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C O U N T R Y

ANALYSIS

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Executive Summary

This report provides an in-depth analysis of recent political, economic, and social developments in Pakistan, focusing on their implications for governance, institutional reforms, and social stability. It critically examines key legislative changes, economic indicators, security challenges, and environmental concerns, highlighting the complex dynamics shaping Pakistan's trajectory.

Significant amendments, including the expansion of Supreme Court judges and the extension of military leaders' tenures, have reshaped Pakistan's institutional structure. While these changes aim to address judicial backlogs and ensure continuity in military leadership, critics view them as steps toward consolidating executive control, potentially undermining judicial independence and civilian oversight. The swift passage of these bills amid opposition protests raises concerns about the weakening of democratic norms and transparency.

Pakistan's economic landscape is marked by mixed signals. The Federal Board of Revenue (FBR) reported a surge in tax returns, yet the rising proportion of nil-filers exposes systemic inefficiencies. Meanwhile, an IMF emergency mission underscores fiscal vulnerabilities, urging urgent reforms to bridge revenue gaps. Economic resilience, observed in agricultural and manufacturing sectors, is undercut by inflationary pressures, trade imbalances, and reliance on external financial support, necessitating comprehensive structural reforms.

The security situation remains volatile, with incidents like the Mastung bomb blast exposing gaps in counterterrorism measures. Despite government pledges, reactive strategies fail to address the root causes of militancy and vulnerabilities in civilian protection, particularly in conflict-prone regions like Balochistan. Environmental crises, including severe smog in Punjab and rising air pollution, highlight systemic policy failures. Temporary measures, such as factory closures and school shutdowns, have failed to address root causes like agricultural burning and industrial emissions.

Cross-border climate diplomacy offers a pathway for collaborative solutions, emphasizing the need for coordinated regional efforts to tackle shared environmental challenges. Pakistan's political, economic, and social landscapes are at a critical juncture. While some developments signal progress, they are overshadowed by systemic inefficiencies, governance challenges, and environmental risks. Strategic reforms and collaborative efforts are essential to foster sustainable development and institutional resilience.



Political Updates

Pakistan's Parliament Passes Landmark Bills Amid Opposition Protests:

The recent passing of [six amendment bills by Pakistan's National Assembly and Senate](#), which includes increasing the number of judges in the Supreme Court and extending the tenure of the country's top military leaders, represents a significant moment in the political and institutional landscape of Pakistan.

While the government and some legal experts argue that these reforms are necessary for addressing institutional challenges, others—including political opposition and legal professionals—raise serious concerns about the implications for democracy, judicial independence, and the balance of power in Pakistan.

Judicial Amendments: A Step Toward 'Judicial Capture'?

The Supreme Court ([Number of Judges Amendment Bill, 2024](#)), proposes an increase in the number of Supreme Court judges from 17 to 34. The government has framed this amendment as a solution to the massive backlog of cases in the judiciary, arguing that the move would help clear cases more efficiently, especially after the passing of the 26th Constitutional Amendment. However, the critique from the legal community suggests

that the increase in the number of judges might not necessarily address the deeper problems of judicial inefficiency and delay.

Lawyers like Rida Hosain emphasize that the backlog is primarily due to issues at the district judiciary level, not the Supreme Court. According to Hosain, 82% of the pending cases are at the district level, yet no meaningful steps have been taken to address this issue.

The government's focus on increasing the number of top judges instead of reforming the lower judiciary raises suspicions that this move is more about consolidating political control over the judiciary rather than addressing its practical problems.

The speed with which the amendments were passed—despite opposition protests—further fuels the perception that these changes may be motivated by a desire to interfere with judicial independence.

Furthermore, the expansion of the Supreme Court's judicial bench under the guise of clearing case backlogs can be seen as a strategic move to “pack the court” with judges who may align with the current government's political interests.

Barrister Asad Rahim Khan's comments on the government's “executive capture” of the judiciary underscore this sentiment, as he suggests that the primary intent behind these amendments is to consolidate power and silence opposition, rather than improve judicial efficiency.

This raises critical questions about the autonomy of the judiciary and whether the government is pushing for reforms to safeguard or to diminish judicial independence.



Source: DAWN



Military Amendments: A Shift Toward Monarchical Control?

Another major development in these amendments concerns the military leadership. The Army Act Amendment Bill, 2024, alongside amendments to the Pakistan Air Force and Pakistan Navy Acts, proposes extending the tenure of service chiefs from three to five years, with provisions for reappointment and extension. This change affects the Chief of Army Staff, Chief of Naval Staff, and Chief of Air Staff. The government's justification for these amendments is again framed as a matter of uniformity across the armed forces, aimed at aligning tenure lengths for all service chiefs.

