BRIEFING NOTE

4TH SOUTH ASIAN ECONOMICS STUDENTS’ MEET

Colombo

Organized by
The Department of Economics
University of Colombo

In collaboration with
The World Bank

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March 16, 2007
Introduction

The purpose of this report is to provide a briefing note on the 4th South Asian Economics Students’ Meet held in Colombo from February 23-27, 2007, and organized by the Department of Economics of the University of Colombo in collaboration with the World Bank.

The South Asian Economics Students’ Meet is a regional meeting of undergraduate students, reading for Bachelors Degrees in Economics. This was initiated in 2003 by the academic staff members representing the departments of economics of a few leading universities in South Asia. The inaugural meeting was held in 2004 in Delhi, organized by the University of Delhi. The 2nd and 3rd meetings were held in Lahore in 2005 and Dhaka in 2006, and were hosted by the Lahore University of Management Sciences and the University of Dhaka respectively.

Objective

The objective of the Meet was to promote understanding of economic development and regional cooperation amongst undergraduate students of economics from South Asian countries.

Coordinating Institutions

The annual meeting is coordinated by the following universities in the region:

1. Department of Economics, Ramjas College, University of Delhi, India
2. Department of Economics, Lahore University of Management Sciences, Pakistan
3. Department of Economics, University of Dhaka, Bangladesh
4. Department of Economics, Tribhuvan University, Kathmandu, Nepal
5. Department of Economics, University of Colombo, Sri Lanka
4th Meet in Colombo

The 4th South Asian Economics Students’ Meet was held in Colombo from February 23-27, 2007 and, was organized by the students and staff members of the Department of Economics of the University of Colombo in collaboration with the World Bank. The Meet comprised of the following events:

1. Inauguration ceremony (February 23)
2. Conference of undergraduate students (February 23-24)
3. Economics Quiz Contest (February 24)
4. Award ceremony (February 24)
5. Retreat for the foreign participants (February 25-27)

Participation

The two-day conference was attended by about 250 participants, including 42 foreign participants representing India (17), Bangladesh (10), Nepal (5), and Pakistan (10). Sri Lanka was represented by 150 students of the University of Colombo and, students and staff members of other Sri Lankan universities.

Conference presentations

The conference papers from the undergraduate students in the region were called for under 4 themes:

1. Promoting Business Environment in South Asia
2. Promoting Regional Trade in Services
3. Is Small always Beautiful?: Small-Scale Enterprises in South Asia
4. Economics of Ageing Population in South Asia
Fifty papers were submitted by the undergraduates as follows (See Annex 1 for the abstracts of all papers):

- Bangladesh: 8
- India: 12
- Nepal: 3
- Pakistan: 8
- Sri Lanka: 19

Out of the 19 Sri Lankan papers, 11 were from the University of Colombo and the remaining 8 from the University of Peradeniya, University of Kelaniya, Wayamba University, and Sabaragamuwa University. Although papers were called from all Sri Lankan universities conducting Economics Special degree programmes, some did not respond especially the North and East due the current security and communication problems.

**Selection of papers and evaluation**

In response to the invitation by the Department of Economics of the University of Colombo, the coordinating universities in Bangladesh, India, Nepal and Pakistan selected the papers and submitted to the University of Colombo. In Sri Lanka, an invitation letter together with guidelines for submission of papers (Annex 2) and posters were sent to the Head of the Department of Economics in the respective universities. The papers were selected after an evaluation by a panel of academic staff members of the Department of Economics.

The papers submitted were evaluated at 2 levels as (a) the technical evaluation of papers and (b) evaluation of the conference presentation (Annex 3). The technical evaluation was carried out by 2 independent panels of academic staff members of the Department of Economics. The conference presentations were evaluated at each conference session by a panel of 3 judges comprising both local and foreign academics. The best Thematic Papers and the best Country Papers were selected through the evaluation process.
Winners of the Meet

<table>
<thead>
<tr>
<th>NAME</th>
<th>UNIVERSITY/COUNTRY</th>
<th>AWARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priyanwada Herath</td>
<td>University of Colombo</td>
<td>Best thematic paper under Theme 1; Best country paper for Sri Lanka</td>
</tr>
<tr>
<td></td>
<td>Sri Lanka</td>
<td></td>
</tr>
<tr>
<td>Dharshani Premaratne, Jeevika Pavithrani and Thushari Vidanage</td>
<td>University of Peradeniya Sri Lanka</td>
<td>Best thematic paper under Theme 2</td>
</tr>
<tr>
<td></td>
<td>Sri Lanka</td>
<td></td>
</tr>
<tr>
<td>Fahim Hassan and Mahmudul Karim</td>
<td>University of Dhaka Bangladesh</td>
<td>Best thematic paper under Theme 3; Best country paper for Bangladesh</td>
</tr>
<tr>
<td></td>
<td>Bangladesh</td>
<td></td>
</tr>
<tr>
<td>Neelam Kalita</td>
<td>University of Delhi India</td>
<td>Best thematic paper under Theme 4; Best country paper for India</td>
</tr>
<tr>
<td></td>
<td>India</td>
<td></td>
</tr>
<tr>
<td>Rajeswor Ghimire</td>
<td>Tribhuvan University Nepal</td>
<td>Best country paper for Nepal</td>
</tr>
<tr>
<td>Mohammad Asad Farid Khwaja</td>
<td>Lahore University of Management Sciences Pakistan</td>
<td>Best country paper for Pakistan</td>
</tr>
<tr>
<td>Saima Nadeem</td>
<td>Lahore University of Management Sciences Pakistan</td>
<td>First place of the quiz contest</td>
</tr>
<tr>
<td>Sanaa Nadeem</td>
<td>Lahore University of Management Sciences Pakistan</td>
<td>Second place of the quiz contest</td>
</tr>
<tr>
<td>Sabrina Hossain</td>
<td>University of Dhaka Bangladesh</td>
<td>Third place of the quiz contest</td>
</tr>
</tbody>
</table>

Awarding certificates

Certificates, signed by the Vice Chancellor of the University of Colombo and the Country Director of the World Bank, were awarded at the award ceremony to the following undergraduates:

1. Authors of the papers
2. Authors of the Best Thematic Papers
3. Authors of the Best Country papers
4. Winners of the Quiz Contest (1st, 2nd and 3rd places)
5. Organizers of the event (students of the University of Colombo).

Publication of selected papers

The Department of Economics has made arrangements to publish a volume with selected papers from among those submitted to the conference. Dr. Athula Ranasinghe - Senior
Lecturer from the Department of Economics has been appointed by the Department to be the editor of the publication. The selection of the papers has been based on the following 2 criteria:

1. Best 3 papers submitted under each of the 4 themes
2. At least 1 paper representing each country participated

In addition, the publication will also include the Keynote Address by Professor W.D. Lakshman (University of Colombo), Address by Dr. Shekhar Shah (World Bank) at the Award Ceremony, Forward by Dr. Sirimal Abeyratne (Country Coordinator of the South Asian Economics Students’ Meet) and, the Introduction by the Editor of the publication.

