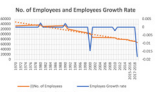
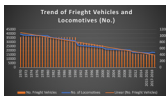


The Economic Cost of the State-Owned Enterprises (SOEs): A Market Based Solution

By: Muhammad Kashif Aakash

Introduction

Research Question: To determine how the economic efficiency is affected by historical reforms and deteriorating conditions of **Pakistan Railways**?



Employment
 1990-95 (100,734)
 1975-80 (137,730)
 2018-19 (67,627)

Losses
 Last three years losses 119 trillion.
 2018-19 Rs. 32.7 billion,
 2019-20 Rs. 50.15 billion,
 36.28 billion in the initial eight months of the fiscal year 2020-21.

Methodology
 Data Envelopment Analysis (DEA) is used to estimate efficiency of Pakistan Railway.

Results



Conclusion

The results validate that Pakistan Railway is product and earnings inefficient and is efficient in financial efficiency.

Policy Recommendation

1. The government shall refine its policy of increasing passengers' trains and reducing the freight trains.
2. The government shall focus on the inputs which produce outputs.
3. Pakistan Railway shall be autonomous in their decisions.
4. Increase investment in Pakistan Railway.
5. Pakistan Railway shall start ME-1 as soon as it is possible.

