

Book Review

Hafeez A Pasha. *Growth and Inequality in Pakistan*, Volume-I. Islamabad, Pakistan: Friedrich Ebert Stiftung. 2018. v+218 pages. Price not given.

The book, *Growth and Inequality in Pakistan*, is written on a very important theme. In this book, important economic issues of Pakistan economy are touched upon carefully, using recent facts and figures, and far-reaching practical associations are also made a part of this book. The book proceeds in a logical manner and the topics covered in the book capture the deep attention of the reader. The book is divided into seven sections and each section is further divided into chapters related to the issues of concern.

As the rising population is an important concern for any economy, therefore, before policy options, the initial discussion in this book focuses on the issues concerning the population of Pakistan. As the population census has been carried out after a gap of nineteen years, it becomes inevitable to start addressing issues related to population, its growth, and international comparisons. Section one presents a good review of the population of Pakistan, which has reached 207.8 million.¹ The discussion is followed by focusing on the distribution of population and its growth. The growth rate for the period 1998-2017 revealed by the census is 2.4 percent, which, according to the author, is worrisome. The size and growth of cities is also a concern, which shows that the fastest growing cities in Pakistan are Lahore and Islamabad. Overall, in Pakistan urbanisation is taking place at a moderate rate but imbalances are observed in the size distribution of the cities.

Discussion about Pakistan's economy and its international ranking is also made a part of the book. Mainly, the state of the economy is discussed, in terms of international comparisons of key macroeconomic indicators. Economic growth is discussed and compared with the economic boom in Asian economies and the reasons for slow economic growth and macroeconomic imbalances are also pondered over in detail. To stay competitive, it is important for a country to be informed about its position in international rankings and, to this end, the author has done a good job by providing details of six key international indices provided by international institutions, including the UN agencies, World Bank, World Economic Forum, and others.

The book also discusses and evaluates different IMF programmes. It gives an overview of IMF programmes in Pakistan, along with projections, and reasons for their success and failure. The author provides a good picture of the record of economic growth, starting from the 60s onwards. According to the author, annual growth rates were impressive in the 60s and the 80s but after that annual GDP growth rates have remained low. As the Pakistan economy needed stabilisation, Pakistan remained under an IMF programme from 2014-15 to the first quarter of 2016-17.

¹Provisional figure.

The latter parts of the book focus on the importance of investment in Pakistan's economy. The long-term decline, according to the author, is due to a significant fall in economic growth. The cause of this decline is accounted for by changes in the roles of the public and private sectors. As the discussion proceeds further, the review of the federal Public Sector Development Programme gives the reader a clear picture of the implementation issues and allocation priorities. The China Pakistan Economic Corridor (CPEC) projects and other special programmes are also discussed in terms of their importance for Pakistan. CPEC is quite important for Pakistan as it can boost infrastructure investment, provide large scale investment, and increase the power generation capacity. The author has rightly discussed the potential macroeconomic impact of CPEC related to the growth of the Pakistan economy. Further, potential impacts of CPEC on balance of payments, public finances, regional trade, and development are discussed, along with the associated risks.

Moreover, labour laws, which is an important issue of Pakistan's labour market, are also debated in the book. The discussion proceeds based on the findings of the Labour Force Survey, 2014-15. It is reported by the author that there were 3.6 million unemployed workers by the end of 2014-15, which reaches 5.3 million if discouraged workers are also added. Additionally, other issues of labour market are also discussed, namely bonded labour, child labour, and female workers. The book also discusses labour laws that are in place in Pakistan.

The book also focuses on the growth of provincial economies. At first, it examines a complex interface of the size and shares of provincial economies in different eras. Punjab is the largest provincial economy, which had 54 percent share in the total economy, has seen its share declined compared to previous years. Sindh economy's share was 30 percent in 2014-15 and there is a moderate increase in its share since 1999-2000. Khyber Pakhtunkhwa, having 13 percent share in the national economy, has shown a significant increase since 1999-2000, while Balochistan has seen its share decline. The analysis of the economic growth of all the individual provinces offers an interesting picture.

Anyone who opts to read this book will positively get valuable insights. I am sure that social science researchers, policy-makers, and other stakeholders will find this book interesting. Readers will encounter a convincing argument that challenges and shapes new ideas to work on. Overall, the reader will end up having immense information from this book.

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