CDPR NEWSLETTER

August 2022

TABLE OF CONTENTS

① Macrodata
- 1.1 Trade
- 1.2 Balance of Payments
- 1.3 Prices

② Insights for Change
- 2.1 Productivity and Resilience in Poor Households through an Environmental and Gender Lens
  Dr. Kulsum Ahmed,
  Dr. Sanval Nasim, and
  Dr. Farah Said
- 2.2 Developments in Climate Finance and Implications for Pakistan
  William P. Mako,
  Dr. Ijaz Nabi, and
  Amna Mahmood
- 2.3 Is Pakistan a Normal Economy
  Dr. Shahid Yusuf

③ Policy Analysis
- 3.1 The Path to a Successful Pakistan

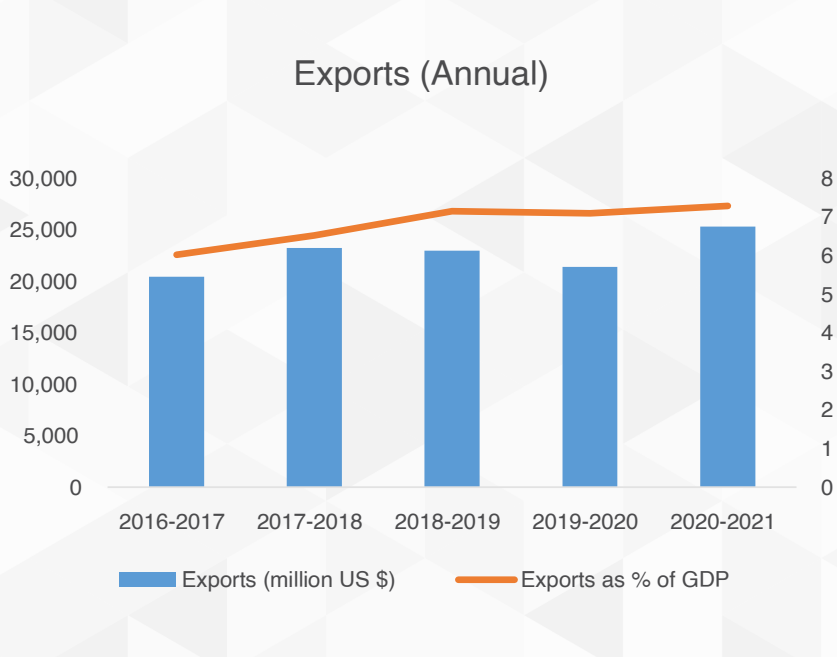
④ CDPR Webinars
- 4.1 A Conversation on Pakistan's Current Economic Crisis

⑤ Fellows' Articles
- 5.1 Dr. Faisal Bari
  Choice of Exam System
  Life is a Struggle
- 5.2 Dr. Riaz Riazuddin
  Our Living Standards
  Our Exchange Rate Woes
- 5.3 Dr. Umair Javed
  Unsustainable Trajectory
  Ideals Economy and Destiny

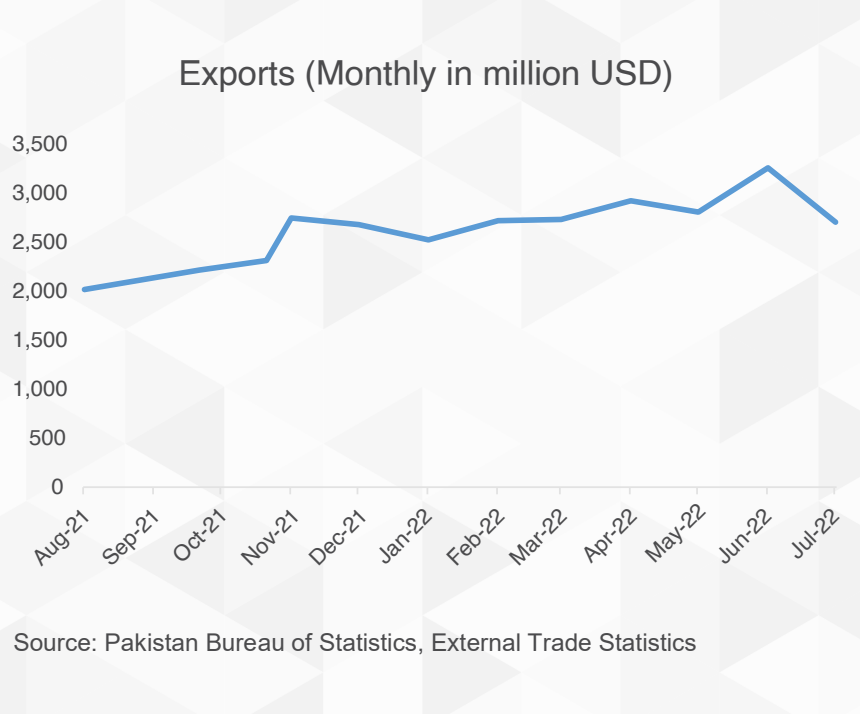
Macrodata

- Trade
- Balance of Payments
- Prices

Trade

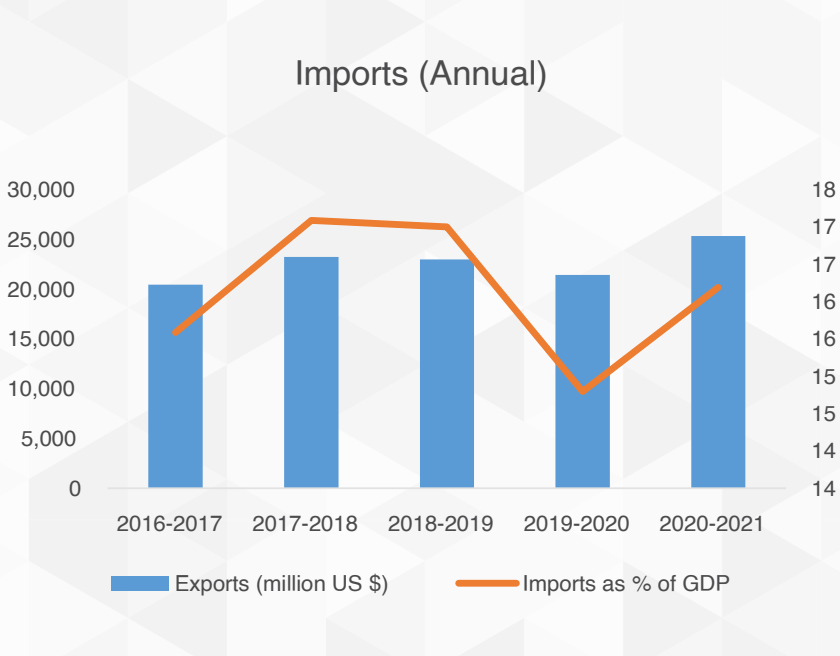


Exports (Annual)

