

The Business

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Privatisation debate

Raising the privatisation debate from the dead just to meet an IMF deadline is hardly any way to ensure success. When the PTI was still in opposition and the previous government wanted to win some brownie points by getting rid of the worst loss-making enterprises, PTI's press conferences tended to enlighten the state and the people about how restructuring state enterprises was a much better idea than putting them up for sale. It also promised, time and time again, to just that when it came to power. But then, when it did come to power, the party's first finance minister, Asad Umar, came up with a novelty about some holding company that would isolate bad debts of all SOEs before giving them to the market. Then, somewhere on the way they also mulled turning parts of SOEs over to the private sector, to improve efficiency and all that, before abandoning the whole thing and deciding to blame previous governments for all the problems. But now that the Fund counts privatisation among the things it wants in return for its bailout money, everybody all the way up to the prime minister is back to issuing the same strong statements in favour of it, especially when it comes to loss-making entities.

Economically and financially, it makes a lot of sense to put a price tag on state enterprises, not the least because the government has no business running them, but the context in which it is being done in a hurry right now gives some cause for worry. Because now Islamabad is desperate for IMF's money and since there's just not enough time to restructure and put a realistic price tag on SOEs, it would have to rush the entire process through just to plug the widening hole in its revenue stream. There's a good reason that no government over the last 20 years or so has been able to do much about the privatisation business, no matter how loudly they cried about it. It would be a shame for the process to begin in the wrong manner, especially since the debate of how to go about it has been lingering since forever. For better or worse, though, the spotlight is squarely on the privatisation ministry and the PM office as they prepare to shove this bitter pill down the entire nation's throats; since the manner in which this is done and the results will affect everybody. There must also, just for good measure, be some word on a contingency plan in case this deadline cannot be met; which is very, very likely. If this is high enough on the IMF's priority list to pull the plug if it fails, then there could and most likely will be a lot more trauma down the road.

Type 054A will boost navy's surface warfare

ZAKI KHALID

Pakistan Navy is on track to strengthen its surface warfare capabilities with the induction of four Type 054A frigates manufactured by China. In this context, the launching ceremony of the third frigate was recently held at HudongZhonghua Shipbuilding's shipyard in Shanghai.

The Type 054As have been designated by Pakistan Navy as "F-22P Batch II" to enhance the capabilities inherent in the existing Chinese-origin F-22P Zulfiqar-class (Type 053H3) frigates which include the PNS Zulfiqar, PNS Shamsheer, PNS Saif and PNS Aslat. They form the backbone of Regional Maritime Security Patrols (RMSPs) instituted by Pakistan Navy in 2018 and have been deployed on multiple occasions for Overseas Deployments.

After the induction of the last F-22P warship i.e. PNS Aslat in 2013, Pakistan Navy was faced with the challenge to phase out its aging British-origin Tariq-class (Type 21) warships that were procured in the early 1990s. Four of these ships were decommissioned once the F-22Ps were inducted, while the PNS Tariq and PNS Khaibar remain in active service.

Consequently, Pakistan Navy leadership began searching for replacements that could be acquired within the limited procurement budget while being mindful of emerging regional maritime threats. Keeping these circumstances in perspective, Pakistan once again turned to its all-weather strategic cooperative ally China. In 2017, Pakistan issued a contract for two frigates followed by another contract for two additional (total four) frigates in 2018. It was stipulated that all four vessels would be handed over to Pakistan by 2021. The context to Pakistan Navy's interest in Type 054A merits particular attention. This variant emerged in response to Chinese defence analysts' assessment in 2006 that primary threats to People's Liberation Army Navy (PLAN) vessels came from the air, necessitating the development of an indigenous shipborne air defence shield. This resulted in significant upgrades to the Type 054 ships with modern weapon systems, radar and Vertical Launch System (VLS). With time, the PLAN began deploying Type 054As for regional roles beyond littoral coastal defence, including power projection capabilities in the South China Sea and Western Pacific. Additionally, the PLAN began deploying Type 054As for anti-piracy missions in the Gulf of Aden, giving them sufficient operational experience in the Indian Ocean. From 2009 onward, PLAN ships that visited Pakistan occasionally included Type

