

## Test 4.

Pakistan Economic Future: Can the country achieve sustainable growth?

### A. Introduction

Pakistan's economic future is bright. Contemporarily the country is going through tough patch, but through multifaceted steps it can attain sustainable growth.

### B. Outlook of Pakistan's Economy

- Dependency on loans
- Trade deficit of \$ 24.4 billion

### C. Pakistan's Prospering Economic Future

- World Bank Report on Pakistan's Economy for being in top 10 of the developing world by 2050

### D. Attaining Sustainable Growth through Economy



- 1) CPEC an epicenter for of hope
- 2) Strategic location of Pakistan: A feasible trade route to world
- 3) Neighbour to great nations
- 4) Youth bulge: A beam of hope
- 5) Fertile land: Ensures sustainable growth
- 6) Diversity a blessing for Pakistan
- 7) Tourism can change fate of Pakistan

#### E- Mitigative Measures to Ensure Sustainability

- 1) Ensure separation of power
- 2) Promote Education
- 3) Utilise resources effectively and distribute through equity
- 4) Formulate its own economic system to prevent from constant changing

#### F- Conclusion



After "The End" there is a new start. The night ends with a bright morning. Flowers withers so new buds can be formed. Caterpillars die to become a butterflies. Similarly the economic outlook of Pakistan's economy may be ~~bloom~~ bleak, but it will bloom in future. This can only be done through mitigative measures. Based on Pakistan's strategic location, the country has the potential to drag itself out of its financial dependency. Once Pakistan curbs its economic woes the country can attain sustainable growth. This growth can be achieved through China Economic Corridore. A multi billion project that can strengthen Pakistan industry, connectivity and energy ~~standing~~ might. On the other hand, Pakistan can utilise its diversity and youth that can be a blessing in disguise. If both are managed effectively the country can transform its future and attain sustainability. Furthermore,



Pakistan is a neighbour of India and China. One is third strongest economy and other is the second. Pakistan can use their diverse markets to sell its products. Pakistan can also utilise energy and other products of Iran and Afghanistan. Furthermore, Pakistan has picturesque landscapes and natural heritage that can be cashed through effective tourism policies. Pakistan can achieve all these benefits if it ensures separation of power and education. Pakistan can formulate its own economic system and utilise its resources effectively to attain financial independence. Hence, Pakistan's economic future is bright. Contemporarily the country is going through tough patch, but through multifaceted steps it can attain sustainable growth in future.

Presently Pakistan's economy is under dark clouds. The country is facing multiple economic problems which prevents



it from attaining sustainable growth. The economic performance was ~~splend~~ of Pakistan during its early stage till 1970's was phenomenal. The country was performing well on every economic indicator. After the 1970's the country's economic performance decreased. Consequently, it started depending on foreign loans. These loans are debt traps according to the book "The Economic Hitman". Now Pakistan has an external debt of 133.5 billion dollars and internal debt of 262 billion dollars according to State bank of Pakistan. These debts prevented Pakistan from building its capacity. Therefore, the country's economic outlook is bleak.

If the country is not performing well today does not mean it will not perform well tomorrow. There are multiple examples in the world where the countries raised from dark times. China which



is the second strongest economy was struggling economically a century ago. Singapore a small shore country has transformed its economy. Pakistan is also expected to change its fate. According to World Bank by year 2050 Pakistan will be in top 10 developing economies. Though Pakistan is grappled by many economic challenges, the country can escape its present ~~through~~ like other countries. As India's economy is growing, similarly Pakistan can change its fate and prosper economically.

Prosperity can only knock on Pakistan's door if it utilises its strengths. Pakistan can attain sustainable growth if it utilises China Pakistan Economic Corridor effectively. Sustainable growth means, Pakistan becomes self sufficient on its own and propel itself on the path of growth. This can be done if Pakistan utilise CPEC to its fullest. China Economic



Corridore offers development of Pakistan energy sector, industry, connectivity through road, sea and railway. It further under phase two offers establish running of Special Economic Zones.

