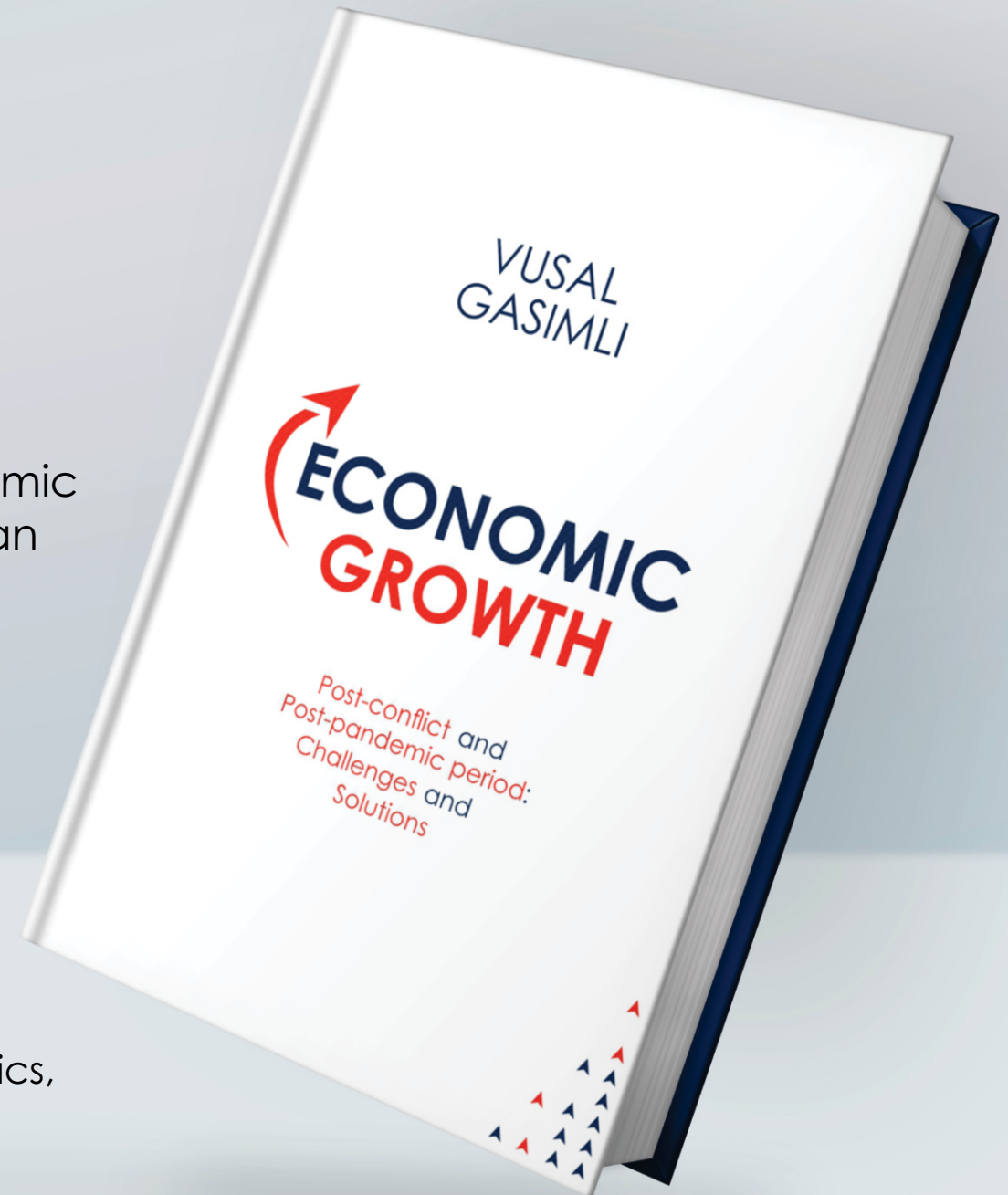


# ECONOMIC GROWTH

**Prof.Dr. VUSAL GASIMLI,**  
Head of the Center for Analyses of Economic  
Reforms and Communication of Azerbaijan



The Pakistan Institute of Development Economics,  
Islamabad - Baku,  
July, 2021



