

Press Coverage

“Roadmap for Economic Growth of Pakistan”

22-23 October, 2014, Marriot Hotel Islamabad.



Experts gather to discuss country's issues

By APP Published: October 23, 2014

ISLAMABAD: Economic experts have said that while the country's economy is performing well, people at the grass-root level are still deprived of its benefits.

The two-day national conference on “Roadmap for Economic Growth of Pakistan” was organised by the Islamabad Policy Research Institute (IPRI) in collaboration with Hanns Seidel Foundation, with an aim to discuss different issues and challenges faced by the national economy.

Experts from different organisations gathered to take note of the current state of the economy, analysing the underlying reasons for lack of growth and chart a road map for growth.

“Only visions and ideas are not sufficient for economic development. Undue reliance on experts' theories and lack of self-confidence is the major obstacle to economic growth,” said Zaman.

He urged the government to enhance expenditure on education and infrastructure to improve the human development index.

Addressing the conference, Bahauddin Zakariya University's Department of Economics Chairman Dr Imran Sharif informed that the GDP growth accelerated to 4% during the last fiscal

year where as the agri-sector grew by 2.1% besides significant progress in other financial indicators.

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<http://tribune.com.pk/story/779668/experts-gather-to-discuss-countrys-issues/>

The Nation

Benefits of economic growth must reach common people

October 23, 2014

ISLAMABAD - Economic experts at a conference here on Wednesday said that the country's economy was performing well, however stressed that the benefits must reach to the common people at grassroots level.

The two-days national conference on "Roadmap for Economic Growth of Pakistan" was organized by Islamabad Policy Research Institute (IPRI) in collaboration with Hanns Seidel Foundation, with an aim to discuss different issues and challenges being faced the national economy. Economic experts from different organizations gathered on the occasion to take stock of current state of economy, analyze the underlying reasons for lack of growth and chart a road map for economic growth. Speaking on the occasion, Vice Chancellor Pakistan Institute of Development Economics, Dr. Asad Zaman said that there were some soft constraints which were hindering the economic growth.

He said that coordinated progress was required in many fronts including energy, security, industry, technology, exports and investment to pull out the country from prevailing economic crisis and put it on the track of sustainable development.

Only visions and ideas are not sufficient for economic development and undue reliance on experts theories and lack of self-confidence was the major obstacle in economic growth, he added.

He urged the government for enhancing its expenditures on education, health, infrastructure for improving the human development index by introducing the cheap and effective interventions.

Asad Zaman said that there were sufficient food reserves available to feed the people across the globe but people use to spend their money on luxuries rather buying the nutrient filled diet. Addressing the conference Dr. Imran Sharif, Chairman Department of Economics, Bahauddin Zakariya University highlighted the economic performance during recent past.

He informed that Pakistan's economy was 26th largest economy in terms of purchasing power and rapidly growing economy and which would become the 21 largest economy of world.

He informed that GDP growth accelerated to 4 percent during last fiscal whereas agri-sector grew by 2.1 percent besides significant progress in other financial indicators. He called for enhancing investments on human resource capital for improving the human development index of the country to achieve the millennium development goals. Speaking on the occasion President IPRI, Sohail Amin urged for encouraging the small and medium enterprises which was the back bone of any economy.

He said that SMEs have huge potential as they can employ bulk of work force from significant business setups and make substantial contribution in GDP.

<http://nation.com.pk/business/23-Oct-2014/benefits-of-economic-growth-must-reach-common-people>



Economic growth benefits reach to common people

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<http://www.thefrontierpost.com/economic-growth-benefits-reach-to-common-people/>



Economists call for human development, industrial growth

Friday, October 24, 2014

ISLAMABAD: Veteran economists on Thursday emphasised on human capital development and industrial progress to revive economic growth.

They were speaking at the concluding ceremony of a two-day seminar organised by Islamabad Policy Research Institute in collaboration with Hanns Seidel Foundation Germany.

Prof Dr Eatzaz Ahmad, acting vice chancellor at Quaid-i-Azan University, said the standards of living of people have improved. For economic growth and development, more coordination is needed.

Dr Bashir Ahmed Khilji, head of Economics Department at Preston University, said public sector enterprises (PSEs) were privatised in Pakistan keeping in view the popular concept that state intervention and public enterprises were misappropriating economic resources.

Since late 1970's, all the governments tried their best for privatisation of PSEs in all their five-year and annual development plans.

Prof Dr Allah Bakhsh Noon, dean of faculty of Agriculture Engineering and Technology and director of Water Management Research Centre, University of Agriculture Faisalabad, said Pakistan is highly vulnerable to climate change facing glacier retreats, floods, droughts and rise in temperature of two degree Celsius by 2050.

