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Pakistan dropped three ranks on Competitive Index in 2018

ISLAMABAD: The country's ranking on the World Economic Forum's (WEF) competitiveness index has slipped down three ranks to 110 from 107 in 2018.

The ranking, based on the outcome of executive surveys as well as the statistics from international organisations, deteriorated following the country's poor performance in the areas of press freedom, life expectancy, corruption, governance, innovation, productivity and human development.

The competitiveness index is part of the Global Competitiveness Report, released by Mishal Pakistan on Wednesday, a local partner institute of the WEF.

Within the South Asian region, the WEF ranked India at 68th position. India has lost ground in the rankings despite a relatively stable score, mostly due to faster improvements of several countries previously ranked lower.

Further, Sri Lanka's ranking saw most improvement to 84th position Bangladesh 105th, Nepal 108th and Pakistan 110th.

Poor state of press freedom, life expectancy, governance, corruption reasons for decline

However, the report indicates Pakistan at the lowest level on index of terrorism incidence. The figure came as a surprise to the government, which has claimed significant improvement in the war against terrorism.

On the positive side, the report highlighted improvements in the index on reducing organised crimes and ensuring judicial independence.

The report, which evaluates a country's ranking based on 12 pillars, showed that Pakistan's ranking deteriorated on seven pillars, remained unchanged on one but improved on four.

Moreover, among 103 competitiveness indices, Pakistan's position improved on 42 key indices, while lost its previous position on 39 indices.

Pakistan ranked 107th in the institution pillar compared to 109 last year, showing an improvement of two improvement whereas it ranked 105 in infrastructure against 93 in 2018, slipping by seven notches.

On information, communication and technology (ICT) adoption, it lost four positions and slipped to 131 from 127 last year.

With a loss of 13 ranks, maximum deterioration was reported in the macroeconomic indicators to reach 116th position.

The country also lost four ranks on the product market pillar with global ranking on 126, while the health pillar, reached to 115 in 2019 from 109 from last year. The financial systems pillar lost 10 ranks to rest at 99 in 2018, compared to 89 last year.

Pakistan improved its labor market efficiency with one point by securing 120th rank among 141 economies. The skills pillar has retained its position as last year at 125.

Pakistan showed its best performance on the business dynamism by improving 15 points and securing 52nd position among 141 economies.

This gain was due to Pakistan's improvements on time to start a business where, improving by several ranks. The country scored 79 on the innovation capability pillar compared to 75 in 2018, four notches below the last year's level.

On banks' regulatory capital ratio, the ranking deteriorated from 63 to 82 while in the case of corruption, the county's position slipped from 99 to 101, indicating higher registration of corruption cases. The press freedom ranking slipped from 112 to 116.

Mishal Pakistan Chief Executive Officer Amir Jahangir said that the country needs to bridge the digital divide between citizens' demand for governance and governments' ability to deliver services through digital and e-governance platforms.

He said the public policy agenda should have ICT adoption as one of the key drivers for transforming the economy to succeed in the fourth industrial revolution era.

The report ranked Singapore as the world's most competitive economy in 2019, overtaking the United States, which fell to second position. Hong Kong SAR was ranked third, Netherlands fourth and Switzerland fifth.