Energy, industrialisation and connectivity are the major problems of Pakistan economy. Through these sectors Pakistan can revive its economy. As a result Pakistan dependency on foreign aid will decrease and Pakistan can attain sustainable growth.

Apart from China Economic Corridore (CPEC) Pakistan can utilise its strategic position to maximise its chances of growth. The country is located in South Asia. It has Arabian sea on its south (warm waters) and China to its North. It can get access to the Central Asian Republics through Afghanistan and China via road. These land locked countries of central



Asian Republic can utilise Pakistan to get access to the warm waters and the rest of the world. Pakistan can access connect African, Middle Eastern and European countries through sea routes. Moreover, the country has Gawadar which is the world's deepest sea port. Gawadar is predicted to transform the fate of Pakistan. Therefore, if Pakistan utilises its strategic position effectively it can attain sustainable growth.

Pakistan is also a neighbour to great nations. Pakistan can take leverage of their population and expand its trade routes to these countries. Towards East Pakistan has India. If Pakistan succeeds at reopening trade with India it can easily import food items and reduce its hunger index. Pakistan can easily export its goods to China and India - one of the most populated countries. More demand will create more production. Currently the



country imports are 63.2 billion dollars, exports are 38.8 billion dollars and trade deficit of 24.4 billion dollars. By increasing exports Pakistan can reduce its trade deficit one of the major issue of Pakistan's economy. Hence, ensuring Pakistan attain sustainable growth.

Apart from neighbours Pakistan can change its youth bulge into a productive force. Youth can do easy and difficult tasks. If youth is trained and educated it can be transformed into effective work force. This workforce can not only work inside Pakistan, but can be sent abroad. To ensure economic prosperity the youth needs to be educated. Trained and educated workforce can attract more remittances as well. To educate the youth the government must invest more than 7.55 percent of its GDP (according to Economic Survey of Pakistan Fiscal year 2023-24). More training and investment



is required. Projects such as "Kamyab Nojawan" is necessary to train and educate youth. Thus, youth bulge is a ray of hope for Pakistan's sustainable growth.

As the country needs to nurture youth and make them capable enough to help in country's future trajectory, similarly the land of Pakistan needs efforts. Pakistan has the potential to produce enough food to meet its need at home and outside. Instead of dependence on foreign imports Pakistan can even produce export quality product. Pakistan through agricultural reforms <sup>can</sup> ensure sustainable growth. If farmers are given subsidies and loans they can invest on their lands. Moreover, through technology like fertilisers, pH probes and sprinklers farmers can maximise their production. This will help the farmer community to thrive and improve their living standard. and



It will also increase agricultural yield and as a result will reduce imports.

Thus, through agricultural reforms Pakistan can change its macro-economic outlook and ensure sustainable development.

Apart from agro-country Pakistan is also blessed with cultural diversity. In some debates cultural and ethnic diversity is considered a curse, but in some believe it's a blessing. Cultural diversity means different groups of people having different language, food, fashion and thoughts. This means diversity which invites innovation and creativity. According to Noman Ali Khan "I have never seen such sharp and bright boys and girls...." It also Diversity also means greater degree of acceptance and tolerance. Thus, Pathans, Sindhis, Punjabi, Balochi, Sikh, Hindu and Muslims living in one territory. Ostensibly the country is faces cases of intolerance,



but the day Pakistan accepts its diversity and learns to live in harmony will be the day of Pakistan first step to prosperity. Thus, embracing the diversity will help in Pakistan to step on its path to sustainable growth.

