Empowering the Nation: An Effective Tool to Enhance Foregoing Direct Investment (FDI) in Pakistan

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Abstract
In this paper, I tried to discuss Nation Branding for the first time in Pakistan, and to find the interrelation between nation branding and foreign direct investment (FDI) in Pakistan. I look at how it is affecting our economy, Pakistan as nation branding is playing the most significant role in the economy for local and foreign investors. The roles include growing the position on the symbolic and representative value of products and lead nations towards highlight their distinctive characteristics. The branding and the image of country (with productive and positive image give its exports a significance towards what they really produce and export to others). This is referred to as nation of origin effect. Nation branding is still an emerging field in which researchers continue their search for a combined theoretical outline. Several governments have resources to devote to nation branding. Their goal is to improve their country’s stand-up image and the reputation in the nations can melodramatically influence its achievement in attracting investors and tourism and investment; Pakistani Government is showing their interest in export in, to attract multitalented and creative staffs and its social and political inspiration in the world.

Keywords: Nation Branding, Pakistan, Significant, Characteristics, Capital, Multitalented, Creative, World

Introduction to Nation Branding
According to “Simon Anholt” it means applying on corporate or business level practices to a nation. As in specialist in manufacturing represents “place branding” and city for “city branding”. He edits in a journal on Nation branding and advice to the nations and how can they strengthen their nation brands, in CFR.org his interview he says the two main idea distant in new shape of nation branding from more traditional shape of public mediation. In his interview first Anholt says the nation have become more knowledgeable about their brand as an asset for their nations [1]. Understanding the value of the nation brand helps the country for understanding the investment to make their image. The second major step
in his interview Anholt gives emphasis on the interactive aspects of managing the nation image. He proposed official from government, nongovernment organization and the world business can be better cooperate to make unquestionable message is in putting and representing what the opinion as “the fundamental common purpose” for their nation. (http://www.simonanholt.com)[2]

The way in which a nation comprehends can make serious differences for the success of their business, tourism and trade efforts, as well as nation branding creating reputational capital through economic, political, cultural and diplomatic relation and social interest promotion at home and abroad nations. The country cultural and diplomatic relation with other nations, Nation branding is an arena of philosophy and practice which goals to amount, build and manage the reputation of the nation (closely related to branding). Some tactics are practical, such as an increasing the rank of emblematic value of the products, have led nations to highlight their distinctive characteristics [3]

Figure 1: The Six Dimensions of a Country Brand

![Figure 1: The Six Dimensions of a Country Brand](Image)

Reference “Place Brands”, www.placebrands.com

Research Methodology
This manuscript utilizes a situation study method for this topic. Most of the research came from published information in the public field. The study of literature, analysis of the current Pakistan (TDAP) booklet and other related studies material are appropriate for this tentative research. The key term for this research started with address marketing, and through several Reviews of such articles, had extended to include place branding and finally country branding and nation branding [4]. Thorough research led to “Simon Anholt” nation branding or competitive identity model and further research revealed that Pakistan has certain elements in place and the brand identity and image has not yet attained a unified brand status. Success in branding Pakistan is vital to the development of Pakistan as in Agriculture, industries, tourist destination if it wants to achieve the 2020 exports goal. It is a natural next-step for Pakistan to embrace the nation-branding [5].

Nation Brand of Pakistan
While nation branding is comparatively totally new concept for Pakistan there are facts that many nations have been their own certain related products. Across the world many peoples have long taught that the best black tea from Kenya and the most spicy food products from India, Italian are stylish, French are famous are artistic, American as industries, and south east for beautiful beaches, Malaysian for true Asia and Switzerland for breathing in mountains. These insights are all features of the countries brands; meanwhile a major of all brands is the imagery or relations that the peoples hold about the countries.