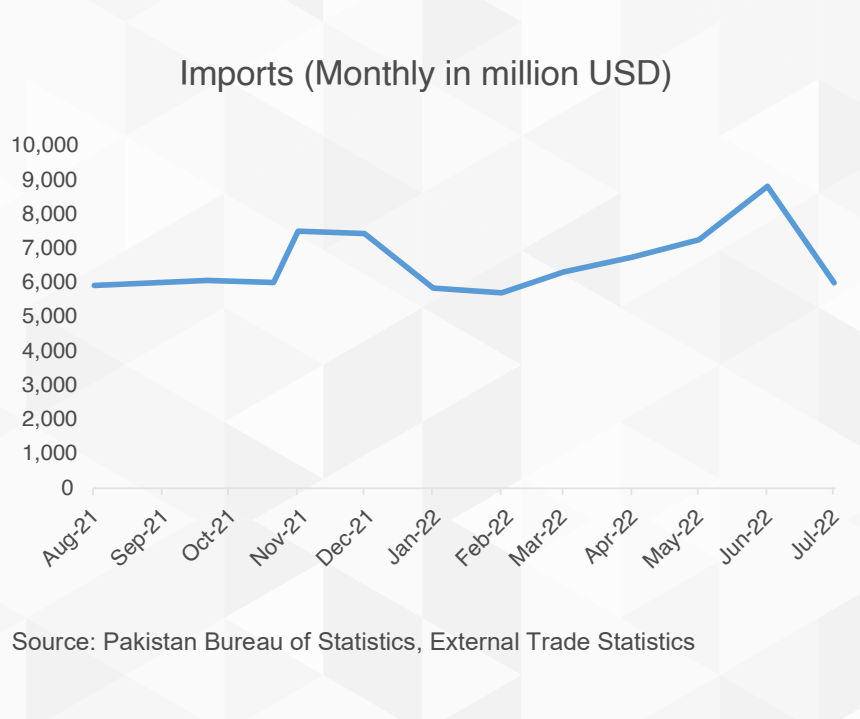


Exports (Monthly in million USD)

Source: Pakistan Bureau of Statistics, External Trade Statistics

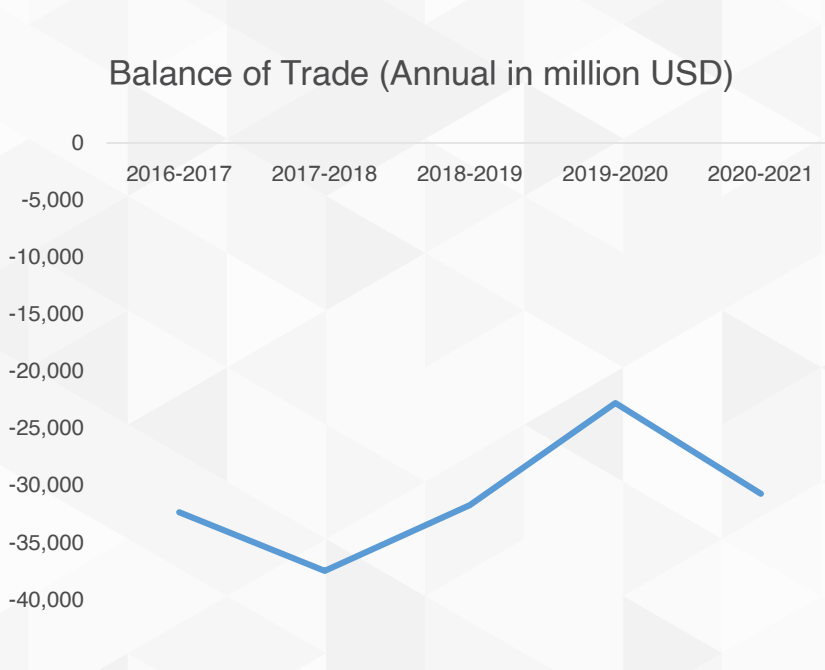


Imports (Annual)

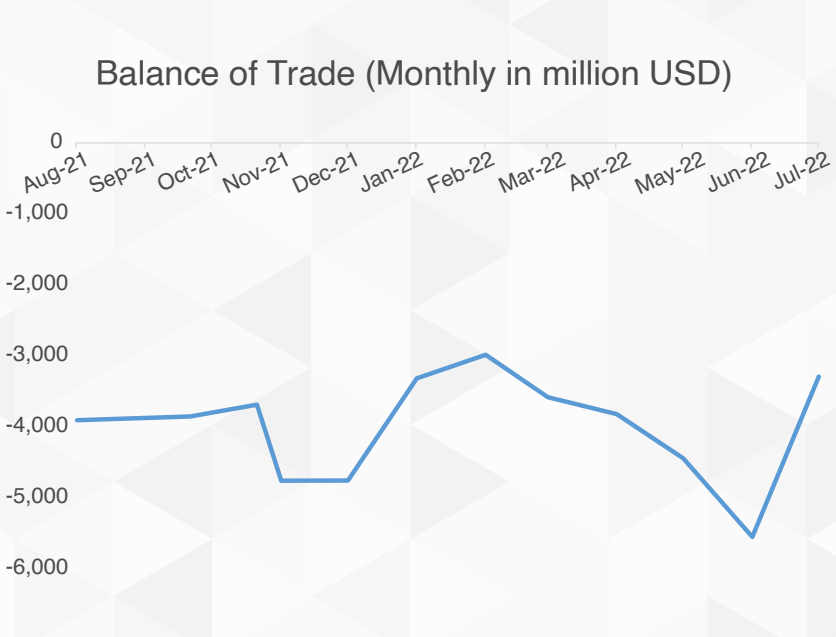


Imports (Monthly in million USD)

Source: Pakistan Bureau of Statistics, External Trade Statistics

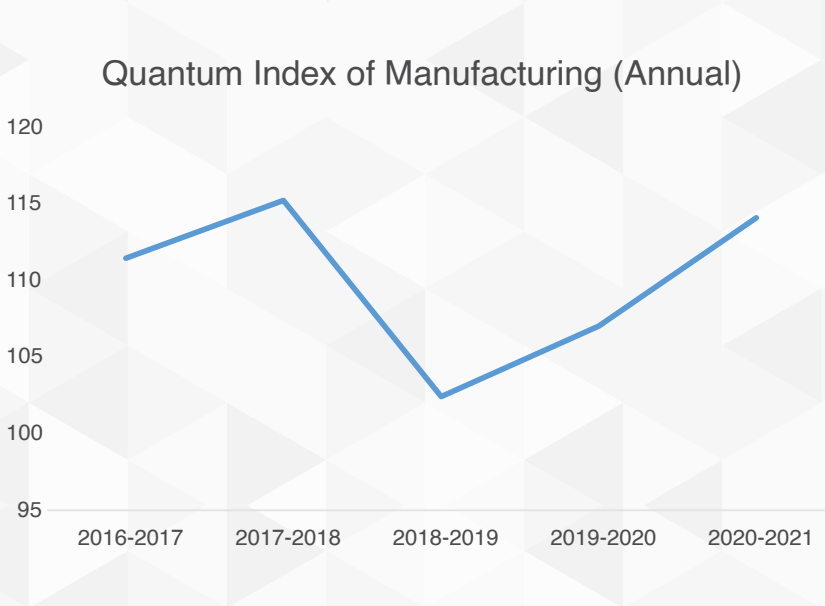


Balance of Trade (Annual in million USD)