# CONTENT

"Why states have different levels of income?" .....	2
"Happy families are all alike; every unhappy family is unhappy in its own way." .....	3
Growth Diagnostics .....	4
PDIA or SLDA .....	5
Triple A .....	6
Growth: Behavioral approach .....	7
Economic Complexity of Pakistan .....	8
Pakistan: Parsimonious Industrial Policy Approach .....	9
Conclusion .....	10



# "WHY STATES HAVE DIFFERENT LEVELS OF INCOME?"

GDP per capita of  
**BURUNDI** **X 2**  $\approx$  GDP per capita of  
**MADAGASCAR**

GDP per capita of  
**MADAGASCAR** **X 2**  $\approx$  GDP per capita of  
**NEPAL**

GDP per capita of  
**NEPAL** **X 2**  $\approx$  GDP per capita of  
**GHANA**

GDP per capita of  
**GHANA** **X 2**  $\approx$  GDP per capita of  
**JORDAN**

GDP per capita of  
**JORDAN** **X 2**  $\approx$  GDP per capita of  
**CUBA**

GDP per capita of  
**CUBA** **X 2**  $\approx$  GDP per capita of  
**LATVIA**

GDP per capita of  
**LATVIA** **X 2**  $\approx$  GDP per capita of  
**JAPAN**

GDP per capita of  
**JAPAN** **X 2**  $\approx$  GDP per capita of  
**SWITZERLAND**

GDP per capita of  
**SWITZERLAND** **X 2**  $\approx$  GDP per capita of  
**MONACO**

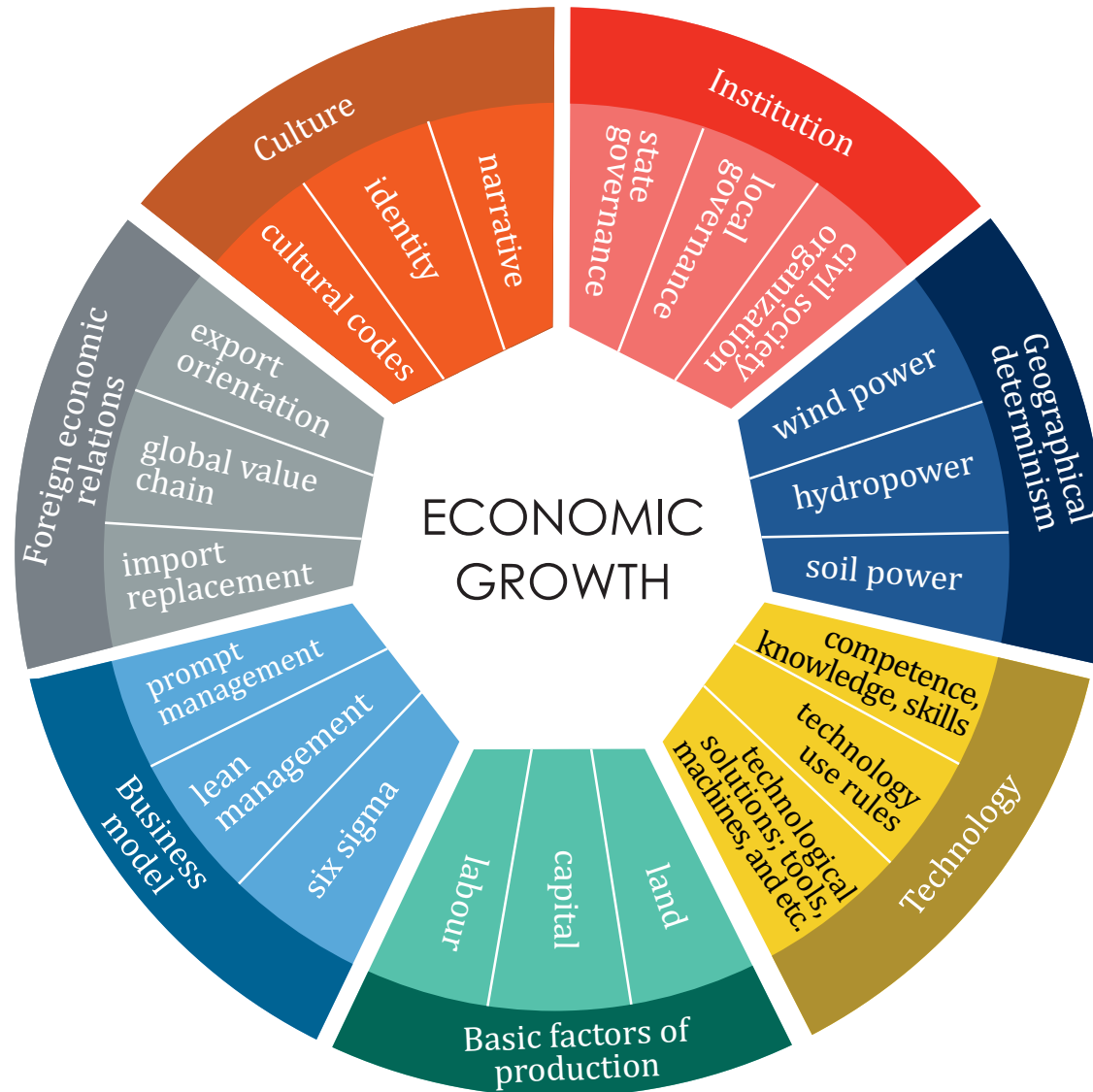
GDP  
per capita of **BURUNDI** **X 711**  $\approx$  GDP  
per capita of **MONACO**