The political opposition has voiced strong objections, with PTI's Barrister Gohar Ali Khan accusing the government of transforming the country's democratic setup into a monarchy.

The extension of the tenure of military leaders has sparked fears of increasing military dominance in political affairs. Given Pakistan's history of military influence over civilian governments, the idea of extending the tenure of the service chiefs raises constitutional and democratic concerns.

Critics argue that these amendments could further entrench military power in Pakistan's political system, weakening civilian oversight and control over the armed forces.

Moreover, the removal of the 64-year age limit for service chiefs, along with provisions allowing extensions for further terms, signals a shift toward the militarization of politics, which could undermine the principle of civilian supremacy.

This could have profound implications for the country's democratic future, especially if it leads to the entrenchment of individuals in powerful military roles, further cementing the military's grip on key national decisions.

Constitutional Implications and Democratic Backsliding

Both the judicial and military amendments are occurring in a context where the balance of power between the executive, judiciary, and military has been shifting in Pakistan over the years. The 26th Amendment, which stripped the Supreme Court of its suo motu powers and curtailed the Chief Justice's tenure, was already a controversial move that seemed to reflect the government's desire to limit judicial oversight. The recent increase in the number of Supreme Court judges and the extension of military leaders' tenures could be seen as a continuation of this effort to reshape Pakistan's institutional structures in a way that minimizes checks on executive power.

While these reforms have been justified as attempts to improve institutional functionality, they raise serious questions about accountability and transparency. For instance, increasing the number of judges may not resolve the deeper issues within the judiciary, such as a lack of adequate resources, corruption, or politicization.

Similarly, extending the tenure of military leaders could diminish the rotation of leadership, leading to the consolidation of power and the potential for military control over political processes.

The absence of significant debate and the rushed passage of these bills through both the National Assembly and the Senate—despite strong opposition protests—indicate a concentration of power that undermines the democratic process.

These moves could be interpreted as part of a broader pattern of democratic backsliding, where political elites make decisions without adequate consultation or oversight, eroding the checks and balances necessary for a healthy democracy.



A Graver Concern: Legal and Institutional Impunity

Finally, the amendments could pave the way for increased legal and institutional impunity.

As the opposition parties and civil society actors have pointed out, this package of reforms, especially with the increased role of the executive in judicial and military matters, may encourage a system where decisions are made based on political favoritism rather than merit or legality.

It could potentially foster a system where government actions go unchallenged, and the possibility of legal martial law becomes more probable, as warned by Jamaat-i-Islami Senator Mushtaq Ahmad Khan.

Conclusion: A Slippery Slope

The passage of these amendment bills is a significant development that has sparked both legal and political concerns. While the government may argue that these reforms are essential for institutional efficiency and consistency, the criticisms point to a much deeper issue: the gradual erosion of democratic principles and the consolidation of unchecked power within a few institutions. If these changes are left unchallenged, they could lead to increased centralization of power in the hands of the executive and military, undermining Pakistan's fragile democracy and potentially setting the stage for more authoritarian governance. The concerns raised by opposition parties, legal experts, and civil society groups deserve thorough scrutiny, as these changes could have long-lasting consequences for Pakistan's democratic future.

Economic Outlook

FBR's Tax Return Surge and the Challenge of Nil-Filers in Pakistan's Tax System:

The Federal Board of Revenue (FBR) in Pakistan reported a significant increase in tax return submissions for the tax year 2024, with **5.215 million returns** filed by November 6, marking a 76% rise compared to the 2.959 million returns received during the same period in the previous year. The total tax payment associated with these returns amounted to Rs132.259 billion, reflecting a 71.47% increase over the Rs77.132 billion received during the same period in 2023.

To facilitate taxpayers, the FBR extended the filing deadline twice, with a final extension beyond the original September 30 cutoff. This year, the FBR also enrolled 660,000 new return filers between July 1 and November 6, contributing to the overall increase.

However, a concerning development has been the sharp rise in the number of nil-filers, who now account for 39% of the total returns filed, up from 35% last year. Nil-filers are often those filing returns for one-time financial transactions or to gain access to the Active Taxpayer List (ATL), taking advantage of lower tax rates.

The sharp increase in return filings is a positive sign of improved compliance, but the high proportion of nil-filers points to a systemic issue within the tax collection framework.

While these individuals technically meet the requirement to file returns, they do not contribute substantially to the revenue base.



The trend of nil-filing suggests that many taxpayers are gaming the system, filing returns merely to avail of benefits like inclusion on the ATL, which provides access to lower tax rates and the ability to engage in financial transactions, without actually reporting meaningful income or paying significant taxes.