**Organizing the event**

An Advisory Committee representing academic staff members of the Department of Economics of the University and a representative of the World Bank was formed to advise and guide the students to organize the event and deal with the financial and administrative matters. The event was organized by the Organizing Committee, comprising 23 undergraduate students of the Department of Economics of the University. Among the organizers, there were 7 senior organizers, under whose directive others provided assistance.

In addition to the above, various activities related to the event were delegated among all academic and administrative staff members of the Department of Economics and among many undergraduate students.

**Financing the event**

<table>
<thead>
<tr>
<th>No</th>
<th>Institutions</th>
<th>USD</th>
<th>LKR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The World Bank</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Contribution by foreign participants</td>
<td>6,300</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>The Presidential Secretariat</td>
<td>300,000</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Other sponsors (banks, private companies)</td>
<td>550,000</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Department of Economics</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Undergraduate students</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Sponsorships in kind / subsidies / services</td>
<td>500,000</td>
<td></td>
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<tr>
<td></td>
<td>TOTAL</td>
<td>46,300</td>
<td>1,550,000</td>
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<tr>
<td></td>
<td>GRAND TOTAL (at LKR 110 / US$)</td>
<td></td>
<td>6,643,000</td>
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</table>
The World Bank, as the ‘principal sponsor of the event’ provided US$ 40,000. The foreign participants also contributed US$ 6,300 to the cost of their airfare. In addition, LKR 1.55 million was contributed by various sponsors, including the contribution by the students and the Department of Economics. The University has the record of LKR 580,000 balance remaining for the use of future activities related to the South Asian Economics Students’ Meet, including the cost of book publication.

**Impact**

The event is of importance in several respects as far as its direct impact on undergraduate capacity building, university education, and World Bank – University collaboration. The conference with its annual continuity has a major impact on capacity building of undergraduate students in terms of promoting research capabilities and presentation skills. For most of the students, this was not only their first opportunity to submit a paper and to make a presentation at an international conference, but also the first opportunity even to witness such an event.

The event also provided an opportunity for Sri Lankan university undergraduates to be exposed to the outside world of their counter parts – the world outside their classroom, outside their university and even outside their home country. They exchanged views, learned from each other, and strengthened their bondage. They also recognized their strengths and weaknesses. An important point to be noted is that Sri Lankan students have to be internationally competitive in order to be at a comparable level of their counterparts from other South Asian countries, according to many students who participated at the event. They have also observed that the average Sri Lankan university students need to improve their language skills and communication skills, while they appear to be even 4 years older than their counterparts from other South Asian countries.

The collaboration of the World Bank directly with the university students in holding this event was also important. In the past, the perception was that the World Bank involvement was at higher institutional and policy levels, but there was a wide gap between the World Bank and the university students. This event changed the mindset and opened up an avenue for the both parties to collaborate and to engage efficiently and
effectively in upgrading the undergraduate education in Sri Lanka as well as in the region.

The message was widely spread among the Sri Lankan universities not limiting it to the hosting University of Colombo. Undergraduate students together with their academic staff members participated in the event. In addition, both electronic and print media provided wide publicity for the event in conveying the message to the general public as well (Annex 5).

As we have already witnessed during the past 4 years, the South Asian Economics Students’ Meet continue to be held annually with expansion in scope every year. The regional conference of undergraduate students is “an idea of enormous significance” as highlighted by both Professor W.D. Lakshman as well as Dr. Shekhar Shah, in their speeches at the event. Therefore, its own significance is strength for its sustainability and expansion in the future.
Annex 1

ABSTRACTS OF THE PAPERS

1. Promoting Business Environment in South Asia

Promoting Business Environment in South Asia: The Case of Sri Lanka
W.A.Ishira Chandana
University of Colombo, Sri Lanka

The business environment can be conceptualized at two different levels such as the internal and the external environments. Understanding the functioning of the business environment is extremely imperative as it provides a meaningful opportunity to cope with the challenges and opportunities that organizations are facing. This has become more important in the context of globalization of businesses in South Asian countries. The organizations in South Asia have to compete with global competitors and the markets that are already captured by them for their products. In those markets customers are with better access to their cost options and they communicate to each other in ways not conceivable in the pre-Internet age. Thus this paper while highlighting such possible challenges and opportunities, try to identify the strategies to promote conducive business environment for business organizations in South Asian countries in the context of Sri Lanka.

Promoting Business Environment in South Asia: The Nepalese Scenario
Rajipa Dhital
S.V. Academy, Tribhvan University, Nepal

Globalization is about economic and social integration among countries. In the past 30 years or so the developing countries that have integrated the most with the global economy have seen the fastest growth rates and poverty reduction. One of the striking instances in which Globalization has reformed the world is The WTO. Nepal entered the WTO on 11 September 2003. Nepal is the second least-developed country to join the WTO. By joining the WTO, Nepal can now fully enjoy the rights that all members have under the WTO agreements. Nepalese Industrial Policy stressed on privatization, market oriented pricing of industrial products, determining wages on the basis of productivity and protecting industries through custom duties. The policy was formulated realizing the need for a nation-wide coordinated effort to put for developing human resources, too. This article is intended to analyse the Nepalese perspective.

Business Environment in Sri Lanka: Did the Government Play its Facilitating Role?
Priyanwada Herath
University of Colombo, Sri Lanka

Sri Lanka is the first country in South Asia to open its economy in 1977, and is more open today than any other country in the region. Contrary to the popular anticipation followed by policy reforms, the country’s investment performance lagged behind. The factors underlying the business environment of the country is the key to understand the sluggish investment performance of the country. The paper shows that the policy reform process has been incomplete and incoherent and has inadequate impetus to establish an investment-friendly business environment. The major areas in which the business environment is not ‘friendly’ are related to the deregulation process, public sector reforms, factor market rigidities, investment safety and, the resulting unevenness in the level playing field. The paper suggests that policy reforms should be a comprehensive package in which trade liberalization should move ahead along with consistent reforms in all related fields.
Bangladesh: where it stands in global business?
Sabrina Hossain
University of Dhaka, Bangladesh

Business competitiveness environment is a very important indicator of a country’s positions in the local and the international market. Although business sectors have flourished in Bangladesh in the last 20 years, the country has never been a success story. Equipped with lots of problems such as poverty, natural disasters, lack of economic and social infrastructure, poor governance, corruption, and uneducated as well as an inefficient workforce, the Bangladesh economy is not progressing compared to other South Asian countries. In the light of all these, the paper has been designed to give an overview and a rough estimate of the business competitiveness environment in Bangladesh. A highly competitive business environment is a scenario that we ought to achieve and we aspire and aim for.