The GDP per capita of the richest  
Monaco and the poorest Burundi differs  
711 times!

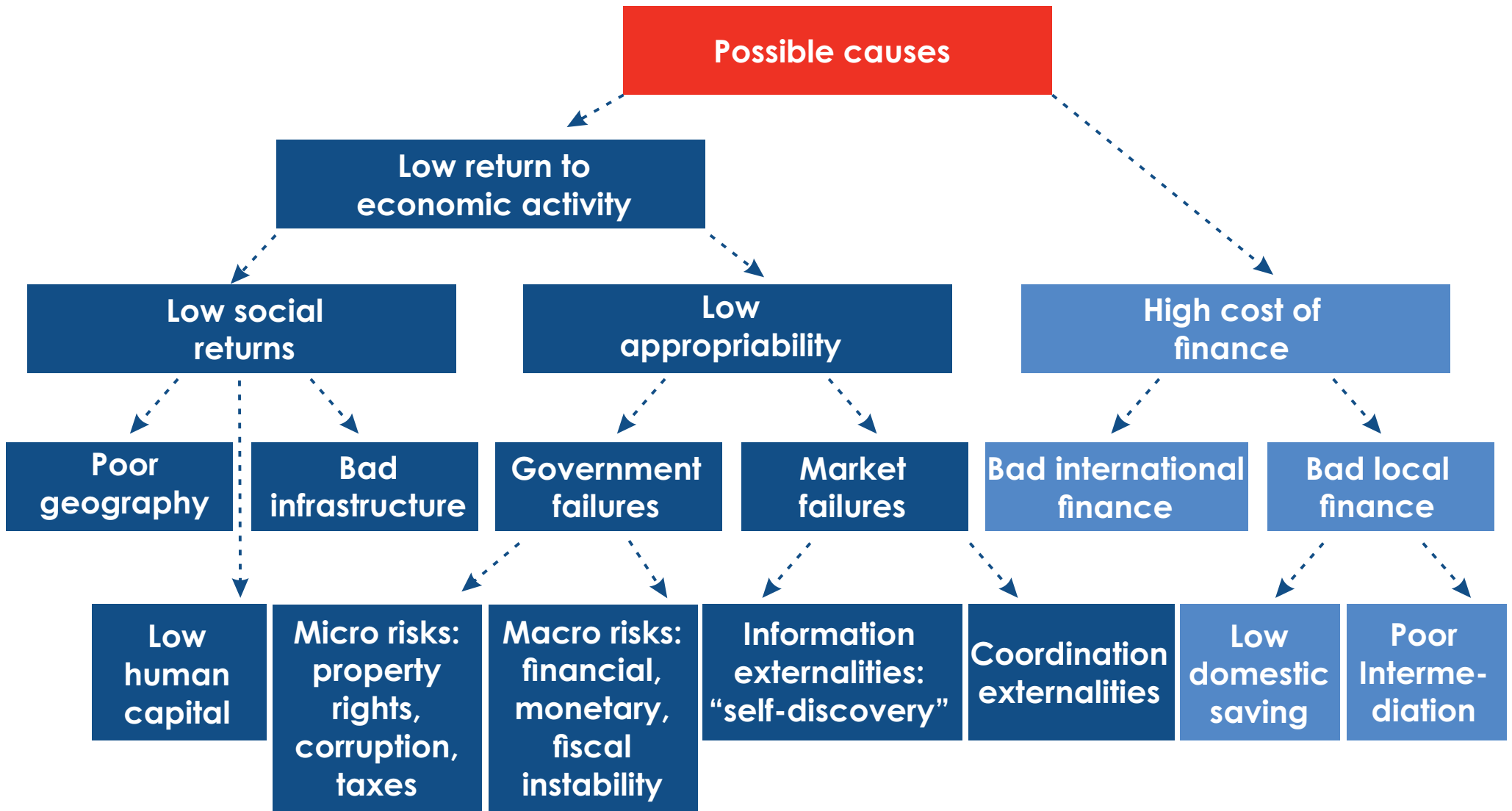


# "HAPPY FAMILIES ARE ALL ALIKE; EVERY UNHAPPY FAMILY IS UNHAPPY IN ITS OWN WAY."

The first sentence of Leo Tolstoy's novel Anna Karenina



