Pakistan’s growth performance has been disappointing for several decades, with average Gross Domestic Product (GDP) per capita growth between 1 and 2 per cent annually over the past 40 years. This compares to per capita GDP growth of between 6 and 7 per cent in China over the past 50 years and slightly lower rates of 4-5 per cent in Malaysia and Vietnam more recently. Pakistan’s investment rate at 15 per cent of GDP is relatively low and around half of South Asia’s average. This, together with low productivity growth, are some of the main reasons behind this disappointing growth performance. Relatively poor performance in human development indicators together with anemic job creation have led to increased social tensions. A large and growing population could become a major asset if employed effectively. The country can also benefit from its strategic geographic position, close to two of the fastest growing markets in the world (India and China). If constraints to growth are addressed, Pakistan could grow at high rates for a prolonged period of time, improving the welfare of millions of Pakistanis. As Pakistan turns 100 years old in 2047, the World Bank has started an initiative, Pakistan@100, to analyse and make recommendations on reforms to accelerate and sustain growth and ensure its inclusiveness. The project will produce a report that will articulate key suggested responses for Pakistan to address existing challenges. Analysis and recommendations will be focused around seven issues that matter for faster, sustainable and inclusive growth: (i) environmental management, (ii) structural transformation, (iii) regional connectivity, (iv) macroeconomic management, (v) governance, (vi) human capital and (vii) inclusiveness of growth. In this session, the World Bank will present preliminary findings of this work.

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