Macroeconomic Management: Sri Lankan Scenario in Energy Crisis
K.A.S.P. Jayasooriya.
University of Peradeniya, Sri Lanka

Energy crisis is a multifaceted problem causing adverse effect on inflation, labour, productivity, efficiency and effectiveness, and ultimately on the overall economic growth and development. The study tries to advocate the solutions for the energy crisis through macroeconomic and sustainable perspectives through understanding the holistic scenario in terms of energy sector and the relationship of electricity demand and economic growth. Secondary data gathered from CEB, CPC and CBSL were used to situation analysis and econometric modelling. Modelling electricity demand through composite regression model reveals 97% of the variability can be explained from the model with regards to the electricity demand indicating that the price of Kerosene and electricity consumer population is significant. In situation analysis, policy determinations related to the electricity sector was considered based on the principles of sustainable generation, minimizing power wastage and managing environmental impacts. Further, role of the government to promote private sector participation to the energy sector also address to promote business environment for long term economic growth and development.

Capital Account Liberalisation: A Study of India’s Banking sector Risks
Harsh Malhotra
Ramjas College, University of Delhi, India

India has, since 1993, gradually and simultaneously liberalized in domestic financial sector and the flow of international capital. Commercial banking, accounting for three-fourth of India’s financial sector, has faced much of the impact of the liberalisation policies. This paper seeks to evaluate the risks in the banking sector of India in the context of this twin liberalization. Focusing specifically on questions of Liquidity risk, Interest rate risk, Currency risk and Credit risk in light of its exchange rate regime, intermediation costs, capital adequacy, interest rate volatility and government policies among other features. We evaluate the conditions of the banking sector today, its experience of the post-reform era and prospective impacts of further liberalization.

Business Environment in Sri Lanka
Bimanee Meepagala
University of Colombo, Sri Lanka

South Asia posted an attractive growth rate in 2005. It was well above the average world growth rate. The role of private sector was instrumental in this striking economic performance. There are plenty of warranted opportunities in the region to accelerate the growth rate further, if business friendly environment is created and promoted. It is necessary to remove certain bottlenecks in this endeavor. Sri Lanka has achieved some economic targets after liberalizing its economy in the late 1970s. Still there are plenty of impediments against the promotion of private sector in the country. The policy inconsistency appears to be the main draw back here. Similarly, weak economic fundamental such as persistent inflation, higher interest rates, volatile exchange rate, and budget deficit are constantly checking the business confidence in the economy. Poor infrastructures and political instability are some other factors which regularly hold up the private sector performance.
**Business Environment**
Saima Nadeem  
Lahore University of Management Sciences, Pakistan

The creation of a conducive business environment is considered vital to achieving macroeconomic objectives such as growth, investment, employment or stability. However, this process is dependent on conditions both internal and external to public policy; policymaking is subject to several constraints such as political will, finances, time-inconsistency, and exogenous shocks. Consequently, government’s control over policy formulation and parameter specification may vary, seen in fluctuations in policy commitment/consistency, with mixed results for primary/intermediate objectives. This paper will investigate the relationship between the government’s control over business policy and the extent to which it achieves corresponding macroeconomic objectives in Pakistan. The paper shall then seek to identify factors unique to Pakistan that determine the nature of the link between control and efficacy of such policy. The paper shall focus on policies relating to foreign investment, infrastructure, private enterprise, and the labor market for the past 15 years.

**Unstable Business Environment in Sri Lanka**  
M.S.S.B. Saleem  
University of Colombo, Sri Lanka

There are many possibilities to increase the GDP or output. But the avenue that I am focusing on is investment. To invest, people need to have a stable environment. Investment brings many opportunities to a country, mainly employment, wealth, knowledge and technology. This is not only the case with foreign investment but also with local investment. Foreign investment brings competition to local markets so our entrepreneurs get the chance to compete and produce quality goods. If the environment is hostile for business, they will invest in other countries which are competing with Sri Lanka in the global market. Consequently the vital investment is lost. Also if there are constant riots and “harthals” even the local businessmen want be able to continue with their work. They will have to face rising costs and loss of markets. Thus it is vital to have a conflict free, stable environment in the country.

**Macromanagement and Business Environment - Analysis of the 1991 Indian Economic Crisis**  
Ravi Saraogi  
Sri Venkatishwara College, University of Delhi, India

In this paper, we discuss the importance that macroeconomic management, policies and stability have on promoting the business environment of a country. For this purpose, the analysis of the 1991 Balance of Payments (BoP) crisis in India has been done to show how poor macroeconomic management of the Indian economy during the 1980s precipitated the BoP crisis in 1991 and led to the disruption of business environment during the crisis phase. We then look at how the subsequent corrective macroeconomic management and policies led to the restoration and improvement of the business climate in the economy.

**The Effect of Corruption on Development**  
Ayesha Izaz Sheikh  
Lahore University of Management Sciences, Pakistan

Businesses face numerous hindrances while setting up in any developing country. Empirical evidence has shown that corruption is a major factor contributing to hindrance in economic growth, reduction in efficiency and discouragement to potential investors. In this paper I define corruption as an activity that acquires monopoly rents through illegal means. This rent seeking activity creates inefficiencies by diverting resources to less optimal agents and by spending resources to hold their monopoly power. This paper will look at different kinds of corruption at various levels and explore the correlation between corruption and development in Pakistan. A pattern will be developed of some sectors with varying degrees of corruption over a time period. In-depth analysis will be carried out to explain the success story of the banking sector due to low corruption level and stagnation in education due to high corruption. The paper will give recommendations for how to reduce corruption levels in Pakistan.
Business Environment and Public Sector Education in India: Challenges Ahead
Abhijeet Singh
Hindu College, University of Delhi, India

This paper is mainly an evaluation of public policy in India in the field of elementary education. It aims at understanding the current context of education in India and then, uses this understanding to assess why public policy in this regard has not succeeded. It is found that one of the major factors contributing to this failure is a lack of a good ‘business environment’ or ‘work culture’, in the framing as well as the execution of these policies. Then a series of possible remedies is suggested, given the overarching importance of this sector in the nation. The proposals, resting mainly on a change in the work culture and method of functioning in this sector will, it is hoped, address the basic flaws inherent in the system presently.

Why Sri Lanka is still a Developing Country?
Sirangi Chathurika Subasinghe
University of Kelaniya, Sri Lanka

Most of the South Asian countries are faced with the inter-related problem of poverty and ethnic conflict affecting their business environment. The Sri Lankan civil war in the North and East is an ongoing conflict between the government and the Liberation Tigers of Tamil Eelam. It is estimated that the war has caused significant cost to the economy of the country. In the past, poverty was viewed primarily as a problem of economic insufficiency, but its meaning has now been broadened to encompass material deprivation, human deprivation including law achievements in education and health, vulnerability, voiceless-ness, powerlessness and exposure to risk. This paper draws on the how above issues impact to Sri Lankan Business Environment.

Promoting Business Environment in South Asia: A Focus on Governance and Business in Bangladesh
Mahjuja M. Taznin
University of Dhaka, Bangladesh.

