

# CDPR NEWSLETTER

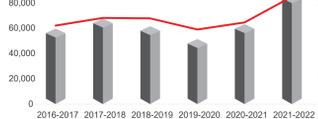
## JUNE 2023

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## MACRODATA

### TRADE



Source: Pakistan Bureau of Statistics

Source: Pakistan Bureau of Statistics



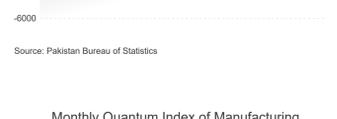
Source: Pakistan Bureau of Statistics

Source: Pakistan Bureau of Statistics



Source: State Bank of Pakistan

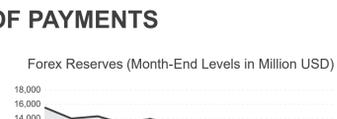
Source: Pakistan Bureau of Statistics



Source: Pakistan Bureau of Statistics

Source: Pakistan Bureau of Statistics

## BALANCE OF PAYMENTS



Source: State Bank of Pakistan

Source: State Bank of Pakistan



Source: State Bank of Pakistan

Source: State Bank of Pakistan



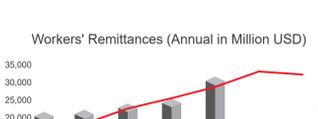
Source: State Bank of Pakistan

Source: State Bank of Pakistan



Source: State Bank of Pakistan

## PRICES



Source: Pakistan Bureau of Statistics

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



Source: State Bank of Pakistan, Annual Report

Source: State Bank of Pakistan, Monthly Average Exchange Rates



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



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



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

## INSIGHTS FOR CHANGE

CDPR's and IGC's '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.



**ISHRAT HUSAIN**  
Dean of the Institute of Business Administration (IBA)

### REVIVING AGRICULTURE GROWTH (PART 2)

AGRICULTURE forms the backbone of Pakistan's economy as it provides livelihoods to almost two-thirds of the population and is responsible for almost three-fourths of export earnings. This month's Insights for Change article 'Reviving Agriculture Growth (Part 2)' is second of a two-part series which explores why Pakistan has not been able to fully exploit the rich potential of its agricultural resources.

The author, Dr. Ishrat Husain, is a Pakistani economist who has previously served as the dean of the Institute of Business Administration (IBA). He is also a former governor of the State Bank of Pakistan and former advisor to the Government of Pakistan.

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## POLICY ANALYSIS

### UNDERSTANDING FRESH PRODUCE SUPPLY CHAIN DYNAMICS AND PRICE WEDGES: EVIDENCE FROM PAKISTAN

This study is funded by the International Growth Center (IGC). The Principal Investigators are Sher Afghani Asad (Assistant Professor, Lahore University of Management Sciences), Omar Hayat Gondal (PhD Candidate, Washington University in St. Louis), Farah Said (Assistant Professor, Lahore University of Management Sciences), Zoha Awais (Researcher), and Masab Gayum (Researcher).

A typical urban agriculture supply chain is dependent on multiple middlemen from the auction yard to the final consumer. The presence of numerous intermediaries adds to the farmgate price and inflates the consumer's overall price. This report aims to document and collect granular level data about transactions from the wholesale auctioneer to the last stage middlemen (retailers) before the product reaches consumers for three staple vegetables: onions, potatoes, and tomatoes.

Empirical results indicate that, after controlling for product quality, bulk-breakers retain margins in the range of 20 to 42%, the highest margin for tomatoes. Conversely, retailers retain 14 to 28%, the highest in the case of potatoes. Potential causes for differences in the margins over products could be attributed to types of costs incurred by the stakeholders involved in the process, vegetable type, wastage, and the size of wastage for each vegetable. These findings highlight the need for price-stabilization policies to consider the role of the bulk-breakers in conjunction with that of retailers.

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## LET'S TALK DEVELOPMENT

CDPR and IGC's latest podcast series called 'Let's Talk Development' is about understanding Pakistan's crucial economic and development problems. We engage experts in exploring critical development issues and trends in Pakistan. New episodes come out every two weeks.

### POPULATION GROWTH IN PAKISTAN: A CRISIS OR AN OPPORTUNITY?

The fourth episode of Let's Talk Development dropped on May 23, 2023. According to the latest 2023 population census, the enumerated population has reached 230.4 million—indicating an increase of 17.2 million people from the 2017 census. While the fertility rate has dropped globally; it remains stubbornly high in Pakistan where women and girls lack access to sexual and reproductive healthcare, including contraception. Rapid population growth seems like a daunting prospect for a country struggling with public finances and political turmoil. In this episode, Dr. Ijaz Nabi and Dr. Zeba Sathar discuss some key issues concerning population growth in Pakistan.

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## FELLOWS' ARTICLES



**Faisal Bari**

### PRODUCTIVE SUMMERS

A COUPLE of years back, a friend's son spent the summer interning at a bank. Over the eight weeks he was there, he updated a couple of 'industry notes' on industries the bank was already lending to and was able to get a sense of bank operations in some of the departments as well. But for 40 hours a week — for eight weeks — this was very little. In fact, most of his time was spent doing nothing.

It is summer time again. A lot of students are keen to have opportunities for internships. Internships are an excellent way to: a) get acquainted with what goes on in an area, sector or firm; b) get a close look at the actual work being done; c) gain firsthand experience in some of the work; d) have exposure to the 'real world' and get a feel of how things are done there; e) get to know some people in the relevant sector and build a network; and f).....

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**Riaz Riazuddin**

### EXTENT OF OUR BACKWARDNESS

HOW much have we progressed in our 76-year history, and to what extent are we a backward nation compared to our former colonial masters? Some readers may find this question unfair — in contrast to a comparison with other developing countries. But the purpose here is to highlight the differences in the development trajectory, in terms of a few socioeconomic indicators, between Pakistan and the UK which ruled the subcontinent for two centuries. Take, for example, the literacy rate.

The UK achieved an adult literacy rate (15 years and above) of 54 per cent at the beginning of the 18th century (1701). We attained a literacy rate of 54pc (10 years and above) in 2006. This means that we were 305 years behind in literacy in 2006 compared to the UK.

We have progressed to increase our literacy rate in FY22 to about 63pc.....

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**Umair Javed**

### ESCAPE AND HELPLESSNESS

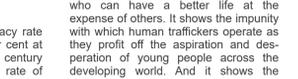
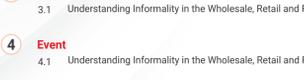
THE travesty of hundreds of Pakistani and other lives lost in the sinking of a migrant boat near Greece puts several flaws into sharp perspective. It shows the hypocrisy of European governments, who pay lip service to unfettered globalisation and the need to uphold universal human rights but adopt inhumane border practices. It shows the unequal structure of the world economy, which has enriched a small number of countries and created monopolies over who can have a better life at the expense of others. It shows the impunity with which human traffickers operate as they profit off the aspiration and desperation of young people across the developing world. And it shows the callous failings of states, such as Pakistan, in creating domestic circumstances that force so many to seek better lives abroad at unimaginable levels of personal risk.....

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



In Pakistan, policy decisions and public discourse are often uninformative 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 (Part 2) is economic growth, energy, education, health and governance intelligible to both decision makers & the public.