**A pragmatic approach to the knowledge economy**

**[Ahsan Munir](https://nation.com.pk/Columnist/ahsan-munir)**

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A Knowledge Economy Task Force (KETF) has been established by the prime minister to develop a knowledge economy. Industrial clusters of hit-tech fields such as biotechnology, engineering goods, electronics, pharmaceuticals among others have been identified to undertake Research and Development (R&D) and generate new knowledge and products, thus improving the quality of existing products and enhancing exports. To support the KETF initiative, billions of rupees have been earmarked.

KETF aims to put robust innovation policies in place to promote the capability for developing indigenous technologies and creating the demand for innovation. To this effect, KEFT first proposes developing university-industry linkages and ideas translated into products and processes through protection of intellectual property rights, access to venture capital, and establishment of pilot plant development facilities. Second, the knowledge generated in universities and research centres needs to be commercialised, and proper mechanisms to make this happen need to be introduced. Third, we need to invest in a high-quality education system and link the process of education with socio-economic development plans. Fourth, semi-government bridging institutions need to be established to help private industries enhance their capabilities. These include engineering centres, technology parks, industrial parks and incubation centres. The argument for investing in hi-tech areas is given in the instances of Korea, Singapore which invested in R&D in the decades of 60s and 70s and are now among the world leaders in these areas. However, much has changed since those decades, and we should be following the examples of countries that are recently trying to move towards a knowledge economy.

[90% of US adults to be eligible for jab by April: Biden](https://nation.com.pk/30-Mar-2021/90-percent-of-us-adults-to-be-eligible-for-jab-by-april-biden)

There is a more pragmatic approach as being exhibited presently by Turkey and also adopted by countries such as Vietnam. For instance, Chinese electronics giant Xiaomi has announced manufacturing smartphones at its factory based in Turkey. It has been reported that the current Xiaomi factory is an old factory established in 1975, and Xiaomi modernised the factory after buying it. The annual production capacity of the factory will eventually reach 5 million phones, and it will employ nearly 2,000 people. Xiaomi is also considering expanding the product range in the future. For instance, they are working on opportunities to produce televisions.

The Turkish government has affirmed that it will continue to offer incentives and all possible means of support to attract global technology firms. The Turkish government further claims that many firms are looking to invest in Turkey in the field of research and development, and such investments will contribute to the training of local engineers and technicians through the transfer of knowledge. Thus, the government is facilitating the industry through the formulation of investment-friendly policies with clear aims and milestones and asking the local and foreign companies to invest capital and train local manpower. Such an approach facilitates the investor and minimises the demand on the national exchequer.

[Israel's currency value falls to lowest rate against USD in over 4 months](https://nation.com.pk/30-Mar-2021/israel-s-currency-value-falls-to-lowest-rate-against-usd-in-over-4-months)

In the early 80s, Pakistan announced its auto policy and opened its auto sector to international manufacturers, and encouraged them to first assemble and then later manufacture automobiles in Pakistan. But a few decades down the road, we are still assembling a limited range of automobiles in Pakistan, and the import of critical auto parts is a drain on our national exchequer. Recently, Pakistan has announced its mobile phone manufacturing policy to encourage assembly and manufacturing of mobile phones in the country and hopes to invite foreign companies to come and invest in Pakistan. Hopefully, our mobile manufacturing policy does not meet the same fate as our auto policy.

Thus, instead of trail-blazing in new sectors, setting up new technology centres and centres of excellence, efforts should be made to acquire knowledge in existing fields as is being done by Turkey and Vietnam. And the government should devise policies to facilitate investment and indigenisation of technology which would help generate knowledge for the benefit of local industry in the long run, without burdening the exchequer.