

CONFERENCE PROCEEDINGS

FIFTH ANNUAL INTERNATIONAL CONFERENCE SCHOOL OF ECONOMICS AND SOCIAL SCIENCES

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13-14
NOVEMBER, 2025



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THEME 01

PUBLIC FINANCE AND DEBT DEPENDENCY CHALLENGE



IMPACT OF FISCAL POLICY ON PAKISTAN'S GDP: HOW MUCH AND HOW LONG?

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ABSTRACT

Implications of fiscal policy for Pakistan's GDP have been evaluated through estimation of fiscal multipliers based on quarterly structural vector autoregressive models. Estimation results show that government consumption multiplier is positive only for initial two quarters and has a peak value of only 0.6. Government investment multiplier, initially depicting a weak and cyclical behaviour, reaches a peak value of 1.5 in the eighth quarter. Net tax multiplier remains negative for initial 12 quarters. Subsequently, the stabilizing effects of consolidating fiscal policy exceed the initial output costs and the net tax multiplier becomes positive to attain its peak value of 1.12 in 13th quarter. These results confirm that the use of consumption based expansionary fiscal policy to boost real GDP growth has no empirical support in case of Pakistan. Fiscal consolidation has positive effects on medium term growth outcomes.

Keywords: Fiscal policy, National Government Expenditure, VAR Model

JEL Codes: E62, H5, C320

HOW MUCH DEBT IS TOO MUCH? UNDERSTANDING THE PUBLIC DEBT STABILITY IN PAKISTAN

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ABSTRACT

This paper examines the nonlinear debt-growth nexus for Pakistan by estimating the threshold levels of total public debt, domestic debt, and external debt, using the Heteroskedasticity Consistent Lagrange Multiplier Test and Threshold Regression Model by Hansen (1996, 2000). Result reveals a non-linear relationship between public debt and economic growth, where the optimal public debt threshold for Pakistan is around 58.5% (i.e., in line with the 60% benchmark set by the Fiscal Responsibility and Debt Limitation Act, 2005). Furthermore, the threshold levels of domestic and external debt are calculated at 43.3% and 27.5%, respectively. Using a debt-dynamic equation, this study simulates future debt-to-GDP ratio levels under various growth and fiscal deficit assumptions. The analysis indicates that a high GDP growth rate and lower fiscal deficits are crucial for reaching sustainable debt levels. To ensure sustainability, the study recommends maintaining a growth rate of 5-10% or higher, reducing the fiscal deficit to 1-2% along with increasing revenues.

Keywords: Debt sustainability, Fiscal deficit, Non-linear regression

STATIC AND DYNAMIC EFFECTS OF TAX AUDITS ON CORPORATE TAX EVASION, INDIRECT TAX EVASION, AND TAX NON-COMPLIANCE

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ABSTRACT

I estimate the effects of tax audits on firm direct and indirect tax evasion as well as noncompliance in Pakistan using the universe of tax returns filed by registered firms between TY2008–TY2021. I leverage 7 years of natural experiments, during which time Pakistan varied audit eligibility policies between full eligibility, in which all firms are eligible; parametric eligibility, in which only evasive firms are targeted and eligible; and risk-based eligibility, in which only non-compliant firms are targeted and eligible. Despite changes in audit eligibility, each policy retained random audit selection conditional on eligibility, which I leverage for identification. This context allows me to estimate the static and dynamic effects of tax audits on different populations of firms (i.e., evasive firms and non-compliant firms) and estimate heterogeneous effects of tax audits based on the size of firms. Additionally, I provide evidence on the effect of simply being eligible for an audit.

Keywords: Tax Audits; Tax Enforcement; Tax Evasion; Tax Compliance; Corporate Taxation

JEL Classification: H25, H26, H32



THEME 02

AI IN ECONOMIC RESEARCH AND POLICY PLANNING

UNVEILING HIDDEN POWER: HOW DIGITAL PLATFORMS DICTATE CONSUMER CHOICES

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ABSTRACT

This study investigates the self-preferencing practices of major digital platform including Google, Amazon, and Apple, wherein these companies prioritise their own product services over those of competitors. The research seeks to assess the extent and effects of this practice on market competition and consumer choices. Qualitative research in nature, this research integrates case studies, reviews of literature, analyses of regulatory documents, and interviews with experts. The findings indicate that self-preferencing undermines fair competition, stifles innovation, and erodes consumers' trust by manipulating search algorithms to favor platform-owned offerings. To mitigate these effects, this study recommends increased transparency in algorithmic processes, enforced regulations that mandate equal treatment of all products, and strengthened regulatory measures to safeguard consumers and maintain competitive markets.