054A vessels. There are 11 known instances in which these vessels visited Pakistan, mostly returning from anti-piracy missions in the Gulf. Some of them also participated in naval exercises in Pakistan. PLAN's Wenzhou and Ma'anshan participated in Pakistan Navy's multilateral naval exercise Aman 2011 while the Handan participated in the 2017 edition of the same exercise. In 2016, the Pakistan Navy held its first joint exercise with Type 054A frigate Handan off Karachi, followed by another joint exercise 'Friend 2017' with the Jingzhou. Pakistan Navy's experience of engaging with Type 054A frigates twice in joint exercises appears to have left a good impression on the navy leadership. A few months after the second exercise with a PLAN Type 054A frigate, then outgoing Chief of Naval Staff Admiral Muhammad Zakauallah hinted at Pakistan's interest in a Chinese frigate deal. By the end of 2017, then Commanding Officer of PNS Saif elaborated that the frigates under consideration are the Type 054As.

Public information on the Type 054As suggests that the export variant being specifically developed for Pakistan Navy are powered by four SEMT Pielstick 16-cylinder PA6 STC engines of Franco-German origin, licensed by Shaanxi Diesel Engine Works of Chinathat can achieve top speeds of up to 27 knots. It is expected to be fitted with the Type 517 (SUR17B) long-range air search radars that are already fitted onboard the Zulfiqar-class frigates. This 'metric wave' radar has a range of 300 kilometres and is capable of extended surveillance and detection of stealth targets including anti-radiation missiles. This is a noteworthy addition since the Type 054As commissioned by PLAN do not feature such radars. On the basis of commercial imagery and photos shared by ship-watchers in China, defence observers have noted that the Type 054As being built for Pakistan will likely be equipped with SR2410C, a 3-D multifunctional Electronically Scanned Array radar with an air range of over 250 kilometres that can simultaneously track 150 surface and air targets. There is also the prospect of Pakistani Type 054As to be fitted with Chinese-origin YJ-12 (CM-302) supersonic Anti-Ship Cruise Missiles (ASCMs). A former US Marine Corps officer-turned-contractor described the YJ-12 as "the most dangerous anti-ship missile China has produced thus far". It has an estimated range of 400-500 kilometres while carrying a 200 kg payload. This even outranges the United States of America's principal ASCM, the RGM-84 Harpoon. The YJ-12 is considered by some naval defence observers as a 'carrier killer' that could pose a 'significant threat' to even the most sophisti-

cated air defence system. From Pakistan's perspective, the principal maritime threat comes from India. The force disparity between Pakistan Navy and its Indian counterpart can be gauged from the fact that India's Western Fleet alone is twice as large as Pakistan's entire fleet. With a meagre budget allocation, Pakistan Navy planned 'smartly' by focusing on advanced weapons, radars and sensors instead of buying expensive platforms. The Indian Navy is also re-vamping its surface fleet for the acquisition of seven frigates under Project 17A. While the project was approved in 2015, the first vessel's construction (INS Nilgiri) began after a two-year delay and the finalship is expected to be commissioned into service by 2025. By this time, Pakistan Navy will also have received its batch of four new (out of total eight) Air-Independent Propulsion submarines manufactured by China Shipbuilding Industry Corporation. Contrast this improvement in surface and sub-surface combat capabilities to the fact that the first (of total six) indigenous submarines, being manufactured under Project 75 India (P75I), is not likely to be delivered before 2030.

This time differential will also enable Pakistan Navy to conduct capacity-building exercises with the PLAN. The latter has more than a decade of operating Type 054As in the Indian Ocean as also active missions in the South China Sea. Lessons learned by the PLAN will help achieve optimal performance from these frigates in the shortest possible timeframe. Indian observers have expressed concerns that the YJ-12, if used by Pakistan, could pose a threat to hypersonic Brah Mos cruise missiles which will be fitted onboard India's own fleet of seven frigates being developed under Project 17A. Though numerically inferior, YJ-12 would help deter India's aircraft carriers INS Vikramaditya and the INS Vikrant (Indigenous Aircraft Carrier-1), which recently underwent sea trials. In the longer term, interoperability of Type 054s operated by Pakistan Navy and the PLAN would help to offset any hostile maritime interdiction directed against mutual interests in the region, particularly Sea Lines of Communication linking Pakistan's coast with the broader Maritime Silk Route. It was expected that at least one of the Type 054As would be built in Pakistan on a Transfer-of-Technology basis, emulating the framework adopted by Zulfiqar-class frigates. Reportedly, the timescale and financial implications involved prompted outright procurement from China. In the prevailing circumstances, especially the need to phase out Tariq-class frigates, the decision was well considered.