This undermines the overall effectiveness of the tax system and highlights a loophole that the FBR has yet to adequately address. The rise in nil-filers could be seen as a failure to capture genuine income earners and expand the tax net effectively, despite the increase in overall return submissions.

Furthermore, the FBR's proposal to restrict non-filers from engaging in financial activities, such as acquiring property, purchasing cars, and opening bank accounts, is a step in the right direction but may not fully resolve the problem.

While the restrictions may incentivize individuals to file accurate returns, there are concerns about the fairness and practicality of these measures.

The three-tiered approach to financial transactions based on income thresholds could further complicate the process, potentially discouraging voluntary compliance from lower-income individuals who may find it difficult to navigate the intricate tax system.

Additionally, the focus on punitive measures may alienate taxpayers and create a sense of distrust toward the tax authorities. Instead, the FBR needs to focus more on simplifying the process, educating taxpayers, and creating a system that encourages transparency and voluntary compliance.

As it stands, the heavy reliance on penalties and restrictive measures may lead to more resistance than cooperation from the public.

IMF's SOS Mission and Pakistan's Fiscal Struggles:

The International Monetary Fund (IMF) has dispatched an emergency mission to Pakistan, underscoring the critical state of the country's fiscal management. The mission, led by IMF's Nathan Porter, aims to address the government's failure to meet key performance targets, especially the alarming shortfall in tax collection, which has reached [Rs321 billion](#).

The urgency behind this mission is not just a reflection of Pakistan's inability to correct its course through virtual meetings, but also an indication of deeper, systemic issues in its economic structure.

Despite attempts to implement reforms, such as the [Tajir Dost Scheme](#), the government has struggled to generate the necessary tax revenue, and the IMF has expressed growing concerns over the government's unwillingness or inability to enact meaningful fiscal reforms.

This intervention highlights the IMF's dwindling confidence in Pakistan's economic managers and raises important questions about the country's future fiscal autonomy.

The IMF's mission presents Pakistan with two potential solutions: unveiling a mini budget to cover the revenue shortfall or introducing a comprehensive plan to curb unchecked expenditures. However, both options point to the fundamental issue of Pakistan's economic reliance on short-term fixes rather than sustainable, long-term reforms.



Source: The News



The government's decision to increase tax rates on wholesalers and retailers has had limited success in improving tax compliance, but it has not addressed the root causes of Pakistan's fiscal instability, such as tax evasion and insufficient industrial growth. Moreover, the power sector's attempts to impose higher rates on solar energy—a key step toward energy sustainability—also risks curtailing progress in green energy adoption, further complicating the nation's economic outlook. The IMF's mission, therefore, does not just focus on immediate corrective measures but also exposes the lack of a clear, coherent strategy for economic recovery.

In conclusion, while the IMF's SOS mission may offer temporary solutions to Pakistan's fiscal crisis, it also underscores the larger structural issues that have plagued the country's economy for years. The recurring reliance on external financial support without addressing critical issues like tax reform, industrial development, and energy sustainability suggests that Pakistan is stuck in a cycle of short-term remedies that do not foster long-term growth.

Unless Pakistan shifts its focus toward genuine structural reforms—prioritizing domestic revenue generation, industrial expansion, and fiscal discipline—the country will likely remain trapped in a pattern of recurring fiscal crises, dependent on international assistance to survive. The IMF's intervention may stabilize the economy in the short term, but without deeper changes, Pakistan's economic challenges will persist.

Cybercriminals Exploit FBR System to Stage Trillion-Rupee Fraud, Exposing Critical Vulnerabilities:

A gang of cybercriminals exploited dormant sales tax accounts of retired armed forces personnel and other individuals to conduct a

massive fraud, resulting in fictitious transactions worth **Rs. 1.625 trillion**



Source: The Brecorder

This fraudulent activity caused a sales tax loss of Rs. 292.549 billion and an additional tax loss of Rs. 235.34 billion. The criminals, with the help of insiders from PRAL and FBR, accessed and manipulated these accounts by altering personal details, deactivating security checks, and submitting fake supplies. The fraud was only uncovered after the criminals changed account information, preventing the original taxpayers from accessing their own records.

This incident highlights significant vulnerabilities in Pakistan's tax administration system. The ease with which these cybercriminals manipulated the FBR's digital infrastructure and bypassed key security protocols exposes critical weaknesses in internal controls. The deactivation of protective measures, like Rule 18(5) of the Sales Tax Rules, and the lack of immediate oversight allowed these fraudulent activities to go undetected for an extended period. This reflects a broader issue of insufficient enforcement and monitoring mechanisms within the system, enabling such crimes to be carried out without fear of swift repercussions. The broader implications are concerning, as this breach undermines public trust in Pakistan's tax collection system, which relies heavily on self-assessment. The incident reveals that the current system is not only vulnerable to digital manipulation but also lacks effective verification processes to detect such fraudulent activities.