Keywords: self-preferencing, digital platform, competition, consumer trust, algorithmic bias

JEL Codes: **L41:** Monopolization; Horizontal Anticompetitive Practices; **L42:** Vertical Restraints; Resale Price Maintenance; **D40:** Market Structure, Pricing, and Design

TOWARDS SMARTER SALES FORECASTING: GENERATIVE AI FOR STRATEGIC INSIGHTS AND PERFORMANCE EVALUATION

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ABSTRACT

Accurate sales forecasting is a cornerstone of strategic planning and operational efficiency, directly impacting inventory management, customer satisfaction and profitability. Traditional data-driven forecasting methods, while robust, often struggle with uncertainties and rapidly changing conditions. Judgmental adjustments – incorporating human expertise into forecasting – are commonly employed to address these limitations but are prone to biases and inconsistencies. This paper explores the transformative potential of Generative AI (Gen-AI) as a solution to enhance forecasting accuracy, offering a novel approach to organizational performance measurement. We propose a framework that integrates Gen-AI and statistical forecasting methods to improve predictive accuracy. Leveraging the capabilities of large language models (LLMs), such as OpenAI’s ChatGPT, our approach uses Gen-AI to refine base statistical forecasts by incorporating insights from recent sales patterns and external factors. Through an experiment using real sales data from Walmart stores in California, we demonstrate that Gen-AI-adjusted forecasts outperform traditional methods across multiple metrics, highlighting its ability to reduce biases and enhance adaptability. By enabling real-time, unbiased adjustments, Gen-AI offers organizations a powerful tool to navigate complexity and instability in modern markets. Our findings not only underline the practical benefits of adopting Gen-AI in sales forecasting but also open new avenues for research and development in performance measurement and management systems, bridging the gap between theoretical advancements and business applications. By presenting a scalable and efficient forecasting framework, this study contributes to the evolving discourse on performance measurement, emphasizing the role of digital innovation in driving continuous improvement and strategic alignment in organizations.

Keywords: Sales time series, Forecast accuracy, Predictive analytics, Business analytics, ChatGPT

THE ECONOMICS OF INNOVATION: INVESTIGATING THE IMPACT OF BANK-SPECIFIC FINANCIAL AND OPERATIONAL METRICS ON AI ADOPTION IN THE BANKING SECTOR

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ABSTRACT

Artificial Intelligence (AI) is revolutionizing the global banking industry by enhancing operational efficiency, reducing fraud, and improving customer service. However, while developed nations have rapidly embraced AI innovations, emerging economies like Pakistan face challenges due to infrastructural, regulatory, and institutional constraints. This study aims to examine the adoption of AI technologies across the banking sectors of Pakistan. Utilizing the Resource-Based View (RBV) framework, it evaluates the influence of financial and operational indicators such as Return on Assets (ROA), Return on Equity (ROE), Net Profit Margin (NPM), and bank size on AI adoption from 2015 to 2024. A panel dataset was constructed using AI adoption scores derived from publicly listed banks, analyzed through fixed effects ordered logit models. Findings reveal that larger banks and those with higher profitability indicators are less likely to adopt AI tools, including chatbots, fraud detection systems, compliance technologies, and big data analytics. The study offers empirical insights for policymakers and financial institutions aiming to integrate AI strategically and highlights the urgent need for digital investment and regulatory reform in developing economies.

Keywords: Artificial Intelligence, Banking Sector, Technology Adoption, Pakistan, Panel Data, FELOGIT, Resource-Based View

EVOLVING PERCEPTIONS OF AI-INDUCED TECHNOLOGICAL UNEMPLOYMENT IN PAKISTAN: EVIDENCE FROM THE PRE- AND POST-GENERATIVE AI ERA

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ABSTRACT

As AI advances from routine automation to generative capabilities, its impact on labor markets has grown more complex—especially in countries like Pakistan, where informal employment is widespread and digital readiness is uneven. This study compares workforce perceptions of AI-induced job loss across two key moments: 2019 (pre-generative AI) and 2025 (post-GenAI). Using a task-based framework and multinomial regression, we analyze sectoral responses from education, manufacturing, services, and banking. In 2019, over 73% feared mass unemployment, driven by technologies like driverless transport and digital banking. By 2025, while concern remains, a growing segment also sees generative AI as a job enabler, particularly in knowledge sectors. Yet, anxiety rises when multiple technologies converge. To manage automation and digitization, proactive reskilling, robust AI governance, and human-focused policies are essential.