While Pakistan did not number in nation branding index (NBI), it may be the worth value of the state of Pakistan against the nation branding index standards. In common language it’s saying that now days Pakistani brand does not exist, but having impossible unproductive or poor brand does not mean that there is no brand in Pakistan. Pakistan has surely by forced put in war and terrier so now one have
time to think or show their interested in Nation Branding Index, which is directly affected and diminished our nation branding. In detail explanation of the nation branding index (NBI) measures are showing and minion its ranking which applied on Pakistan as fellow

**Figure 2: Nation Branding Index (NBI)**

There should be little doubt that it will be a discouraging challenge to reverse and regenerate

A negative impression on Pakistan brand suffering from low credibility, terrorism, bad governance and corruption in government institution, the nation branding index (NBI) explains in details below following the above diagram with critical example from Pakistan and the interrelation between Pakistan and nation brand. [6]

1. **People**

In the people we are counting population, history, religious, education, capability, courtesy and other qualities of the peoples etc., and as well as detected levels of possible aggression and discrimination in community. Currently the world sees Pakistan being deluged by unparalleled display of fundamentalist religious in becoming in power, anti-western and anti-American feeling. This bad message is harmful and damaging for our country of some cases complexity, which show off a western education and elite which is produce for us excellence writer and scantest in all over the world.[7]
The levels of education and literacy rate increased in Pakistan with passage of time now the ratio of education are more in women than men as compare our literacy rate from 1951 to 2009.

**Figure 4:** Education ratio in Pakistan (1951-2009), [8]

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>19.20%</td>
<td>12.20%</td>
<td>16.40%</td>
</tr>
<tr>
<td>1961</td>
<td>26.90%</td>
<td>8.20%</td>
<td>16.30%</td>
</tr>
<tr>
<td>1972</td>
<td>30.20%</td>
<td>11.60%</td>
<td>21.70%</td>
</tr>
<tr>
<td>1981</td>
<td>35.10%</td>
<td>16.00%</td>
<td>26.20%</td>
</tr>
<tr>
<td>1998</td>
<td>54.80%</td>
<td>32.00%</td>
<td>43.90%</td>
</tr>
<tr>
<td>2004</td>
<td>66.25%</td>
<td>41.75%</td>
<td>54.00%</td>
</tr>
<tr>
<td>2009</td>
<td>69%</td>
<td>45%</td>
<td>57%</td>
</tr>
</tbody>
</table>

2. Governance

Measures community view related the level of national government capability and justices define the individual belief about each nation and government, as well as it’ creates commitment to world issues such as poverty, justices, democracy and the peace environment. While Pakistan nowadays is passing from some of the worst human development and services delivery needles in the society, serious bad governance issues and government institution are corruption scandals, the alliance of democratic institutions while undermined by support is encourage.

3. Exports

Exports define the populace of products and services from each nation and the degree to which the customers active and pursue or ignore the products from each country of origin. Pakistan exports such as textile, Ajrak, mangoes, basmati rice, sports goods, leather products, Pakistani traditional cloths are best quality for reputable abroad. Pakistani manufacturing top qualities products for international brand name such Adidas, Ikea, Lives, Puma and Nike [9]
4. Tourism

Tourism is best one good tool in world for catching foreigners and capture the stage of attending and visitors attract for natural and artificial (man-made) tourist spots. Pakistan is only one country in world where you can find the four world seasons which this is the gift from Allah to Pakistan, In Pakistan beautiful nature, green Jungles, world highest mountain K2, world famous Glaciers, oldest heritage, beautiful culture. However, there remain some serious problems in Pakistan such as security, which is the major issue now days in Pakistan. Pakistan with its rich culture and nature diversity is an interesting and attractive place for visit and tours [10]

5. Culture and Heritage

Culture and heritage discloses the insight of each nation heritage and admiration for its rich culture, religious, language, political, arts literature, film and sports. That’s is all social and economics agitation and such as great challenges for terrorism, Dramas, music, arts, literature vivacious and media are still go for boom to represent the richest Pakistani culture [11]

6. Investment and Immigration

Investment determines the authority to catch the people to animate, work or invest study in each country and determine how the people comprehend a country’s social and economic condition. Pakistan is still in terrible macroeconomics passage. The growth of Pakistani economy has slowed and less than three percent from 2008, while increasing the price of foods and oils comedy disturb the living standard of peoples, the rich and elite class are manage their lives comfortably and but due to the increase security issue in Pakistan they are migrating to the Western nations. Oppositely, the developing middle class consumption are increased in economy where all companies are earning more profit from the increasing locals sales [12].

