MISUNDERSTANDING MARKETS: THE CASE FOR A MARKET-FRIENDLY GOVERNMENT IN PAKISTAN

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Markets are the most fundamental pillar of any economy, serving as platforms where buyers and sellers interact to exchange goods, services, and information. In classical economic theory, markets are viewed as self-regulating mechanisms that efficiently allocate resources based on the forces of supply and demand. According to Adam Smith's concept of the "invisible hand", individuals, through pursuing their self-interest within a free market, inadvertently contribute to the overall economic well-being of society (Smith, 1776). Nevertheless, in Pakistan, markets are characterized by widespread government intervention, creating an environment where markets are set up, regulated, and maintained by the state. This distorts market outcomes, rather than fostering and being conducive to competition, acts as a barrier to it.

This document, draws on extensive research conducted by the Pakistan Institute of Development Economics (PIDE), scrutinizing how the government's misunderstanding of market dynamics has adversely impacted critical sectors such as labor, finance, real estate, and domestic commerce.

This viewpoint emphasizes the imperative to transition to adopting more market-friendly policies, where the government plays a facilitatory role. Rather than controlling and heavily regulating markets, the government can create a conducive environment in empowering markets to function efficaciously. By minimizing unnecessary regulation and embarking on a journey towards a more competitive economic environment, Pakistan can unleash its true economic potential.

CORE MARKET FUNCTIONS

Prior to scrutinizing the contemporaneous state of markets in Pakistan, it is critical to surmise the primary roles that markets play in an economy.

- ### Allocation of Resources

  - Resource distribution in an economy is determined by markets, leading to efficient outcomes due to the optimal production of goods and services. Nevertheless, in Pakistan, resources are often inefficiently allocated due to government intervention in the form of burdensome regulations, for example, complex zoning laws in urban areas, often result in small domestic traders and street vendors operating outside the formal economy, leading to an inefficient allocation of resources.

- ### Price Discovery

  - Through the interaction of supply and demand, markets establish prices. These prices signify the value of goods and services, signaling to producers and consumers how to allocate resources efficiently. However, in Pakistan, government interventions through price controls can considerably distort these signals, resulting in suboptimal outcomes, especially in the foreign exchange market.

- ### Transfer of Property Rights

  - The transfer of ownership is aided by the markets, allowing assets and property rights to be reallocated to their most productive uses, crucial in sectors where property rights may be poorly defined or contested. In the case of Pakistan, poorly defined and inconsistent legal protections for property rights create market inefficiencies, particularly in the real estate market.

- ### Information Exchange

  - By serving as platforms for exchanging information, markets lower uncertainty, allowing for better decision-making. Nevertheless, when information asymmetry exists — where one party has more or better information than the other — markets can fail, leading to suboptimal outcomes. For instance, in Pakistan's financial market, low levels of financial literacy lead to low public participation and a narrow base of investors, undermining the potential of financial markets.

- ### Matching of Buyers and Sellers
    - Through providing a mechanism for matching buyers and sellers, markets ensure that those who require goods and services can connect with those who supply them. Thus, all participants can potentially achieve mutually beneficial transactions through effective market mechanisms. Nonetheless, in Pakistan's labor markets, there is frequently a mismatch between the demands of the employers and the skills offered by the prospective employees, leading to distortion in labor markets.

ROLE OF GOVERNMENT

While the aforementioned functions are fundamental to any market, in Pakistan their development is undermined by the government's role as regulator as well as a competitor. This dichotomy inevitably leads to price distortions, uncompetitive practices, and conflicts of interest. Without consistent regulatory policies, markets can become highly unpredictable, entrenching inefficiencies in the overall economy.

Ideally, markets ought to operate on the principles of demand and supply, price signaling, and resource allocation, paving the way for growth and development. Nevertheless, markets in Pakistan are often misunderstood and mismanaged. Rather than allowing markets to function as dynamic forces driven by competition, innovation, and the efficient allocation of resources, the government plays a controlling role, distorting their fundamental operations (Haque, 2023).

Instead of allowing markets to operate freely, the government imposes price controls, distorts resource allocation, and undermines property rights with inefficient legal frameworks. The government's overreach and excessive regulations stifle competition, limit private sector growth, and exacerbate inefficiencies. This misunderstanding of how markets should operate has left Pakistan's economy underperforming, with overregulated sectors struggling to thrive.

