

Topic:-

Pakistan's economy future:
Can country achieve sustainable
growth?

Outline:

1 Introduction

Thesis statement: Economy is the back bone and foundation of sovereignty of any country. Pakistan economy is always like a sinking boat who is at verge of sinking but never got sink. The recent policies and plans can lead towards sustainable growth and prosperity of country ultimately.

2 Pakistan economy outlook and short and long policies:

2.1 International indicators and organizations prediction

(i) Moody's grading: C+++

(ii) ADB prediction about Pakistan's

GDP : 3.0

2.2 Surplus and deficit of accounts and SOE losses

(i) Fiscal deficit turned towards surplus

(ii) Current account deficit narrowed down to

(iii) PIA losses reduced by 20 billion rupees.

2.3 Privatization of SOE

(i) PIA and railway is heading towards privatization.

2.4 Right sizing of the departments

(i) Non code and low ranks jobs eradicated for life time

2.5 Energy sector and industrial growth

(i) Revised agreements with TPP's

(ii) Agriculture growth increased by 20%

2.6 Tax and revenue shortages

(i) FBR is facing 352 billion shortage of tax collection targets

3 Country is heading towards steady economic growth and prosperity:

3.1 Uran Pakistan project

(i) five "E" and targets to achieve by 2028

3.2 CPEC 2.0

(i) SEZ and agriculture is main focused started again on ground by Dec, 2024.

3.3 World Bank project of the decade

(i) \$20 billion loan and investment

3.4 FDI and reserves are increasing

3.5 Inflation is coming down

(i) 6.7% fall from 29.7%

3.6 Renewable energy shift and SIFP initiative.

4 Way forward:

4.1 strict adherence to policies

4.2 Zero tolerance to corruption and mismanagement

5. Conclusion

DATE: _____

DAY: _____

"A strong economy is
source of national
strength"
(Yashihide Suga)

The economy is the foundation
of strong country that protects
its sovereignty and ensure the
prosperity of country. Pakistan's
economy is in trouble since
its creation. It never get
stable nor it sinked. It is
always a troubling fish in water.
The recent developments has
improved the Pakistan's ranking
from instability to stability and
growing economy. The ADP has
suggested the GDP of Pakistan
around 3.0. The deficits accounts
are shrinking and SOE
are also heading towards
profit or privatization, no other
option is left for them.

DATE: _____

DAY: _____

There are many departments which are sort of proportion in its services and employees, the right sizing of these department is almost done. The energy sector and industrial growth is progressing towards export and stability. The revenue targets are set high and FBR is incapable to fulfil it. The projects like CPEC and Uman Pakistan are confirmation of prosperity. The biggest project of decade by World bank launched for Pakistan. The foreign reserves and investment is also mounting up. The strict adherence and zero tolerance to mismanagement will surely guarantee the stable economy of Pakistan. Economy is the back bone of any country. Pakistan economy is always like a sinking boat who is at verge

of sinking but never get sink. The recent policies and plan can leads towards sustainable growth and prosperity of country ultimately.

The international indicators of economy for Pakistan is improving and upgrading. The Moody's ranking is always matter of pondering for any country. It has upgraded the Pakistan's economy from C negative to C+++ that indicates Pakistan is the secure and safe country for investment. And there is no obvious threat of default. The ADB has predicted the Pakistan's expected GDP around 3.0. The international monetary fund has also suggested the same that is suitable for economy and projected growth as it

has recently survived in the
face of default.

The surplus
of country's current account indicates
its policies and growth. The
current account deficit of
Pakistan is narrowing as it
was piling up day by day.
The present current account
deficit is \$ 131 million dollar.

There was surplus of \$ 349
million in October. That was
temporary miracle of Pakistan.

The trade gap is widening
with central asian republics
and neighbouring countries. The
state owned enterprises who
are in losses for decade,
had achieved either no loss
status or reduced loss. The
reforms for such organizations
are need of hour and
country cannot survive under

the burden of these loss producing industries.

Pakistan is planning to be a communist country rather than a capitalist country. The finance minister Aungzeb said, "It is not the function of state to run factories and industries. The states do not do business rather than they facilitate it"

The privatization of loss making departments has been in planning and almost working on it has been completed.

The enterprises like PIA, railway and power plants to whom country has to run it from its own money and subsidizing policies rather than generating profits from it. Unfortunately, one bogus attempt has been made

DATE: _____

DAY: _____

to sell it but due to
vicious terms and conditions
and lack of interest of
any company, it failed to
be sold. The state should
work on possible options that
can work out.

There are many
departments of Pakistan who
are disproportionate in its
working and employees. There
are many low grade jobs
of sweeper and driver etc
which are need to be
finished. They are burden on
the country and extra
privilege to the working
officers. Recently, one lakh and
fifty thousand jobs in
federal departments has
been finished permanently.
The cost effective is the
first rule of running any

DATE: _____

DAY: _____

company and department. It is need of how to work on more options and benefits to employees that can be reduced or end permanently.