South Asia is a region with unique development challenges which include among other things economic development and democratic governance. These two factors are strongly related and both economic development and democratic governance are in a transitory state in this region. So in South Asia there is a different dimension to promoting business environment. The somewhat unique governance situation in South Asia wields a strong influence on business environment in the region. This paper studies the relationship between governance and promoting business environment in South Asia in the context of Bangladesh. The study then attempts to make some suggestions on how to enhance the business environment in this region by mitigating impediments that result from governance problems.

2. Promoting Regional Trade in Services

Regional Cooperation and South Asia: Promoting Educational Services
Suman Chattopadhyay
Saint Xavier’s College, University of Mumbai, India.

Human Resource Development (HRD) is the process of enhancing the knowledge and skills of the people in the society. In economic terminology, it is the process of value additions to human capital to accelerate development of economy. The pace of recent socio-economic, technological, and demographical changes in a rapidly integrating world economy calls for dynamic HRD formulations and their institutional adaptations. This paper analyses the current state of the South Asian countries to meet the challenges of globalization through education, and it’s accompanying structural and technological changes in the economy. It assesses the provisions of the current frameworks that govern the Educational Systems and proposes strategies with emphasis on strengthening regional integration through prudent policy formulations and implementations. The paper brings out the current trends of education services in South Asia, and urges all-round governmental participations, and inter-regional co-operation to achieve and sustain the impressive economic growth rates witnessed by the region.
The effects of Visa Free Travel in South Asia
Muhammad Aqeel Akbar Chaudhry
Lahore University of Management Sciences, Pakistan

One of the main hurdle in the trade of services between the South Asian countries are the visa issues, which greatly limit the level of collaboration between these countries because of delays and red tape in the visa procedure. This paper would show the benefits of visa free travel for these countries especially on different sectors in the services sector. The paper shall also look at the case study on Visa Free travel between Pakistan and Sri Lanka; where the analysis of the data would try to show the gains in trade and tourism etc.

Service Sector Liberalization in South Asia: From Sri Lankan Perspective
Dharshani Premaratne, Jeevika Pavithrani and Thushari Vidanage
University of Peradeniya, Sri Lanka

South Asian trade initiatives discuss on trade liberalization by taking steps towards regional cooperation. Yet service sector liberalization is excluded in many agreements: SAFTA and PSFTA. Now there is a debate on how to liberalize the service sector in Sri Lanka following the rule of Article V of GATS (WTO). This paper confines its study to SAFTA and assesses the challenges faced by service sector liberalization process in Sri Lanka and carries out a study on how to achieve a greater regional cooperation through the expansion of free trade. Part I of this paper provides a brief background to the service sector and its liberalization. Part II addresses the issues of service sector liberalization from the Sri Lankan perspective in the areas of regional transport, tourism, financial services and information technology. The concluding part highlights the timely need for raising the issue of service sector liberalization in South Asia.

Integrating transit for South Asia: Analyzing the cost and benefit of a special case - Bangladesh & India
Md. Tanveer Islam and Md. Mahibubul Haque
University of Dhaka, Bangladesh.

The transit between Bangladesh and India is a prime issue in identifying the development potential to be derived from integrating South Asia’s Land Transportation Infrastructure (SALTI). This paper aims to make a comprehensive analysis of all possible costs and benefits owing to the transit facility to India through the Bangladesh territory. The cost-benefit analysis in detail shows that transit in the broad sense (including the corridor facility) should be beneficial for both Bangladesh and India; although, the degree of benefit accruing to each other depends upon several decisive factors, such as- modes of transport, whose vehicles would be used, unilateral or multilateral transit etc. Finally the paper clearly points out that, for Bangladesh, transit in the broader sense involving not only India but also other neighboring countries and with port use facility, should be more desirable than any other narrower from the transit.

Railway and South Asian Economic Integration
Eranga Kavirathna
University of Colombo, Sri Lanka

This paper explores the potential of Trans-Asian railway service to enhance the regional economic cooperation on a sustainable manner. This will include the possible benefits and cost coming out of the proposed Trans-Asian rail network. One of the major advantages would be the improving of transport facilities in the region, especially the inter country transport facilities. This will slash down the transport cost and bring people closer to each other than ever before. In addition to that, this network could be linked to the world railway network. This will bring the world closer to South Asian nations. International investment, trade, financial transactions will take a new lease of life in the region as a result. There will be a greater demand for regional products and factors in the world market as well. New income sources, employments, recreational facilities will be created in the region improving the living standards of millions of people the
**Promoting Regional Trade in Services: A glance from Pakistan’s perspective**
Aisha Arooj Ashraf Khan
Lahore University of Management Sciences, Pakistan

As world trade in services expands in dimensions, implementing rules and regulations has become increasingly more relevant. To help countries with trade in services, the WTO’s GATS agreement aims to promote economic growth and development of all developing nations since its foundation in 1995. Under the policy, Pakistan aims to expand its services sector through areas such as financial and information technology related services. To overcome its losses, a variety of new reforms must be implemented along with strategic implementation in trade in services. Within South Asia, the possibilities of trade in the service sector hold inestimable economic rewards for Pakistan and thus this paper will explore this potential. The aim of this paper is to present the current condition, policies of Pakistan, discuss untouched areas and the future impact of the GATS agreement for the nation.

**Energy Cooperation in South Asia- An Exploration into Regional Economic Integration**
Raghav Koshik
Ramjas College, University of Delhi, India

The paper examine the possibilities of energy cooperation and the benefits accruing from it to the South Asian countries. Regional economic integration provides South Asian countries with an opportunity for lowering energy costs through power trading, improving the quality and connectivity of infrastructure and increased intra-SAARC trade. There are distinct advantages for South Asian countries to cooperate in the energy sector. These countries together possess vast stores of energy mostly in the form of water resources, oil, forest, coal and gas. However, poor quality of energy infrastructure, skewed distribution and inaccessible, costly energy availability do not allow them to exploit these resources. These obstacles could be handled by including energy sector in SAFTA and that countries cooperate. In the end, it can be said that with energy cooperation, the countries will only stand to gain in both short and long run. It would also pave a way for mutual cooperation and dependence.

**Promoting Regional Trade in Services through Regional Trade Agreements**
M.P.A.S. Munasinghe
University of Kelaniya, Sri Lanka

Trade among countries that are geographically close, specially on the same continent is known as regional trade. With the expansion of Free Trade to cover the potential service sectors regional trade and its services can be developed. Regional trade and its services in South Asia are yet to see success in implementation. However, South Asian Association for Regional Cooperation (SAARC) has tried to develop Free Trade through the South Asian Free Trade Area (SAFTA) to cover the potential services. SAFTA can lead to deeper economic cooperation and integration of the South Asian region yielding long term benefits to regional economies.

**Promoting Regional Trade in Services: An Investigation into the Regional Health Sector**
Sangeeta Nath
University of Dhaka, Bangladesh.

