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| Course Title | Economy of Pakistan |
| Course Code | ECO-334 |
| Pre-Requisite | ECO-111 Principles of Macroeconomics |
| Degree Program (BS / MS / PhD) | BS |

Course Objectives

This course would cover the various aspects of Pakistan's Economy. It is expected that after the course, the student will be able to understand the challenges that the economy of Pakistan is facing and how to address these challenges. In particular, we would cover issues in various sector of the economy and their possible solutions. Pakistan's economy is passing through the most difficult phase of its economic history. As student of economics, especially at the senior undergraduate and Post-graduate levels one must be aware of the developments taking place on economic scene, within and outside the country. This course is designed to do the same.

Learning Outcomes

- a. How proper management can address many economic problems in different field of economy including both in agriculture and industry.
- b. Different contemporary, new and emerging issues
- c. Urbanization, employment generation, empowerment of local community, strengthening the institutions and government framework.

Contents

| Week | TOPICS |
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| 1 | Introduction to Pakistan Economy |
| 2 | <i>Structure of Economic Growth and Employment</i> <ul style="list-style-type: none"> – Importance of Growth – Structure and Sectoral Contribution to Growth – Growth and Employment Nexus – Importance of National Income Accounts in Macroeconomic Policy Making |
| 3 | Growth and Employment |

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| | <ul style="list-style-type: none"> – Experience of ASEAN countries in Promoting Growth – Belt and Road Initiative: A New Sources of Global Growth – BRI: A second phase of Globalization – CPEC: A Flagship Project of BRI |
| 4 | Agriculture <ul style="list-style-type: none"> – Composition of Agriculture – Issues in Agriculture – Solutions to Issues |
| 5 | Manufacturing <ul style="list-style-type: none"> – Composition of Manufacturing – Major Manufacturing Industries – Issues in Manufacturing – Solutions to Issues |
| 6 | <i>Poverty and Income Distribution</i> <ul style="list-style-type: none"> – Measurement Issues – Trends In Poverty and Distribution – Linkage Between Growth and Poverty – Measurement of Income Distribution – Linkage Between Growth and Distribution – Poverty Alleviation: Learning From China |
| 7 | <i>Energy Issues</i> <ul style="list-style-type: none"> – Trends in Energy Availability – Composition of Energy – Historical Perspective – What are the Issues – How to Address Energy Problems |
| 8 | Fiscal Developments <ul style="list-style-type: none"> – Trends in Revenue – Structure of Revenue – Trends in Expenditure – Structure of Expenditure – Trends in Fiscal Deficit |

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| | <ul style="list-style-type: none"> – Financing of Fiscal Deficit – The 7th NFC Award: Has it worked? |
| 9 | <i>Fiscal Challenges</i> <ul style="list-style-type: none"> – Medium-Term Budgetary Framework – Consequences of Projecting Revenue Wrongly – Issues on Revenue Side – Issues on Expenditure – Solutions to Issues |
| 10 | Midterm |
| 11 | Monetary Development <ul style="list-style-type: none"> – Trends in Money Supply – Understanding Monetary Data – Monetary Management – Financial Sector Reform |
| 12 | <i>Public and External Debt</i> <ul style="list-style-type: none"> – Why these two Debts are Different – Is Debt Creation bad? – Debt vs Burden of Debt – Why should we worry about Debt – How to Bring Debt Under Control – Debt Burden: Future Prospects and National Security – G-20 Debt Relief |
| 13 | Linkage Between Monetary and Fiscal Policy <ul style="list-style-type: none"> – Trends in Inflation – Is it a Monetary Phenomenon? – What is Contributing to the Persistence of High Inflation in Pakistan? |
| 14 | Linkage Between Monetary and Fiscal Policy <ul style="list-style-type: none"> – How to Address Inflation in Pakistan – What is Stagflation? – Causes and Consequences of Stagflation – How to Address Stagflation Issues |

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| 15 | <i>Recent IMF Program: Implications for Pakistan</i> <ul style="list-style-type: none"> – Bretton wood Institution: Background – Various types of IMF Program – Conventional Approach of the IMF Program – Washington Consensus – 22nd Program of the IMF with Pakistan – Will there be a 23rd IMF Program for Pakistan? – Did the Alternative Exist? |
| 16 | <i>Demographic Transition and Demographic Dividend</i> <ul style="list-style-type: none"> – Large Population: Asset or Liability – Structure of Population – Challenges facing Pakistan – How to transform Transition into Dividend |
| 17 | Buffer week |
| 18 | Final Examination |

Recommended reading, including textbooks, reference books:

- “Economic Challenges Facing Pakistan in the Regional and Global Environment 2017-19” by Azam Chaudhry and Theresa Thompson Chaudhry (edited), Lahore School of Economics, December 2019.*
- “Pakistan’s Experience with the IMF” by Ashfaq H. Khan in Strategic Thought, A Journal of International Affairs, Vol. 1, Spring 2019.*
- Growth and Inequality in Pakistan”, by Hafiz A. Pasha, Friedrich Ebert Foundation, Pakistan Office, Islamabad 2018.*
- Pakistan Economic Survey Since 1999-2000 onwards*
- Economic Management in Pakistan 1999-2000 by Ishrat Husain*
- Pakistan: Moving The Economy Forward Edited by Rashid Amjad and Shahid Javed Burki, Lahore School of Economics, May 2013*
- Capturing the Demographic Dividend in Pakistan Edited by Zeba A. Sathar, Rabbi Royan and John Bongaarts, Population Council, 2013*
- “Rise of China and the Asian Century by Ambassador (R) Syed Hasan Javed*
- Financial Times, London*
- Pakistani English News Papers (Business/Economics Section)*

- k. *Economic Survey of the Asia Pacific Region 2013, UNESCAP, Bangkok*
- l. “Rising Debt: A Threat to National Security” Blue Chip, January-March, 2016, Vol. II, Issue 122 (by Dr. Ashfaq H. Khan)
- m. “State of the Economy: A Factual Analysis”, Blue Chip, Blue Chip, April – June, 2016, Vol. II, Issue 123 (Dr. Ashfaq H. Khan)
- n. “7th NFC Award: Has it worked?”, Development Advocate Pakistan, Vol. 2, Issue 2, June 2015 (by Dr. Ashfaq H. Khan)
- o. “Projecting Unrealistic Budgetary Targets”, Development Advocate Pakistan, vol. 1, Issue 3, October 2014 (by Dr. Ashfaq H. Khan)
- p. “Who Damaged the Economy?” by Dr. Ashfaq H. Khan, Business Recorder, June 14, 2020
- q. “Setting FBR Target for FY2021” by Dr. Ashfaq H. Khan, Business Recorder, June 11, 2020
- r. “Debt Relief” by Dr. Ashfaq H. Khan, Business Recorder, July 16, 2020
- s. “Covid – 19 and Pakistan’s Economy: Way Forward I&II” by Dr. Ashfaq H. Khan, Business Recorder, November 26, 27, 2020
- t. “IMF” What was PM’s Real Mistake?” by Dr. Ashfaq H. Khan, Business Recorder, December 16, 2020
- u. “Why Food Inflation Running High in Pakistan?”, by Dr. Ashfaq H. Khan Narratives, November 22, 2020
- v. “Sold Down the River?” by Dr. Ashfaq H. Khan, Narratives, December 24, 2020
- w. “Living in Debt in 2021”, by Dr. Ashfaq H. Khan, Narratives, January 14, 2021.