To prevent future occurrences, the FBR must urgently strengthen its cybersecurity measures, re-activate essential security features, and improve internal auditing processes. Moreover, transparency and accountability in managing taxpayer data must be prioritized to restore public confidence and ensure the integrity of the tax system.

Analyzing Pakistan's Economic Outlook for FY2025:

The recent economic update for Pakistan highlights a complex recovery narrative characterized by both promising growth indicators and persistent challenges.

The economy has shown resilience, particularly in the agricultural and manufacturing sectors, with significant increases in agricultural machinery imports (up 115.9%) and a [monthly growth of 4.7%](#) in large-scale manufacturing (LSM) for August 2024.

The successful hosting of the Shanghai Cooperation Organization (SCO) summit has also contributed to bolstering business confidence and regional trade initiatives, emphasizing the importance of international cooperation in enhancing economic prospects. However, while these developments suggest a rebound, they mask deeper structural issues that could undermine long-term stability.

Critically examining these trends reveals that the improvements in economic indicators are not uniformly distributed across all sectors.

The current account deficit, despite shrinking to \$0.1 billion, still reflects a troubling trade imbalance, with exports growing modestly against a backdrop of rising imports.

This imbalance is exacerbated by inflationary pressures, which, although at a 44-month low of 6.9%, remain significant in essential categories such as food and housing.

The reliance on external financial support, particularly from the IMF and remittances—which have reached record levels—exposes the economy to global market fluctuations and geopolitical uncertainties.

Furthermore, while the fiscal deficit has improved slightly to 0.7% of GDP, the sustainability of this fiscal consolidation remains questionable given the volatile nature of revenue sources and the potential for future expenditure increases.

In conclusion, while Pakistan's economic recovery appears to be on a positive trajectory, it is imperative for policymakers to adopt a more holistic approach that addresses underlying vulnerabilities.

Enhancing domestic production capabilities and reducing import dependency should be prioritized to foster sustainable growth. Additionally, structural reforms aimed at improving productivity across sectors, particularly agriculture and manufacturing, are essential for building resilience against external shocks.

The government must also ensure that social safety nets are robust enough to support vulnerable populations amid ongoing economic transitions. Only through comprehensive reform can Pakistan hope to achieve long-term stability and prosperity in an increasingly interconnected global economy.

Government Urged to Set Wheat Support Price to Prevent Import Dependency and Boost Local Production:

The Federal Ministry for National Food Security has urged the government to set an immediate [support price for wheat](#) for the upcoming season and to establish official wheat procurement targets. Without these measures, the ministry warns, the country may face the necessity of importing up to [\\$1 billion worth of wheat](#) next season to meet local demand.



The International Monetary Fund (IMF), however, has advised Pakistan to limit government intervention in agricultural markets, a stance that risks creating uncertainty for farmers. This lack of clarity on support pricing and procurement could disincentivize wheat cultivation, potentially jeopardizing the national wheat supply chain.

This policy gap is especially troubling given the exploitation faced by wheat farmers in recent sales cycles, where inadequate price supports led to diminished profits and financial strain. Consequently, farmers are considering shifting to alternative crops, which could result in a reduction of land dedicated to wheat production and ultimately lead to lower overall wheat yields.

This shift poses a significant threat to food security, underscoring the critical need for timely policy intervention to protect wheat production levels.

To avoid future reliance on costly imports, the government must prioritize local farmer support, particularly by setting a competitive support price that reflects production costs and incentivizes wheat cultivation.

With the sowing season approaching, prompt action on the ministry's recommendation is essential to stabilize wheat production, support rural incomes, and secure a sustainable agricultural framework for the country.



Source: Tribune

Critical Assessment of Pakistan's State-Owned Enterprise Reforms: IMF-Mandated Measures or Bureaucratic Overhaul?

The Ministry of Finance has directed all state-owned enterprises (SOEs) to comply with new operational protocols and reporting regulations, as mandated by the International Monetary Fund (IMF).

These guidelines, which were due by the end of October, cover various areas including business planning, risk management, governance, and the appointment of directors. The government's commitment to adopting these measures is part of the [\\$7 billion Extended Fund Facility \(EFF\) deal](#) with the IMF, which aims to streamline SOE operations, reduce fiscal risks, and improve the financial sustainability of these entities.

The SOEs are also required to publish IFRS-compliant audited financial statements and meet governance standards, including independent boards and audit committees.

However, while the IMF-backed reforms appear to be a step toward improving transparency and accountability within SOEs, their effectiveness remains highly uncertain.

