



**NUML National Conference on Macroeconomics and International Finance
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Department of Economics

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Proceedings

The 1st National conference on Macroeconomics and International Finance (NCMIF) was inaugurated by the Minister of State for Privatization Muhammad Zubair. The one day conference was organized by the department of economics, NUML Islamabad, sponsored by Higher Education Commission (HEC) and Askari Bank. It took place at IT auditorium NUML.

The world history tells us that all democratic countries of the world grew and progressed after going through a long and painful process of evolutions but not by revolutions, said the Minister of State for Privatization Muhammad Zubair. He expressed these views while addressing an opening session of “1st National Conference on Macroeconomics and International Finance” (NCMIF) which was arranged by the Department of Economics at the National University of Modern Languages (NUML), Islamabad. The opening session of NCMIF was attended by Dr Ashfaq Hasan Khan, Principal and Dean NUST Business School, Mr Bakar Ahmed, Senior Vice President Askari Bank, Rector NUML Maj Gen (R) Masood Hassan, Ms Saima Shafique, Head of Economics Department, Deans, Directors, Heads, scholars and big number of students of different departments of the university.

Minister Muhammad Zubair said that as far our economic growth and pace was concerned, on the one hand, our media was displaying a picture around the clock as if Pakistan were falling apart but on the other hand Karachi Stock Exchange (KSE) market was performing at its best for last 18 months. Our position was neither what was being projected by the media nor did the truth which was reflected upon by KSE rather we were some where in the middle with a huge potentials and some weaknesses while trying to set the course for a sustainable growth in the country, he added.

Mr Zubair said that there were 450 million people living below the poverty line in India but it was projected as if Indians were in abreast with America and other developed countries. Indian exuded this feelings where of the reality was that there was difference of just USD 150 per capita income between India and Pakistan. Moreover, we have

number of other factors including burden of millions of Afghan refugees, 9/11 attacks and terrorism, that affected our economy and social fabric badly.

He went on saying that despite all this Government had envisaged a privatization program that included transactions in the banking and finance, oil and gas, power, and other sectors. The Government was committed to privatizing all its power distribution and generation companies. Work for this purpose had been initiated and it wouldn't take much time when the distribution companies to be brought to the point of sale. "Eventually a competitive market for power would be envisaged. In some areas, such as the national flagship airline, PIA and Pakistan Railways, the Government strategy is to turn around the companies before considering the privatization option. Similarly, the privatization of airports, seaports, insurance companies, and shipping have all been studied or proposed at some point, he concluded.

Speaking in his key note address, Dr Ashfaqe Hasan said that external shocks like terms of trade shocks, natural disaster and capital flight as well as poor macroeconomic management created macroeconomic instability which resulted in slower economics growth, declining domestic and foreign investment, rising unemployment, poverty, higher budget deficit, higher current account deficit, higher inflation, pressure on exchange rate and rising debt burden. He said that these challenges were addressed through Conventional Macroeconomic policies of stabilization. This was not the solution as it brought sorrow and suffering for the people.

Dr Hasan said that the way forward was to strike a balance between stabilization and development roles of macro economic policies, changing the way fiscal and monetary policies were designed and implemented. The bottom line was that macroeconomic policies should not focus narrowly on reducing budget deficit, debt stabilization and reducing inflation rather policies should be supportive of growth and employment generation, he added.

The Rector NUML Maj Gen (R) Masood Hasan, Mr Bakar Ahmed, Senior Vice President Askari Bank and HoD Economic Department Ms Saima Shafique also spoke at the opening ceremony of the NCMIF.

At the end of the inaugural session, academic session-I under the topics of Macroeconomic stability and Economic growth chaired by Dr. Azam Khan, Ex-Vice Chancellor ARID and Karakoram universities. And academic session-II under the topics of Economic Development was chaired by Prof Dr Eatjaz Ahmed, Vice Chancellor Quaid-i-Azam University.

The closing session of NCMIF was attended by Dr Zafar Altaf, Ex. Federal Secretary of Food, Agriculture and Lives stock; Dr. Waqar Ahmed, Deputy Executive Director, SDPI; Maj Gen (R) Masood Hasan; Rector NUML, Ms Saima Shafique, Head of Economics Department, Deans, Directors, Heads, scholars and big number of students of different departments of the university.

In the concluding session of Conference a vote of thanks was extended to the organizers, participants, presenters, and others who attended the Conference by head of department and expressed hope that the deliberations at the Conference would prove beneficial in generating meaningful dialogue on the theme of the Conference and aid policymakers in devising effective policies.