

Q No 2.

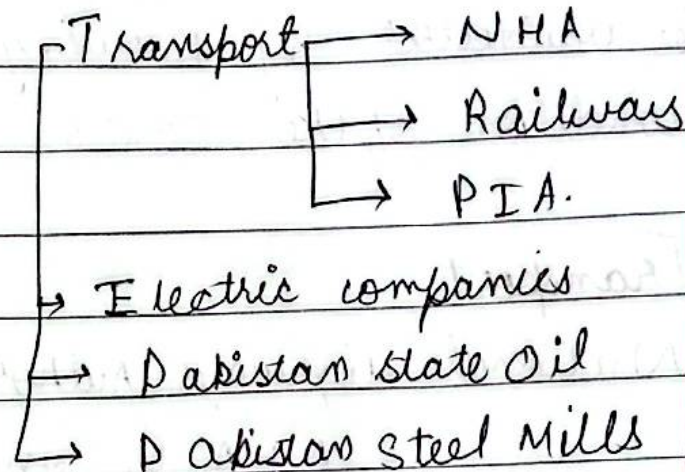
Privatization:Introduction:-

In Pakistan, there are 100+ State Owned Enterprises (SOEs) and most of them are facing severe losses. This as a result is creating an immense pressure upon the budget and Pakistan faces difficulty in making these SOEs profit despite giving out a major chunk of the budget. Due to this fact, the budgetary spending on development, health and education is being compromised. Specifically, government has stakes in the construction (NHA), Transport (Railways), & Power supply companies, Pakistan State oil and Pakistan steel mills. All of them are overall facing severe

losses: NHA earns low taxes/toll taxes, Railways is overemployed and inefficient, PIA misses the major routes and debt, IPP's face loss upto ^{PKR} 400 billion, PSO has PKR 300T to be paid to IPP's, and steel mills being operational is still paying to its employees. To counter this the government should privatize so that the government can earn money and these SOE's are profit making. The value latent approach should be kept in mind. IMF conditions also play a crucial role. When this will be done the budget will be eased off the burden and other sectors will be addressed too.

Analysis

Privatization



Recommendations:

Value latent approach → profitability

Previous actions

Analysis of the statement:-

The statement can be validated by knowing the condition of the SOE's.

Transport

National Highways Authority

NHA is one of the major SOE owned by the government. The highways except the ISB-LHR and ISB-PSH are at profit rest are at loss. The reason mainly is that ~~the~~ there ~~is~~ are low toll ^{is} taxes and the authorities ~~are~~ highly overemployed. The revenue generation is less while the expense is high, which is covered by the government.

In turn creating a severe crunch upon the budget

Railways

Railways are also facing losses as the revenue generation by the tickets is less and also there are no separate tracks for ~~business~~ cargo and commercial purposes which again makes the institute vulnerable. Pensioners and over employing are also causes.

Pakistan International Airlines:

PIA was profitable in the 90's but later on declined. The reasons for this fact are; the quality was severely compromised, major routes were missing and also the inefficient and ~~not~~ no experts of Aviation. There is a currently a debt of 500 billion and also it faces the issues of overemployment.

Pakistan State Oil

PSO is also at loss. This may be attributed to global price hike. But if we see the internally we can understand that the issue is over employing and politicization of the organization. PSO still owes PKR 300T to the IPP's making it difficult to earn profit.

Pakistan Steel Mills:

(4000b) ← Despite being granted bailout packages, the steel mills is still at loss. There is almost no production but the employees are still being paid.

Electric supply companies:

Every DISCO like PESCO, TESCO, QUESCO and others are facing losses upto 33% which gives very less room for profitability.

Recommendations-

Government Earning.

Privatization can be a very good source earning money. There are two benefits the government will be freed of the extra expense and at the same time a handsome amount will be earned.

Profitability of the SOE's.

What matters the most now is that the companies should earn profits and contribute effectively in the economy of Pakistan. When there is profitability the employment will increase. The private entities are most concerned about the profits and for that they do every possible work.

IMF Demands

IMF has also demanded privatization. Pakistan's economy is very much dependant upon IMF programs, that's why, privatization should be done.

IMF has stated that it is not the job of the government, to run business which is a fair demand.

