

## Made in Pakistan?

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Picture this: It's 2027, and Pakistan's exports have met the required target. We're no longer just shipping out raw cotton and basic textiles. Instead, our exports range from advanced auto parts to cutting-edge software, from gourmet processed foods to high-end sportswear. Sounds like a fantasy? Not if we play our cards right with global value chains (GVCs).

Let's face it: our export performance has been underwhelming – at around 10.4 per cent of GDP. We've been stuck in a rut, relying on the same old products, struggling to compete with our more dynamic neighbours. But here's the thing: GVCs could be our ticket to an export boom.

First off, what exactly are these GVCs everyone's buzzing about? Think of them as the global assembly lines of the modern world. Your iPhone isn't made entirely in China; it's a global effort, with parts and processes spread across dozens of countries. That's a GVC in action.

Now, here's where it gets interesting for Pakistan. We don't need to build entire industries from scratch to boost our exports. Instead, we can plug into existing GVCs, starting with what we're good at and gradually moving up the value ladder.

Take textiles, our export bread and butter. Instead of just exporting yarn or basic fabrics, we could be producing high-tech sportswear for global brands. Imagine Pakistani factories crafting the next generation of moisture-wicking, temperature-regulating athletic gear. This is not science fiction -- it's happening in countries like Vietnam and Bangladesh. Why not us?

Or consider our budding IT sector. We've got talent, but we're mostly sticking to basic outsourcing. Through GVCs, we could be designing software components for cutting-edge applications, or providing specialized services like AI development or cybersecurity. Our tech whizzes could be integral parts of global teams creating the next big tech innovations.

Even in agriculture, GVCs offer huge potential. Instead of just exporting raw mangoes or rice, we could be sending out premium processed foods. Pakistani frozen meals in Tesco? Gourmet mango products in Whole Foods? It's possible, if we link up with the right global food supply chains.

Now, I can hear the sceptics already -- "We've tried to diversify exports before. What's different this time?" Fair question. But the global economic landscape is shifting in ways that create unprecedented opportunities for countries like Pakistan.

For starters, US-China trade tensions have companies scrambling to diversify their supply chains. Then there's the post-Covid push for resilience, with firms looking to spread their bets across multiple countries. And let's not forget the sustainability drive, which is forcing companies to rethink their entire supply chains.

All of this adds up to a golden opportunity for Pakistan. We've got the labour cost advantage, a sizeable domestic market, and a strategic location. If we play our cards right, we could become a key node in the GVCs of the future.

But -- and it's a big but -- we need to seriously up our game.

First, we need to fix the basics. Our logistics costs are way too high, our energy supply too unreliable. We need to slash the red tape that makes exporting a nightmare. The good news? The government's recent focus on ease of doing business is a step in the right direction. But we need to move faster.

Second, we need to improve our skills. Big time. Our workforce isn't ready for the high-value tasks in modern GVCs. We need a major overhaul of our education and vocational training systems. Coding bootcamps, advanced manufacturing skills, quality control expertise -- these should be our new national priorities.

Third, we need to get smart about economic policy. Our current approach, let's be honest, is a bit of a mess. We protect some industries to death while neglecting emerging sectors. We need policies that encourage innovation, support integration into global supply chains, and attract the right kind of foreign investment.

Fourth, our businesses need to step up. Too many of our firms are happy in their comfort zones, shielded from global competition. To thrive in GVCs, they need to professionalize, invest in technology, and build international partnerships. It's adapt or die in the world of global trade.

The good news? We're not starting from zero. We've got success stories to build on. Our surgical instruments already feature in global medical supply chains. Some of our textile companies are moving up the value chain, producing for top global brands. Our IT exports are growing, with Pakistani developers contributing to major international projects.

These pioneers show what's possible. Now we need to scale these successes, replicate them across sectors, and weave them into a coherent national export strategy.

Will it be easy? Heck no. We face stiff competition from countries already well-established in GVCs. We have to overcome perceptions about security and stability that often deter international partners. And let's be real: we need to tackle the corruption and inefficiency that have long held us back.

But the potential payoff is enormous. A Pakistan deeply integrated into GVCs would be an export powerhouse. We would be less vulnerable to commodity price swings,

more resilient to global shocks. We'd create better jobs, spur innovation, and maybe even stem our brain drain.

So here's the bottom line: global value chains aren't just some fancy economic jargon. They are our best shot at an export revolution. It'll take hard work, smart policies, and a willingness to change. But isn't a future where 'Made in Pakistan' is a global mark of quality worth fighting for?

The world is rewiring its supply chains. There's a seat at the table for us. The question is: are we ready to grab it?

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