

## QUESTION # 02

### Exordium

Pakistan has enduring economic crisis, almost since independence. The discontinuity of policies either economic or political played vital role. The current burden of budgetary economy has its roots in the tussel between civilian and military authorities and their shifts among nationalization and privatization. Privatization is inevitable in 21<sup>st</sup> century to smooth the economic crisis. State owned enterprises are burden for economy and they lack successful administrative strategies.

### Historical shift of Nationalization

Pakistan was a capitalistic society and government and business were separated. Significantly, Zulfikar Ali Bhutto was in favour of nationalization. He visited Russia and influenced by communism. Considering economic division because of capitalism. He converted enterprises for self owned to state owned enterprises.

## Burden of State owned Enterprises

The state owned enterprises shift the attention of government from governance to business. Government favours these business in form of subsidies. The burden is shifted to salaried class of society. Ultimately, these enterprises turned into a tool of oppression. The economy is worst hit of this oppression.

The condition of state owned enterprises is vulnerable. The electricity sector loses 33% of energy, 17% by NTDCs and 16% by DISCO. The surge of electricity generation capacity but demand is less. The right and balanced policy for such departments is missing.

### Why Privatization is inevitable in Pakistan

Privatization is inevitable as they are burdenizing economy and privatization helps in economic wellbeing. Ironically, these enterprises are politicised and symbol of nepotism in Pakistan. The limited

elite owned these enterprises, this is elite make government. The privatization helps in recovering the institution from loss and here are some examples;

### - Privatization of K-electric

Privatization helps K-electric in governing it sustainably. It recovered the loss which was 33% and now it stands on 17%.

### - Privatization of PTCL

PTCL was also a burden to state's economy. After privatization they added Wi-Fi and other strategies saved the enterprise from collapse.

### - Privatization of PIA

PIA was a major source of stressing the already vulnerable economy. It is waiting for privatization and in Dec 2025 it is privatized by selling 70% of its share and for 135 bn \$.

## Nationalization and restrictions for FDI

Nationalization narrowed area for investments. The state's withdrawal from business

and less taxes attract FDI  
helps in flourishing economy.

## Extractive institution vs. Inclusive institutions

The term 'extractive institutions' is used by Acemoglu in 'Why Nations Fail', he highlights the importance of public involvement. These extractive institutions leads to the failure of the state. He suggests inclusive institutions for prosperity of state.

### Case study of Zimbabwe and Botswana

Both are African countries and Botswana was economically collapsed state. bring inclusive institutions and now their economic condition is even better than Pakistan. Other hand, Zimbabwe is practicing extractive institution and falling in economy.

### Case study of South Korea and North Korea

In North Korea, state owned all business. whereas, South Korea follows inclusive institutions and now one of leading economy. Both separated at same time but their practices

distinguish them from each other.

So, Pakistan for economic practice must follow same model.

## China and Nationalization

Many critics argue that China is emerging economy but no privatization. It is exceptional case. Also, even China is communist state but their economy is inclusive one.

## Way forward for Pakistan

### Restrict politicization of Privatization

The state must ensure the privatization without favoritism. The critics claimed that state favour their like minded fellows, family and friend. The political parties are leading and holding maximum business in Pakistan. According to a study, almost 75-80% of parliamentarians are feudal lords.

### Ensure Transparency

The process of privatization must include the experts of field and the political parties must not favor their

Families and friends by privatization.

Focus on Governance not business

The social and economic condition of Pakistan is vulnerable. It demands ~~of~~ governance, accountability, rule of law and fundamental rights. State must focus on these instead of businesses.

Flourish startups / entrepreneurship

Along with privatization government should focus on new small business. The unemployment and job crises can be overcome by this. State can align these small startups with big enterprises.

Shared ownership

The heavy state owned enterprises can sale share at stock and ~~the~~ when ~~can~~ hold ownership. The share ownership hamper politicization and remove burden from overall state's economy.

Privatization of Media

Media must also be privatized with other enterprises. This is not for economy but for freedom of speech. In Musharraf era, the private media channels were also

politicized and become tool of advertisement.  
So, it demands transparency and accountability.  
Hence, privatization is a burden  
for economy and remain tool in hands  
of elite. The privatization can decrease the  
burden from strained economy. However, it  
needs sustainable solution, neutral policies  
and rule of law.

## QUESTION # 04

### Introduction

The opposition of Russia and  
NATO is not new, it remained a  
tool to divide the world. In response  
of NATO, Russia created 'Warsaw  
pact', whereas, NATO is a representative  
of West and Warsaw pact vanished  
with disintegration of USSR.

