**Title:** The Golden Period of Pakistan: A Time-Differentiated Decompositional Growth Analysis of the First Three Five-Year Centralized Economic Plans

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**Abstract**

This paper develops an exogenous growth framework to explore the causal side of Pakistan’s economic growth during the first three planning periods. The thesis that the planning period (1955 to 1970) was the Golden period of Pakistan’s economic history is proven through juxtaposing performance of key growth metrics (real GDP and real GDP per capita) during the plan period against their pre and post-plan counterparts. The long-term growth model implemented as part of the planning process is revisited for its likely appeal to the current policymakers in Pakistan. The argument that the first-three planning periods constituted the Golden period of Pakistan’s economic history is proven through answers to three broad questions; (1). Did the Plan-period growth outnumber its pre and post-plan counterparts as given by variations in factor inputs and residual growth rates? (2). Can a causal analysis of residual growth point to variables that can ascertain the inclusivity of plan-period growth frameworks? (3).Was economic growth a regional reality or was it specific to Pakistan? Cross-country comparisons with India and Indonesia are also performed to observe if growth was happening across the region or was it specific to Pakistan. Three distinct categories of key growth variables namely, openness, macroeconomic stability and external factors[[1]](#footnote-1) are analyzed to determine the unexplained part of real GDP per capita growth during the 1960s.

1. [↑](#footnote-ref-1)