

Pakistan's Economic future: Can the country achieve sustainable growth?

Outline

I Introduction

- a) Markers of economic growth
- b) Thesis: While Pakistan faces a myriad of economic challenges like fiscal deficit and ominous debt issue, it can achieve sustainable economic growth through concerted and holistic solutions

II The current challenges to Pakistan's economy hindering it from achieving sustainable growth.

- a) High fiscal deficit due to inadequate collection of tax and structural irregularities
CIP: A low tax-to-GDP ratio of 9% compared to a global average of 19%.
- b) Persistent 'Balance of Payments' crisis due to insufficient exports and colossal amount of ~~exp~~ imports.
CIP: Pakistan's import-to-export ratio is higher than 1%.
- c) Weak industrial base owing to inadequate infrastructure and complex regulatory environment
CIP: Pakistan ranks 108 out of 190 countries in 'Ease of doing Business Index'
- d) Unstable political environment harbouring an inconsistent economic plan and loss of investment

CIP: Francis Fukuyama in 'Political Order and Political Decay' emphasised how strong institutions and political stability ensure sustained development.

e) Low employment rate due to lack of skilled workforce and skill-based learning

CIP: Youth unemployment rate is 9.65%.

III Prospects for Pakistan's economic growth in future

a) A high proportion of youth can be an important contributor to economic growth if ~~they are~~ managed properly.

CIP: 64% population in Pakistan under 30 yrs.

b) Large amounts of fertile land best suited for agriculture, if ~~disa-~~ climate-induced losses ~~disasters~~ are prevented ~~are~~

CIP: Pakistan lost \$15 billion in economic losses in 2022 floods.

c) Signs of promising IT (Information Technology) sector with increasing IT exports and expanding freelancing industry.

CIP: Pak ranks 4th globally in freelancing

d) Friendly relations with China culminating into massive economic projects like CPEC

CIP: 62 billion dollars have been invested by China in Pakistan

e) Growing regional collaboration and Pakistan's active participation as a key player: A sign ~~of~~ prospect ~~of~~ for economic growth

CIP: Pakistan's ~~or~~ deepened its ties with Russia during the latest SCO summit 2024.

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f) A shift in Pakistan's foreign policy from being security centric to economic oriented towards economic growth.

CIP: Pakistan applied for BRICS membership in 2024.

g) Growing political literacy among the populace: An effective tool for sustainable growth.

CIP: Higher voter turn out rate in the latest elections

h) Opening up of investment opportunities ^{in Pakistan} for businesses and international investors

CIP: Special Investment facilitation (SIFC) inaugurated in 2023 to streamline and ameliorate investment process

V Conclusion