The implementation of standardized regulations and reporting structures could create a facade of compliance without addressing the underlying inefficiencies and institutional weaknesses that plague SOEs. Many of these entities have long been criticized for inefficiency, corruption, and poor service delivery, and simply enforcing new protocols may not be sufficient to drive substantive change.

Without addressing the deeper structural issues within these organizations, such as political interference and mismanagement, these reforms risk becoming bureaucratic exercises that do little to alter the performance of SOEs in practice.



Moreover, the commitment to implement these reforms, while ambitious, highlights the persistent tension between short-term IMF demands and the long-term sustainability of reforms in Pakistan's political and economic landscape. The focus on operational manuals, cost assessments, and performance benchmarks may not be enough to mitigate the massive fiscal burden that SOEs place on the economy.

While governance improvements are crucial, they alone will not resolve the fiscal losses or the broader issue of Pakistan's reliance on state-owned enterprises. If the reforms are not accompanied by a shift in the political and economic incentives driving SOE dysfunction, Pakistan may find itself once again facing similar issues of inefficiency and corruption, despite the IMF's structural guidelines.

Security and Governance

Nine Killed, Including Five Children, in Mastung Bomb Blast:

On Friday, a bomb blast in Mastung district of Balochistan claimed the lives of nine people, including [five children](#), and [injured 29 others](#). The explosion, which reportedly occurred near a police van close to the Mastung Civil Hospital, has been condemned across Pakistan.

Balochistan's Chief Minister Sarfaraz Bugti expressed sorrow over the targeting of children and poor laborers, underscoring the inhumanity of such an act.

While there were conflicting reports on the blast's exact location—PTV initially cited a girls' high school—the local commissioner clarified that the incident took place near the hospital and involved an improvised explosive device (IED) attached to a motorcycle. This tragic incident has once again highlighted the escalating security challenges in Balochistan,



Source: DAWN

where terrorism has intensified in recent months, prompting calls for urgent government action. This attack raises critical concerns about the prevailing security strategies in Balochistan, especially in terms of protecting vulnerable communities. The death of children in what should have been a secure area near a hospital illustrates a significant breach in safety measures.

Additionally, the attack occurred while police were patrolling the area to protect a nearby polio vaccination team, a routine task in areas prone to militant resistance. The government's failure to anticipate and prevent such an attack suggests deeper vulnerabilities within counterterrorism operations, particularly when it comes to civilian protection.

While security deployments are strategically placed around high-risk zones, the reach and response capabilities of these measures seem limited in deterring attacks on public sites.

The increasing frequency of terror incidents in Balochistan and the broader resurgence of violence across Pakistan reveal the challenges of effectively combating entrenched militancy. Despite government pledges to eliminate terrorism, the persistence of such attacks indicates that security responses have so far been reactive rather than preventive.



Furthermore, the attack's location near a school and hospital reflects a disturbing trend of militants targeting symbols of public welfare and development, perhaps in an effort to destabilize communities and weaken state authority.

The statements of condemnation from officials underscore the government's resolve, but the situation calls for a more strategic, long-term solution that addresses not only militant violence but also the underlying socio-political discontent that fuels these groups.

A comprehensive response, incorporating both security enhancements and socio-economic reforms, will be essential to mitigate the roots of extremism and protect Balochistan's civilian population.

Social and Humanitarian Focus

Fifteen Million Pakistani Youth Caught in the Grip of Drug Addiction: Alarming Trends and Urgent Need for Action

Pakistan is facing a growing crisis, with around 15 million of its youth currently struggling with drug addiction. Recent reports reveal that 25 different types of illegal drugs, as well as over 80 narcotic pills, capsules, and liquids, are widely consumed across the country, with approximately three million students affected.

Alarming, drug use is prevalent in both urban centers and rural areas, including schools, government offices, and recreational spots. Law enforcement agencies have taken action by dismissing over 400 officers involved in drug trafficking, yet the infiltration of illegal networks within these agencies underscores the depth of the problem.

This crisis signals a failing in Pakistan's preventive frameworks and calls for an urgent reassessment of the country's anti-drug strategies. While dismissals of compromised officers represent a step in the right direction, they reveal a broader issue of corruption and the need for more robust oversight and integrity within law enforcement agencies.

Reforms in law enforcement, including regular accountability checks, will be crucial in curbing this trend. Moreover, the government's current anti-drug measures are insufficient to prevent the widespread distribution and consumption of drugs.

There is a pressing need to introduce educational campaigns that raise awareness among the youth about the devastating health and social consequences of drug addiction.

[International research consistently shows that drug addiction is driven not only by accessibility but also by socioeconomic factors](#), such as poverty, unemployment, and lack of education.

Addressing these root causes by investing in social services and creating opportunities for youth development can reduce the appeal of drugs as an escape from harsh realities. Pakistan's youth need more constructive outlets, skill-development programs, and mental health support to steer them away from this destructive path.



