

Review of: "Contribution of Indirect Taxes on Goods to Economic Growth of Pakistan (1972-2022)"

Arzu Alvan Bozdereli

Potential competing interests: No potential competing interests to declare.

REVIEW- Contribution of Indirect Taxes on Goods to Economic Growth of Pakistan (1972-2022)

By Arzu Alvan

I would like to point out that the references in this study have a serious problem. At the end of the article, the references given in the article are not listed under the heading of references. A sufficient number of studies was not included in the study to support the targeted topic. Additionally, why did the authors not provide a theoretical framework for evaluating whether indirect taxes are related to economic growth? The literature on this subject contains a variety of theories.

There is a complex relationship between indirect taxes and economic growth that can vary depending on a variety of factors, such as the specific tax structure, the overall tax burden, the level of government spending, and the efficiency of government institutions.

Economic growth and indirect taxes are subject to several theories. Different perspectives are offered on the effects of indirect taxes on the economy by these theories. Among the most prominent theories are the following:

- Theory of supply-side economics.
- Keynesian theory of economics: Indirect taxes have the potential to influence economic growth due to their impact on aggregate demand. Consumer spending can be reduced by higher indirect taxes, leading to a decrease in aggregate demand, which may affect economic growth.
- Laffer curve theory: Based on the Laffer curve, it appears that there exists a tax rate that maximizes revenue while balancing economic growth and government expenditures.
- Indirect taxes and economic growth.
- The public finance theory studies the effect of indirect taxes on the financing of public goods and services.