LABOR MARKETS

Labor markets in Pakistan are one of the most affected markets by government intervention. Theoretically, a well-functioning labor market should seamlessly match skills with demand, auguring productivity and economic growth. Nonetheless, in Pakistan, government policies – particularly concerning credentialism and education have created inefficiencies impeding workforce productivity.

The country's labor markets showcase various structural and institutional inefficiencies, influenced by a variety of factors like government dominance in market creation, educational mismatches, and credentialism.

CREDENTIALISM

Perhaps one of the most critical obstacles is the reliance on the credentials of elite universities as labor market signals. Substantial advantages in the labor market are enjoyed by graduates of prestigious educational institutions like Lahore University of Management Sciences (LUMS) compared to graduates of government-run universities and those without college degrees. These advantages aren't enjoyed necessarily due to better skillsets or higher competence but rather due to the networks associated with their education and the accumulated social capital. Consequently, this impairs meritocracy and leads to inefficacies in Pakistan's labor markets in Pakistan as competent candidates from less prestigious institutions are overlooked leading to suboptimal allocation of human capital (Memon, 2022).

GEOGRAPHIC DISPARITIES

In rural areas, there have been changes in the labor markets which have seen a shift towards non-agricultural activities with these activities now accounting for two-thirds of income for rural households. However, despite the diversification of the rural economy, there hasn't been commensurate investment in the rural infrastructure to support this shift. In fact, there haven't even been any tangible and deep-rooted changes in rural agricultural markets, with the distribution of agricultural land being still highly inequitable and low agricultural returns (Ullah, 2021). Due to these factors, labor markets in rural areas are highly inefficient and have very low productivity.

Regional disparities in labor markets also become starkly evident and more pronounced during crises. For instance, during the Covid-19 pandemic, in most sectors people were mandated to work remotely from home, however remote work was an option only for a small, segment of the labor force, primarily those in managerial and professional roles. During Covid only about 19% of Pakistan's workforce could transition to remote work as opposed to 35-45% in developed countries. A significant portion of the workforce employed in retail, manufacturing, and agriculture sectors lacked the flexibility and digital infrastructure to switch to remote work (Faraz & Nasir, 2020).

EDUCATIONAL MISMATCH

A significant source of inefficiencies in the labor market is the high levels of discrepancy and mismatch between the qualifications that labor market entrants have and the skills that the employer expects from their employees. Due to this misalignment in the labor markets, there has been a considerable loss in not just human capital but also overall productivity in Pakistan (Ahsan, 2024). While overeducated workers do earn more compared to their undereducated counterparts, nonetheless they face lower returns than their peers whose educational backgrounds more closely align with their job requirements.

STATE DOMINANCE

The government of Pakistan continues to play a very dominant role in the creation and regulation of labor markets. These markets are primarily controlled by the state which just impairs competition and innovation. The absence of a market-friendly approach restricts innovation and efficiency, while intellectual discourse largely supports state intervention over free-market principles (Ahsan, 2023).

RECOMMENDATIONS FOR MARKET-FRIENDLY REFORMS

1. **Broaden Access to Quality Education and Reduce Credentialism:** To remedy inefficacies in the labor market due to over-reliance on elite university credentials, the government of Pakistan should prioritize quality education across all institutions. This would be instrumental in minimizing disparities in the labor market, while also propagating a meritocratic system. Further, policies need to prioritize merit-based hiring by emphasizing vocational training experience and skills over institutional prestige (Memon, 2022).

2. **Support for SMEs and Rural Employment Diversification:** With the diversification in the rural economy, government assistance for small and medium-sized enterprises (SMEs) is crucial. Investment in and upgradation of rural infrastructure and streamlining agricultural markets through land reforms is also imperative for creating and sustaining job opportunities in these areas (Ullah, 2021).

3. **Promote Digital Infrastructure and Remote Work Policies:** It is critical to expand digital infrastructure to boost the number of sectors that can switch to remote work. Investments need to be made in digital capabilities throughout the country, especially in sectors with low potential for remote work, like menial jobs and agriculture to ensure more equitable access to remote opportunities (Faraz & Nasir, 2020).

4. **Align Education with Labor Market Needs:** Education reforms are essential to directly address the mismatch between requirements of the labor market and educational qualifications. A fundamental way in which this could be implemented could be to ensure university-industry linkages to ensure that graduates have the skills most sought after by prospective employers (Ahsan, 2024).