The National Assembly Standing Committee on Narcotics Control has [expressed deep concern](#) over the increasing drug abuse in educational institutions across Pakistan, particularly schools and colleges.

The committee emphasized the need for immediate action from the Ministry of Narcotics Control, urging collaboration with district administrations, police, and law enforcement agencies to combat this growing menace.

The committee's concerns extend to the cross-border drug trafficking, with most synthetic drugs entering Pakistan through Afghanistan and Iran, further stressing the importance of strengthening anti-smuggling measures along Pakistan's borders.

The Anti-Narcotics Force (ANF) has been grappling with staffing shortages, particularly in Balochistan, where high-risk areas such as Dalbandin, Turbat, and Gwadar require urgent attention to control the flow of narcotics.

Punjab's Public Schools Undergo Massive Privatization Drive:

The Education Department of Punjab has completed the privatization process for 500 middle and high public schools, with the transfer of ownership set to be finalized by the end of November.

This move follows the earlier privatization of 4,500 primary schools in the province and plans to privatize another [7,500 by November 25](#).

The provincial government aims to privatize a total of 20,000 schools by April, framing the decision as a solution to systemic challenges plaguing public education, such as overcrowded classrooms, lack of infrastructure, and underqualified teachers.

While these efforts are being lauded as a necessary step toward improving educational outcomes, they also raise concerns about the future of equitable access to quality education in the region.

Despite the promises of improved quality, critics argue that privatization risks deepening existing inequalities in Punjab's education system. Many rural communities, where poverty is pervasive, may find the cost of private education prohibitive.

The privatization drive, critics warn, could create a two-tier education system—one for the affluent and another, underfunded system for the underprivileged. Moreover, the assumption that privatization will inherently lead to quality improvement is contested, as it shifts the government's responsibility without addressing the root causes of systemic dysfunction, such as teacher shortages and uneven resource distribution.

Privatization as a solution seems overly simplistic for Punjab's complex education crisis. The provincial government should instead prioritize reforming the existing public education framework.

Targeted investments in teacher training, upgrading infrastructure, and equitable resource allocation would address the core issues more sustainably than selling off public assets. Furthermore, privatization raises critical accountability questions: who will monitor these private institutions to ensure adherence to educational standards? Without clear regulatory mechanisms, the move may simply privatize inefficiency rather than eliminate it.

For a detailed analysis of the implications of this policy, read the [Policy Brief on the Privatization of Schools in Punjab](#).



Diplomatic Landscape

Implications of Donald Trump's Win on U.S.-Pakistan Relations:

The [victory of Donald Trump](#) in the 2024 U.S. presidential election has sparked a flurry of discussions, particularly in Pakistan, where many are speculating about the potential implications of his leadership on the country's political and diplomatic landscape.

Some Pakistanis have even voiced the belief that a Trump presidency could lead to the release of PTI founder Imran Khan, a notion that Republican leader Sajid Tarar dismisses as speculative.

Tarar emphasized that while Trump's policies may influence U.S.-Pakistan relations, they would not extend to interfering in Pakistan's internal affairs, particularly matters concerning Imran Khan's legal situation.

Despite this, PTI supporters are hopeful about the potential for stronger ties between the U.S. and Pakistan under Trump, while parties like PMLN continue to lean toward favoring the Democrats.

Tarar's perspective underscores a significant point—that Pakistan's focus should not be on any particular political party in the U.S., but rather on cultivating a stable and mutually respectful relationship with the global superpower.

This sentiment is echoed by Pakistan's Foreign Office, which has firmly rejected rumors suggesting that Trump's victory could lead to an alteration in Pakistan's domestic politics.



Source: Newsweek

The [Foreign Office](#) also reiterated the longstanding nature of U.S.-Pakistan relations, emphasizing the importance of building on shared interests in security, trade, and investment while ensuring non-interference in each other's internal matters.

The broader concern among analysts in Pakistan is how a potential Trump administration could reshape the geopolitical dynamics of the region. Under Trump's first tenure, U.S.-Pakistan relations were marked by a delicate balancing act, with cooperation in counter-terrorism and security, but also frequent tensions due to differing priorities.

Trump's policy toward Pakistan often emphasized the need for Pakistan to do more to combat terrorism, and it remains to be seen how his second presidency would approach Pakistan's concerns, including the ongoing issues in Afghanistan, Kashmir, and economic challenges. On the economic front, there are hopes that a Trump victory could usher in opportunities for greater trade and investment.



