

BOOK REVIEW

**Rashid Amjad, Shahid Javed Burki, eds.,
Pakistan: Moving the Economy Forward (Delhi:
Cambridge University Press, 2015), 398.**

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Pakistan: Moving the Economy Forward published by the Cambridge University Press is an edited volume by two economists Rashid Amjad and Shahid Javed Burki. The book comprises 14 chapters, written by veteran economists and national economic policy makers. The prominent feature of the book is that it covers all aspects of Pakistan's economy — from the historical background of Pakistan's economic progress to measures for enhancing inclusive economic growth of Pakistan.

The contents of the book can be divided into three sections. First, reviewing the past experiences and focusing on the prospects for inclusive growth and competitive environment. In the second section, economic experts highlight some basic and long-term structural issues which need attention on priority basis to increase productivity and suggest reforms at macro and micro levels focusing on key sectors. It also discusses an enhanced youth engagement besides the strategy to deal with the International Monetary Fund (IMF). Third section includes recommendations for governments to improve upon regulatory functions and to implement better and result-oriented public policies.

Pervez Hasan in the chapter titled “Failed Economic Promise: Lessons from Pakistan's Development Experience,” eloquently details the history of economic progress. He highlights the major lacunas within economic management of Pakistan that includes high spending on defence and the population growth, and negligence of education sector. He also discusses the low saving rates and the gaps in the employment of

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foreign aid which can be transformed into productive investment and growth.

Rashid Amjad in the chapter titled “Economic Management Under IMF Tutelage: Key Lessons from the Musharraf and PPP Rule 1999-2013”, gives an account of economic management and the economic policy making. He emphasises on the gaps in economic policies and suggests recommendations (p. 48) He thoroughly elaborated the agreements concluded, during Musharraf and Pakistan Peoples’ Party (PPP) governments, to obtain financial support from the IMF. He summarises his thesis, “Economic management is ultimately a combination of political will and finesse displayed by competent economic managers in carrying through important economic decisions.” (p.81)

Shahid Javed Burki in a chapter titled “A Country and an Economy in Transition” highlights the socio-economic and political factors responsible for the current economic situation. He highlights the issues of energy sector of Pakistan and emphasises its importance by submitting recommendations to deal with energy crisis (p.96-97) and factors contributing to sustained long-term growth i.e. strengthening agricultural and water resource management (p.98), and export-led growth (p. 100). Burki emphasises on the importance of Pakistan-India trade relations in terms of enhancing Pakistan’s regional connectivity and expanding the volume of Pakistan’s market. He writes that the gravity model of trade suggests that Pakistan should trade with the large countries in its immediate neighbourhood i.e. China and India. (p. 101).

The book gives an overview of the overall economic progress, which was quite impressive, and on fast track in the early years after independence. However, in the subsequent decades, Pakistan’s economy saw slow growth and high inflation due to various reasons. The book identifies and marks economic constraint and, mismanagement, but its approach is forward looking since all the authors focus on short and long term growth strategies to pull the country out from slow economic mode. The contributors by highlighting dynamism and positive of Pakistan’s economy suggest macroeconomic strategies and priorities. For example, they suggest strategies for raising revenues and reducing the fiscal deficit

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and introducing tax reforms, by addressing issues of energy, water and agriculture sector, with a focus on trade and increasing exports and good governance and accountability besides dealing with IMF based on its past experience. The book presents analysis and recommendations for policymakers for short, medium and long term strategies by restoring macro-economic stability, and reviving private investment. It also suggests recommendations for tackling the issue of circular debt, restructuring public sector enterprises, an emphasis on importance of trade with India and, most importantly, improving economic management by improving the quality of governance on urgent basis.

The book draws on the wide experience of the authors at the highest level of policy-making and put forward realistic and concrete policies in the current socio-economic-political milieu. It also moves beyond the income measurement of poverty toward a more comprehensive analysis of what is the best way to target poverty in Pakistan.

The book covers both economic and non-economic factors of any economy while suggesting short, medium and long-term strategies to put Pakistan's economy back on the track, of inclusive growth and productivity, that has the capacity to compete in the international markets. The book is valuable for a broad audience, like economists, academicians and students of Economics. Those who are not students of Economics but have an interest in Pakistan's economy and development can also benefit from it. The book is highly recommended for understanding core issues of Pakistan's economy, the challenges that it faces and solutions presented by the renowned Pakistani economists.