5. **Reduce State Dominance:** The government needs to scale back its heavy control over the creation and regulation of labor markets. Instead, it can create a conducive environment that augments private sector growth and bolsters competition. This can be pivotal in the formation of a robust labor market in Pakistan (Ahsan, 2023).

FINANCIAL MARKETS

Inefficiencies in the labor market have a direct impact on the functioning of financial markets in Pakistan. Ideally, a robust labor market feeds into innovation and productivity in financial markets. In Pakistan, however, both sectors are inhibited by regulatory overreach and poor private sector facilitation.

Despite efforts to build and sustain strong financial markets, which started soon after the country's independence, financial markets in Pakistan are quite undeveloped, characterized by limited diversity in financial instruments and dismal public participation. This woeful situation is best reflected by the fact that less than 1% of Pakistanis, or 236,000, actively participate in the stock market. Even when compared to regional peers, market capitalization remains significantly lower, showcasing a very shallow market with a limited investor base (Mehmood & Fraz, 2020). Further complicating the poor state of domestic financial markets is the high level of exposure that Pakistan has to global financial shocks, which make creating stability in domestic markets may a difficult task (Ghouse et al., 2019; Jamil & Mobeen, 2021).

LIMITED FINANCIAL INSTRUMENTS

The absence of innovative and diverse financial products such as derivative markets along with risk management tools curtails risk-sharing, amplifying market volatility and making the domestic market considerably unattractive particularly for small investors (Fraz, 2023). This leaves the financial market in Pakistan highly reliant on government backed financial instruments like National Savings Certificates and government securities and since they offer higher returns than the stock market, this further disincentivizes investment (Mehmood & Fraz, 2020; Saeed et al., 2020).

UNDEVELOPED FINTECH SECTOR

Pakistan's Fintech Sector, remains undeveloped, despite higher access to broadband services and increasing internet penetration. The overwhelming majority, or approximately 85% of the population, continue to be financially excluded and remain heavily reliant on cash-based transactions. This restricts participation in financial markets particularly in rural areas, dampens market liquidity, and curtails the prospect of innovation in financial markets (Fraz & Haq, 2019).

STOCK MARKET CONCENTRATION

Financial markets are particularly affected by the concentration of power within a few family-owned businesses and brokerage firms, diminishing transparency in corporate governance and undermining market efficiency (Fraz, 2023). 64% of KSE-100 companies are controlled by an exceedingly small number of families and large government entities hold 12% of the market capitalization. Such a high level of concentration magnifies risks of insider trading, constrains market liquidity, and discourages new entrants by undermining investor confidence (Haque & Hussain, 2021).

FOREIGN EXCHANGE MARKETS

The continuous intervention by government institutions especially the State Bank of Pakistan (SBP) and Pakistan's limited foreign exchange reserves lead to a disruption of the market mechanism. Attempts by the SBP to maintain currency parity come with the risk of aggravating balance of payment crises and fomenting speculative pressures on the rupee leading to very high levels of market volatility. These artificial pressures on the rupee lead to and exacerbate the long-standing imbalances in the overall economy (Jalil, 2021).

RECOMMENDATIONS FOR MARKET-FRIENDLY REFORMS

1. **Broaden Market Participation and Enhance Liquidity:** To incentivize corporate debt issuance and spur investor participation, Initial Public Offering (IPO) processes need to be streamlined along with minimizing dominance of government debt instruments (Mehmood & Fraz, 2020). The introduction and adoption of cutting-edge financial products would augment liquidity and allow for better risk management in financial markets (Fraz, 2023).
2. **Strengthen Corporate Governance and Transparency:** To devise an effective response to concentration of ownership and power in the stock market, corporate governance standards must be fortified. This will allow for greater transparency, minimize insider trading risks, and eventually lead to more competition among financial markets (Haque & Hussain, 2021).
3. **Develop the FinTech Sector to Promote Financial Inclusion:** Regulatory processes for FinTech firms need to be simplified, alongside the government needs to promote partnerships between conventional banks and technology companies to boost mobile banking and digital payment solutions. To enhance financial inclusion, internet access and mobile infrastructures needs to be greatly expanded across Pakistan especially in remote rural areas (Fraz & Haq, 2019).
4. **Revise Regulatory and Tax Policies:** The role and functions of the Securities and Exchange Commission of Pakistan needs to be thoroughly scrutinized and overhauled, with the elimination of regulations impeding growth of financial markets. Tax policies need to be harmonized to attract investment into the stock market (Saeed et al., 2020).
5. **Encourage Diversification in Financial Instruments:** Creating a wide array of financial products, like mutual funds, corporate bonds, and derivatives, would appeal to a much wider range of investors along with significantly enhancing market liquidity. In addition, offering and expanding financial literacy programs would be pivotal in enabling small investors to participate in the country's stock market (Fraz, 2023).
6. **Foreign Exchange Market Stability:** The State Bank of Pakistan should be cautious in intervening in the foreign exchange market since this can create a balance of payments crisis and deplete foreign reserves. Furthermore, on the rare occasions that it does intervene, SBP should publicly announce those forex interventions to foster transparency and fend off speculative attacks (Jalil, 2021).

