

In the next budget, the provincial government must focus on improvement and formation of human capital to tap internal and external markets, and capitalize on market-driven economic growth. Governance reforms in the province need to be implemented and the institutions in the social sector be strengthened to improve the effectiveness of public and private social service delivery.

Balochistan direly needs human capi-

tal to develop its vast natural resources. A closed and backward tribal society, difficult terrain, illiteracy, poor health indicators, ethnic diversity, and poor status of women are the key challenges to human development in the province.

The experts believe that human development indicators in Balochistan are among the most challenging in South Asia and their improvement will need concerted efforts over the long term.

Poverty in the province is a conse-

quence of several factors, including geography and low human capital. Though poverty in the province is more "shared" poverty, income-based inequities in human development must be addressed. To meet the needs of the people, educational institutions and vocational training centers must be established across the province. Only the educated, skilled and healthy people can make the best use of the enormous natural resources of Balochistan. ■

IBA CEIF CONDUCTS PANEL DISCUSSION

IBA CEIF (Centre for Excellence in Islamic Finance) welcomed distinguished panelists from the industry to discuss the growing field of Islamic finance and to shed light on creating awareness about the burgeoning industry at the Jahangir Siddiqui Auditorium, IBA Karachi City Campus.

The chief guest for the enlightening session was Mr. Saeed Ahmad, Deputy Governor, SBP. Other distinguished panelists included Dr. Ishrat Husain, Ex-Governor SBP, Chairman IBA CEIF, Mr. Irfan Siddiqui, CEO Meezan Bank, Dr. Imran Usmani, Resident Shariah Board Member, Meezan Bank and Mr. Ahmed Ali Siddiqui, Director IBA CEIF.

Dr. Ishrat Husain opened the ceremony by sharing that Islamic banking has been present since 2008 globally and the industry needs to prove its merits through their performance. The global growth rate is 3.2% which can increase further once people are aware about the sustainability of this model over conventional banking. He identified 4 areas of Islamic Finance: 1) Increase awareness of the nature, 2) Dearth of qualified staff, 3) Corporate governance should mirror the equality that is promoted in the religion and 4) the Legal infrastructure should support the Islamic model of doing business.

Dr. Imran Usmani stated that Islamic principles promote equality for all and we should follow the actions of our Holy Prophet (PBUH). He told the audience that Islamic Banking has over the years grown to 30% of the total market. He stressed that Pakistanis should not sit on their money and should reinvest in businesses and society.

Mr. Irfan Siddiqui, CEO Meezan Bank, charted the history of Meezan Bank. In his recounting of the growth of Meezan Bank he highlighted the key role played by Dr. Ishrat Husain in helping them become the first Islamic Bank. As the Governor of the State Bank of Pakistan, Dr. Ishrat put his trust in the model and the vision of offering an alternative to conventional banking. He mentioned that

Islamic Banking now has all the functions and tools present to draw customers away from the conventional model of banking being practiced in Pakistan.

Mr. Saeed Ahmad stated that he was proud to see the creation of various Centres for Islamic Finance in Karachi, Lahore and Peshawar. The centres were a culmination of his and Dr. Ishrat's vision of enhancing capacity building for the Islamic Finance market. He stated that there is a need for Islamic Banking beyond just the conceptual models existing in the market. He mentioned that Islamic finance needs to move into the SME industry including manufacturing & agriculture. He stressed his focus on agriculture as he mentioned that "arti (middlemen)" was a financing option being practiced which was charging upto 50% interest on loans disbursed to farmers. Islamic Banks should target this sector to offer relief and an alternative to rural areas most in need. Low cost housing was another sector that deserved another look by these institutions. He hoped that these centres would convert finance in Pakistan from conventional interest based models to Islamic models and would offer quality programs from students, young professionals and industry specialists.

In his vote of thanks, Mr. Ahmed Ali Siddiqui shared the purpose of the CIEF. He identified the partnerships that have been created through this centre such as IRT and ISRA. The centre is establishing resources to conduct top-notch research which can be used globally to inspire other Islamic markets. IBA will be announcing new MS programs at its centre as well as electives and courses for the undergraduate program.

The session was very informative and forwarded IBA CEIF's commitment towards informing the public about the alternative to conventional banking and the opportunities present within Islamic Banking. The session brought issues to light which further shine light on the necessity of adopting this new approach to banking. ●

"Now public business takes up so much of my time that I must get time a Sundays or a nights to look after my own matters."

Samuel Pepys

"Budgets were originally designed as control mechanisms. As such they are traps ..."

Stephen Bungay

"Budgeting has only one rule: Do not go over budget."

Leslie Tayne