# GROWTH DIAGNOSTICS



# PDIA OR SLDA



# CENTER FOR INTERNATIONAL DEVELOPMENT

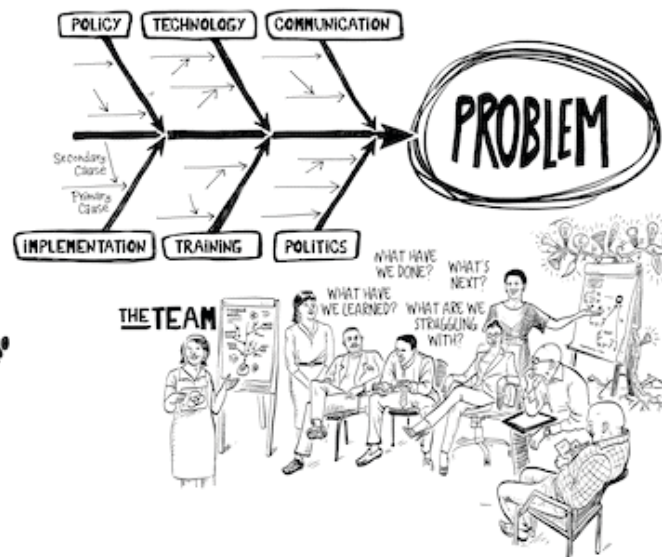
at Harvard University



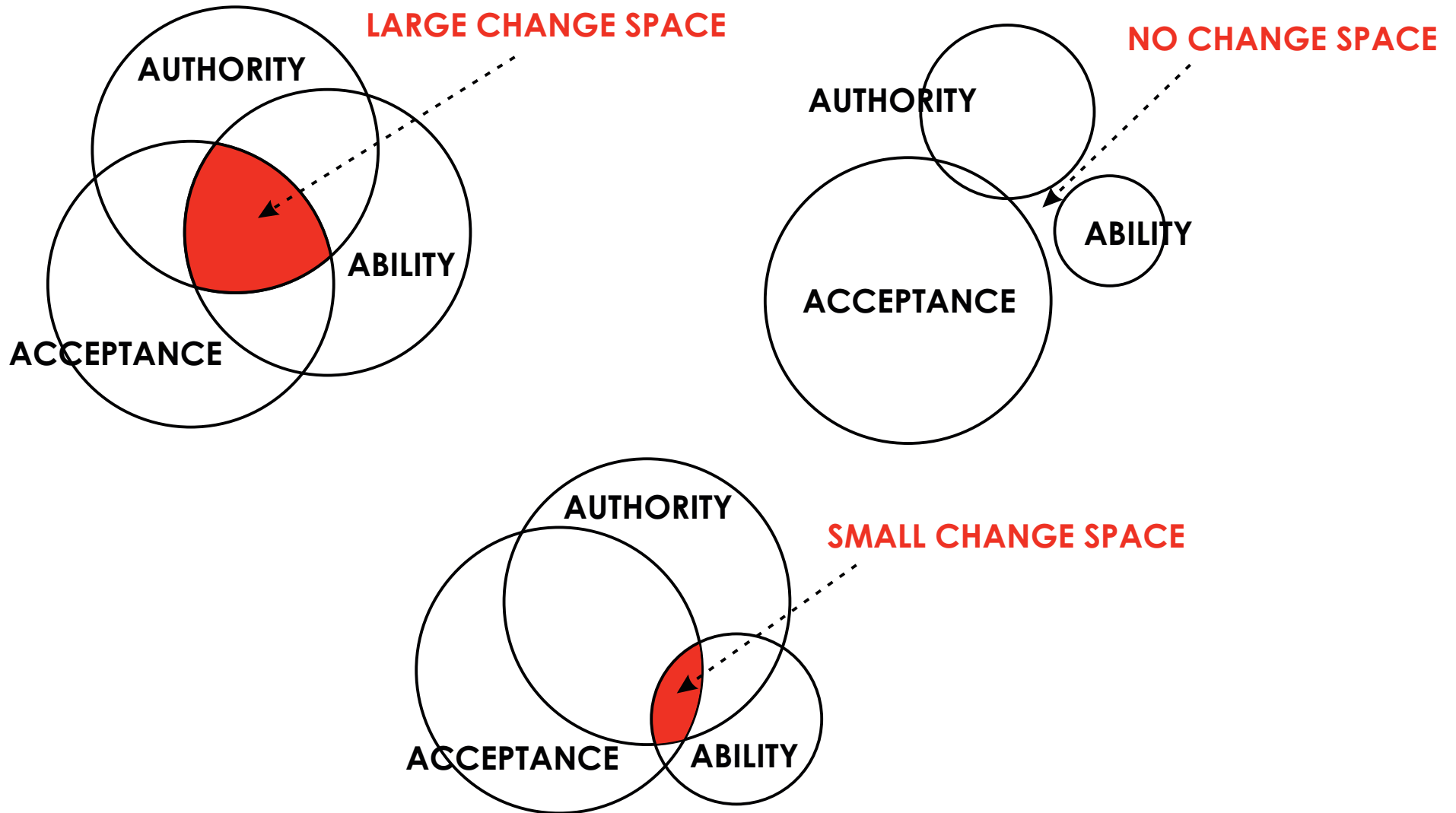
## PROBLEM DRIVEN ITERATIVE ADAPTATION

4 PRINCIPLES OF PDIA

- LOCAL SOLUTIONS FOR LOCAL PROBLEMS
- PUSHING PROBLEM DRIVEN POSITIVE DEVIANCE
- SCALE THROUGH DIFFUSION
- TRY, LEARN, ITERATE, ADAPT



# TRIPLE A



# GROWTH: BEHAVIORAL APPROACH


- **AGILE APPROACH AND STRATEGIC MANAGEMENT**

- **BEHAVIORAL ECONOMICS EMPHASIZES THE ROLE OF PSYCHOLOGY IN PEOPLE'S DECISION-MAKING AND ECONOMIC BEHAVIOR, AS WELL AS THE RELATIONSHIP BETWEEN RATIONAL, PERCEPTUAL, AND EMOTIONAL PROCESSES.**





