

Pakistan Institute of Development Economics (PIDE)

(A Degree Awarding Institute)

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Pakistan development Review: A Quarterly Journal with a New Philosophy

The latest issue (Spring 2006) of Pakistan Development Review (PDR) a journal of an international repute published quarterly by Pakistan Institute of Development Economics (PIDE), Islamabad, has arrived. In his editorial note, Dr Nadeem Ul Haque, Director PIDE, says that economic research has significantly changed over the years. New ideas and themes such as governance, institutions, globalization and regulation have emerged. Technology has helped evolve newer methods of disseminating research. He promises that PDR will reflect these changes. He further commits that PDR will attempt to identify key thinkers to develop opinions, comments and debates on policies and issues that confront economic development.

The latest issue of PDR contains scholarly Papers authored the eminent development practitioners. Lead article titled “Beyond Planning and Mercantilism: An Evaluation of Pakistan’s Growth strategy” is authored by Dr. Nadeem Ul Haque, Director PIDE. Comments are followed by the article containing productive discussions from renowned economists like Shahid Javid Burki, Former Finance Minister, Pervez Hasan, Akmal Hussain and Khalid Ikram.

Haque convincingly argues, in the paper, that economic growth paradigm in Pakistan, based on government-centered planning, reliance on foreign resources, and mercantilism (i.e. encourage exports and discourage imports), has not worked so far because the incentive structure resulting from this approach led to a neglect of governance, disregard for merit and the development of rent-seeking. The new growth paradigm, according to Haque, limits the role of government to building such institutions that preserve individual freedom, provide security, and facilitate market transaction, and then allow markets to determine economic-course on their own.

For reforms to take hold, according to Dr. Haque, first the public service will have to be modernized. The crux of these reforms, Dr. Haque says, will lie in the management of public service personnel that allows open competition of a professional kind to be established.

Shahid Javed Burki, a commentator on Haque’s paper agrees with the suggestion that a new model should be put in place to address many economic and social problems but expresses his reservations that given country’s history of economic decision making, public servants could be instruments of change. Pervez Hasan while agreeing with the basic import of Haque’s argument, still favours government intervention to enhance the export base. Akmal Hussain argues that fraternity and equality being central to development and politics, the regulation of markets cannot be conducted in the context of building a “consumer oriented society only” (as Dr Haque would have it) but rather in the

context of building a richer human civilization. Khalid Ikram comments that once Dr Haque has spelled ‘what is to be done’ now he should think as to why this has not been done already? Who will be the winners and who the losers? How will the winners compensate the losers? and so on.

The journal also contains an article titled “Foreign Currency Deposits and International Liquidity Shortages in Pakistan”, by Abbas Mirarkhor and Iqbal Zaidi. The authors, respectively, are Executive Director and Senior Economist at IMF’s Finance Department. Yet another Paper, included in the Journal is “The Impact of Public Investment on Economic Growth in Pakistan” authored by Ejaz Ghani and Musleh-ud Din, senior research economist and chief of research, respectively, at PIDE. Besides, the Journal contains two more articles; “Trade Policy, Openness, Institutions” by Dawood Mammon and Mansoob Murshed, and “Women’s Autonomy and Happiness: the Case of Pakistan” by Syed Mubashir Ali and Rizwan ul Haq.

The journal also includes reviews on three books including “Gender Relations in Forest Societies in Asia: Patriarchy at odd”, Tribal Development in India: The Contemporary Debate”, and “Issues in Pakistan’s Economy”.

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