Thus, financial markets in Pakistan can plausibly grow exponentially if key reforms including fortification of corporate governance, financial inclusion, diversification of financial instruments and minimal interventions are effectively initiated and sustained.

REAL ESTATE MARKETS

Challenges in the financial market mirror those in the real estate market. Overregulation, corruption, flawed land titling and speculative practices hinder local markets from functioning efficiently. Weak property rights frameworks and absence of mortgage financing prevents development of a booming real estate market in Pakistan. Even though real estate accounts for around 60-70% of the country's national wealth (~$300-400 billion), it is adversely impacted by overregulation and flawed land titling systems (Aslam & Qasim, 2024).

Flawed Titling Systems

The present system of titling, overseen by multiple agencies, acts as a mechanism for revenue collection instead of assigning secure land titles. This obsolete structure decreases transparency in property transactions, constrains real estate development in Pakistan, and also adds to the cost of civil litigation (Aslam & Qasim, 2024). This pervasiveness of property disputes blocks access to credit, with prospective developers and homeowners unable to secure mortgage financing without clear titles.

Housing Market Inefficiencies

Government policies, such as the promise of 5 million subsidized housing units post-Covid, have often been poorly targeted and financially unviable while also being misaligned with the actual demand for housing (Khurshid and Haque, 2021). The emphasis placed on horizontal development has aggravated land shortages, with many middle-class families being priced out of the housing market. Single centers-unit houses have dramatically amplified the issue of urban sprawl, especially in major urban centers. Apart from the reduced affordability of decent housing, households especially in rural areas face concerns about congestion (Nayab, 2020).

Speculative Practices & Lack of Mortgage Financing

The speculative nature of the market leads to short-term investment being given precedence over long-term real estate development, leading to volatile markets and price manipulation. The real estate market in Pakistan is primarily driven by speculative practices, with "file trading" having become the most pernicious issue. Housing societies across the country tend to sell more files than they own, leading to the formation of speculative bubbles and making buyers highly vulnerable to fraud. Formal mortgage financing stands at less than 0.5% of GDP. Not only does such a paltry level of mortgage financing impact reduce the affordability of houses but it also stymies long-term market growth (Haque et al., 2022; Hasan et al., 2020).

Overregulation and High Taxation

The use of excessive regulations and a highly burdensome taxation regime, particularly from the Federal Board of Revenue (FBR),), have considerably curtailed growth and expansion in Pakistan's real estate sector.Overseas Pakistanis, who are a vital source of liquidity, remain reluctant to invest in this sector due to the disproportionately high taxes imposed on property transfers and bureaucratic restrictions on non-filers (Fraz, 2021). These monetary and administrative restrictions have inflated prices, and diminished potential returns on investment in real estate, prompting many investors to switch to other sectors like National Savings Certificates or the stock market (Saeed et al., 2020).