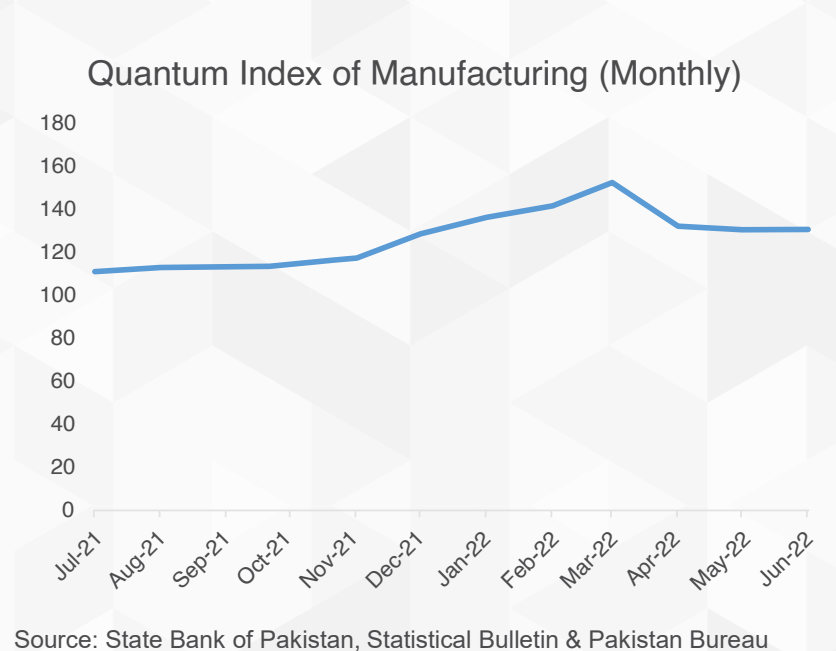


Balance of Trade (Monthly in million USD)

Source: Pakistan Bureau of Statistics, External Trade Statistics



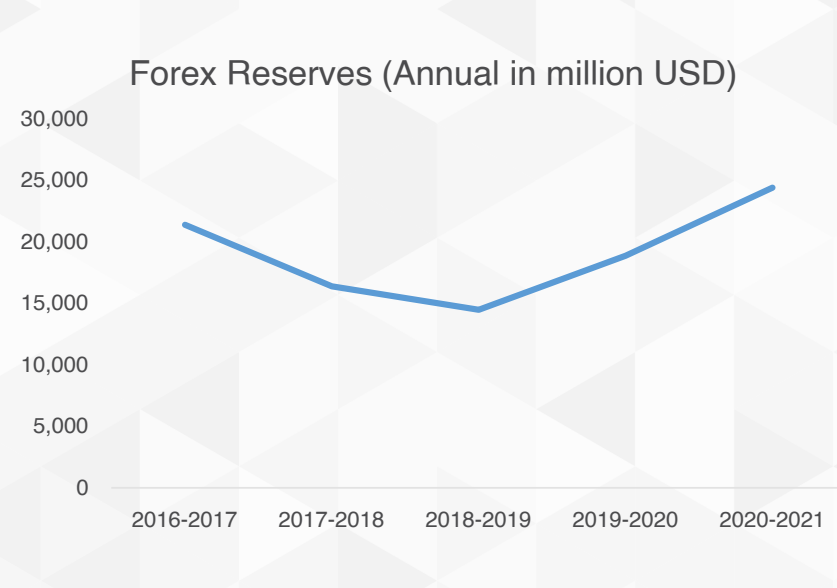
Quantum Index of Manufacturing (Annual)



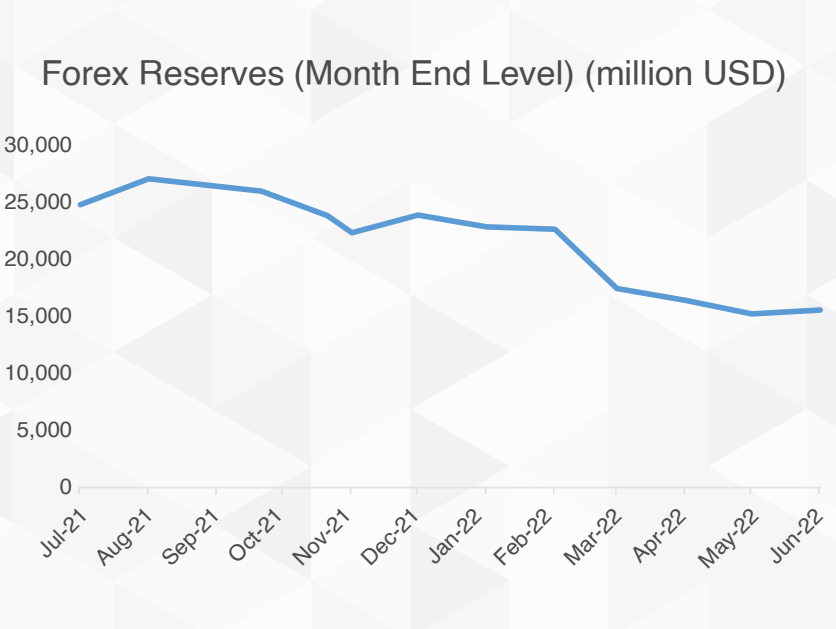
Quantum Index of Manufacturing (Monthly)

Source: State Bank of Pakistan, Statistical Bulletin & Pakistan Bureau of Statistics

Balance of Payments

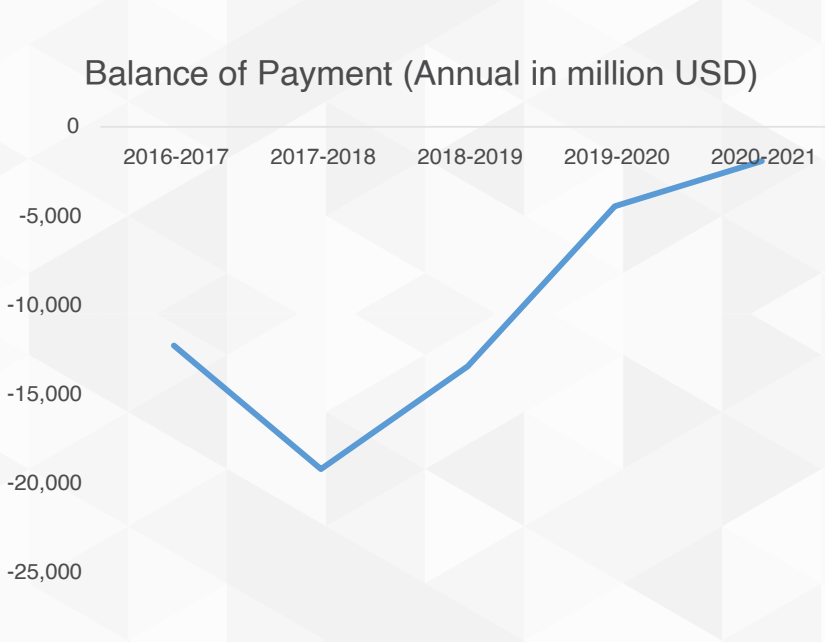


Forex Reserves (Annual in million USD)