The era of globalization has spared no country an escape from its influence. Over the years, countries across the world have formed trading blocks in an attempt to promote and facilitate trade to a greater extent, than it would be otherwise. The South Asian (SAARC) countries followed suit, and formed the South Asian Free Trade Area (SAFTA) in pursuit of enjoying mutual gain and prosperity, leading to economic growth and development. However, economic development means much more than increasing income. Improving people’s health and longevity is a fundamental step towards economic and human development. This paper delves into exploring the regional health sector and finding major fault lines breeding the anomalies in it. It takes a rather innovative stance in illustrating the solutions to the major problems in light of critical analysis and scrutiny of the major follies debilitating the health sector of the region.
Promotion of Indian Inbound Tourism in Sri Lanka
T.C.P. Perera
University of Colombo, Sri Lanka

Tourism industry has great ability with enormous potentials to become an effective stimulator for economic growth and development in Sri Lanka if it is properly guided. A good strategic option to promote Sri Lanka’s tourism, especially under the current threat of terrorism, is to extend the Sri Lanka’s tourism market into the sub-regional blocs. Promotion of inbound Indian tourism in Sri Lanka is very decisive in this context as it would be one of the highest tourist generating countries in the world in coming decades due to its dramatic current economic performances. Geographical, economical and socio-cultural proximity and trade liberalization between Sri Lanka and India are some of the possible stimulating factors for inbound Indian tourism development in Sri Lanka. By using an analytical approach, this study is to analyze these factors and their effectiveness to promote inbound Indian tourism in Sri Lanka in sustainable manner. Both primary and secondary data sources are employed with this study.

Financial Integration of South Asia
Prachi Singh
Kiororimal College, University of Delhi, India

The benefits of regional integration through free trade over a medium to long-term duration are going to be many: i) it helps in sharing capabilities, competencies and capacities among those who have as also to those who do not have economic advantages. ii) it can facilitate setting up of sound financial markets system in emerging and poor countries of participating South Asian countries and help in better functioning of the market, iii) providing flexible mix of financial instruments, iv) providing options in terms of cost, risk and profitability, v) increasing the globalization of these financial markets, and finally vi) enhancing much needed savings rate, trade surplus and free capital movements in these countries. India can look beyond its domestic frontiers and offer its expertise in financial services to make major gains available to all participants.

Potential Benefits to be gained by the Service Sector in Sri Lanka through Regional Integration
E.A.A. Srimal, N.S. Nilmimi and U.H.T. Dilrukshi
University of Ruhuna, Sri Lanka

This paper is focused to investigate potential benefits to be gained in service sector of Sri Lanka subject to the condition that they will agree to follow a common trade policy in service sector in the future. We do hope that more benefits could be earned if a proper mechanism (a well Developed Common Plan) would be introduced for the countries in the region. Under this mechanism it is essential to have a common economic policy focused mainly on the service sector. By doing this, each country can accomplish its development goals effectively. Specially, a country like Sri Lanka will be benefited from a common economic policy as governments in power are bounded to follow a common policy irrespective of their own political objectives. Furthermore, it is possible to expect spillover benefits from such a mechanism that would lead to the development of the region.

3. Is Small always Beautiful? Small Scale Enterprising in South Asia

Small Scale Industry as a Poverty Reduction Strategy
K. C. Anurtanga
University of Colombo, Sri Lanka

Each country of the world fallow their own path when their way to development. In any case we are unable to forget domestic industry. Many of the domestic industry can be consider as small scale industries. Small scale industry need very small amount of capital, technology and labour. There are so many advantages and disadvantages with regarding to small scale industry in present globalised economic condition. What are the capabilities of the small scale industries to be eliminating poverty in Sri Lanka? It is clear that most of the industries centralize in urban area. Despite of some disadvantage of the rural area some industries tend to be locating in rural or remote area especially small scale industry. In Sri Lanka
when we consider poverty or industrial distribution there are not only inequalities of industrial distribution but also its productivity.

**Micro Small & Medium Enterprises in Bangladesh: An Analysis of Outsourcing and Embedded Services for Market Development**
Biplab Kumar Datta  
University of Dhaka, Bangladesh

Labor intensive micro, small and medium enterprises (MSMEs) are considered as an important tool for poverty reduction and employment generation in capital scarce and labor abundant Least Developed Countries. But because of lack of modern technology and adequate investment, absence of clear-cut government policy, poor physical infrastructure and lack of skilled technicians, SMEs suffer to compete in the free market. The market development of SMEs depends on the demand and supply side factors which include quality control, timely delivery, trade policies, incentives, access to market information etc. Outsourcing activities and embedded services in the commercial transactions can facilitate the market development. The productivity can be increased by private sector intervention in the supply chain through embedded services and can ensure the sustainability of the development of MSMEs. Enabling business environment and business or extension services make the economic actors and linkages work effectively for market development.

**Financial Constraints Affecting Small and Medium Scale (SMEs) Enterprise Development in Sri Lanka**
Sulochana Dewasiri and Wasana Gunarathne  
University of Colombo, Sri Lanka.

Small and Medium Scale Enterprises (SMEs) have been recognized as a strategic sector for generating high economic growth, reducing poverty, unemployment and inequity. Although, the SMEs have been persuaded various incentives over the past three decades, they are less dynamic and underdeveloped as against large-scale enterprises in the national economy. As spelt out in the literature, SMEs are faced with wider range of problems and constraints, viz; access and cost of capital, low level of technical and managerial skills, lack of market information, adequate infrastructure facilities and policy inertia etc. However, considering the time and resource constrains of SMEs, this paper would address the issues of finance affecting SMEs. More specifically it deals with availability of funds and other credit instruments, access to equity and loan capital, cost of borrowings and management of finance. We propose to evaluate an assessment based on existing evidence and to survey SMEs selected on experience basis.

**The Small and Medium Sector Enterprises in Sri Lanka Future Challenges and Prospects**
Niranjani Kailayanathan  
University of Colombo, Sri Lanka

Small and Medium Enterprises (SMEs) have been identified as a significant sector for encouraging economic growth and development in many countries. In Sri Lanka, the SMEs have been recognized as a major source of employment, income generation, poverty alleviation and regional development. But there has been no purposeful policy attempt to utilize the full development potential of SMEs. As a developing country, the government of Sri Lanka must develop by providing institutional support, access to finance, business development services, and less regulatory oriented business environment. The aim of this paper is twofold: first, to analyse how the SMEs can act as a stimulant to economic growth and development in Sri Lanka, and second, to identify appropriate economic policies and activities to utilize the potential benefits of SMEs to the national economy. The paper shows that a high degree of government and non-government contribution and appropriate economic policies can maximize the potential benefits of SMEs to the national economy.