RECOMMENDATIONS FOR MARKET-FRIENDLY REFORMS

1. **Land Titling Reform:** The system of Torrens titling should be urgently implemented as it would secure property rights and curtail legal disputes through conclusive land titles. Digitization will boost transparency and minimize fraud (Aslam & Qasim, 2024; Haque et al., 2022).
2. **Focus on Vertical Development:** Government policy should prioritize high-rise, vertical development over horizontal, single unit housing. This would entail the relaxation of height restrictions and streamlined zoning laws. Along with improving affordability especially for the middle class, this will also be pivotal in controlling urban sprawl (Khurshid & Haque, 2021).
3. **Mortgage Market Expansion:** The mortgage market which accounts for a small 0.5% of GDP, should be expanded via specialized housing finance institutions as well as easing regulatory access restrictions to mortgage financing (Hasan et al., 2022).
4. **Simplify Tax and Regulatory Framework:** Minimizing bureaucratic obstacles in property transfers is crucial to incentivize domestic and foreign investors. Lowering taxes on these transfers as well as eliminating restrictions for non-filers in the diaspora would dramatically increase liquidity in the sector.
5. **Address Speculative Market Practices:** File trading needs to be regulated through oversight by treating it as a financial instrument under the Securities Act, 2015. Further, discouraging informal speculative investments by adopting formal, transparent market mechanisms will stabilize land prices and promote productive use of land (Haque et al., 2022)
6. **Improve Housing Quality:** Instead of promoting mass housing initiatives, policymakers need to focus on improving housing quality, primarily by providing basic civic amenities and reducing congestion. Mixed-use development where affordable housing comes with basic services may be critical to lowering misguided demand in urban areas (Nayab, 2020).
7. **Promote Real Estate Transparency:** A unified property portal can be created for the entire country, where all property transactions are listed. Not will this raise

transparency but it would asymmetries lead buyers and sellers to make more informed decisions by eliminating information asymmetries. Further, due to the restricted role of brokers and real estate agents, buyers and sellers face prices closer to the property's true price instead of artificially influenced prices.

Pakistan can reorient from an overregulated, speculative real estate market to one that prioritizes transparency, efficiency and durable growth. Through adopting vertical development, increasing mortgage financing, and streamlining the titling system, the true potential of Pakistan's real estate sector can be unleashed

Domestic Commerce

Like the real estate market, domestic commerce in Pakistan is plagued by various inefficiencies. Domestic Commerce is a crucial yet often overlooked part of the country's economy, covering a broad range of activities from formal retail to informal street vending. Although domestic commerce plays a significant role in the Pakistan, accounting for 52.55% of the GDP and employing a third of the workforce, it remains underdeveloped due to burdensome regulations, high rents, and limited commercial space (Siddique, 2023).

Informal Economy

The informal economy, particularly street vending and khokhas (temporary stalls), is a critical component of domestic commercial activity in Pakistan. Not only are these informal markets responsible for employing a substantial share of the population but they are also instrumental in the provision of essential goods and services to millions of consumers across the country. In fact, in some urban centers, like Karachi, they have an outsized importance, employing 72% of the labor force (Siddique, 2023).

Despite the vital role that street vending plays, it remains largely unregulated, making the vendors vulnerable to fines and demolitions by local authorities, thereby putting them at risk of harassment and extortion. For instance, in the case of Karachi's Saddar Market alone, street vendors often made payments between PKR 700 to PKR 1,000 per month, in bribes amounting to PKR 67 million annually (Shah & Qureshi, 2022).

Moreover, despite wholesale and retail trade (WRT) comprising a key element of domestic commerce, along with employing the bulk of informal sector workers, it has been unable to realize its potential due to a lack of formalization (Siddique, 2023). This neglect can be attributable in large part to the overall policy framework favoring international trade over domestic trade, constraining market dynamism and diversification. This informality not only creates high barriers to entry due to licensing requirements which reduce credit availability, undermining competition and innovation (Shah & Qureshi, 2022).

Zoning Restrictions

The poor state of this sector is aggravated due to cumbersome zoning laws in urban areas, where restrictive regulations and exorbitant rents prevent traders from expanding their operations. These barriers in turn have undermined the growth of SMEs often forcing them to shut down or relocate, diminishing the formal retail sector (Siddique, 2023). The recurrent anti-encroachment drives further displace street hawkers. The problems associated with zoning laws are complicated by the fact that the few commercial spaces available often lack basic infrastructure (Moosvi, 2021). ,

Chain Stores and Market Concentration

Chain stores which comprise Pakistan's formal domestic commerce, have seen consistent growth over the past few decades even though this growth is tepid in comparison with regional peers like India. Yet despite the growth, several inequities persist with over 50% of the 3,911 chain stores being concentrated in the three major metropolitan areas alone, limiting accessibility in rural areas. Further, due to family-owned businesses dominating the sector, there is a reluctance to professionalize or list their retail stores on the stock exchange, constraining domestic growth and penetration in international markets.