Value latent approach:-

The privatization should be done keeping in mind the value of the company and also what it can produce in the future this approach will help the government a high chance to earn appropriate money.

Successful Previous Results:

In the past ~~we~~ the nation witnessed that many privatizations like PTCL, K-Electric made profits or lowered their losses at a great extent. The privatization of banks was also success. Therefore privatization must be done.

Conclusion:

As one can depict that the SOE's are facing severe losses and are waiting for the government to help them. In order to effectively make them grow and competitive, the privatization is the need of time.

Date: / /
Q. NO 5

Introduction:-

Pakistan and KSA have a strong history of collaboration both economically and militarily. ~~If~~ The recent Strategic Mutual Defence Agreement is a geopolitical milestone for both the countries as both are at the advantage or win-win situation. KSA would potentially get the benefit in terms of enhanced military capability and a potential nuclear umbrella from Pakistan while Pakistan will ~~not~~ potentially ~~not~~ have a sound base to counter Israel and at the same time will showcase its ~~with~~ alliance to counter the front door enemy India. The potential economic benefits

Pakistan will enjoy are investment in defence industry, the immediate and easy conditions access to ~~that of~~ oil, the increased development opportunities and also to counter balance of payments ~~to~~ crisis by foreign direct investment. This agreement will give benefits to both Pakistan and KSA in different ways. but if ^{one} ~~use~~ sees Pakistan has a potential to gain much than KSA in terms of economy and stability.

Opportunities for KSA.

- Military support and advise
- Potential Nuclear Umbrella.

Opportunities for Pakistan



To counter Israel



Pact will ensure deterrence with India

Economic prospects for Pakistan

- ↓
 - ↓
 - ↓
 - ↓
- Defence industry Access to oil Development opportunities Enhance FDI

Achievements.

~~Opportunities~~ for KSA:-

Military Support and advice.

KSA by this pact will have an advantage that in case of conflict, they will have the full and explicit support of Pakistan. Also, in making their military strong, they can also gain advantage of Pakistan's Army capabilities which are highly professional.

Potential Nuclear Umbrella:

This has not explicitly stated but according to the Washington Post, the main purpose of this pact was that KSA wanted to guarantee their protection from the aggressor in the middle East by having ~~a~~ a nuclear cover. This is an ^{achievement} ~~opportunity~~ for KSA that by this pact they got a potential nuclear cover ensuring its safety.

~~achievements~~
Opportunities for Pakistan:-

TC counter Israel.

Pakistan has always seen Israel as a threat to its sovereignty. Pakistan was having distance issues with Israel.

But after this pact, Pakistan is near to Israel and has the ability to potentially counter any kind of aggression against its sovereignty.

Deterrence with India.

Definitely Pakistan expects that if in the future any kind of aggression is done by the India will be less alarming as KSA will come to its help in terms of economy. Also due to KSA India relations, Pakistan expects that any act of aggression won't get started by India.

Economic Prospects for Pakistan

Defence, Industry & Investment

By this pact Pakistan will enjoy the investment in its defence industry. Under this pact, KSA vowed to invest in the projects of JF-17 thunder and Al-Khalid tank. This will ensure production on a mass level and enhance exports.

Easy access to oil:

Pakistan by this pact will enjoy easy term access to the oil. Pakistan can get oils on easy installment and also this pact may have the clause to give enough room for Pakistan to repay the cost.

Development opportunities

Under this pact Pakistan will get the benefit from the KSA investors that they will invest in Pakistan in different domains which will strengthen Pakistan's economy and ensure development.

Enhanced FDI

Due to KSA's interest and investment, Pakistan will have the advantage to gain FDI from other countries in the Middle East which will ensure that Pakistan's economy is on the right track giving it stability and strength.

Conclusion :

This is a part of great importance for Pakistan and KSA but at the same time both countries should develop certain mechanisms that ensure that all these opportunities and achievements are safeguarded for a longer period of time which gives benefits to both countries and safeguard their national interest.

QNO: 7

Introduction:-

China and US are the two economic giants of the world at this point of time. Both of the countries are having a great influence in the global economy. This Both the countries were in collaboration a decade ago as they were enjoying mutual trade and gaining benefits from each other. But now the situation is different as both of them are in a severe competition with each other. US claims that China exports more to US, and that's why US faces a trade deficit. What US did is that they imposed heavy

tarriffs on china and also restricted the the Export of chips. In response China also imposed tarriffs on the USA and also curtailed the exports of rare earth metals essential for the production of chips. This has started the trade war between the two giants and this will have a prolonged time and effect upon the global world as well.

