

Road to rich resolutions

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It is 2016. The new year puts in place new resolutions. Will the new year be different for Asia than 2015? Let's leave scepticism behind and look forward to a prosperous and stable Asia. Figures will prove that the wish is not just a misplaced yearning.

According to a Bloomberg report, China remains the fastest-growing G-20 nation, even though the Asian economy is no longer expanding at the pace it did a few years ago. China grew at almost seven per cent during 2015.

A World Bank report puts India's growth rate at an ambitious 7.5 per cent followed by South Korea, Japan, Malaysia and Vietnam. The situation in the South Asia region is not so bad either. While almost all neighbours are growing fast, Pakistan, the Asian Tiger of those mid-60s, lags far behind its compatriots. The World Bank puts Pakistan's growth rate at 4.4 per cent.

This figure is alarming as even Bangladesh is growing at 5.6 per cent, Bhutan 6.7 per cent, while Sri Lanka is far ahead at 6.9 per cent.

Pakistan needs to learn from China in terms of economic revolution. Recently, I visited China, which is just like my second home. During my meetings with Chinese scholars, think-tanks and luminaries, I tried to know the secret of Chinese growth.

I had the honour of having sittings with Mr Li Jinjun, the Vice Minister of the International Department of the Communist Party of China (IDCPC) and Mr Zhang Xuyi, the Deputy Director-General of the IDCPC.

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I also had the opportunity to be briefed by Professor Liu Yanmei from Central Party School of CPC and Dr Lili, the deputy director of the Institute of South and Southeast Asian and Oceanian Studies on the 13th five-year plan adopted by the Chinese legislature recently.

Recently, the CPC mobilised 5,000 of its brightest minds, including scholars and think-tanks, to converge and chalk out recommendations for the thirteenth five-year plan to help China lead the path of development and prosperity.

The central government also urged all the provincial, district, county and prefecture governments to develop their own five-year development plans. All these local governments forwarded their respective visions to these think-tanks and scholarly minds who then reflected their vision into a five-year plan for the central government.

China has been progressing well since it shed the western model of economic development. Chinese President Xi Jinping has urged the government to make Marxist philosophy with Chinese characteristics the backbone of the China's revamped developmental course.

During the next five years, China would pursue green and environment-friendly development and sharing its trickledown effects with neighbours and other players of the region. Research-based innovation, institutional reforms and mutual coordination would be the engine of the Chinese growth.

The per capita income of the urban residents of China ranges from \$6,000 to \$6,500 per annum. The income of the rural residents stands at around \$2,000 annually. The government plans to plug this gap, by raising the living standards of the all the Chinese residents. The government has set a target of \$13 trillion by year 2020.

This modernisation process also requires reforms in the governance structure as institution-building process is the key for achieving the set goals. Innovation and reforms would be guiding principles in the Chinese development replacing market-trends and demands across the board for all sectors — from state institutions to the industry and business centres.

By year 2030, China plans to develop aviation engines, quantum telecom, artificial intelligentsia (robots), deep-sea materials, brain sciences, and health technology.

Entrepreneurs would be urged to pursue innovation rather than western models of growth. In the past, Chinese development heavily relied on exports and investments. Now China is ready to focus on domestic consumption and investment. Exports would only play the role of a facilitator.

China plans to carry out major reforms in governance, rule of law and carrying out strong clampdown against corrupt officials of the party and the government to maintain discipline.

China's plans to stick to the developmental path as number-one priority is a welcome sign. In this regard, efficiency would be high on the agenda of the regime to gain the target of 'new normal' — the vision of President Xi Jinping under which overall growth rate would be brought down to 6-7 per cent while optimum quality in all products would be maintained.

Industry would now be used to grow agriculture as green development is based on the ideology to help develop ecology. The idea of shared development aims at short-linking the gaps between low and high income groups and help eliminate poverty, especially in rural areas.

Poverty alleviation would also help curtail the demographic shift. It would be a huge achievement if the migration from rural areas to the urban centres could be hampered. But this would not be possible without taking the course of development deep into the rural and under-developed areas.

However, it seems China has already achieved this goal as migration has significantly decreased and real estate business in urban centres has seen a downward trend.

Unity and harmony between state institutions is the need of the hour. The secret of China's development lies in the unity of command. The Communist Party of China (CPC) not only enjoys public support, the harmony in CPC cadres has also ensured coherence among all state institutions.

The CPC has a unique strength as its entire leadership and cadres can mobilise human and other resources to help achieve the targets set by the government.

The Chinese leadership believes that one plus one is bigger than two and One Belt One Road initiative is a true reflection of this vision. Since China-Pakistan Economic Corridor (CPEC) is the flagship vehicle for the Belt and Road vision, Pakistan's development and stability are very near and dear to the hearts of the CPC and President Xi Jinping.

The Chinese leaders use the term "Iro-Pak" to refer to Pakistan, which reflects that China and Pakistan are 'iron-brothers'. Since development is the key to addressing challenges, Pakistan immediately needs to find a way forward. Issues like military takeovers, economic meltdown, and civil-military tiff also fall under political stability.

But this is not limited to Pakistan and rather all countries of the region face almost identical challenges at different levels with various local complexities. A major challenge in Pakistan is how to unify the people from various ethnic backgrounds coming from different social fabric.

Bureaucratic hurdles have badly hampered foreign investment in the past

Politics and military also have different power centres. Political parties have divergent views on each and every issue. The institutional backwardness also is an obstacle in acquiring stability and development. The answer to these issues lies in major institutional refurbishing and reform. We need to avoid past mistakes and learn from developed nations and open up for institutional reforms and restructuring so as the country could move forward on the path of development.

Pakistan needs to detach itself from decaying institutions, corrupt political and bureaucratic culture and create an enabling environment for institutional reforms and revamping. As far as development is concerned, the political leadership needs to evolve long-term plans coupled with a reform strategy to help alleviate challenges.

In order to acquire national unity, we need to ensure equal rights and opportunities to all ethnic groups, respecting their religious, social and cultural backgrounds and beliefs. Lessons need to be learnt from past blunders and efforts must be made to avoid the same slip-ups in the future.

As far as economic development is concerned, Pakistan would have to follow the Chinese model by doing away with red-tape and multiple layers of taxes and announce incentives for encouraging small and medium scale entrepreneurs.

Bureaucratic hurdles have badly hampered foreign investment in the past. It is time for Pakistan to go for a thorough review of procedures and policies and bring in reforms where needed.

A Chinese saying goes that a stable and peaceful environment is essential for the development of any state. This can inspire those at the helm in Pakistan. We should follow a forward-looking approach for development besides considering national solidarity and stability.

The CPEC will be a goldmine for Pakistan to develop modern trends. It can only be done if we invest in research and innovation. Investing in science and technology would be our first step in the journey to learn economic development and advancement. It would also help Pakistan embark upon the path of self-innovation and self-activation.

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