**The Evaluation of the contribution of Micro Financing towards poverty alleviation in Sri Lanka**
W.A.W. Malka Kumara Fernando  
Wayamba University of Sri Lanka

Micro Financing has been recognized as an effective instrument of poverty alleviation. Its contribution to the alleviation of poverty depends on providing the poor with a broad range of financial services such as deposits, loans, payment services, money transfers, and insurance. The idea of providing credit to the poor is a tool aimed at increasing their income. The most significant feature of Micro
Financing is the usage of social collateral such as group guarantee instead of physical collateral and formation of self help groups. Currently, there is a wide range of institutions, such as Cooperative Societies, Regional Development Banks, SANASA societies and Sanasa Development Bank, Commercial Banks, the Samurdi Programme and NGOs involved in providing microfinance services in Sri Lanka. This paper focuses on evaluating whether these institutions have been contributing effectively towards the alleviation of poverty in Sri Lanka.

The Role of Small Producers in Inclusive Growth
Syed Amir Hamza
Shriram College of Commerce and Economics, University of Delhi, India

The main objective of the study is to evaluate the contribution of small scale sector in the development of our country. The paper will focus mainly on how small scale sector can help in alleviating poverty and generating employment. It will also examine the impact of Globalisation and Liberalization on the small scale sector. The idea is to be able to show that strengthening of small and micro producers will cover miles in bridging down the rural urban gap and check the growing inequality that South Asian Countries presently face. The paper will specifically illustrate how the Dabbawala industry, the Dairy industry and Lijjat papad industry have led not only to rural empowerment but also women empowerment.

An Analysis of the Current Status of Women Entrepreneurs and Micro, Small, and Medium Enterprises in Bangladesh
Fahim Hassan
University of Dhaka, Bangladesh.

The gender imbalance in MSMEs of Bangladesh has inspired this paper to be a gender focused one. The aim of this paper is to scrutinize the characteristics of women entrepreneurship, the growth of these enterprises and the hindrances faced by the entrepreneurs. The method used was – first; a sample survey was carried out to analyze the business profiles (i.e. capital, turnover, number of employees etc.) of the female owned enterprises. The secondary data were used to provide supporting arguments. The clarity of the obtained results was verified by few interviews and case studies. The results showed that most of the women entrepreneurs are running their business efficiently, but they are facing problems in acquiring bank loans though their willingness to repay the loan is very high.

Small is Beautiful: A LDC Perspective
Swoyamber Khadka
Sigma College, Tribhuvan University, Nepal

‘Small is beautiful’ is not only the conceptual framework for desired development path where production goes mainly from local materials for local use but also a movement for reasonable and convenient system of national economy where every small initiative enjoys respectable role. The call Schumacher made more than three decades back evolved so strong that the reference enjoys popular expectations within globalization and liberalization regime. The dominance of large scale economic operations is felt-burden on 21st century development sprit, where multiplicities of small scale units have been the trend setters. It is at this background that this paper intends to emphasize on small and micro economic operations in South Asian social milieu where small operations both in agricultural and non-agricultural sectors are in overwhelming majority. It further explains the re-construction of national economy in LDC perspective like Nepal as an effort to alleviate poverty by generating employment through small but effective economic units in maximum positive fruit-bearing dynamism.

Strong Grassroots – Successful Economy
Devika Lal
Miranda House College, University of Delhi, India

Is the notion propounded by Schumacher, an efficient way of functioning or merely an ideology, not backed by practicality? This paper critiques this notion not from the theoretical aspect but more from the ground realities in India. Through a series of case studies on human and natural resources, I will be exploring what makes small beautiful and desirable. In the complicated nexus of poverty and exploitation, it cannot always be an either-or approach between the small and the big. With the combined presence of both, and with the government as a facilitator, the overall impact on the development scenario can be positive. Many of the current small initiatives are plagued by inefficiency and low productivity, however,
that does not reduce the efficacy and the necessity of the small. With greater emphasis on people’s participation and with involvement of skilled expertise these initiatives can fulfil their goals.

The importance of small scale industrialization in the context of rural development
H.N.D.R.B. Nanayakkara
University of Kelaniya, Sri Lanka

This paper highlights the importance and the effect of small and micro-scale industries on rural sector development and its impact on the national economy. South Asia, a sub region of Asia, often taken as comprising the modern countries of Bangladesh, Bhutan, India, Nepal, Pakistan, Maldives and Sri Lanka have given considerable thought to small and micro scale industrialization in development policy. In Sri Lanka, for example, a comprehensive package to develop small-scale industries has been proposed in the Budget 2006 to strengthen existing efforts. Yet the government of Sri Lanka has given priority to develop large-scale operations baring no impact on rural development. There are myriads of small-scale industries in Sri Lanka. These industries have a direct bearing upon the progress of the rural sector and the national economy. Thus, in order to address the core issues related to local market competition, poverty alleviation, generating employment, etc, small and micro-scale industries are of paramount important to rural sector development.

Encouraging Small and Micro Producers: An Analysis of village industries in South Asia
Saptarshi Pal
Jadavpur University, India

South Asia ranks among the most densely-populated regions in the world. About 1.6 billion people live there — about a quarter of all the people in the world!!! With a population of this magnitude, encouraging ‘small and micro’ producers seems the only solution to sustain the population. India has a local self government system, Panchayat Raj, which effectively takes care of the law and order down to the grassroot level. Is it possible to create some sort of local business establishments, on this principle? If so, can these institutions be monitored by government agencies for quality control, research, development and marketing to make our locally produced goods globally competitive? Can the success of the Grameen Bank of Bangladesh be repeated in the other SAARC countries? These are some of the issues, the paper will be discussing.

Issues faced by small and micro businesses in Pakistan
Ali Shahid
Lahore University of Management Sciences, Pakistan

Development of the Small and Medium Enterprise (SME) sector leads not only to higher income, but also helps by generating employment, reducing income inequality, and attaining higher levels of innovation for sustained economic growth. The paper will highlight issues in Pakistan that act as constraints on the growth of small businesses including: limited access to finance, obstructive infrastructure, volatile macroeconomic conditions, unsupportive legal system, low quality of available human resource, high prevalence and dependence on the informal sector, and lack of practical encouragement by the government. The paper will then suggest some remedies like enforcing creditor and intellectual property rights, and easier access to finance. The remedies will be incorporated into an industry growth model based on constraints and growth factors (such as backward and forwards linkages).

The Small Enterprise and Globalization
Sarmad Ahmed Shaikh
Lahore University of Management Sciences, Pakistan

Development efforts along financial and socio-economic empowerment fronts (such as the microfinance revolution) have centered on the basic premise of ‘small is beautiful’. These efforts have undoubtedly provided sound theoretical and practical frameworks for addressing the issues of inequality, unemployment and social development. However, there has been an over-emphasis on analyzing the success of such efforts within the development landscape alone. As international trade gains momentum (and borders become irrelevant), examination of the ‘small-scale of operation’ needs to incorporate an increasingly global perspective as well as a longer term horizon. This paper will attempt to provide a structure for such an examination and argue that the small enterprise does not necessarily contribute to the national economy in terms of gaining a competitive edge at global and regional levels. Moreover, the
advantages that the small enterprise offers as a developmental instrument may be fairly reduced under global and regional competition.