THEME 03

CLIMATE CHANGE, ADAPTATION AND FINANCING

CLIMATE-INDUCED LIVELIHOOD DISRUPTIONS IN GILGIT-BALTISTAN: EVIDENCE FROM EMPIRICAL INVESTIGATION

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ABSTRACT

This study investigates livelihood impacts of climate-induced hazards in selected mountain communities of Gilgit-Baltistan (GB), Pakistan, through the lens of local perception and empirical data. The research focuses on the areas of Darkut and Badswat (District Ghizer) and Hassanabad (District Hunza), where communities are increasingly vulnerable to changing climate dynamics. Focus Group Discussions (FGDs) and community-based surveys were conducted across various demographic and occupational classes to capture changes in agriculture, livestock, natural resource availability, and income-generating activities. The findings reveal a significant reduction in agricultural yields, with cash crops and decline in livestock numbers. Natural resources, including pasture grass, poplar trees, and herbal plants, suffered extensive degradation, impacting fodder availability and household economies. Additionally, small businesses and household infrastructure faced setbacks due to floods and excessive snowfall, highlighting the fragility of non-farm income sources. Community perceptions underscore climate change driven primarily by air pollution, global warming, and increasing Glacial Lake Outburst Flood (GLOF) events as the most pressing environmental threat, severely affecting both ecosystem services and livelihoods. These insights are critical for developing locally informed adaptation strategies and resilience planning in the mountain ecosystems of Gilgit-Baltistan.

Keywords: Glacial lake Outburst Floods (GLOF), Climate-induced hazards, Livelihood, Local Perceptions, Mountain Ecosystems, Adaptation Strategies, GB, Hassanabad Hunza, Badswat Ghizer, Darkut Yaseen

LEVERAGING ECOLOGICAL RAINFALL DATA FOR CLIMATE ADAPTATION FINANCING AND AGRICULTURAL DEVELOPMENT IN NIGERIA

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ABSTRACT

Climatic variability cannot be overemphasised in Nigeria's agricultural sector. Over the years, agriculture has faced daunting challenges despite being an important sector to the nation's economic growth. The study aims to quantify the economic implications of rainfall patterns on agricultural productivity, inform climate adaptation financing strategies, and demonstrate how data-driven approaches can enhance institutional capacity for inclusive growth in the face of climate change. To develop a comprehensive framework linking rainfall variability to economic outcomes in Nigeria, with specific applications for climate adaptation financing and agricultural planning, an integrated multi-scale temporal decomposition coupled with domesticated random forest ensemble machine learning and an adaptive geospatial interpolation network was used to provide real-time risk assessment of the real-time pipeline through a dynamic risk score and an early warning signal. Monthly rainfall data for 45 substations from the Central Bank of Nigeria for 12 years were used for this study. The forest zone had more rainfall, and the Sahel region is more vulnerable to droughts. The Guinea Savanna region contributed to 40 – 50 % of all damages in economic losses, making it a hotspot for climatic risk. Investment is still needed in agriculture in order to handle some climatic risks in the country.

Keywords: Machine Learning, Adaptive Geospatial, Climate Change, Climatic Risk

DIGITAL TECHNOLOGIES, TRADE, RENEWABLE ENERGY AS SOURCES OF GREEN GROWTH: A COMPARATIVE ANALYSIS OF DEVELOPED AND DEVELOPING COUNTRIES

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ABSTRACT

Managing rapid, sustainable, and resilient economic growth has become a core concern worldwide. This research focuses on digital technologies, renewable energy, and trade openness in influencing green growth across 54 developed and 110 developing economies over the period (1990–2023). The digital technologies are measured with internet users, broadband, mobile phones, and fixed telephone users. The principal component analysis is also used to construct a single measure of digital technologies. Panel data econometrics techniques, including the panel quantile regression approach, are used for empirical analysis. The empirical findings show that digitalization is a significant source of green growth in both developed and developing countries. However, individual measures have differential effects on green growth both between and within developed and developing countries, implying that the heterogeneity of individual measures needs to be considered as per the needs of developed and developing economies. The role of renewable energy and trade varies across developed and developing economies. Renewable energy appears as a catalyst for green growth in developed economies; however, it does not exert a significant influence in developing countries. Similarly, trade significantly boosts green growth in developed countries but does not exert a significant influence in developing countries. The heterogeneous effects of renewable energy and trade suggest the importance of diverse policy approaches across the developed and developing world.

