**[Pro-poor reforms](https://www.dawn.com/news/1781555/pro-poor-reforms)**

[Dr Niaz Murtaza](https://www.dawn.com/authors/385/dr-niaz-murtaza) Published October 17, 2023 Updated 2 days ago

The writer is a political economist with a PhD degree from the University of California, Berkeley

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EVERY so often, one sees the World Bank, IMF or a local think tank come up with weighty advice on reforming our economy. The advice is not outright wrong and contains good policy options. But it usually repeats advice given by others or even the same institution in the past.

One may argue that the blame for this repetition lies with our own government for not heeding good advice. Advisers then keep repeating it, hoping it will eventually find receptive ears. The counter-logic is that the advisers must also review the political context due to which the advice is not heeded and present second-best unorthodox policy options that may be implemented by our reform-averse elites.

As Dani Rodrik, the acclaimed Harvard economist, argues, China’s initial success came not from standard ‘Washington Consensus’ ideas but by second-best policy options, such as on land reforms and privatisation, that were doable in a political context. Russia in the 1990s followed the standard IMF advice that ignored its context. China saw much progress while Russia saw pain.

Secondly, they don’t put the interests of the poor at the heart of the analysis. While there are vague claims that the policies are pro-poor, they are based on fond hopes rather than rigorous analysis of how they will benefit the poor. Since the policies are generated by sectoral expert teams that often lack holistic visions and don’t talk to each other, the advice is sectorally disjointed rather than being part of a holistic vision where its various parts synergistically build on and feed each other to ensure rapid progress.

The interests of the poor aren’t at the heart of IFI analyses.

The advice focuses on fixing the ills in various parts of our economy, but without a new overall economic vision of how we could upgrade our economy within the global one to benefit the masses directly and significantly. The reform ideas, directly or indirectly, harm elite interests by killing current economic activities run by them. Thus they are never implemented. They may have better success if they present a new economic vision that provides new avenues for them to make money, while also upgrading the economy, providing more tax and exports revenues for the state and better life opportunities to the poor and protecting the environment. Without such a vision, reforms, even if implemented, may only lead to capital flight or expand the informal economy.

The latest set of advice is to be found in ‘Reforms for a Brighter Future’, a campaign unveiled by the World Bank and the Pakistan Institute of Development Economics. The focus is on certain discrete areas, without them being part of a new and holistic economic vision. There is scant mention of women. The first policy is about helping the poor but through a narrow focus on better health, education and social protection services rather than a broader agenda of empowering them by expanding their assets, rights, political voice, market power and opportunities.

The poor are mentioned under a few other points too but in a tangential way rather than making their interests central to each policy. The policy advice on agriculture mentions small farmers, but without making them the backbone of agriculture. A key component of the Special Investment Facilitation Council is to encourage large-scale corporate agriculture, with the military reportedly requiring a million acres for this aim in Punjab. But a poor-centred vision would give this land to small farmers and provide them with technical, marketing and financial support and political voice so that they have ownership rather than being mere labourers on corporate, mechanised farms. There is hardly focus on the poor in the other policies suggested for fiscal, energy, public-sector and private-sector issues.

The caretaker government’s policies reflect the same disregard for the poor. They emphasise the privatisation of SOEs, rather than undertaking a thorough review of the middle options that exist between complete nationalisation and privatization, and which may better ensure the interests of the poor and even enterprise productivity and profitability. This includes fully independent professional boards under state ownership, state ownership but private management, employee-owned enterprises, partial privatisation etc.

It is also undertaking a crackdown on many economic sectors. These may give short-term gains but are unlikely to help upgrade the economy sustainably and equitably. Many think that technocratic regimes can handle the economy better. However, like politicians, this caretaker technocratic regime has no new economic vision. Thus, whether it is different regimes or economic institutions, they all focus on reforms of, by and for the elites while short-changing the poor.

*The writer is a political economist with a PhD degree from the University of California, Berkeley.*
[murtazaniaz@yahoo.com](http://mailto:murtazaniaz@yahoo.com)
X (formerly Twitter): @NiazMurtaza2

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