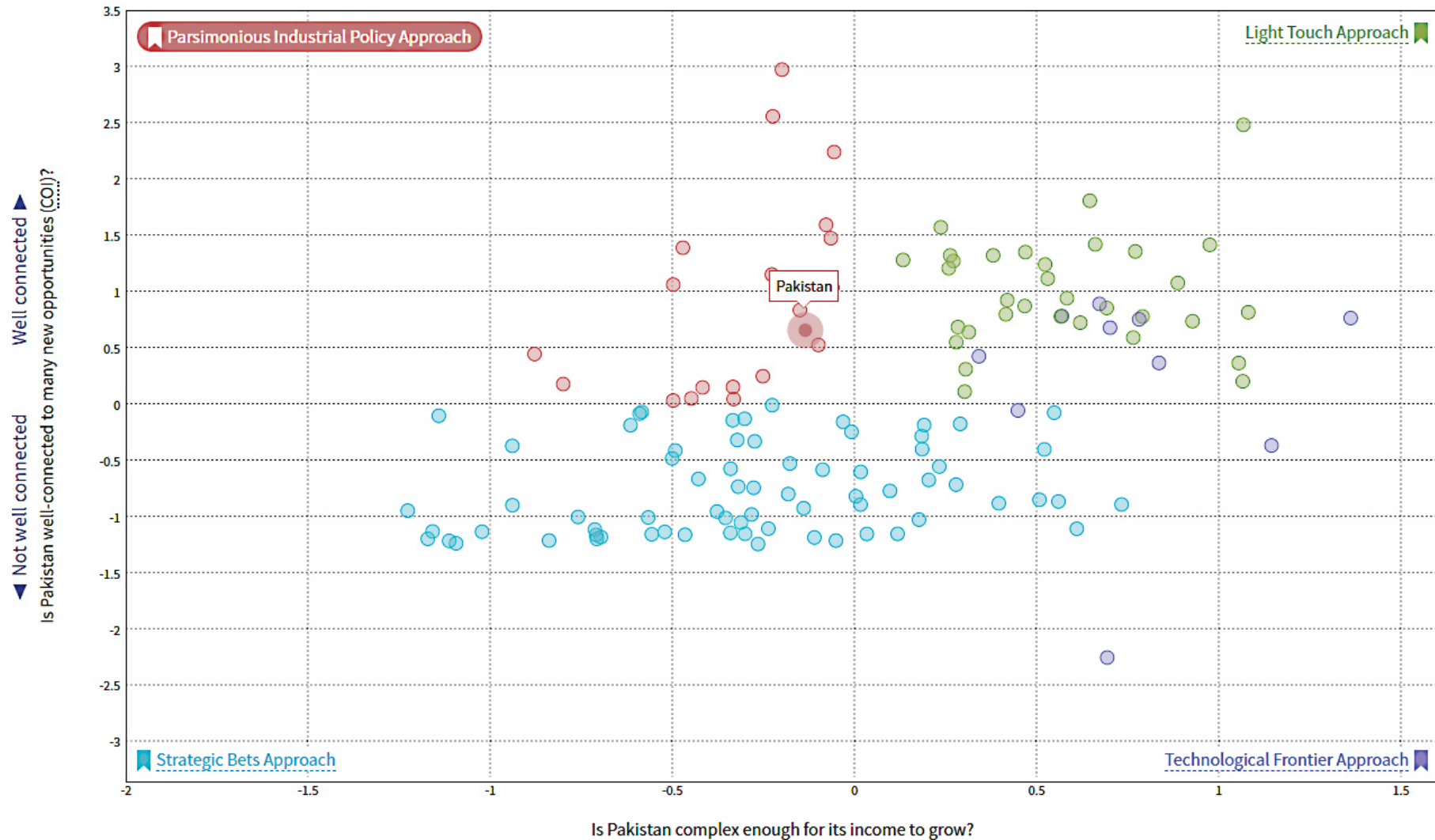
# ECONOMIC COMPLEXITY OF PAKISTAN

<b>ECONOMIC STRUCTURE</b>	 <b>20</b> PAKISTAN'S COMPLEXITY HAS WORSENERD 20 POSITIONS IN THE PAST DECADE.	 <b>21 NEW PRODUCTS</b> 21 NEW PRODUCTS WERE ADDED IN THE LAST 15 YEARS.
<b>FUTURE DYNAMICS</b>	 <b>4.6%</b> PAKISTAN IS EXPECTED TO GROW 4.6% PER YEAR OVER THE NEXT 10 YEARS.	
