was to make Gaza a riveria. This is 2.0.

2.2) Major Stake holders:

- 1- Jared Kushner
- 2- Tony Blair
- 3- Ron Dermer
- 4- Steve Witkoff

3) Structural Analysis of the Trump Peace Plan (The 2.0 framework)

3.1) Immediate military and Humanitarian measures.

3.1.1) Core declaration

Gaza is to become a demilitarized zone, free of terrorism, a central Israeli and US objective stated as precondition.

3.1.2) Mechanisms.

A ceasefire and limited Israeli pullback are to allow the exchange of Israeli prisoners for Palestinian prisoners.

3.1.3) Fate of Hamas members.

Hamas has given two options. Drop weapons and remain or leave Gaza through safe passage.

4) Interim Governance and Security Arrangements.

4.1) Proposed governance structure.

A technocratic government supported by international experts to govern the Palestinian administration.

There shall be a "board of peace" which would be chaired by Trump himself.

4.2) Proposed security structure.

An "International Stabilization force" would be formed to look after the management. They would be from Arab countries mostly, and the Palestine security force would be trained by Jordan and Egypt military.

5) Major pitfalls to the implementation of Trump's peace plan.

5.1) Immediate operational fraction.

Fraction was arose at the very hours after the Plan been proposed. 72 hours were given to

Hamas to accept the plan.

5.2) Fundamental and unresolved disputes.

5.2.1) Disarmament arrangements

(the core condition)

for Israeli withdrawal is the very issue, 'Hamas deems non-negotiable' unless Palestinians have a sovereign state or at least sovereign political authority.

5.2.2) Governance model

Palestinians reject long term surveillance by international supervision. They term it as "neo colonialism".

5.2.3) The political Link.

Palestinians insist on political linkage between Gaza and the west bank, which the plan deliberately cuts.

5.2.4) Force composition

Israel opposes Turkish participation in the stabilization force.

6. Islamabad policy regarding the plan.

According to the constitution of Pakistan, Article 40, "Pakistan shall endeavor to preserve and strengthen fraternal relations among muslim countries, promote international peace and security, and to encourage the settlement of international disputes by peaceful means.

— (IPRI)

Islamabad has accepted the plan because it was in favor of two-state solution for Palestine long ago. Pakistan welcomed the plan arguing that all the arrangements are required to take place, and palestinians humanitarian aid should also take place properly, as the people have long been suffering.

2) Conclusion.

The trump peace plan was though a good initiative for stopping the war temporary but in the long run, it is not seems to be sustainable to make a full ceasefire. It has some structural pitfalls which are seems non-negotiable for Hamas and other palestinian factions.

Though it is said hopefully, that overcoming the issues could create a full ceasefire which is good for the survival of palestine and for limiting the expansion of Israel.

Ar 15)

Pakistan-USA Defence Pact: Geopolitical Achievements and Economic Opportunities.

1) Introduction.

The defence cooperation between Pakistan and the (USA) represents a strategic alignment of two pivotal muslim states. A formal defence pact would not only strengthen bilateral ties but also reshape regional geopolitics, enhance collective security, and open new avenues of economic collaboration for Pakistan.

2) Geopolitical Achievements:

2.1) Strengthening muslim world unity:

The pact would symbolize solidarity among major muslim countries, projecting a unified stance in global affairs.

2.2) Regional stability.

Enhanced defence cooperation

Middle East and South Asia, ensuring stability in volatile regions.

2.3) Counterterrorism and security cooperation

Joint military exercises, intelligence sharing, and counterterrorism strategies would improve collective security against extremist threats.

2.4) Strategic balancing

Pakistan's role as nuclear power and KSA economic clout would balance regional power dynamics, especially vis-à-vis Iran, & other regional actors.

2.5) Global recognition

The pact would elevate Pakistan's diplomatic profile, positioning it as a key defence partner in the Gulf & beyond.

3) Economic Opportunities for Pakistan

3.2) Defence industry collaboration
Pakistan could export defence equipment, training, & expertise to USA, boosting its defence industry.

3.2) Employment and Remittances.
Enhanced cooperation may lead to greater employment opportunities for Pakistani professionals in Saudi defence and security sectors, increasing remittances.

3.3) Energy Security.
Stronger ties could ensure favorable oil deals and energy cooperation, stabilizing Pakistan's energy needs.

3.4) Investment and Infrastructure Development.

Saudi investment in Pakistan's defence-related infrastructure and broader economic projects (e.g., CPEC-linked ventures) would accelerate growth.

3.5) Technology transfer.

Collaboration in defence technology and R and D could modernize Pakistan military capabilities.

