

Framework for Economic Growth Pakistan

New approach to economic growth a must for progress: **Stakeholders**

7-9 pc growth rate is required to come out of Crisis: **Dr Nadeem ul Haque**

Quality education is the key to progress: **Pir Mazharul Haq**



KARACHI: (Sept 20): Participants at a stakeholders dialogue on 'Framework for Economic Growth Pakistan recently launched by the Planning Commission of Pakistan' evolved a consensus that economic growth is one of the major factors in boosting the economy of a country and no progress can be made without increasing the long-run growth rate, therefore, a new approach is required to improve the economy.

The dialogue initiated to develop the implementation framework by the Planning Commission of Pakistan was organized by Governance Institute Network International (GINI) and University of Karachi with the support of Department For International Development (DFID) here on Tuesday on the varsity campus. Vice-Chancellor of Karachi University Pirzada Qasim Raza Siddiqui presided over the inaugural session while Provincial education Minister Pir Mazharul Haq was

the chief guest on the occasion. A large number of students, academia, media, entrepreneurs, government officials and other stakeholders participated in the discussion in the second session. Prominent among those were Advisor to GINI Mr Daniyal Aziz, former chairman of National Reconstruction Bureau Gen Tanver Naqvi, Member of Planning Commission Mr Shahid Sattar, and Chairperson for Department of Economics Dr Nuzhat.

In his video address, Deputy Chairman of the Planning Commission Dr Nadeem ul Haque said Pakistan's growth rate has been very volatile and the long-run growth is continuously declining because we have forgotten economic growth as policy. "We believe that economic growth will happen through getting foreign aid and projects but in fact it could not happen and our growth rate went down to 2-3 per cent," he said.

Citing the examples of India, Bangladesh and Sri Lanka as the grown up economies, he said Pakistan is the only country in the region where long-run growth rate is continuously declining. He warned that if the situation continues, it would further deteriorate the economy.

He further said our current strategy is based on Public Sector Development Program (PSDP) and we are using public resources to build infrastructure, and doing projects and looking for financing projects. "In Planning Commission, we have realized that the PSDP cannot alone increase the growth rate and we are losing Rs 300-400 billion per annum through PSDP." he added.

Stressing the need for a change in growth policy, Dr Nadeem ul Haque said we require a sustained Grand Domestic Product (GDP) growth that should be 7 per cent because two million children are annually adding to our population.

He said besides building infrastructure, high rise and high ways, we should focus on better government, good governance, competitive markets, creative cities and a conducive environment for trade and entrepreneurship. We need to manage all the sectors including old magistracy system. For example we still don't have introduced technology to the govt institutions and running a civil structure of 19th century without reforming the same.

He said we need to have creative cities connected not just with highways but connected intellectually, physically and culturally with the hub of globalization. "We need to open our economy to further so that our people could have better consumption," he said.

Dr Nadeem ul Haque said the growth strategy must target youth and community. Looking at constraints of growth, he said there is a lack of competitive markets and government reforms. "Government must be able to bring professionalism to economy and focus on policy and regulations leaving ownership and financing of assets as well as management and production to private sector.

He said we want to improve quality of life giving youth and community an equal access not only to jobs but to globalization, culture, new experiences and a freedom of expression and that cannot be achieved unless we have creative cities having a management system of 21st century. "Firstly, we need talent that can compete in the world and secondly, we have to automatize all public sector bodies e'g; energy sector to be run by the independent bodies."

Criticizing the old bureaucratic system, he said we need new managers to run our cities and allow housing and construction industry to be liberated as it could create a lot of jobs. He said we need to improve connectivity with the world trade cities as well as connect people with community and entrepreneur. We need auditorium and convention centres to call people and connect them. "Unfortunately we have such halls only in Islamabad, Lahore and Karachi which are under the control of officers who are against such gatherings.

He called upon academia to come forward and discuss the issue of growth with students and society, make a research on it, examine the government policies and accept or reject it so that the country could be put on track.

Member Planning Commission Dr Shahid Sattar said all sectors of economy are facing crises especially the power sector. "Currently, domestic consumption has doubled than the commercial consumption." He further on the one hand demand of electricity has been increased by 10 per cent due to domestic usage of air-conditions while on the other hand a big part of the country is not paying electricity bills which is a great loss to the economy.

Advisor to GINI Daniyal Aziz briefed the audience about the history of political economy of the country from 1971 to date as how the governments and bureaucracy disfigured the face of economy. He said the issue is not the policy-making or making regulations but the issue is their implementation. He added that at least 18 articles of the 1973 Constitution are so far unimplemented. He appreciated the Planning Commission for highlighting the issue of growth. He said bureaucratic set up is main hurdles in the implementation process.

Dr Nuzhat said if we want to implement new system and introduce new technology in the country we shall have to change our feudal minds.

Earlier speaking on the occasion Education Minister Pir Maharul Haq said Growth of economy is a very important issue which is being ignored by our policy makers. Now the issue is how to develop a vibrant youth and community, he added. Stressing the need for a better future generation he said a country cannot grow economically and socially without providing children a quality education. Unfortunately, education is not our priority and we spend only 1.24 per cent of the budget for education while countries like Malaysia is spending 23 per cent of it budget for this purpose. He said political will and coordinated efforts are required to improve our education system.

In his welcome address, Vice Chancellor Pirzada Qasim said the Planning Commission's role is vital to growth of economy as the issue is affecting every body. He said Pakistan cannot survive in isolation that's why deliberation on the issue are need of the hour. He further said as academics we believe that more attention should be given to youth and community relationship programmes.