Small is always Beautiful: The problems faced by the small scale enterprises in Sri Lanka
Rengasamy Vinoth
University of Sabaragamuwa, Sri Lanka
As an engine for industrial growth, the role of micro-, small- and medium-scale enterprises are of critical importance to the Sri Lankan economy. Particularly, the need to create business and entrepreneurial opportunities in rural areas is more profound within the context of uneven development among the provinces; but unfortunately small scale industries faces many problems in Sri Lanka due to reasons such as; unfair government regulations, state taxes on business income, lack of qualified employees, and competition from government or non-profit organizations and imported products. In face of such problems the contribution and participation of small business holders are decreasing, yet their contribution remains vital to the economic development of Sri Lanka. Thus, this paper reviews the problems faced by small scale enterprises and the relative significance of these problems through analyzing a database of 30 small firms in Sri Lanka in consideration with their importance to the economy with the purpose of identifying the problems and seeking solutions for them.

4. Economics of Aging Population in South Asia

Aging in Bangladesh: A Socio-Economic Perspective
Anik Ashraf and Raihan Shafique
North South University, Bangladesh
Just like in Sri Lanka and India, aging of population is recently becoming an issue of concern in Bangladesh. With successful reduction in fertility and mortality rates the number of aged people has recently increased and seems it will increase further in very near future. Although the current social structure gives a good security to the aged people, not enough public support is being provided to these people. On top of that the social structure is undergoing a transformation, apparently unfavorable to the aged. Thus there is a long way to go before the security and welfare of the aged people can be ensured. The aging of the population will also affect the economy in various sectors like labor force and expenditure budget. The paper carries out a socio-economic analysis of these issues arising from aging of population in Bangladesh.

Economics of aging population in developing societies: the case of Nepal
Rajeshwor Ghimire
Peoples Campus, Tribhuvan University, Nepal
Population aging has become a prominent topic for studies and its implications on economic and demographic changes. Large numbers of young or/and older people tend to burden the economy as economically non-productive members of the society reducing the overall capacity for saving and investment. The challenge now is how to manage this population. We are formulating the population perspective plan. One of the main objectives of this plan is how to include them in multi-dimensional activities. Managing aging population is a major challenge. In Nepal, we have problems of aging as well as growing young population. These days Nepal’s economy is dependent burdened which needs to be transformed. According to Nepal Population Report 2004, till 2021, Nepal does not need to worry about the deficit of young population. The country will continue to have net surplus of young and energetic population.

Issues of the Aging Population in South Asia
H.M.D. Subhashini Herath
University of Kelaniya, Sri Lanka
Population is a major resource of a country. Every countries making their development policies according to the quantity and qualitative their labor force. But in demographics population aging occurs when the average age of a region’s population gets older. This paper examines economics of aging population in south Asia. Its concern lies with issues arising from the context of poverty, labour market, urban family life, economic transformation, public responsibility, and social security for the aged. South
Asia has the highest incidence of poverty. 43 percent of the population is suffering from absolute poverty. This paper argues that standard measures underestimate old age poverty, and that the evolution of poverty programs needs to take account of economic contribution of the old and positive externalities in old age support. It concludes that the low priority given to old age support in SAARC countries needs to be reconsidered.

**Is Greying Population Greying for the Economy? A South Asian Perspective**
Neelam Kalita
Indraprastha College for Women, University of Delhi, India
The paper analyses the costs and benefits of the ageing population in the South Asian economies. In particular, the economics and socio-economics aspects of ageing are dealt with, the role of state is highlighted which takes into account the entire social security package provided to this set of population. Further, we also discusses as to whether the greying population can upset the budget of economists. The demographic transition, through which every country passes, is also brought into the analysis along with the labour market is taken into account. A detailed study of India in comparison with other South Asian countries is also provided.

**Aging Population and Economic Changes in Sri Lanka**
Amali Kaluthantiri
University of Colombo, Sri Lanka
Population ageing has become a major topic for studies on the implications of demographic change. In this context by 2025, Sri Lanka will experience South Asia’s most rapid process of population ageing. Therefore, Sri Lanka will surely have to face certain challenges in relation to ageing process. The objective of this research paper is to investigate this important issue of population ageing in the context of different economic implications such as poverty, pension scheme, public responsibility and social security for the elderly population. Further research is necessary on variety of topics, including: in what ways families would be able to cope with growing numbers of elderly, the institutional care of the elderly, health care services, retirement policies that are optimal given the economic, social and demographic context of contemporary Sri Lanka.

**Impact of rapid growth of working age population for Economic growth in Pakistan: Challenges, Opportunities and policies**
Mohammad Asad Farid Khwaja
Lahore University of Management Sciences, Pakistan
Industrial revolution along with mass trade, technological improvements and strides in science has brought the human race at its epoch of glory. These technological advances led to explosive population growth which made the great doomsayer Robert Malthus (1798) to prophesize impending world wide famines. Fortunately these grim scenarios never came about and not only did the economic advances held pace with population growth but also largely surpassed it. Contrary to the general perception, it has been historically proven that population does not hinder but triggers and supports economic growth. Pakistan in contrast to ageing economies of Europe and Japan stands on the verge of an explosion in working population. This demographic transition offers a springboard for rapid economic growth. I would explain how different exogenous and endogenous growth theories predict the impact of this demographic transition for Pakistan.

**Gender Differentials in Lifetime Income and Poverty among the Elderly**
Sanaa Kausar Nadeem
Lahore University of Management Sciences, Pakistan
The permanent income hypothesis posits that an agent’s lifetime flows of income determine intertemporal consumption and saving, and thus critically impact her work-retirement decision, and by extension, her economic status when aged. This paper attempts to explain poverty among the elderly by exploring gender differentials in lifetime income. It examines the nature, extent, and causes behind gender differentials in key variables of an agent’s lifetime income, such as the availability of and access to social security, private pensions, financial and physical assets, intrahousehold resource allocation, and inter-generational family support with special emphasis on the urban-rural divide. It assesses how this ‘gendering’ of lifetime income affects the pattern of formal and informal labor market participation among...
men and women, whether how voluntary an agent’s retirement decision is is impacted by gender, and the implications for poverty among the elderly. Finally, the paper suggests policy reforms that may reduce such gendered distortions and increase welfare for both segments of the aged population.

**Ageing in Bangladesh: Can urban help the rural?**
Syed Muhammad Ishraq Osman
University of Dhaka, Bangladesh

In the last few decades, high population growth has been the major concern for Bangladesh. But, now this third-world country is going to confront a new crisis—Ageing of population. Decreasing fertility rate along with increasing life expectancy and fall in family based care for the aged have formed the base of ageing problem here. Many developed nations have experienced similar problem, where the governments has stepped up their financial contribution to the security-schemes for the aged. Bangladesh, a country with substantial budget deficit and burdened with many other financial problems cannot afford to do the same. Given the situation, the govt. can unload large extent of its burden to finance the old-age security schemes by re-allocating its expenditure policies in the urban sector and then go hand to hand with the NGOs to manage the problem further. In this regard, rural ageing requires prioritization, as basic needs will be challenged there.