Keywords: digitalization, green growth, sustainable development, trade, quantile regression, internet, mobile phones, global economy



THEME 04

GLOBAL TRADE AND SUPPLY CHAIN

PAKISTAN'S DISMAL EXPORT PERFORMANCE: A SURVEY OF THE EMPIRICAL LITERATURE

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ABSTRACT

Pakistan's export performance has remained chronically weak despite numerous trade liberalisation efforts and its strategically advantageous geographic position. This study synthesises over three decades of empirical literature to understand the structural, institutional, and policy-related impediments to the country's lagging exports. The evidence demonstrates that high tariffs on intermediate inputs, limited compliance with international certification standards, energy sector inefficiencies, and exchange rate volatility significantly undermine export competitiveness. These challenges are further exacerbated by a narrow export base concentrated in low-value-added textiles, ineffective subsidy schemes, and limited utilisation of trade agreements. As a result, Pakistan has struggled to diversify into higher-value-added sectors. Addressing these constraints requires coordinated reforms, including tariff rationalisation, development of certification and quality infrastructure, improvement of the business and regulatory environment, and targeted support for sectoral upgrading to facilitate sustainable export growth.

Keywords: Exports, Trade barriers, Diversification, Competitiveness, Pakistan

JEL Classifications: F13, F14, F18, F19

BUILDING A NEW EXPORT NETWORK: EVIDENCE FROM LITHUANIA

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ABSTRACT

In this paper we combine the gravity modelling and the economics of networks and empirically analyse the formation of the export network of Lithuania. The analysis builds on a natural experiment of the collapse of a Soviet bloc when Lithuania among a number of other countries entered the international trade market. The main re-search questions are which factors were the most important in the spread of the export network of Lithuania, and how the influence of these factors changed throughout the years. Our results suggest that the network effects, especially those of the distance, the economic development of the destination and the common spoken languages, are important for the development of the extensive trade margin. We also find that during the earliest years of the opening to the foreign trade, the cultural and language factors were the most important. In later years, we see the domination of the economic factors as well as the increase of the importance of the friends-of-friend search and the clustering of the destination markets.

Keywords: trade, international trade, trade networks, network formation, extensive trade margin.

JEL Classification: F14, D85

WILL SUPPLY CHAIN RESPONSIBILITY SAVE THE WORLD? A LAW AND ECONOMICS PERSPECTIVE

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ABSTRACT

This paper analyses the concept of supply chain responsibility, i.e. the responsibility of companies for certain types of misbehaviour (in particular, for human rights violations and damage to the environment) in their upstream chain of activities. In this respect, the paper refers, but only as an illustrative example, to the newly enacted European Directive on Corporate Sustainability Due Diligence, which imposes far-reaching “due-diligence-obligations” on companies beyond a certain size regarding their supply chains (covering both subsidiaries and independent contractors). These obligations consist in identifying and addressing possible human rights violations and environmental impacts under the threat of severe administrative fines and civil liability. The paper is analytical. It asks the question, whether it is a good idea to implement such a responsibility for the most relevant category, where there is only a contractual relation of buyer and seller and it answers this question to the negative. While the protection of human rights and the environment are laudable goals, the introduction of an all-in supply chain responsibility will not save the world, but deteriorate it to the disadvantage of both western companies and the global south.

Keywords: Supply chain responsibility, corporate sustainability, responsibility for behavior of independent contractors.



THEME 05

INSTITUTIONS AND INCLUSIVE GROWTH

DOES CORRUPTION CAUSE AN UPSURGE IN POLITICAL INSTABILITY? THE ROLE OF DEMOGRAPHICS AND SOCIAL COHESION

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ABSTRACT

A breakdown in social cohesion and the associated political instability obviously has adverse implications for economic development. While corruption can contribute to political instability, not all countries that experience corruption are politically unstable. Given the interest in the role of the young in fermenting and carrying out political change, we consider youth unemployment and the youthfulness of the population (the youth bulge) as variables that may exacerbate the effect of corruption on political instability using panel data for over a hundred countries for the period 1984–2022. One striking result is that a youth bulge can generate a stronger detrimental effect on political instability in a corrupt oil-exporting country than in a corrupt non-oil-exporting country. This goes against the idea that oil rents can be used to successfully buy-off all potentially dissatisfied groups.