Pakistan has the potential to attract foreign tourists. The country has picturesque landscapes. It has the second highest mountain, world's largest glaciers and renowned polo grounds. It has Mohenjo daro and Harappa, which are the reminders of history. Moreover, the country has some ancient idols which are admired by Hindus and Buddhists. It also has one of the biggest salt mines. The country also holds religious sentiments of Sikh community because of Gure Nanak tomb. Hence, the country has great potential to attract tourism. Pakistan can reform its tourism industry and



utilise it as a productive industry. It just need to host the travellers and ensure their safety. Pakistan also needs to work on its image as because of Islamophobia and negative propaganda the country is labeled as extremist. Hence, through multiple steps the country can revive its tourism industry and can earn billions of dollars just like Maldives, <sup>Hong Kong</sup> and Bali. As a result ensuring sustainable growth.

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Pakistan can embark itself on the path of sustainable growth and can have economic prosperity if it ensures separation of power within its borders. Separation of power means Judiciary, executive and legislative functions according to their jurisdiction. Each tier work in its own sphere and do not alter or hinder each others paths. This will create an environment where



legislative will make laws, executive will execute laws and judiciary will ensure accountability and transparency. Great nations such as America is known to have the strongest separation of power. In Pakistan to ensure sustainable growth these tiers must work independently. This will also reduce corruption, which further hinders its growth. According to Transparency International Report 2024 Pakistan is ranked 133 out of 180 countries. Thus, through accountability and separation of power Pakistan can curb its economic woes and attain sustainable growth.

Pakistan can also strengthen its education system to ensure sustainable growth. Education is mandatory for a country's success. Kerala is an example of where education transformed its fate. The current literacy rate of Pakistan is 62.8 percent out of which 73.4% are



male and around 64% are female. Pakistan needs to work on increasing literacy rate and mend the gender literacy gap. This can be done through enforcing Article 25A in its true spirit. Moreover, policies are to be formulated to encourage poor parents send their children to school. Hence, through strengthening education system Pakistan can produce skilled labour and can have sustainable economic growth.

Another major issue, hindering Pakistan from becoming economically independent is lack of utilisation of resources effectively. Pakistan has to utilise the resources and distribute them with equity to ensure sustainable growth. Pakistan had signed the Rio Dig mines gold projects at loss. Therefore, it needs to utilise these resources effectively. Moreover, Pakistan



can also work on the equitable distribution of resources. For instance Sui Gas is produced by Balochistan, however its people are deprived of the basic necessity of gas. Even in 21st century they cook food on tree wood. Therefore, to ensure equitable distribution of resources a step apart from NFC Award is required. These unequal distributions create security crisis. Hence, to ensure sustainability equitable distribution and complete utilisation of resources are mandatory.

Apart from resources Pakistan also lacks ~~its~~ own economic policy. Fortunately the country changed its policy to economic <sup>centric</sup> perspective instead of security. However, efforts are needed to formulate an economic policy that can free Pakistan from its dependency on aid. As the country's major revenue is given in debts



little is left for its developmental projects. Pakistan has already seen different models of economy such as socialist in Bhutto regime regime to trickle down model in <sup>Ayub</sup> Zia's era to aid dependent model in Zia and Musharraf era. Now to attain sustainable economic growth the country needs a model that is centric to Pakistan only, and has the potential to resolve its problems.

To conclude Pakistan growth has been jeopardised due to economic problems. Though the country has the potential to reform its economic outlook and attain sustainable growth. This growth can result after taking multiple steps. Pakistan can attain sustainability by leveraging its strategic position. By utilising China Economic Corridors Pakistan



can curb its domestic woes such as lack of industrialisation, communication, energy and connectivity. Pakistan can also revive its trade with its neighbours to increase its exports and minimise its trade deficit.

It can further utilise its youth bulge, agro land and tourism potential to revive its economy and attain sustainable growth. However, it can be achieved if all the organisations of the state work in their own jurisdiction and the country formulate its own economic policy that helps it to come out of debt trap.

Furthermore, through education and equitable use of resources Pakistan can embark on a path of sustainable economic growth.

Thus, Economic future of Pakistan is bright and the country has a potential to achieve sustainable growth.