### Historical Perspective

Russia disintegrated in 1991, since then  
it is feared about NATO's involvement  
in its neighbourhood. NATO is expanding  
and its threaten Russia currently more  
than in past. It is due to NATO's

involvement was not in immediate neighborhood of Russia. After Ukraine's wish to involve in NATO, resulted Russia-Ukraine war.

The tussel of communism and capitalism divided world and caused mass destruction. They divided the world opinion across the globe. Again the world is fragmented on Russia-Ukraine stance.

### Ukraine War - opposition of NATO and Russia

Ukraine is independent state and have water boundaries. Russia needed it for trade of its oil. Ukraine is a bone of contention for Russia and NATO.

Europe was major market of Russian oil export. Almost 80% of Russian oil via gas pipeline. After Ukraine war, NATO imposed sanctions on Russia and cutted the gas trade. The objective to end Ukraine War. However, China presented itself as new market and saved Russian economy. Hence, the war in Ukraine is continued.

## Russia's stance on Ukraine

### War

Russia invaded Crimea in 2014 and got access to sea. When Ukraine for its security tried to enter NATO, Russia restricted it. Russia's claim is that the presence of NATO in its immediate neighbourhood is a threat for its existence.

Russia showcases that its war is for preserving its existence, which can be threatened by NATO.

## NATO's stance on Ukraine

### War

NATO is a security alliance and its main objective is to deal with foreign threats collectively. Ukraine wants to join NATO to save itself from Russia's oppression. If Ukraine becomes part of NATO, then any attack on Ukraine will be considered as attack on all members of NATO.

## Trump's stance on Ukraine

### War

Trump helped Ukraine with arms, military supplies and financial aid.

USA is a major contributor in NATO's finance. Meanwhile, currently a famous disagreement between Trump and Zelinsky in start of 2025. It poses that Trump is no more interested in wasting dollar on Ukraine. Moreover, Trump meted many times to Putin in Alaska. He claimed to stop the war soon but Trump's shift towards Ukraine or Putin is often questioned by critics.

### Implications of war

Ukraine was major exporter of wheat specifically. After war and destruction in Ukraine, the surge in wheat prices in international market. Recently, Ukraine attacked on Putin's base in Russia. Russia is militarily more strong than Ukraine. But, the support of EU and Trump to Ukraine help in resistance and retaliation.

### Ukraine war - Failure of Globalization?

The events like Palestine - Israel conflict and Russia - Ukraine conflict disrupts global connectivity and further fragmentation

in global fabric of connectivity. "Is Globalization Failing US? Globalization and its discontent" is written by Samuel E. Finer. Finer highlights that globalization is no more attraction for nations. Trump's 'America First' and Russia-Ukraine war depicts that connectivity is not strengthening relations anymore.

## Recommendations for Ukraine War ending

### Strengthening economic ties

Economic model helps in hampering conflicts. The Finland and Russia connectivity via railway for goods and trade, even though small in number but signifies its importance. The goods from Finland to India using Russian landmass for testing INSTEC. Such connectivities can flourish ties.

### Stopping war

Russia, NATO and Ukraine must talked at any forum to stop the destruction. Russia is rigid to not to allow Ukraine's involvement in NATO, Ukraine also insisting blatantly. A negotiation forum must be helpful.

## Duty of International Forums

The international forums like UN must ensure peace. It is crucial for treating food shortage (Ukraine) and surge of oil prices (Russia) ~~and~~ ceasefire and a resolution by UN without biasness.

## International Law

The loss of huge lives and services must not be allowed. Such events are needed to stop by ~~UN~~.

## CONCLUSION

Russia and NATO are opposing each other and Trump being part of NATO <sup>and good relation with Putin</sup> is not resolving the dispute. The implications of Russia-Ukraine war is not restricted to Eastern Europe. However, now world almost facing implication either in form of oil prices or food security. The dispute must be solved as early as possible.

## QUESTION # 06

### Introduction

Climate change is a threat across the globe and it affects all sectors of life. Paris climate agreement is allowed to follow the path and save world by limiting greenhouse gases. The Industrial Revolution resulted in this disaster but in long run. The fragmentation of opinion among developed and developing state, results in some adherence towards climate change. Trump in his both presidencies pulled out from Paris agreement.

Climate change does not respect borders, it does not respect who you are rich or poor, big or small  
- Ban ki Moon

### Historical Background

The 'Industrial Revolution' emitted harmful material and with time it converted into a disaster. Now many life's lives are at

state because of natural disasters due to climate change.