Keywords: Sustainable development, corruption, youth bulge, democracy, political instability, and panel data

NATURAL RESOURCE OWNERSHIP, PUBLIC GOODS PROVISION, AND TRUST IN THE STATE: THE CASE OF BALOCHISTAN

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ABSTRACT

Public distrust in the state is one of the most formidable threats to multiethnic federations. Such a lack of trust can be exacerbated by the disproportionate spread of natural resources across a state's federating units and the exclusive control of a dominant ethnic group over the extraction of these resources in resource-rich, sparsely populated regions of the minority/marginalized ethnic groups. This study tests these hypotheses using survey data collected from 400 respondents in Balochistan – Pakistan's largest province by land area yet least populated. Located in the country's southwest, Balochistan exhibits vast mineral deposits and persistent conflict against the state, predominantly fueled by resource-based grievances among the local populace over control/extraction of natural resources by the 'Punjabis' – Pakistan's largest ethnic group residing in the country's central-eastern region, which governs the federation. Using multi-level models, the study finds that a perception of lacking control over natural resources is associated with eroding trust in the state among the respondents, and vice versa. Additionally, the study tests whether the adequate provision of public goods by the central government could mitigate the trust deficit catalyzed by a lack of resource ownership among the minority population. The positive association between the said variables indicates the salience of public goods in enhancing trust in the state even when control of the local populace over local resources is lacking. The findings point to the importance of equitable resource distribution and efficient public service delivery in fostering public trust in ethnically fractionalized and divided post-colonial states like Pakistan.

Keywords: Trust in State, Natural Resource Ownership, Political Marginalization, Balochistan, Resource Curse

MODELLING FACTORS INFLUENCING ACADEMICS' PERCEPTIONS OF FUTURE IMPACT OF TECHNOLOGICAL CHANGE ON GHANA'S INDUSTRIAL GROWTH: A PLS-SEM APPROACH

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ABSTRACT

Understanding the factors influencing academics' perceptions of future impact of technological change on Ghana's industrial growth is essential in shaping the future of Ghana's economic development. Among university academics, this study examined how awareness and understanding of technological change (AUTC), perceived capacity building and policy support (CBPS), perceived challenges and risks (PCR), and perceived industrial impact (PIIT) interact to influence the future impact of technological change (FITC). Using Partial Least Squares-Structural Equation Modelling (PLS-SEM), the results revealed that CBPS strongly and significantly predicted AUTC, PCR, and PIIT. AUTC also emerged as a positive precursor of both PCR and PIIT. Furthermore, PCR and PIIT significantly predicted FITC, with PIIT exerting the strongest direct effect. The findings show that PIIT is the most important and best-performing antecedent, indicating that the way industries perceive technological change will be critical to shaping their future trajectory. In contrast, CBPS demonstrated relatively lower performance, suggesting gaps in institutional preparedness and policy responsiveness. For Ghana, these insights highlight the urgent need to strengthen industrial policy frameworks and capacity-building strategies, ensuring that industries not only recognise the benefits of technological transformation but are also adequately supported to navigate associated risks. Ultimately, prioritising industrial perceptions alongside proactive policy interventions will be central to ensuring that technological change drives inclusive and sustainable growth in Ghana's industrial sector.

Keywords: University academics, perceived technological challenges, future technological impact, Ghana's industrial growth, PLS-SEM Approach



THEME 06

TECHNOLOGY FOR HUMAN DEVELOPMENT

IMPACT OF DIGITALIZATION ON HUMAN DEVELOPMENT: A PANEL DATA ANALYSIS OF THE SOUTH ASIAN COUNTRIES

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ABSTRACT

This study analyzes the determinants of human development in South Asian nations from 2013 to 2023, utilizing a two-way fixed effects panel regression model with first-differenced data. According to the findings of the study, the Human Development Index (HDI) is positively impacted by crucial digitization metrics such as the E-Government Development Index, internet penetration, and mobile subscriptions. These metrics have statistically significant and beneficial implications. Improvements in human development index (HDI) are strongly correlated with economic factors such as growth in gross domestic product (GDP) and gross national income per capita. Expenditures on public health reveal a comparatively moderate but nevertheless significant effect. On the other hand, when it comes to statistics, educational expenditures are deemed to be minimal. The model demonstrates a strong performance, as demonstrated by an R-squared value of 0.906 and a Durbin-Watson statistic of 2, which indicates that there is a limited amount of autocorrelation. When it comes to improving the results of human development in South Asia, these findings highlight the vital role of digital transformation and economic capacity. The findings provide important insights for policymakers, suggesting that it is critical to make intelligent investments in digital infrastructure, healthcare, and inclusive governance in order to generate growth that is both sustainable and equitable across South Asian countries.