What impedes development of Pakistan?



BY ZAEEM-UR-REHMAN KHAN

Pakistan has been facing myriad hurdles in the way of its development since its inception. These hurdles have weakened the very foundation at its embryonic stage. These hurdles are lingering in nature and have contributed to the decline in the progress of Pakistan. Some of them are:

Colonial mindset: Pakistan inherited with the colonial legacy since its independence. The British masters imbued with their vested interests, never heeded to the integration of the country. They created cleavages to further their interests and nefarious designs. In doing so, they demarcated and divided the society into two distinct groups i.e. the rulers and the ruled. The former continued to nurture and flourish at the cost of the later. They have no conscience for their compatriots. This termite of class difference (highlighted by Marx) is still weakening our society.

Education: It is the most influential and crucial tool for building a modern, civilised, learned and serene society. The constitution of Pakistan ensures providing equal chances of education to all citizens. Contrary to that, education in Pakistan tends to produce classes within the society. The children in public schools do not have an access to quality education, and are deprived of such mental development abilities and skills that they are inculcated and taught in elite private schools. Resultantly, the system renders opportunities only to a few who rise and continue to rule this country. The education is meant to break social class differences in a society. But the differences in public and private educational institutes in Pakistan have become

the evidences of social class differences themselves. The sense of deprivation gets rooted in the minds of the children of the poor. As these children grow up, their sense of deprivation transforms into antipathy for the rich and those who continue to exploit them. This unfair system of education hinders in the development of a country.

Corruption: The biggest problem in our country is corruption. It is the root cause of all evils. It has shaken the very foundations of our country. Ruling elite has abused the public offices to multiply their affluence. Resultantly, our country is going through a severe socio-economic ordeal. Despite the current wave of clampdown on corruption by the present government, Pakistan has fallen four ranks on corruption index from 2019 to 2020 (Transparency International report). Whether it is really a corruption control or a weapon against political opponents, it can be decided by the general public.

Unemployment: This particular factor is the root cause of most of the negative factors prevailing in our society. The incumbent government claimed to provide ten million jobs in its election campaigns (2018). But remained unable in fulfilling its promise after victory. The sincere efforts are needed made to curb or control this menace of unemployment. Otherwise it would keep on eroding the very foundations of our society. The unemployed youth, due to their frustration and a deep sense of disillusionment, would remain a convenient tool of manipulation in the hands of our adversaries.

Language complex: English has become a status symbol in our society. People who can speak English are considered educated and well-knowledge. The most beautiful thing I noticed during my visit to China and Germany is their proud of national language. Even though they know English but they prefer to speak in their national language. A Chinese professional asked me a question, "Why Pakistan national language is not its official language?" and I remained unanswered. The government should realize that the children of the poor studying in the Urdu medium schools will never able to compete with the children who get education in English medium schools. The same applies to civil services exams where thousands of competent students fail just because of weak English background. Even India who also remained under British Raj, allows candidates

to appear in civil service exams in Hindi because they want to check the knowledge of the aspirants not the English supremacy like us.

Poor leadership: The leadership is the ability to translate vision into reality like Quaid-e-Azam. He had in him a rare combination of prescience, idealism, intellectual vigor, faith and resolution that resulted in the modification of the world map. After his demise, Pakistan remained deprived of such visionary and honest leadership. The leaders with charismatic authority like Quaid, Bismarck, Washington, Mandela, Churchill, Lenin, Cavour, Atatürk, Luther King, Lincoln, etc, are required to lead this country. For this we have to discourage the hierarchical politics and encourage the poor and youth as well as taking active and productive part in politics.

Exploitation of religion: The poverty, illiteracy, unemployment and some other socio-economic factors allow people to be used by certain elements in the name of religion. Due to lack of requisite knowledge, people fail to understand Islam intruse sense and blindly follow the preaching of the extremists. The ramifications of such exploitation are amply visible in our country. Sectarianism, caused by religious exploitation, is another major contributing factor that severely damages our unity and hinders the progress of our country. The introduction of politico-religious parties and misuse of religion by various governments to legitimize their rule, offered various political expectations and aspirations to different religious factions resulted in the menace of sectarianism emerged today.