4) Challenges.

4.1) Regional rivalries.

The fact may strain Pakistan's relation with Iran and complicate its balancing act in the middle east.

4.2) Dependence on external aid.

over-reliance on Saudi financial support could limit Pakistan strategic autonomy.

4.3) Domestic concerns:

Public opinion and political debates may question the implication of signing too closely with Gulf geopolitics.

5) Conclusion

The Pakistan-KSA defence pact holds the potentials to be a landmark achievement in regional geopolitics. For Pakistan, it promises economic dividends, defence modernization, and enhanced global stature. However, prudent diplomacy will be required to balance regional sensitivities & ensure that the pact serves Pakistan's long-term national interests.

Ans-2

Privatization of State-owned Enterprises in Pakistan.

Introduction

State-owned Enterprises (SOEs) in Pakistan have long been criticized for inefficiency, corruption, and financial mismanagement. Their persistent losses have become a significant burden on the national exchequer, compelling policy makers to consider privatization as an ~~more~~ inevitable solution. The debate revolves around whether privatization can truly revive economic efficiency or whether it risks creating new challenges.

2) Burden of SOEs on Pakistan's Economy.

2.1) Fiscal Drain

loss-making SOEs such as PEA, Pakistan Steel Mills, and DISCO consumes billions in subsidies annually, worsening fiscal deficits.

2.2) Operational inefficiency.

Overstaffing, political interference, and lack of innovation have halted productivity.

2.3) Debt Accumulation

SOEs contribute heavily to circular debt in energy sector, undermining financial stability.

2.4) Budgetary constraints.

Resources diverted to bailouts reduce funds available for health, education, and infrastructure.

3) Arguments for Privatization.

3.1) Efficiency gain

Private ownership

incentivizes profit-making, innovation, and accountability

3.2) Fiscal Relief

Reduces government subsidies and debt burden.

3.3) Foreign investment

Privatization attracts

international investors, bringing capital and technology.

3.4) Economic growth

Frees government resources for development projects and social welfare.

4) Challenges for Privatization.

4.1) Social concerns

Job losses and labor unrest may arise from restructuring.

4.2) Strategic Assets.

Selling critical sectors (energy, aviation) may compromise national security.

4.3) Regulatory weaknesses.

Without strong oversight, privatisation may lead to monopolies & exploitation.

4.4) Public Resistance.

Past PA experiences (PEA, PTCL) have created skepticism about outcomes.

5) Recommendations.

5.1) Selective Privatization.

Privatize loss-making non-strategic enterprises while retaining control over sensitive.

5.2) Public Private Partnership

Encourage joint ventures to balance efficiency with state oversight

5.3) Strengthen Regulatory framework
Establish independent
regulators to prevent monopolistic practices.

5.4) Institutional Reforms.
Improve governance in remaining
JOEs to prevent future inefficiencies.

6) Conclusion:

Privatization in Pak appears
inevitable given the unsustainable burden of
JOEs on the national budget. However,
its success depends on careful planning,
transparency and strong regulatory mechanism.

Ans: 3

interpenetration of Dollar and SWIFT: Implications for Global South

1) Introduction:

The Russia-Ukraine war has not only transformed geopolitics but also transformed the global financial order. The US & Europe used the Dollar and SWIFT system as instruments of economic warfare against Russia, freezing assets and restricting transactions. This is strong signal to Global South that overdependence on western-controlled financial system poses strategic risks.

2) Dollar and SWIFT as Tools of Economic Power

2.1) Dollar Dominance

The US dollar accounts for majority of global trade & reserves, giving Washington leverage over int financial flows.

2.2) SWIFT Network

As the backbone of global banking communication, SWIFT enables monitoring and exclusion of states from int transactions.

2.3) Sanctions on Russia

Russia was cut-off from SWIFT and faced restrictions on dollar-based transactions.

2.4) message to Global South

These measures demonstrated that western powers can weaponize financial systems to pursue global geopolitical objectives.

3) Implication for Global South.

3.1) Strategic vulnerability.

Heavy reliance on dollar-based trade exposes countries to sanctions & coercion.

3.2) Search for alternatives.

Nations in Asia, Africa and Latin America are exploring regional payment systems and local currency trade.

3.3) Rise of multipolar finance.

China's push for yuan internationalization & Russia's MIR payment systems are examples of emerging alternatives.

34) South-South cooperation

BRICS Nations are discussing a common currency and independent financial infrastructure.

4) Conclusion

The weaponization of Dollar and SWIFT against Russia has exposed the vulnerabilities of the global financial system. For the Global-South, it is a wake-up call to diversify trade, reserve and transaction systems.