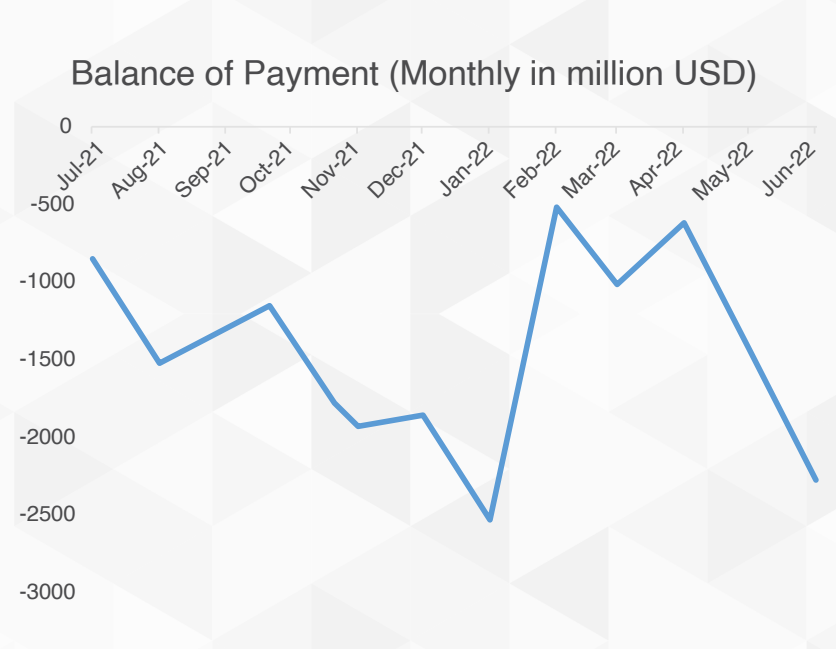
Forex Reserves (Month End Level) (million USD)

Source: State Bank of Pakistan, Foreign Exchange Reserves



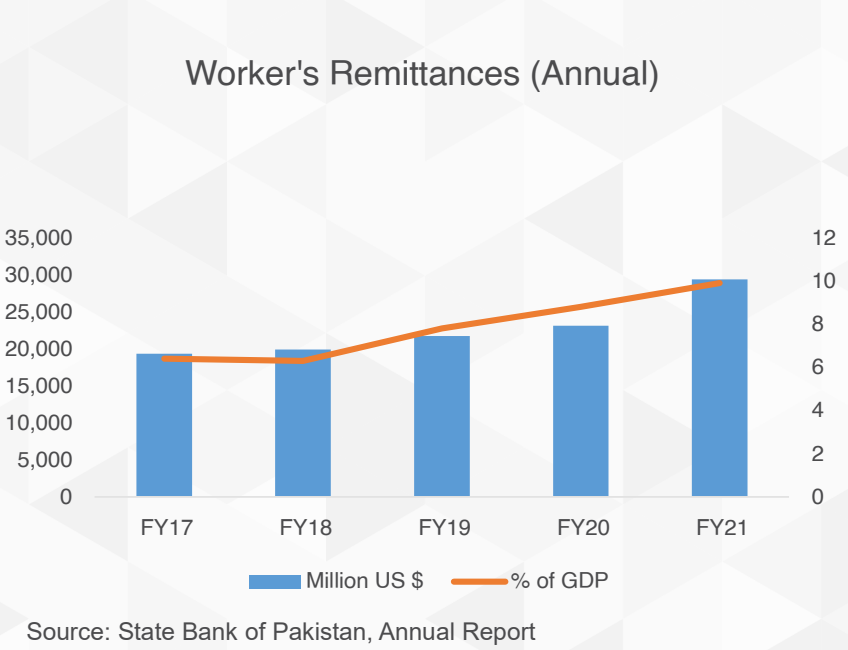
Balance of Payment (Annual in million USD)

Source: State Bank of Pakistan, Annual Report



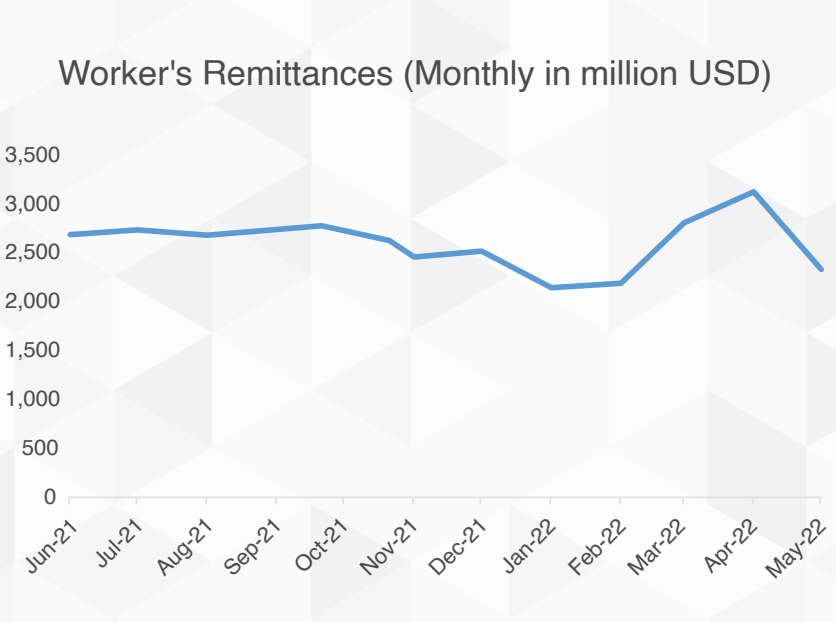
Balance of Payment (Monthly in million USD)

Source: State Bank of Pakistan, Summary Balance of Payments



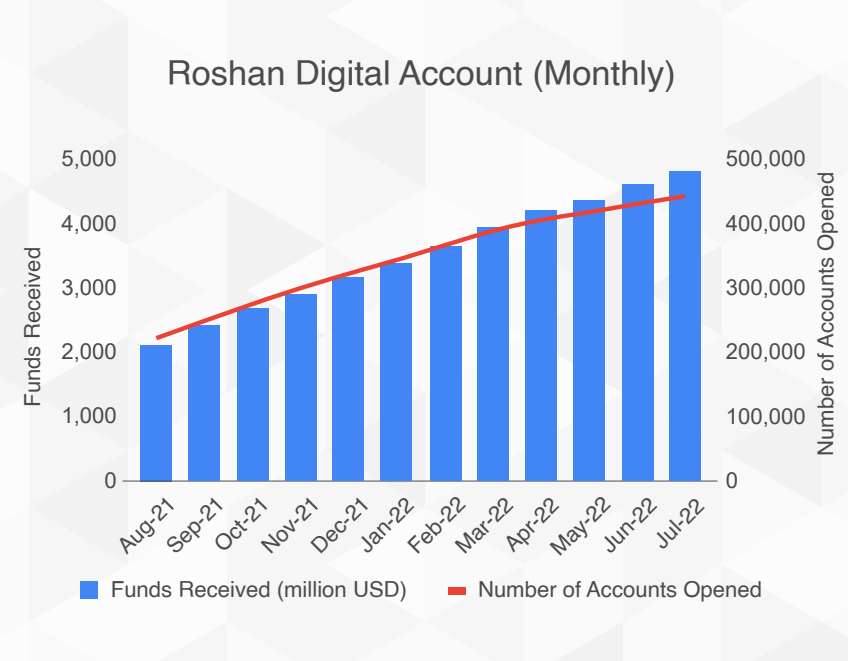
Worker's Remittances (Annual)

Source: State Bank of Pakistan, Annual Report



Worker's Remittances (Monthly in million USD)