**Ageing Tsunami in Sri Lanka: Can We Face the Challenges in Labour Market?**
Shanuka Senarath
University of Colombo, Sri Lanka

An ageing population is defined as one with an increasing proportion of the population in the elderly age group. Ageing affects supply and demand sides of the economy. This paper, using secondary data will be focusing on trends of population ageing in Sri Lanka especially on future labor supply and demand. As projected by 2040 ‘one in three’ will be an aged citizen. Labor force will increase till 2020. Then it will start decreasing, while the labor demand is expected to increase with the economic growth. Will this pave the way to a shortage in labor supply? Or the future coming labor force is sufficient enough to meet our labor requirements? Firms have to substitute capital with labor with the shrinking labor force. To speed up human capital and uplift labor productivity we need more training and education together with effective policies to meet threats and challenges.

**Ageing Population in South Asia: Implications and Policy responses**
Rishab Srivastava
Ramjas College, University of Delhi, India

South Asian countries are passing through the second phase of the demographic transition, with both fertility and mortality in the region declining while mortality declining faster than fertility. These countries are expected to enter in the third phase of transition with fast declining fertility rate along with mortality decline, in the future not too distant, resulting in rapid ageing of the population. However, this transition in the region defies the propositions of the conventional demographic transition theory. Countries in the region will therefore have to face population ageing at a much earlier stage of development. The paper will analyse all such issues, which an ageing population will raise in the region in the coming years. Further, it will discuss the necessary changes in the policy and institutional factors required in order to face the challenge of population ageing.

**“Old Is Gold”: An investigation into South Asia’s invisible population**
Prashant Talwar
Shriram College for Commerce and Economics, University of Delhi, India

South Asia, although younger as compared to populations of the West, is facing an unprecedented pace of population aging. This paper reviews the demographic, economic and social characteristics of the aging South Asian population. The major objective of this paper is to define major problems and opportunities relating to aging and the relationship between aging and economic development. The paper summarizes with a discussion addressing the need for integrating of older people into mainstream society and realization of a “society of all ages”.

*Briefing Note: 4th South Asian Economics Students’ Meet 2007*
Annex 2

Guidelines for the Submission of Conference Papers

Conference themes

(1) Promoting Business Environment in South Asia
The papers should address one or more key issues pertaining to their own country. Some of the common issues: public sector efficiency, governance, capacity building, deregulation, leveling the ‘playing field for all players’, policy consistency and predictability, macroeconomic management, role of the government, corruption, and political stability.

(2) Promoting Regional Trade in Services
The papers should address the issues of greater regional cooperation and integration, through the expansion of free trade to cover the potential service sectors. Some of the potential service sectors from which the South Asian countries can derive mutual benefits are regional transport (air, sea and land), tourism, and financial services.

(3) Is Small always Beautiful?
South Asia is the home for an overwhelming share of ‘small and micro’ producers (in agriculture and manufactures) and service providers. The papers should focus on the issues arising from this ‘small-scale of operation’ in terms of facing local/global market competition, alleviating widespread poverty, generating employment, contributing to national economy and, undertaking research and development.

(4) Economics of Aging Population in South Asia
Issues arising from the aging population in the context of poverty, labour market, urban family life, economic transformation, national/public responsibility, and social security for the aged.

Instructions

Papers can be submitted individually or jointly, while the Department of Economics of the respective universities have the responsibility of selecting the suitable papers and sending them to Colombo.

Each University can submit one paper under each theme, but we may not have enough time to present all the papers at the conference. In that case, we will select the best paper for presentation, though the Abstracts of all selected papers will be published in the Brochure.
The authors are expected to demonstrate the application of their knowledge in Economics to address an issue pertaining to their own country or the region. Theories and models may be used in placing and analyzing the issue in the context, but the application is the key element of the paper in assessing the quality and relevance, while generating knowledge and guiding policy formulation.

We are also making arrangements to publish selected papers in a Symposium Publication and, if possible in a local refereed journal as well. Therefore, the papers should have the required originality, academic quality, policy relevance and, technical standards. All the papers with good quality will be selected for the publication, while the authors may have to revise their papers after the refereeing process.

In spite of all above, we understand the fact that these papers will be written by the Undergraduate Students in Economics. We do not anticipate the undergraduate students to exceed their normal academic standards, which will be taken into consideration in the evaluation and refereeing process.

Format requirements
- Fonts to be used: Times New Roman
- Font size: 16 for headings, 14 for sub-headings, 12 for text, 10 for footnotes
- Bold, Italic and underline accepted
- Line spacing: one and half
- Document size: 3500–4000 words (10-12 pages)
- Pages numbered in the ‘bottom-right’
- Document must be in black and white only

Cover page
- Theme of the paper, as given in this document
- Title of the paper, as chosen by the author/s
- Name/s of the author/s, representing institution and, country
- Abstract of the paper, not exceeding 150 words

Paper submission
We should receive the soft copy of the paper, as a Word Document, by December 01, 2006. You can email the soft copy of the paper to: <sirimal@cmb.ac.lk> with a copy to: <ganesh@econ.cmb.ac.lk>

Conference presentation
After the selection of the country papers under each theme for conference presentation, we will inform the applicants. The presentation of each paper should be limited to 10 minutes, followed by another 5 minutes for questions, clarifications and comments.

Budding Economist Competition
Representatives from the country teams may participate in the Quiz contest, which will be based on Microeconomics, Macroeconomics and general knowledge in current economic issues.

12 July 2006
Annex 3

Evaluation Criteria of the Conference Papers

Technical evaluation of the paper: Weight 60%

1. Relevance to the theme .................................................................[10 marks]
2. Application, empirical validity of the issues raised ...........[15 marks]
3. Adequacy of data and information used .................................[15 marks]
4. Language, clarity and overall standards of the paper .............[10 marks]
5. Presentation style and format .....................................................[10 marks]

5. [a] Format requirements
   o Fonts to be used: Times New Roman
   o Font size: 16 for headings, 14 for sub-headings, 12 for text, 10 for footnotes
   o Bold, Italic and underline accepted
   o Line spacing: one and half
   o Document size: 3500-4000 words (10-12 pages)
   o Pages numbered in the ‘bottom-right’
   o Document must be in black and white only

5. [b] Cover page
   o Theme of the paper, as given in the introductory document
   o Title of the paper, as chosen by the author/s
   o Name/s of the author/s, representing institution and, country
   o Abstract of the paper, not exceeding 150 words

Evaluation of the conference presentation: Weight 40%

1. Content of the presentation - 10 marks
2. Timing and flow of the presentation - 10 marks
3. Style of delivery of the presentation - 10 marks
4. Responding to questions and comments - 10 marks
Annex 4

Media publicity

Both electronic and print media provided a wide coverage of the event during the conference days as well as prior to the conference. They also carried out interviews of the academic staff members, undergraduate students and, foreign delegates and published the reports written by the undergraduate students.

The following are the selected newspaper clips: