

Economic decline

In a recent NYT article, Atif Mian, a renowned economist of Pakistani origin, highlighted the sorry state of our national economy and the threat it poses to national sovereignty and the future of over 200 million Pakistanis. He states that our economy has crashed almost 13 times in last 60 years, surviving on IMF bailouts, with no plans by successive governments, including the present, to address the root causes. Pakistan today is the poorest country in the South Asian region, with GDP growth of only 3.3 percent, barely enough to keep pace with population growth. The federal government is effectively bankrupt because last year total interest on government debt and pensions obligations exceeded its net revenues.

The beneficiaries of the status quo are the biggest obstacle to change; the moneyed elite thrive on unfair business practices, tax evasion and their preferential access to power. Worse still, they pander to religious extremists as and when it suits their vested interests, creating an environment of violence and intolerance. As a result, Pakistan is starved of investment, with only “15 percent” of economic output going towards investment, as compared to “30 percent for the rest of South Asia.” This prevents growth in productivity, contributing to our stagnant exports and our becoming a “nation of consumers.”

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