Moreover, climate change may reduce rice yields from eight to 30 percent and wheat yields from six to 19 percent and may increase poverty by six percent by 2050, which stipulates adaptation of farming packages, including new crop varieties.

Associate Prof Dr Bushra Yasmin, chairperson of Department of Economics at Fatima Jinnah Women University Rawalpindi, shed light on the subject of “Tapping the Human Capital”.

Tracing the history of human capital, Dr Yasmin said the treatment of human capital as endogenous factor were long introduced by growth theorists, Romer (1986) and Lucas (1988) as human capital embodies scientific knowledge and skills entailing endogenously determined persistent economic growth.

She recommended investment in human capital in Pakistan is the dire need of time. The budgetary allocation on the education as percentage of gross national product is very nominal – around two percent only in the current decade.

Dr Usman Mustafa, head of Department of Business Studies and chief Training and Project Evaluation Division Pakistan Institute of Development Economics, presented his paper on “Appropriate Development Strategy and Role of Private Sector”.

He stated economic planning is, basically, the responsibility of the government but the private sector also has to contribute through informed policy inputs and implementation strategies. Private sector plays a pivotal role in the economic growth process.

Prof Dr Ather Maqsood Ahmed, head of Department of Economics NUST Business School, made his presentation on “Tapping Potential Sectors of Growth.”

He stated after a dormant period of nearly 30 years since the appearance of the Swan-Solow Model in 1956, the growth literature has resurrected with a bang.

Dr Ahmed recommended the agriculture sector has the potential to grow provided there is an investment in human capital and appropriate technology is acquired and used.

<http://www.thenews.com.pk/Todays-News-3-280049-Economists-call-for-human-development-industrial-growth>



FBR unlikely to meet revenue target: economists

Mehtab Haider

Thursday, October 23, 2014

ISLAMABAD: Renowned economists on Wednesday ruled out the possibility that the Federal Board of Revenue (FBR) will meet the revenue collection target for the current fiscal year, saying there was a flaw in the budget making process to slash fiscal deficit in line with the International Monetary Fund's programme.

The target of Rs2,810 billion will fall short of at least Rs200 billion, agreed the economists unanimously in their presentations at a two-day conference organised by Islamabad Policy Research Institute in collaboration with Hanns Foundation Germany.

They said the supply side constraints of electricity and gas and macroeconomic instability are major stumbling blocks in the way of higher growth.

Dr Ashfaq Khan, ex-economic advisor to the finance ministry, said Pakistan witnessed serious macroeconomic difficulties during the decade of 90s as well as in the last six years (2008 to 2014) because of financial indiscipline that marred the prospects of higher and sustained growth.

The governments during these tenures had failed to forecast revenue for the last several years because expenditures were finalised first then the budget deficit, said Dr Khan, who is presently serving as Principle and Dean School of Social Sciences at NUST.

"Only the development budget under the public sector development programme was finalised during the budget making process with focus on politically motivated packages," he said, adding, and finally, the FBR's target was fixed.

The former economic advisor said the FBR had faced revenue shortfall of Rs435 billion in 2012-13, Rs209 billion in 2013-14 and again there would be a shortfall of Rs 200 billion at least during

the current fiscal year. So far, he said, the FBR is enduring a revenue shortfall of Rs40 billion in the current fiscal year.

Dr Rehana Siddiqui of Pakistan Institute of Development Economics (PIDE) said there are direct linkages between growth and energy supply. Pakistan requires energy supply, including electricity and gas, to achieve five percent growth. Dr Asad Zaman, vice chancellor of PIDE, said economic growth does not necessarily mean bringing poverty down rather it means a focus and investment on overall human development.

If poverty has to be tackled, the poor needs information about health, education and priorities, said Dr. Zaman. He suggested community-based development for Pakistan.

Dr Imran Sharif Chaudhry of Department of Economics at Bahauddin Zakariya University, Multan deplored Pakistan stood 146th on Human Development Index in 2014. The foreign direct investment has been miserable over the years.

Dr Vaqar Ahmed, deputy executive director at Sustainable Development Policy Institute, identified issues with tax regime harming Pakistan. Likewise, government gives tax exemption to some sectors. Sheer lack of statistics complicates fiscal management in the country. Dr Ahmed was in favour of taxing big farmers.

Dr M Arshad of University of Agriculture, Faisalabad, said agriculture is the only sector, contributing towards economic growth. It also provides the food to ever-increasing huge population in the country.

Dr Arshad warned the rapid climate degradation/changes would have severe impact on agriculture production. He mentioned the seed production is the most neglected sector in Pakistan.

<http://www.thenews.com.pk/Todays-News-3-279817-FBR-unlikely-to-meet--revenue-target-economists>