<b>PATH TO DIVERSIFICATION</b>	 <b>PARSIMONIOUS INDUSTRIAL POLICY APPROACH</b> GROWTH CAN BE PURSUED BY ADDRESSING BOTTLENECKS THEN JUMPING SHORT DISTANCES INTO RELATED PRODUCT.	



# PAKISTAN: PARSIMONIOUS INDUSTRIAL POLICY APPROACH

[Learn more about Parsimonious Industrial Policy Approach](#)

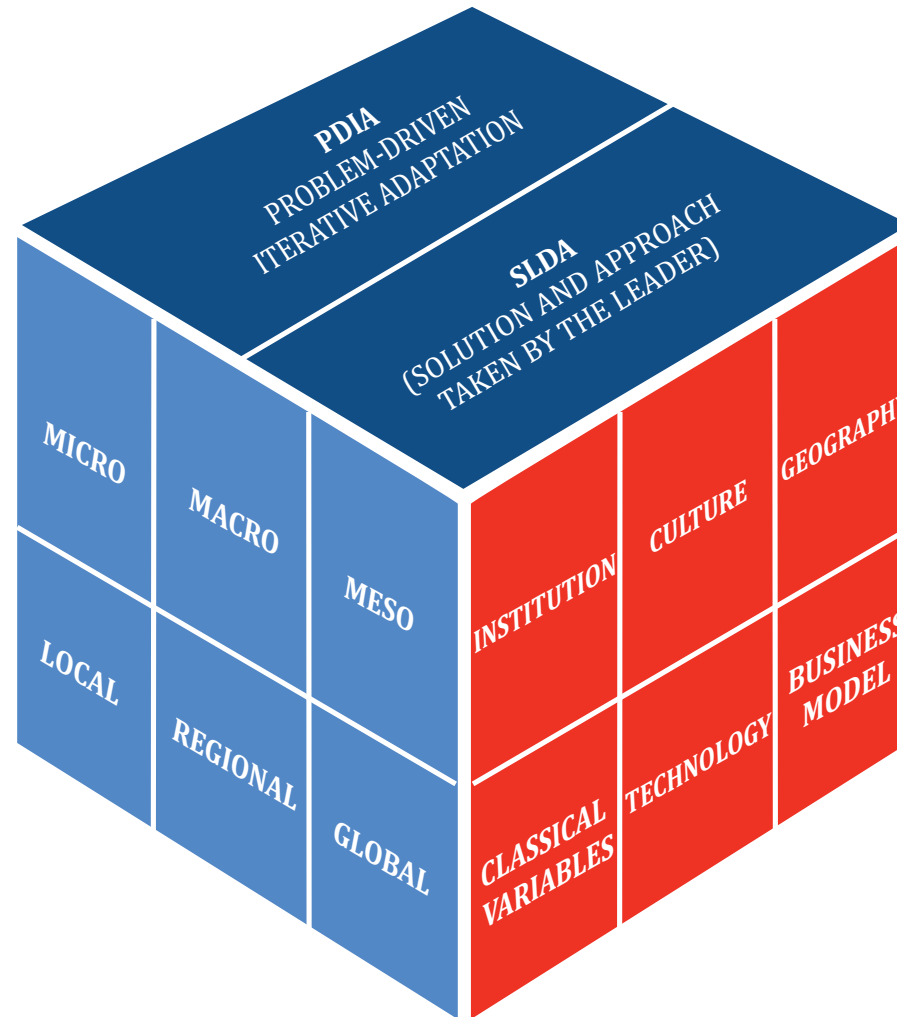


# CONCLUSION

■ Governance level

■ Solution of the problem

■ Growth diagnostics



THANK YOU FOR YOUR ATTENTION!