Ineffective management of resources, feudalism, caste system, poor law-enforcement and gender discrimination are some other issues prevailing in the Pakistani society. To encapsulate, correcting the above mentioned problems that Pakistan is grappling with requires sincerity, integrity, and collective will of the whole nation. Since our country is surrounded by both the internal and external foes, we should leave aside our parochial interests and work diligently and devotedly for the development of our country. Unity is a great strength and under given circumstances, an indispensable need of the hour for our country. A Roman historian, Sallust remarked, "By union the smallest states thrive and by discord the greatest are destroyed." But it cannot be possible without the positive and effective role of policy and law-makers.

Building a shared future for all life on earth

In recent decades, China has made outstanding achievements in biodiversity protection. We take lucid water and lush mountains as invaluable assets, stick to green, low-carbon and sustainable development. Our natural reserves account for over 25 percent of China's land territory. Our forest coverage has risen from 12.7pc in 1970s to current 23 percent, the most increase in forest resources

NONG RONG

My article starts with an interesting episode on a group of Asian elephants, which "lost" their way this April, roaming north away from their traditional habitat in South China. They caught much attention of the world media, not only because they are cute, but also for the good care they have received by the local people all along the route. After a 110-day-plus casual tour, this group of elephants roamed back happily to their traditional habitat, safe and sound.

This is just an example of China's endeavors to protect biodiversity. In the philosophy of Chinese traditional culture, China holds the view that nature is an indispensable part of our homeland, and needs joint efforts to protect and nurture. And we do it accordingly. On October 12, at the Leaders' Summit of the 15th Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP15) held in Kunming, China, Chinese President Xi Jinping put forward the initiative to build a shared future for all life on earth – a homeland of harmonious coexistence between man and Nature, a homeland of coordinated advancement of economy and the environment, a homeland of common development of all countries.

As the host country, China declares to establish a Kunming Biodiversity Fund with our initial share of 1.5 billion RMB yuan to support biodiversity protection in developing countries, to officially designate its first group of 5 national parks and start to building a system of national botanical gardens in places like Beijing and Guangzhou, and to put in place a "1+N" (one overarching document supported by numerous action plans) policy framework for carbon peak and carbon neutrality.

These approaches declared by President Xi have fully demonstrated China's determination to promote its ecological civilization drive, inject new momentum for global biodiversity protection, and laid a solid foundation for building a shared future for all life on earth.

In recent decades, China has made outstanding achievements in biodiversity protection. We take lucid water and lush mountains as invaluable assets, stick to green, low-carbon and sustainable development. Our natural reserves account for over 25 percent of China's land territory. Our forest coverage has risen from 12.7 percent in 1970s to current 23 percent, the most increase in forest resources.

At the COP15 Leader's Summit, President Xi Jinping called on the international community to enhance cooperation, build consensus and pool strength. New environmental protection targets should be set up, while we also need to be pragmatic and balanced, so as to make the global environmental governance system fairer and more equitable. As for developing countries, we are faced with the dual tasks of economic recovery and environmental protection, developing countries need help and support all the more so as to build a homeland of common development of all countries. Pakistan is one of the ten most vulnerable countries to the effects of climate change in the world. China appreciates that Pakistan echoes our Eco-civilization philosophy and has made great efforts in natural conservation. Under leadership of Prime Minister Imran Khan, Pakistan successfully hosted World Environment Day 2021, with the launch of the UN Decade on Ecosystem Restoration 2021-2030. Under the Bonn Challenge, Pakistan pledged to restore almost 2.5 million acres of degraded/deforested lands by 2023. The green and clean Pakistan and 10 billion tree tsunami program has won world acknowledgment. The Eco-civilization cooperation between China and Pakistan enjoys great potential.

As President Xi points out, if we humanity do not fail Nature, Nature will not fail us. Eco-civilization represents the development trend of human civilization. Let us join hands, and shoulder our responsibility for future generations, and take concrete measure to build a community of all life on Earth, as well as a clean and beautiful