As both countries look to strengthen their bilateral ties, Trump's "America First" policy, which focuses on expanding American influence and securing trade deals, may provide avenues for Pakistan to enhance its economic footprint, particularly in areas such as trade, infrastructure development, and energy. Despite the challenges that come with an unpredictable U.S. foreign policy, Pakistan's strategic positioning in Asia, coupled with its need for stronger economic ties with the U.S., could lead to a more robust partnership in the coming years, irrespective of the political party in power in Washington.

Pakistan-Iran Talks: A Strategic Balancing Act Amid Regional Tensions

The [official visit of Iranian Foreign Minister Seyed Abbas Araghchi](#) to Pakistan presents an important opportunity for both nations to bolster their bilateral ties, especially amid the volatile Middle East situation. The focus on trade, energy, and security cooperation reflects both countries' recognition of shared regional concerns and mutual interests. Pakistan's strategic location and Iran's growing regional influence make it essential for these two neighbors to maintain dialogue, particularly as both face internal and external geopolitical pressures.

The visit is likely to result in more robust trade agreements, particularly in energy, where Pakistan relies on Iranian gas imports, and may lead to deeper security cooperation along the porous border to counter extremism and smuggling.



Source: DAWN

However, the visit highlights the delicate balancing act that Pakistan must perform in its foreign policy. While strengthening ties with Iran is crucial, Pakistan is also heavily reliant on its alliance with Saudi Arabia and its relationships with Western powers, particularly the U.S., which have differing views on Iran's role in the region. Pakistan's involvement in regional security frameworks, such as the Saudi-led coalition, further complicates its relationship with Iran. Therefore, while the visit is an opportunity for increased collaboration, it also reflects the challenges Pakistan faces in navigating its multiple regional and international relationships, especially as tensions in the Middle East continue to escalate.

Punjab's Plea for Cross-Border Cooperation: A New Chapter in Tackling Air Pollution Between India and Pakistan

In a rare move of regional collaboration, Punjab, Pakistan's most populous province, has reached out to India to address the worsening air pollution that affects millions of people in both countries. The provincial government has sent a [formal letter to the Indian authorities](#) proposing a dialogue on tackling the shared environmental challenge of hazardous air quality.

The plea comes after Lahore, a megacity of over 14 million people, experienced unprecedented levels of air pollution, with the air quality index soaring to more than six times the level considered hazardous to health.

The region, particularly vulnerable in the winter months, is severely impacted by a combination of factors, including agricultural waste burning in neighboring India and Pakistan, industrial emissions, and traffic congestion. Punjab officials have emphasized the need for climate diplomacy, framing the pollution issue as a natural phenomenon exacerbated by wind patterns, without laying blame on either country.



This unprecedented appeal for cross-border cooperation underscores the growing urgency of addressing climate change and air pollution as a shared problem.

Traditionally, relations between India and Pakistan have been marked by tension and rivalry, with little room for collaborative efforts. However, the increasing severity of air pollution in major cities like Lahore and Delhi has forced both nations to confront a reality where environmental challenges transcend national borders.

The acknowledgment by Punjab's officials that the pollution in Lahore is influenced by winds coming from India highlights the interconnectedness of the issue.

This marks a significant shift in perspective, as environmental challenges are often framed as national issues rather than regional ones. By inviting India to the table, Pakistan is not only prioritizing the health and well-being of its citizens but also setting a precedent for future cooperation on shared climate issues.

While the call for cooperation is commendable, the situation highlights the challenges in tackling transnational environmental problems.

The burning of crop residue, a key contributor to the seasonal haze in both countries, is a practice deeply ingrained in farming communities, and efforts to curb it have proven difficult. In India, despite legal mandates and government initiatives to reduce stubble burning, it remains widespread, partly due to the lack of alternatives and limited enforcement of regulations.

Similarly, Pakistan's efforts, such as providing subsidized equipment to farmers for alternative residue disposal, have yet to yield significant results. The issue of air pollution is compounded by both countries' reliance on coal-fired power plants, industrial emissions, and vehicle exhausts.

While this cross-border plea for cooperation could lead to dialogue and potentially joint action, it is clear that a more comprehensive and sustained approach will be needed to address the root causes of pollution in the region.

Climate diplomacy, if properly implemented, could serve as a bridge for not only improving air quality but also fostering deeper collaboration on environmental and humanitarian concerns between India and Pakistan.

Environmental Perspectives

COP29: Climate Justice, Financing Gaps, and the Road Ahead for Developing Countries

As COP29 convenes in Baku, countries are intensifying their efforts to enhance their Nationally Determined Contributions (NDCs) and address the significant financing gaps in climate action. Developing nations, particularly those in the Global South, are positioning the event as an opportunity to secure increased

financial commitments for resilience and mitigation measures, with a focus on the ongoing challenges posed by climate change. . A critical element of the discussions will be the Loss and Damage Fund a key mechanism established to provide financial support to countries most affected by climate impacts.