Here is slightly doubt that it will be dashing challenges to reverse and refresh a bad impression on Pakistani brand suffering from low trustworthiness, corruption, bad governance war and terror. A question which arises just focus on strength, in strategic position Pakistan is highest six category in the world, week democracy with a huge populations 180 million on the behalf of huge population it’s representing potentially and huge market with a developing a large middle in class. Hundred percent we are self-sufficient in in consumption productions; Pakistan is 47th number in world largest economy, and 27th number position in the world purchasing power our growth rate is 6 percent over 40 years period one of the highest position in the developing world[13].
Nation Branding Key to Attracting Foreign Investment in Pakistan

One aim for lack of abroad knowledge for Pakistan is that even Pakistan is trying to succeed in building a strong manufacturing base and many successful world brands. The limitation of these products and services in Pakistan are limited specially the end of consumers, building Pakistani brand is the key for improving its competitiveness it will also try to make Pakistani firms viable and help to government attract foreign direct investment in Pakistan. Pakistan needs to improve its reputation abroad by controlling corruption, line order, and bad governess for their developing nations. It should provide powers to industries for developing and increasing our exports to all over the world. And our government should also initiate programs to aimed at helping Pakistanis to learn about the internationally accepted standards and protocols and comparable and more acceptable for others cultures. In figure-6 it’s clear shown that FDI is decreasing from 2009 to 2012 the reasons is bad governess corruption in country [14].

<table>
<thead>
<tr>
<th>Year</th>
<th>Greenfield Investment (Million$)</th>
<th>Privatization Proceeds (Million $)</th>
<th>Total FDI (Million $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>357</td>
<td>128</td>
<td>485</td>
</tr>
<tr>
<td>2002-03</td>
<td>622</td>
<td>176</td>
<td>798</td>
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<tr>
<td>2003-04</td>
<td>750</td>
<td>199</td>
<td>949</td>
</tr>
<tr>
<td>2004-05</td>
<td>1,161.00</td>
<td>363</td>
<td>1,524.00</td>
</tr>
<tr>
<td>2005-06</td>
<td>1,981.00</td>
<td>1,540.00</td>
<td>3,521.00</td>
</tr>
<tr>
<td>2006-07</td>
<td>4,873.20</td>
<td>266.4</td>
<td>5,139.60</td>
</tr>
<tr>
<td>2007-08</td>
<td>5,276.60</td>
<td>133.2</td>
<td>5,409.80</td>
</tr>
<tr>
<td>2008-09</td>
<td>3,719.90</td>
<td>0</td>
<td>3,719.90</td>
</tr>
<tr>
<td>2009-10</td>
<td>2,150.80</td>
<td>0</td>
<td>2,150.80</td>
</tr>
<tr>
<td>2010-11</td>
<td>1,634.80</td>
<td>0</td>
<td>1,634.80</td>
</tr>
<tr>
<td>2011-12</td>
<td>812.6</td>
<td>0</td>
<td>812.6</td>
</tr>
<tr>
<td>2012-13</td>
<td>87.2</td>
<td>0</td>
<td>87.2</td>
</tr>
</tbody>
</table>

Reference Board of Investment prime minster secretariat (Public) Government of Pakistan

From graphic data we can assume that during 2008 to 2012 there extremely decrease foreign direct investment (FDI) the great reason war and terror in Pakistan. From 9/11 Pakistan is still facing terrorism which is directly affecting our economy is nowadays passing from curtail stages, no power for running our Industries( crises of power), our industries are facing such as big problem and it is a big task for our economy. So war terrorism and line no safeties are directly affected on our economy through our nation brand is suffering from such crises.
FDI has been known the most influential and tactical weapon for converting a traditional economy into a modern economy to move fast towards the growth and development. There are many examples in the world where FDI inflows boom-red the economy of several nations. I.e. South Korea, China, Malaysia economies have transformed their respective economies into major destinations for FDI and through FDI inflows they have emerged as faster growing economies in the world.