Stunted SMEs

As has been documented by PIDE the disproportionate emphasis placed on international trade along with neglect of domestic commerce, has lowered market efficiency, limited economic diversification, and stymied the development of local markets (Haque, 2023). The excruciatingly high costs associated of complying with heavy regulations, complex tax formalizing business and barriers to accessing credit prevent SMEs from scaling up and contributing to economic growth. Pakistan's government is excessively involved in the economy, with a 70% footprint. Not only does this stifle growth in retail, services and other sectors but it also creates barriers to entry and expansion (Haque et al, 2023).

Government Involvement

The federal government has been excessively involved, with a 70% footprint in the economy. This stymies growth in the private sector especially in the services, retail, and real estate sectors (Haque et al., 2023). Complex tax regimes along with stringent and excessive regulations have resulted in several barriers and led to several inefficiencies.

RECOMMENDATIONS FOR MARKET-FRIENDLY REFORMS

1. **Urban Zoning Reform:** To lower rental costs and boost the availability of commercial spaces, zoning laws need to be overhauled with the creation of designated vending zones. Additionally, ensuring access to basic infrastructure like water, sanitation, and electricity is crucial. Not only will these measures facilitate market development in urban areas but they will also lead to a considerable increase in participation in the formal economy (Moosvi, 2021; Siddique, 2023).

2. **Legal Framework for Informal Markets:** A clear and cohesive legal framework for khokhas and street vendors needs to be implemented, especially including a simplified licensing system. This would lower barriers to entry and foster competition (Shah & Qureshi, 2022).

3. **Anti-Corruption and Oversight Mechanisms:** The creation of a independent body tasked with oversight of local authority to monitor and reduce rent-seeking behaviours, ensuring that vendors and traders can operate without fear of exploitation and harassment (Shah & Qureshi, 2022).

4. Expansion of Retail Chains: To improve consumer access and market coverage in, retail chain stores can be incentivized to expand to rural areas. Also, incentives for chain stores, especially family-owned stores to professionalize and list on the stock exchange will be considerably enhance their ability to raise capital and expand in Pakistan and beyond (Ullah, 2023).

5. Simplify Regulatory Processes for SMEs: Streamline the business registration and tax filing processes, while ensuring necessary regulations are applied consistently. This would considerably minimize the bureaucratic burden on traders and especially SMEs, making it easier for them to formalize their operations (Haque, 2023).

6. Financial Inclusion: Financial products and services geared towards street vendors, traders and entrepreneurs to improve credit accessibility will be pivotal in enabling to expand their businesses and augur their contribution to the economy (Moosvi, 2021; Haque, 2023).

The government, thus, needs to initiate policies aimed at streamlining regulations, providing a legal cover to the informal street economy along providing opportunities for small entrepreneurs to expand their businesses to boost domestic commerce in Pakistan. Through complying with market-friendly policies, the government can set the stage for the exponential growth of domestic commerce in Pakistan.

CONCLUSION

Markets in Pakistan – whether in finance, real estate, labour or domestic commerce – are heavily shaped by government intervention. Rather than creating a conducive environment for fostering competition, enhancing efficiency and boosting innovation in domestic markets, the government has assumed the role of both participant and regulator. The resulting distortions and inefficiencies in the economy have inhibited the country's growth potential.

Throughout this policy viewpoint, we have seen how government involvement in every sector stifles the natural functioning of markets. Government-led policies and credentialism in the labor market have led to mismatches between skills and demand. In the financial markets, state-backed instruments hinder innovation and private investment. The real estate sector is vulnerable to speculative bubbles and unclear property rights, exacerbated due poor access to financial instruments like mortgages. Domestic commerce, which largely operates informally, suffers from high regulatory barriers and entrenched corruption.

The extensive research conducted by PIDE illustrates that markets in Pakistan aren't allowed to flourish independently, they are, created, controlled, and constrained by the government. Although a certain level of regulation is essential to ensure stability and fairness, the government's role should be geared towards enabling markets rather than stifling them. Therefore, this policy viewpoint advocates for a paradigm shift in the way markets are understood and calls for a transition from government control to a market-friendly government – fostering competition, innovation, and transparency.

Ultimately, streamlining regulatory frameworks, boosting financial inclusion, safeguarding property rights along creating a transparent and predictable business environment, will Pakistan be able to its potential and drive inclusive, long-term growth.

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