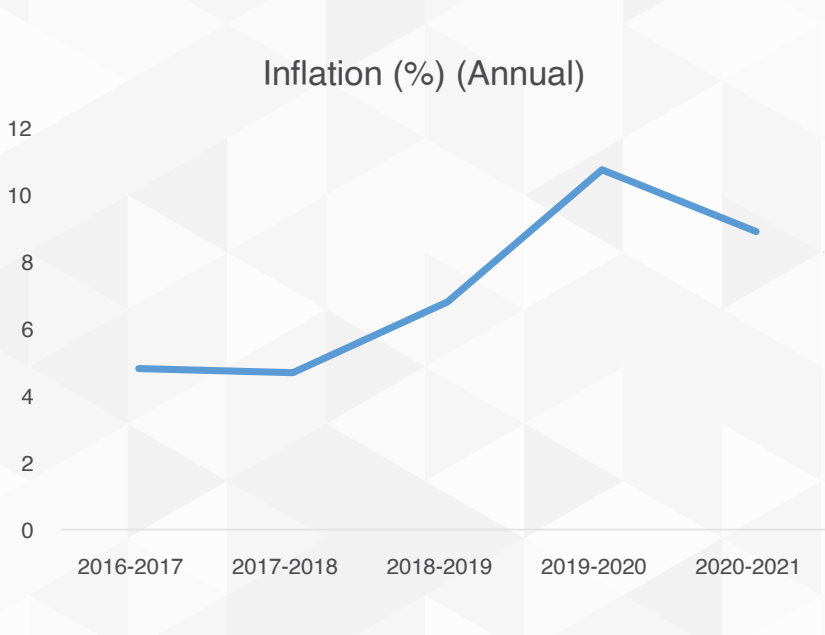
Source: State Bank of Pakistan, Statistical Bulletin



Roshan Digital Account (Monthly)

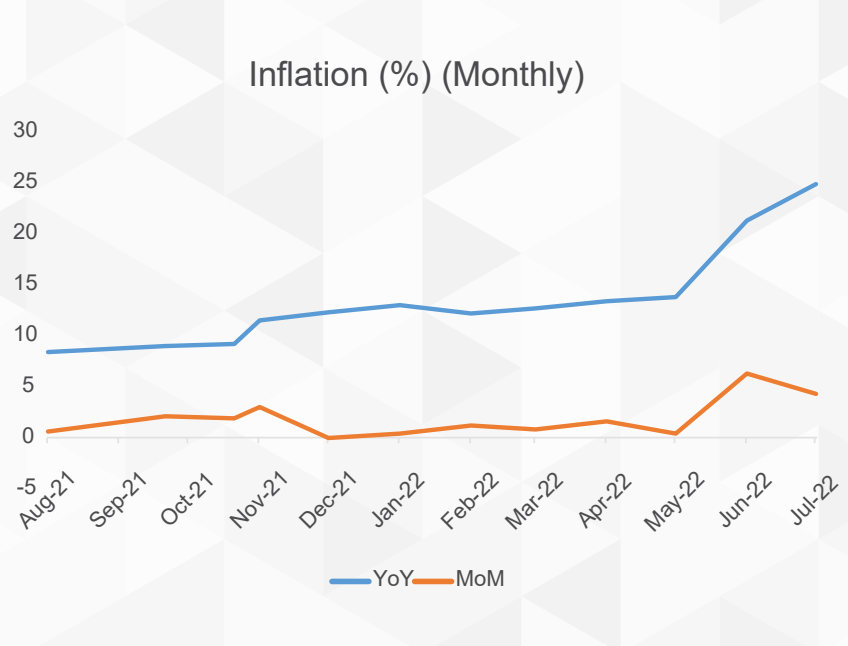
Source: State Bank of Pakistan, Key Statistics on Roshan Digital Account

Prices



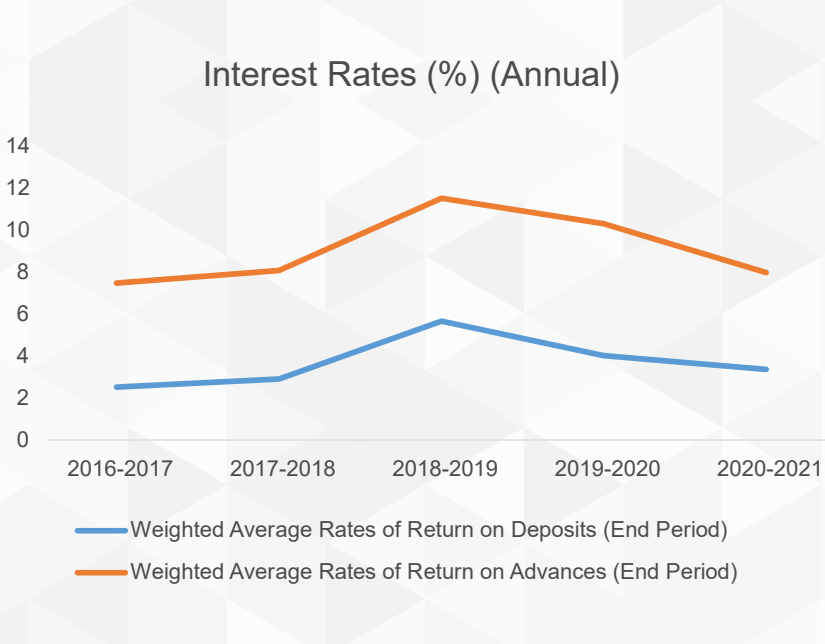
Inflation (%) (Annual)

Source: State Bank of Pakistan, Annual Report



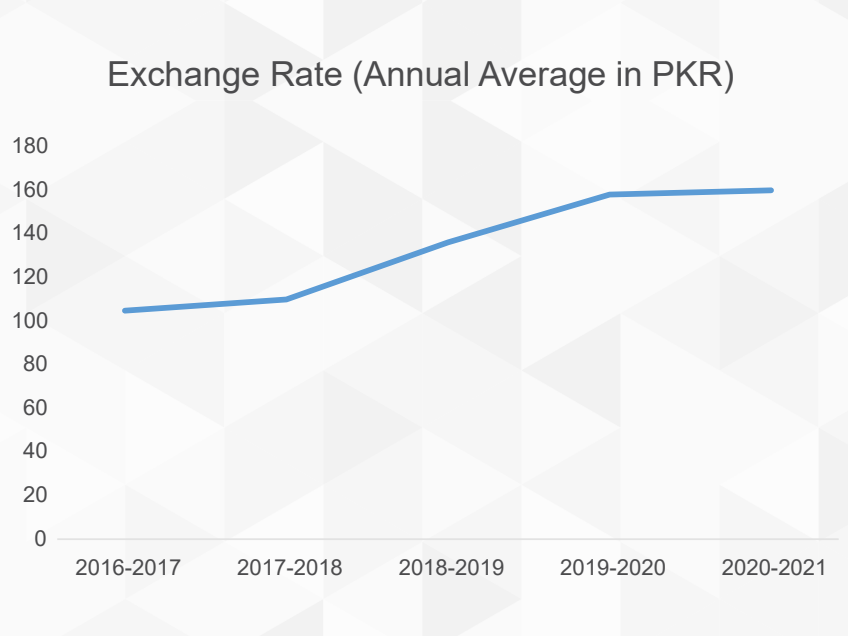
Inflation (%) (Monthly)

Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices



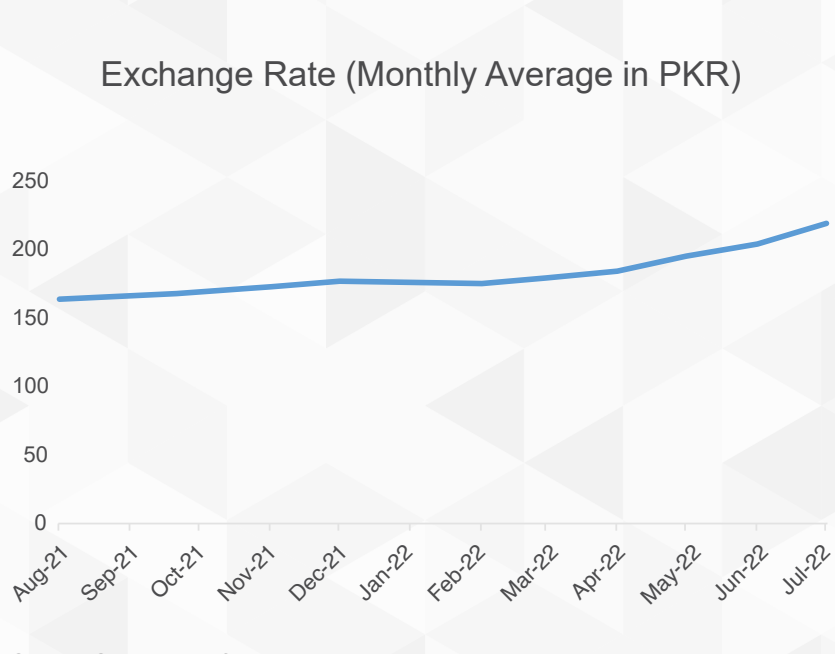
Interest Rates (%) (Annual)

Source: State Bank of Pakistan, Annual Report



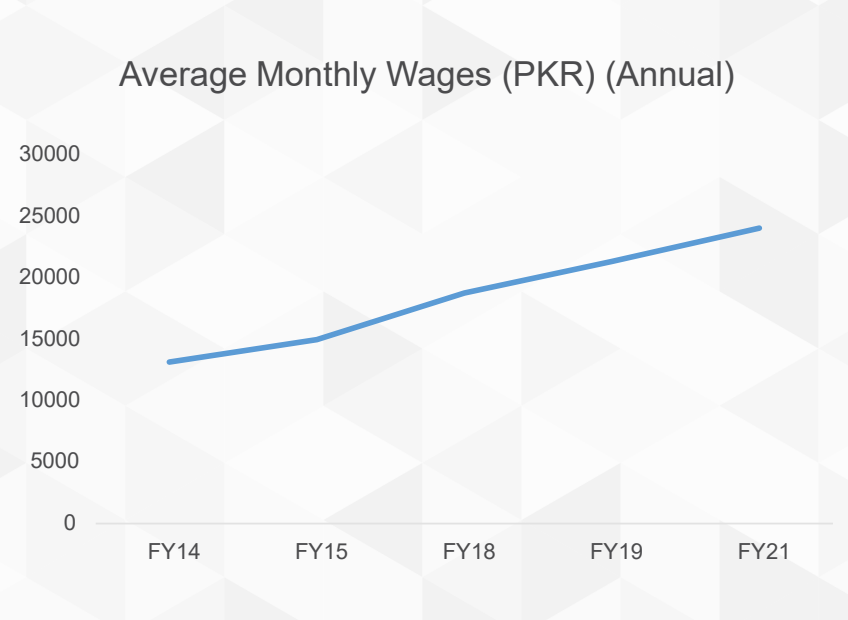
Exchange Rate (Annual Average in PKR)

Source: State Bank of Pakistan, Annual Report



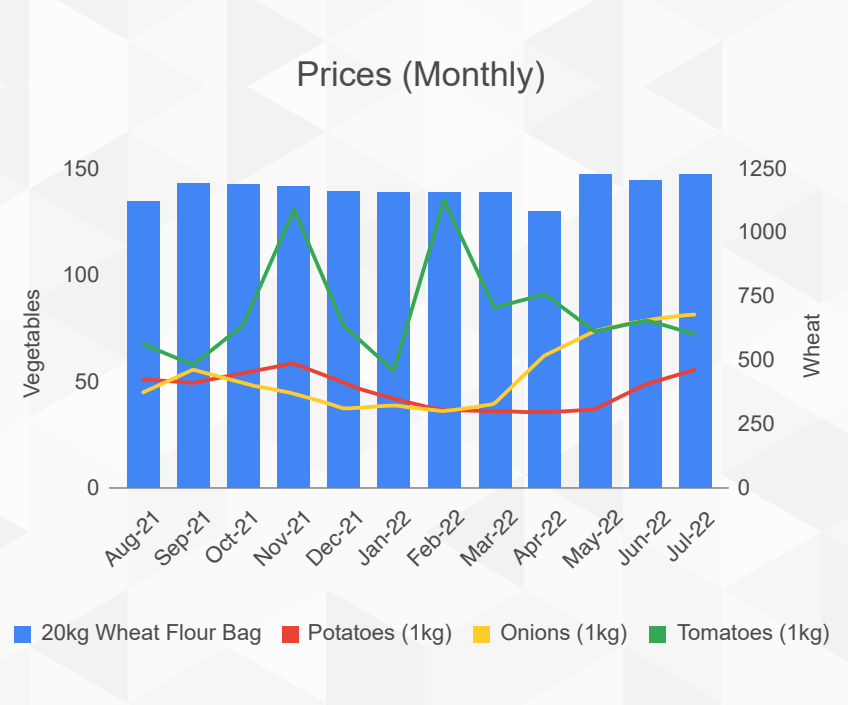
Exchange Rate (Monthly Average in PKR)

Source: State Bank of Pakistan, Monthly Average Exchange Rates

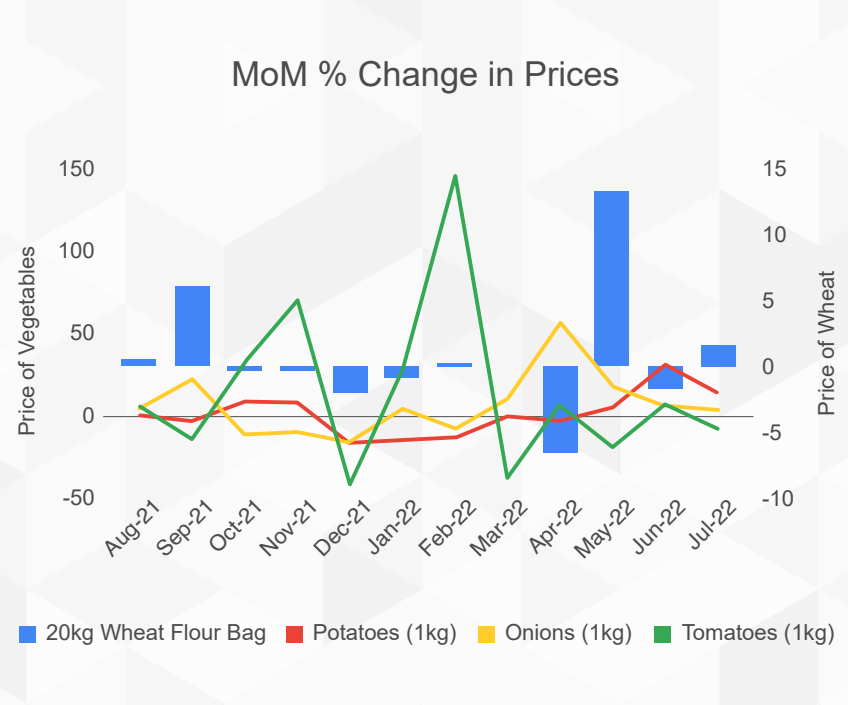


Average Monthly Wages (PKR) (Annual)