US president Barack Obama during his presidency highlighted it and he joined Paris agreement. When Trump became president in 2016, he firstly pulled out from Paris agreement. He claims that he does not believe on climate change. He also believed that it is to restrict US' industry and he favoured 'America First, American Products First'.

When Biden became president he joined Paris agreement again. However, Trump in his (first) & second presidency again pulled from Paris agreement.

### Role of Developed World in Climate Change

Developed world has strong industry since so long. USA is a developed industry and they are contributing in climate change element. Since the pullout from developed world is

increasing these nations' presence which are major contributors of climate destruction elements.

### Failure of Kyoto Protocol

It was signed in 1997 and it is a failed agreement because developed world not take it seriously.

They are improving economy at cost of destruction.

Trump's pullout is allowing new developing nations and their emerging industry.

The industries emit harmful chemicals by burning oil, gas, coal etc. USA to flourish its economy bring huge implications.

Floods, heatwaves, melting of glaciers are common phenomenon. Pakistan is at top of worst hit list of countries. Floods in 2022 caused loss of agriculture land and economic deprivation.

So, Trump's pullout opened door for contributing in greenhouse gases. It reveals the reality of international law and importance of

## Role of Developing Countries

The developing countries are suffering the pain in form of natural disasters. These disasters are triggered by polluting the environment. China and India are emerging economies their industry is flourishing. They are not developing countries any more and must be removed from list of developing countries. They need to be restricted.

## Europe's Focus on climate change

EU is leading in fighting with climate & changing effects. EU has a project to reduce carbon emission. They have a goal to make Europe a carbon free continent.

## Trump - pullout

Trump pullout creating vulnerabilities. It has many implications including:

- 1- Global climate crisis
- 2- Confidence for carbon emission
- 3- Importance of economy over human security

## QUESTION # 08

### Introduction

Gaza peace plan is another effort by USA to stop Gaza-Israel war. This is not first plan, but certain attacks break the plan. It is the obligation of both sides to make it successful. The policy of Islamabad regarding the plan is not yet clear. Pakistan played role with other muslim countries in bringing cease-fire whereas, later ~~all~~ state including Pakistan stepped back.

### Gaza - Israel conflict - Background and current situation

The Balford declaration in 1948, settled Jews in area by dividing Palestine. It lies among Jordan river and Mediterranean sea.

Till 1967, Israelis buy land from Palestinian people. Later, they started occupying the land forcefully. It resulted

in war-like situation. Hamas is defending Gaza (the left over of Palestine). Israel has already occupied Jerusalem and most of west bank. USA is favouring Israel's occupying. Jews has agenda of making a state for all Jews across globe and they wanted to remove Palestinian. In this crisis, almost 63,000 people died. A lot of displaced and migrated to neighbouring states and Europe.

### Abraham Accord

It was also brokered by USA. During Trump's first presidency. In this accord, muslims neighbouring countries developed relations with Israel. Bahrain and UAE accepted Israel.

### Role of Iran

Iran is backing Hamas and giving tough time of fully occupy the land. They are not as strong as Israel. It resulted in Iran-Israel war in June 2025. They also had many skirmishes in past. The 'Stuxnet case', it significantly destroyed Iran's nuclear facility.

## Trump's 20 point plan

Trump presented this plan and allowed other muslim nations on table talk to discuss the plan.

The chances of the success are questioned that Israel is continuing attacking Gaza even after plan. Trump and Netanyahu greeted each other and they are only interested in disarming Hamas. Trump is backing Israel and criticizes for his biasness towards Israel instead of humanitarian crises.

Israel has not allowed to send humanitarian aid even after ceasefire.

It is hoped that this plan lasts longer and bring prosperity. Whereas, the chances are very low because of rigid attitude of occupiers.

## Pakistan - Gaza Peace Plan

After publishing 20 point peace plan, many muslim countries including Pakistan. They claimed that they didn't agree on these points, they signed another agreement. The creation of peace keeping

4- Climate change is myth

China - Europe ; promises of COP21  
China with advancing in industry,  
also focusing on climate friendly  
production. China is major exporter  
of solar panels in world. China is  
also exporting electric cars. In Pakistan,  
China's electric buses are using.

Europe is also improving environment  
by setting different goals. The projects  
of EU. They are working on converting  
Europe first carbon free continent  
and focusing green revolution.

**Avoid giving arguments without  
evidences**

Climate change is not myth and it  
must be tackled efficiently. Trump's  
pull-out is creating gulf in reversing  
climate effects. China and Europe is  
shifting to electric appliances and  
trying to achieve goals of COP-21.  
However, the results are yet to witness