Also, the Indian economy has also been trying hard to attract FDI to convert its economy into a developing growing economy. Therefore the question does arise why not Pakistan make use of FDI as a vehicle for converting its economy into a faster economy in the world. The main reason is that our economy is facing from a long time war and terror, our tourism industries are totally damaged and still nobody wants to come in Pakistan for tourism still in international play like in hockey, cricket, and squash. Pakistan was world champion for a long time but one interest for international level playing in Pakistan [15].

**Nation Brand is a Bright Future for Pakistani Economy**

Most of the countries have their own branding and economical and these are the developed countries but some of them under developing and trying to develop their nation brand, Pakistan is also in developing countries list, but still developing. Our country has natural resource such as oil, coal, gas, gold, minerals and natural beauty. Our political system and administrative system are totally corrupted, even our government officer nothing doing anything without commission they just seeing their commission not in country and their public see the example of Pakistan international Airline (PIA) before thirty and forty years PIA was the third largest Airline in all over the world on that time everybody was interested for traveling in PIA now corruption and politics are involved in Pakistan International Airline and damaged national airline structure

Our industries are facing power and line order problem, many owners are shifted or thinking regarding to shift their industries foreign, many foreigner investors are showing their interest to invest in Pakistan but when they see the political instability line order corruption so they move their thinking from Pakistan to others countries like Bangladesh, Malaysia, Sri-Lanka, India. The biggest challenges for our government is to control line order activities for business and should try for solvation the power problems in all over the country. When Pakistan is safe, peaceful, our locals investors which they already investing or they shifting their industries to abroad they will regulate their industries in Pakistan again and Pakistan will be become Asian Tiger when it was before 1969[16].

**Pakistan Takes a Lesson from Mongolia in Nation Brand and Foreign Direct Investment (FDI)**

There have been many talks recently of Pakistan’s huge and mostly unused mineral potential. More specifically, could be fueled by a natural resource boom supported by foreign direct investment. Pakistan one Pakistani Political party leader has suggested at numerous meetings and forums that Pakistan’s future economic growth will booming the world’s 5th largest reserve of coal along with considerable assets of copper, zinc, aluminum, and lead. According to Dr. Shaukat Hammed Khan, an ex-physicist at the Pakistan Atomic Energy Commission upholds that Pakistan’s copper assets alone are large enough to restructure Pakistan from a cotton-producing economy to a copper-producing one. Therefore, as Pakistan appears to increase their natural resource gas and oils exploitation, the country that it should thoroughly compare to Mongolia which has grasped the plan of mining-led development. Mongolia government develops their nation brand in all over the world and cross china, India, South Korea and Pakistan in special case just they crossed this record in two three years, for Pakistan Mongolia is a great lesson should learn from Mongolia for improving their nation brand and increase the inflow of foreign direct investment[17].

The latest 2012 IMF reports from Asia countries, Mongolia are top one country in Asia Survey.
Figure 7: The chart below illustrates Mongolia’s economic growth relative to other emerging Economies, including Pakistan

Reference “IMF world data report regarding to Mongolia”

Conclusion
Foreign direct investment (FDI) in Pakistan plummeted by 67% in the first quarter, according to official data, with experts blaming the fall on poor economic management, energy shortages and persistent terrorism. Pakistan is flouting unknown terminus for international investment following prolonged energy shortages, worst law and order situation and most importantly amorphous economic policies of the incumbent government. Nation brand and foreign direct invest (FDI) have inter connected with each other, without nation branding foreign direct invest cannot survive in the country. The main themes of the study to introduce nation brand of Pakistan in all over the world and the role of Pakistani government and peoples and their thinking regarding to the country economy. Pakistani economy is going day by day to lowest degrees, to create awareness in Pakistani nation to think and to do something regarding to your economy and line order situations. However there remains much hope in developing Pakistan’s economy and national branding.

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References


Pakistan ranked 134 as Transparency International's Corruption Index 2011

Pakistan CPI Score (2003 to 2011)

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<th>year</th>
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<th>2004</th>
<th>2005</th>
<th>2006</th>
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<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
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<td>score</td>
<td>2.6</td>
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<td>2.1</td>
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<td>2.2</td>
<td>2.4</td>
<td>2.5</td>
<td>2.3</td>
<td>2.5</td>
</tr>
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</table>

Transparency International's Corruption Index, from Pakistan Dec 5/2011