However, despite the urgency of these needs, the Fund remains underfunded, with pledges amounting to only \$770 million, while countries like Pakistan require billions of dollars for recovery and resilience-building.

The COP29 agenda will also include revising the New Collective Quantified Goals (NCQG) to enhance green financing access and scale up support for developing countries in the face of rising global emissions and increasing climate risks.

Despite the mounting urgency for climate action, the global financing mechanisms remain inadequate to meet the needs of vulnerable countries. The Loss and Damage Fund, established at COP27, highlights the disparity between the financial pledges made by wealthier nations and the actual resources allocated to frontline countries.

While Pakistan, for instance, has been vocal in seeking climate justice, the current state of funding is insufficient to address the staggering costs of its climate impacts.

With a needs assessment of \$348 billion by 2030 for resilience alone, Pakistan and other developing nations face an uphill battle in accessing the resources required to mitigate and adapt to the impacts of climate change.

The emphasis on pledges, rather than tangible, accessible funding, exposes the gap between international commitments and the lived realities of those on the climate frontlines.



Source: The News

Furthermore, the reliance on loans and projectized funding models presents a significant challenge for countries already burdened by exogenous shocks, high debt, and limited governance capacity.

The push for debt-free financing and the call for more substantial, transparent support from multilateral development banks (MDBs) are crucial in ensuring that climate action does not become an additional financial burden for developing nations.

As Pakistan continues its shift towards renewable energy and climate resilience, the need for financial tools that de-risk investments and create enabling conditions for low-carbon transitions is critical.

The global community must reframe climate financing, moving away from piecemeal solutions towards comprehensive and flexible financing structures that prioritize urgent adaptation and resilience needs. The lack of progress on these fronts at COP29 would not only undermine global climate goals but also perpetuate the injustices faced by those most vulnerable to climate change.

Smog Crisis in Punjab: A Public Health and Environmental Emergency

The escalating smog crisis in Punjab, particularly in Lahore and Multan, has reached alarming levels, posing severe public health and environmental risks. The [Air Quality Index \(AQI\)](#) in Lahore recently soared to hazardous levels, with figures peaking at 860 before slightly dropping, and Multan's AQI reached a dangerously high 1,635. These levels far exceed the World Health Organization's (WHO) safety standards, with PM2.5 pollutants in Lahore peaking at over 1,000, a record high. The crisis has led to widespread disruptions, including road closures, school closures, and the sealing of polluting factories, yet despite these efforts, the smog continues to spread across other cities in the province.



This worsening situation highlights the urgent need for systemic changes in both local and regional environmental policies.

The health impact of this toxic air is profound, particularly for vulnerable groups like children and pregnant women. Over 11 million children under five in Punjab are exposed to these hazardous pollutants, with [UNICEF expressing grave concern](#) about the long-term developmental consequences, such as brain damage, respiratory issues, and premature births.

The health department has reported a surge in cases of eye infections and respiratory problems, with thousands of residents requiring medical attention. The environmental degradation exacerbates the already existing strain on Pakistan's healthcare system, which is ill-equipped to handle such widespread health emergencies.

The [smog's visibility](#) is so severe that it can be seen from space, underscoring the magnitude of this crisis and the severe toll it takes on public health.



Source: The News

The government's response, although reactive, seems to be addressing the immediate risks rather than long-term solutions. While measures like shutting down schools, implementing work-from-home policies, and imposing restrictions on high-polluting industries are necessary, they are temporary fixes that do little to address the root causes of smog.

Seasonal agricultural burning, vehicular emissions, and industrial pollutants are the primary contributors to the air quality deterioration, yet effective regulations to curb these activities remain weak.

Punjab's environmental protection efforts have been marred by inadequate enforcement, especially in the face of powerful industrial and agricultural lobbies. The current situation is a testament to the failure of regional policies to enforce sustainable environmental practices or to encourage clean energy transitions at a larger scale.

A critical part of the solution lies in cross-border collaboration, particularly with India. The smog crisis in Punjab is not confined to Pakistan; the air pollution from neighboring India's agricultural burning and industrial activities exacerbates the problem.

Chief Minister Maryam Nawaz's suggestion for climate diplomacy between the two Punjabs is a timely and pragmatic approach. A unified effort between the Indian and Pakistani governments could lead to more coordinated strategies for tackling the root causes of smog, such as the regulation of agricultural stubble burning, vehicle emissions, and industrial pollution.

The regional nature of the smog problem demands a regional solution, where both countries could benefit from shared technological innovations, improved air quality monitoring systems, and the mutual exchange of best practices.

The failure to act collaboratively only perpetuates the environmental degradation that threatens public health, economic stability, and the overall well-being of the millions of people living in these regions.



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