Keywords: Digitalization, HDI, South Asia, Fixed Effects Model

JEL Classification: O15, O33, C33, I15, I25

THE ROLE OF TECHNOLOGICAL INNOVATIONS AND GLOBALIZATION IN JOB POLARIZATION: AN EMPIRICAL ANALYSIS OF SELECTED DEVELOPED AND DEVELOPING COUNTRIES

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ABSTRACT

This study examines the impact of technological innovations and globalization on job polarization across selected developed and developing countries from 1991 to 2022. To quantify job polarization, we classified 132 countries into three groups based on technological advancements: high-tech, middle-tech, and low-tech. Theoretically, inspired by the task-based approach, we measure the job polarization while treating high-tech countries as high-skilled, middle-tech countries as middle-skilled, and low-tech countries as low-skilled. Thus, to measure relative job polarization, we formulate job concentration in both high-tech and low-tech relative to middle-tech countries. Furthermore, to select a specific parsimonious model, we employed a general-to-specific approach and then estimated it using the fixed-effects method. We find that technological change and globalization play positive roles in job concentration in high-tech countries; however, GDPG is negatively related. Similarly, in the case of job concentration in low-tech countries, globalization and net remittances have a positive role, while the impact of technological change is negative. As a result, the job market is contracting in middle-tech countries relative to high and low-tech countries. Based on these findings, we suggest that vulnerable countries should focus on upskilling labor to be complemented by technological innovations. In addition, we suggest the promotion of a flexible labor market, inclusive growth, and infrastructure.

Keywords: Technological Innovations, Globalization, Job Polarization, Labor Demand

(JEL A1, A10, E24, F00, F16, F22, J00, J23, O14)

THE INTERACTION OF FISCAL AND MONETARY POLICIES WITH DIGITAL FINANCIAL INCLUSION. EVIDENCE FROM EMERGING ECONOMIES OF ASIA

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ABSTRACT

Access to financial services like banking, credit, insurance, and digital payment systems is vital for a government's ability to effectively execute its monetary and fiscal policies. This study examines how digital financial inclusion affects fiscal and monetary policy effectiveness in Asia's emerging economies. We constructed a digital financial inclusion index from panel data covering 2004 to 2023, incorporating indicators of access, usage, and availability to empirically evaluate relationships with government policies. The findings indicate a strong positive correlation between digital financial inclusion and fiscal policy factors, such as tax revenue and government spending. In terms of monetary policy, financial inclusion is positively related to interest rates and inversely related to inflation, highlighting its role in enhancing policy transmission and ensuring economic stability. Hence, promoting digital financial inclusion not only boosts the government's capacity to mobilize domestic resources and manage public expenditures but also enhances the effectiveness of monetary policy by influencing credit demand and stabilizing prices. These findings illustrate the importance for policymakers to actively integrate financial inclusion strategies within broader macroeconomic frameworks, thereby enabling them to influence their countries' economic futures.

Keywords: Digital financial inclusion, Fiscal policy, Monetary policy, Emerging Economies

BRIDGING THE GAP: HOW DIGITAL ACCESS VIA USF IS SHAPING HUMAN CAPITAL IN MARGINALIZED PAKISTAN

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ABSTRACT

Pakistan has made a great leap in its telecom sector, from just one state owned fixed line telecom company in 90s to now four independent cellular mobile operators but many of its remote and rural areas remain deprived of broadband internet, which is considered now a basic human right. So, to address this problem, government of Pakistan came forward with a great initiative in the form of Universal Service Fund (USF) to ensure that the reach of telecom and internet services is extended to the unserved and underserved areas of the country as well. Current study is an attempt to bring to light what funds have contributed so far by taking case examples of five remote districts of Punjab province. The sample consists of people surveyed by independent USF contractors in these five districts, and the data consists of feedback taken from these respondents through a structured questionnaire and interviews taken by authors over phone by some respondents. Findings from these sources will help us to understand what impact USF projects have created on the lives of these people and what challenges still need to be addressed.

Keywords: Universal Service Fund, Digital Divide, Human Capital

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