As a result of efficient working departments could work on the possible solutions of power energy sector who has become an elephant in room. The prices of electricity and gas has gone up like rocket. These are beyond the capacity of people to pay them and use them. The in-efficient agreements with IPPs has caused severe damage to the country. The country is unable to get up from its circular debt. The current circular debt of power sector is 2.381 trillion down

from 2.861. The government has worked out on it and revised agreements with eight IPPs voluntarily and planning to work on five more. The payment methods like capacity payment is burden for country and it is totally illogical. The agriculture sector is grew up by 20% this year. Its production has been increased and refined. The IT industry also export beyond its capacity due to non-functioning internet.

The government always set targets of its revenue and tax collection. The elite class do not pay taxes or if some give that is too less according to real estimation. The tax collection has always been bone

of content between economy and progress. The low and middle class pay most of the tax that state collect it from the people either directly or indirectly. The tax reforms is need of hour.

FBR has fall short of 356 billion of its target.

Despite of its in-efficiency its is planning to buy 1000 cars for its employes. No country can survive without its efficient tax revenue.

Without it country cannot grow and fulfill its need and will look towards the loan.

Though Pakistan's economy has faced alot of challenges but it is capable of growing to largest economies of the

DATE: _____

DAY: _____

world or economy of developed world. Pakistan is the best place of business as it has many natural resources like Gwadar port, minerals, weather and cost-effective employees and labor. The Pakistan government has launched Vision Pakistan project and set targets for 2028. This project includes five "E" and 10 billion dollar investment every year. The renewable energy resources, climate efficient projects and economy of \$ 70 billion dollar till 2028 is the core function and working of this project. Such long term planning that is workable ensures the sustainable growth of country. The

one of the famous projects of Pakistan's history that has also

capture the world is Pakistan
China economic corridor. Its
first project started working
officially in 2016. Now in December
2024, China's premier inaugurated
CPEC 2.0. In this project
the focus will be mainly
on the small economic zones
that are basically industrial zones
where factories would be
created and cheap production
would be carried out. The
second biggest focus is
on the agriculture sector that
is very important from the
export point of view. The
smart agriculture production with
new technology and efficient
seeds will cause the boom
in this industry.

✓ The third
factor for sustainable growth
of Pakistan is the recent

World bank project and investment. The World bank planned to give Pakistan \$ 20 billion for various projects mainly seven that includes climate challenges, child health, gender gap, clean water and infrastructure projects. From the twenty billion dollar six will be investment and remaining will be loan. But it has asked Pakistan to put house in order.

The foreign direct investment are very important for growing economic countries. They have two benefits one is that it ensures the investment in country and manufacture products that can be exported and also meet the demands of own

country, in this way they play role in the progression of country. Secondly, it also increase the foreign reserves that increase the credibility of country. "The present reserves of state bank of Pakistan is 16.1 billion dollar" stated by spokesperson of state bank of Pakistan. The foreign investment, increase exports and growing industry ensures the development of country and its people. The sovereignty of country also depends its economic stability that depends on the value of currency and foreign reserves. The inflation in Pakistan is also coming down rapidly and interest rate also jumped down from 22% to 13%. The price of basic

DATE: _____

DAY: _____

commodities is the important concern of people of any country. As the social unrest cannot ensure the stability of country. The core inflation also dropped down but it has not actually dropped what was expected by the people. The local manufacturing can ensure the reduction of price. Any country who is able to fulfill its needs can have low inflation as it can decide the price of commodities and is not dependent on foreign countries and global factors. The recent increase in local production and ease in global politics along with peace will surely head towards stable country of world.

The renewable energy

shift is important in multiple perspectives. It reduces the cost of energy and reduces the pollution. The climate change has also hit Pakistan badly. The Pakistan is producing and contributing to less than 1% in global pollution but among the top 10 vulnerable countries of world. The swift change of renewable energy resources i.e solar energy is rapidly used for production of electricity and shift of power plants to renewable energy i.e nuclear, water is the working of current government that will not only reduce cost and effective for domestic purposes but industrial sector will also get

electricity without any interruption. The electric vehicle policy has also been implemented. Recently, electric buses have been introduced in big cities of Punjab in replacement of old fuel ^{running} buses. The SIFP platform has also been ^{running} for the fast track investment and investors, also get ease from departmental issues.

The only way forward for the sustainable growth and economic stability is the strict adherence to the policies which are made and their functioning without interruption of change of conditions and government. The zero tolerance in corruption and poor management will effectively ensure the progress as no country

DATE: _____

DAY: _____

and no project can work out without efficient and long lasting policies. The mismanagement and hurdles that come up with time should not be allowed to interfere in the functioning of projects.

To cut in short, Pakistan is the country that faces challenges of political instability, establishment interference, security threats and reluctant bureaucracy. But it also survived in the turmoil of economic restrictions during becoming nuclear power and abrupt continuous political changes. This country survived despite of these challenges. Recently, it crosses the threat of default. The recent government is working hard and

DATE: _____

DAY: _____

gave alot of solutions along with impenentations. The policies for the economic stability and growth has worked out. The FDI and foreign investment projects are working out. The current account deficits shaten and state owned interprises that are not generating profits heading towards privatization. The communist mind set policies are beneficial and favourable for state. The core inflation and interest rate stoppi-g down that are indicating the sustainable growth and progress-g economy of Pakistan