

Dr Ishrat's book The Economy of Modern Sindh launched, Solution to Pakistan's energy crisis lies in Sindh: Murad

KARACHI: The glaring disparities and the ever growing rural urban divide in Sindh was at the forefront of the discussion, at the launch of book titled, 'The Economy of Modern Sindh: Opportunities Lost and Lessons for the Future,' presented by Dr Ishrat Husain, at the Karachi Literature Festival, here on Sunday.

The book has been authored by Ishrat Husain, currently the Adviser to the Prime Minister on Institutional Reforms and Austerity, Aijaz A. Qureshi, an educationist and a development professional, and Nadeem Hussain, visiting Research Fellow at the Institute of Business Administration.

The former SBP Governor, Ishrat started on a positive note, showing confidence in the economic potential of Sindh. He pointed out how Sindh's once used to be the fastest growing economy in Pakistan, but faced a setback, and the differential with other provinces has narrowed down, in terms of economic growth.

"Contribution of Sindh to the national economy is close to 30 percent," said Ishrat. He went on to elaborate how the inter-district disparities and ethnic divide have resulted in a complete isolation, terming it a "zero sum game." "Anything that goes to rural economy is at the cost of urban economy, and vice versa, which should never be the case. The adverse relationship between urban and rural centers has not done the province any good." The author reiterated that the potential is huge, and if exploited, can lead to a stable outcome for both urban and rural Sindh.

Joining the discussion, the former SBP boss, Dr Shamshad Akhtar, while seconding Ishrat's views, opined that "more than the rural urban divide, the political dynamics have dragged the provincial economy." Shamshad singled out high quality infrastructure and ease of doing business, at the core of exploiting the true potential, adding the "the future is very promising for Sindh."

Shamshad highlighted the need to integrate the rural and urban economies, address the disparities between districts on socioeconomic fronts, and to move forward to integrate local governments in a functional manner. She also stressed on the need to "go beyond the occasional blips of good news here and there," stressing on the need to put out a document that gives a forward looking plan for Sindh. The need to have a well-crafted fiscal strategy to mobilize resources within the purview of the province was also emphasized by the former SBP Governor.

The Chief Minister of Sindh Murad Ali Shah was also in attendance and candidly presented the state of affairs in the province. The CM said that, "Karachi alone needs at least Rs 1 trillion for up-gradation of basic facilities, such as drinking water, sewerage and transport." Law and order and energy were pointed out as the two most critical issues of the province.

The CM went on to highlight the government's achievements on the fronts of law and order and energy. He added that the "solution to Pakistan's energy woes lies in Sindh," referring to the Thar coal project, the first megawatts from which are expected to be in the national grid by March 15, 2019. Shah also spelled out the difficulties Sindh is facing at the fiscal level, as the contribution from divisible pool in the first seven months of the fiscal year 2019 has been lower by Rs11 billion to Rs255 billion. He said that due to the shortage of funds, the Sindh government went in overdraft with the SBP, and will now end up paying interest on that, and urged the federal government to instead pay the interest.