US stance:

- China's AI Enhancement
- Trade deficits faced
- China's influential role in geopolitics

China's stance:

- Collaboration not competition
- China's development
- Market efficiency of China

Future prospects:

- time
- consequences

US Stance:

China's AI Enhancement:

US states that China is advancing very much in the field of AI which threatens the US hegemony in the technological landscape. Also it is assumed that latest technology can be used against US.

Trade Deficits faced.

China's exports are increasing as the time is passing by and US exports to China are stagnant.

This is eventually a cause of a trade deficit faced by USA. To maintain the trade and also lowering the deficit, it is important to give China a tough time.

China's Influence in geopolitics:

The US is not happy.

with the growing influence of China in the geopolitics that is why they are doing the attempt to make a hit on the economy of China which will lower its influence.

China's Stance:-

collaboration not competition:

China clearly states that it is of the view that the world should collaborate with each other. specially China wants to collaborate with US to ensure development and does not want to be nor is in a competition with the US.

China's development.

The trade is an important component of china's development that's why china is continuously enhancing its trade which gives a lifetime to the development into a modern society.

Market Efficiency of china:-

The trade deficit faced by US is because of the fact the china's market and production potential is higher. People show faith in the china's products but US does not have this.

Future Prospects:

Timeline

This trade war can go on for a potential long time as neither of the countries will back off because this will hamper their national interest. They will continue to harm reciprocally until ~~and~~ mutual understanding is achieved.

Consequences

The consequences will be on the countries as well as the whole world.

The market share of the countries is huge and to safeguard their national interest, both countries can go to any extent.

Conclusion :-

The trade war will negatively impact the economies of the countries as well as the global economy will be at risk. It is the due ~~to~~ responsibility of both the countries to effectively reach to a conclusion which ensures collaboration safeguarding their economy and global economy.

Q: NO 4.

Introduction:-

The Russia Ukraine war is having a profound effect on the global peace. The war is not going to stop as both of the parties are having different view points regarding the end. Russia is of the opinion that it won't give back the captured territories, ~~at~~ Ukraine does not want to agree on terms and Trump and NATO are having differences. These factors are prolonging the war and instantly threatening the world peace.

Russia's stance

- not returning captured territories
- Europe to back off.

Ukraine's stance:

- so cannot surrender on US terms
- sovereignty will be compromised

Trump stance

- Ukraine's fault
- NATO Issues.

NATO and EU stance:

Recommendations:

Russia's stance

not returning captured territories,

~~even~~ Russia has

a point that they will never

~~be~~ return the captured

lands as Ukraine has hit

Russia in the worst way.

and giving back will do not
benefit to Russia

Europe should back off.

Russia does not

want to attack Europe.

as it has no issues that

why Europe should back

itself off from helping

Ukraine. Ukraine war

will continue until ~~or~~ Russia's

objectives are not met.

Ukraine's stance / NATO

cannot surrender.

Ukraine cannot surrender under the conditions of US and Russia as they will hamper their interests. Ukrainians have been fighting to protect its integrity and territory. So, they cannot lose it.

Ukraine's & Europe's sovereignty:

NATO say if Ukraine falls there is most likely a chance that European countries will be Russia's next target. Therefore the Russia's expedition should be stopped.

Trump & NATO:

Trump continuously ~~makes~~ blames Ukraine for the war and also terms that US will not let NATO help Ukraine as they are the biggest contributors and despite all this US gets nothing.

Recommendations:

Agree on mutual grounds.

Both the countries should find a mutual and common ground which is acceptable to both of the countries and gets them to a potential wise resolve.

US. Role of arbitration

Trump should promote or enhance his role as an arbitrary party to make them stop the war.

This role will be highly acceptable as both Ukraine and Russia regard US.

Humanitarian crisis issue

They both should be made aware that this war has led to humanitarian crisis as lives are being lost and infrastructure is being damaged which will have severe impact on the future

Role of UN:
UN should play its role more actively and make arbitration attempts. They can also threat of sanctions to resolve the issue peacefully.

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