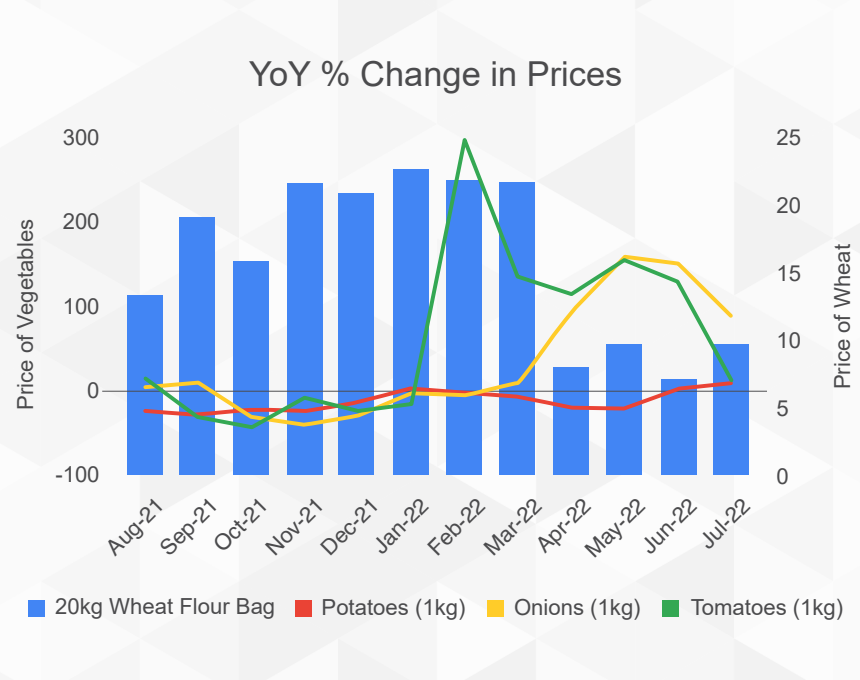
Source: Pakistan Bureau of Statistics, Labor Force Survey



Prices (Monthly)



MoM % Change in Prices



YoY % Change in Prices

Source: Pakistan Bureau of Statistics, Monthly Review on Price Indices

Insights for Change

CDPR's latest 'Insights for Change' series attempts to take an analytical approach to devising action-oriented policy solutions. They are authored by economists and practitioners who are experts in their field.

Dr. Kulsum Ahmed

Dr. Sanval Nasim

Dr. Farah Said

Productivity and Resilience in Poor Households through an Environmental and Gender Lens

William P. Mako

Dr. Ijaz Nabi

Amna Mahmood

Developments in Climate Finance and Implications for Pakistan

Dr. Shahid Yusuf

Is Pakistan a Normal Economy?

Productivity and Resilience in Poor Households through an Environmental and Gender Lens

In this article, the writers—Dr. Kulsum Ahmed, Dr. Sanval Nasim, and Dr. Farah Said—highlight that an understanding of the actual disease burden across the country broken down by income quintile is sorely lacking. Addressing environmental risk factors will help ameliorate Pakistan's health burden, particularly benefiting the poor, and increasing gender participation in the workforce across all income quintiles.

Read More

Developments in Climate Finance and Implications for Pakistan

The Government of Pakistan (GoP) has ambitious plans for reducing its 2030 greenhouse gas (GHG) emissions to 50% of the 2016 baseline projected levels. The article assesses whether Pakistan will be able to reduce its emissions to meet its commitments by 2030 based on its limited access to concessional international climate finance (CF). This article is based on a report prepared by the International Growth Center (IGC) and the Consortium for Development Policy Research (CDPR). The Principal Investigators were William P. Mako (CDPR fellow, former World Bank Lead specialist) and Dr. Ijaz Nabi (IGC Pakistan Country Director, CDPR fellow and former World Bank Sector Manager) with support from Amna Mahmood (IGC Country Economist).

Read More

Is Pakistan a Normal Economy?

In this article, Dr. Shahid Yusuf assesses Pakistan's capabilities for growth potential and social stability by benchmarking against representative samples of other developing countries. Dr. Shahid Yusuf is chief economist at the Growth Dialogue and Non-resident fellow at the Center for Global Development both in Washington DC.

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Policy Analysis

The Path to a Successful Pakistan

This report was prepared by Consortium for Development Policy Research (CDPR) in collaboration with the International Growth Centre (IGC) and authored by CDPR affiliates Dr. Kulsum Ahmed (Director ILM, Honorary Fellow CDPR and former Sector Manager, World Bank), Dr. Ijaz Nabi (Chairman, CDPR and Country Director, IGC and former Sector Manager, World Bank), Dr. Sanval Nasim (Assistant Professor, Colby College), Amna Mahmood (Country Economist, IGC), Farah Said (Associate Director, MHRC, LUMS), and Javeria Suhail (Research Assistant, CDPR).

Kamyab Pakistan Programme (KPP) was launched by the Prime Minister on October 4 2021 to address low-income households' vulnerability to income shocks. Under KPP, the government planned to provide subsidised, interest-free microloans to 3.7 million families over a period of five years to support growth of small firms and farms. This project reviews existing literature and datasets to investigate how to make large scale programmes like KPP an intervention that strengthens low-income households' ability to manage economic vulnerability, through lowering environmental costs and diversifying income sources by increasing the participation of women in the labour force.

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CDPR Webinars

CDPR hosted a webinar under the Lahore Policy Exchange banner titled
"A Conversation on Pakistan's Current Economic Crisis"
on 4th August 2022 from 5:00PM to 6:30PM (PKT).

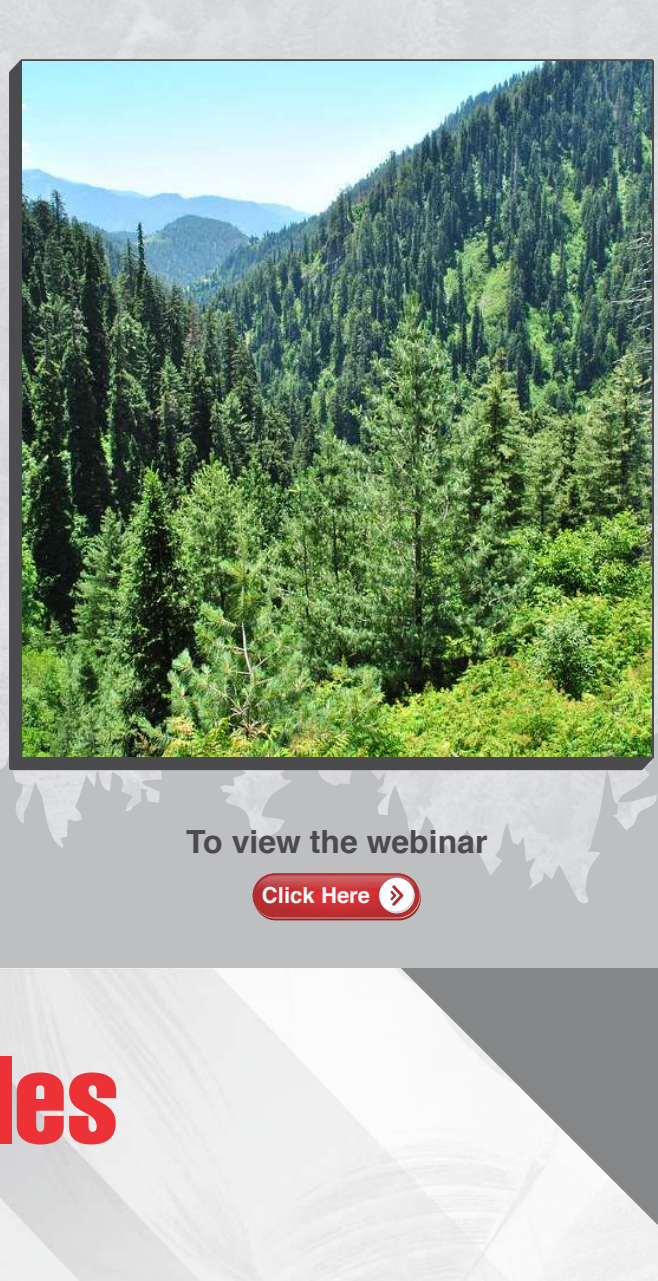
The Panelists For The Event Were:

Dr. Shanta Devarajan
(Professor of the Practice of Development, Georgetown University's Edmund A. Walsh School of Foreign Service)

Dr. Reza Baqir
(20th Governor of the State Bank of Pakistan)

Dr. Homi Kharas
(Senior Fellow, Center for Sustainable Development at Brookings)

Dr. Ijaz Nabi
(Executive Director, Consortium for Development Policy Research; Country Director, International Growth Centre)



To view the webinar

Click Here

Fellows' Articles

Dr. Faisal Bari

- Choice of Exam System
- Life is a Struggle

Dr. Riaz Riazuddin

- Our Living Standards
- Our Exchange Rate Woes

Dr. Umair Javed

- Unsustainable Trajectory
- Ideals Economy and Destiny

Dr. Faisal Bari
Associate Professor,
Department of
Economics, LUMS

Choice of Exam System

THE usual demands regarding school curricula and the examination system are that they should provide the needed subject knowledge and understanding to students, foster curiosity and creativity in children, make available tools for critical thinking and take students away from rote learning, impart values to students, and make way for the latter to become independent and well-rounded learners and individuals. Details of what goes into all of these areas is and has been a matter of much debate over time, and will continue to be so as education and the need for it evolve with time.

Read More

Life is a Struggle

THE last year has been tough for most people up to middle-income levels. Inflation has increased a lot and salaries, though some might have gone up, have not kept pace with inflation. And the price of fuel and electricity have risen a lot, more than even the general inflation rate. If these goods make up a significant part of the household budget, the impact has been even larger.

Importantly, there is no reason for hope in the short to medium term. Even if the IMF programme and others help stabilise things for Pakistan, it will be only for a while. Without major structural reforms, which none of the political parties, the generals and the elite have the stomach or desire for, we fall back into the twin deficit trap when we push for growth and then repeat the austerity cycle. This has happened a number of times and we are in another such cycle now.

Read More

Dr. Riaz Riazuddin
Deputy Governor of the
State Bank of Pakistan

Our Living Standards

UNDER what conditions do we live in our country? A detailed profile of our households is provided by the Pakistan Bureau of Statistics in its Pakistan Social and Living Standards Measurement Survey 2019-20 (PSLM). A home is more than just a shelter. A stark feature of our living standards is that 25 per cent of our households are one-room dwellings. Not everything is gloomy though, as in 2014-2015 the figure was higher — 28pc. Moreover, the majority of households (69pc) have two to four rooms, up from 67pc. The share of households with five or more rooms remains at 6pc. Shaheed Benazirabad district has the largest percentage (78pc) of households with just one room. Overall, too, Sindh is the worst performer here with 35.6pc of households having only one room, followed by Baluchistan (23.3pc), Punjab (22.6pc) and KP (16.3pc).

Read More

Our Exchange Rate Woes

WILL our exchange rate woes ever end? Is there a remedy?

Each upward movement of the rupee value of the greenback causes anguish. But why do we consider these depreciations so dreadful?

We, paradoxically, seek a remedy for a phenomenon which itself is a remedy for several of our economic woes.

Remedies are meant to cure diseases. But when a person has met with a serious accident, remedies take a long time to heal the wounds. Economic remedies are different from medical treatments. There are no quick fixes — like taking Panadol to treat a simple headache. Economic ills are more like chronic diseases, for example, migraines whose cure requires patience and multiple treatments.

Read More

Dr. Umair Javed
Assistant Professor of
Politics and Sociology,
LUMS

Unsustainable Trajectory

LAST week, the monthly inflation figure for July came in at over 20 per cent. This stat provides numerical proof of something that middle- and low-income households have experienced nearly non-stop for the last four years.

Wage data through a more recent round of the Labour Force Survey is not available yet, but it is safe to assume that people's incomes are unlikely to have kept pace with this inflationary pressure.

Read More

Ideals, Economy and Destiny

THE level of despondency at Pakistan's economic situation seems higher than at most points in the recent past. Most conversations are peppered with descriptions of tightening household budgets, inflationary pressures, and the inability to catch a break. It seems surreal to even say this, but in some ways the general mood feels worse than it did 12 years ago. And to put this into perspective, we're talking about a comparison with the onset of the worst global financial crisis in a century and a wave of militancy in the country.

Read More

CONTENTS OF LAST MONTH'S NEWSLETTER

① Macrodata
- 1.1 Trade
- 1.2 Balance of Payments
- 1.3 Prices

② Insights For Change
- 2.1 Re-Imagining Public Private Partnerships for Better Health and Security
  (Dr. Shehla Zaidi)
- 2.2 Gendered Geographies and Vaccine Hesitancy among Informal Workers
  (Dr. Max Gallien, Dr. Umair Javed, Dr. Shandana Khan Mohmand, and Dr. Vanessa van den Boogaard)
- 2.3 The Future of State Owned Enterprises in Pakistan
  (Dr. Ishrat Husain)

③ Policy Analysis
- 3.1 Financing Sustainable Tourism in Khyber Pakhtunkhwa

④ CDPR Events & Webinars
- 4.1 How can Pakistan Leverage its Forest Sector's Potential

⑤ Fellows' Articles
- 5.1 **Dr. Reza Baqir**
  Interventions for Inclusion
- 5.2 **Dr. Riaz Riazuddin**
  Cake Naan and Fruit
- 5.3 **Dr. Faisal Bari**
  Breaking Down the Walls
- 5.4 **Dr. Umair Javed**
  Crisis and Opportunity
- 5.5 **Dr. Zeba Sathar**
  Population and Environment
- 5.5 **Dr. Homi Kharas**
  A Global Sustainability Program: Lessons from the Marshall Plan for addressing climate change

In Pakistan, policy decisions and public discourse are often uninformed by available research. The Consortium for Development Policy Research (CDPR) bridges this gap by communicating cutting-edge, evidence-based research on development issues in Pakistan to an audience of policymakers, students, the media and the wider public. With support from the International Growth Centre (IGC), CDPR disseminates policy briefs, hosts events, engages with the media and produces digital content to make topics in development research such as economic growth, energy, education, health and governance intelligible to both decision makers & the public.

For regular updates regarding CDPR's policy and research work please follow us on: