

CDPR NEWSLETTER

APRIL 2024

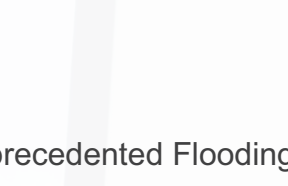
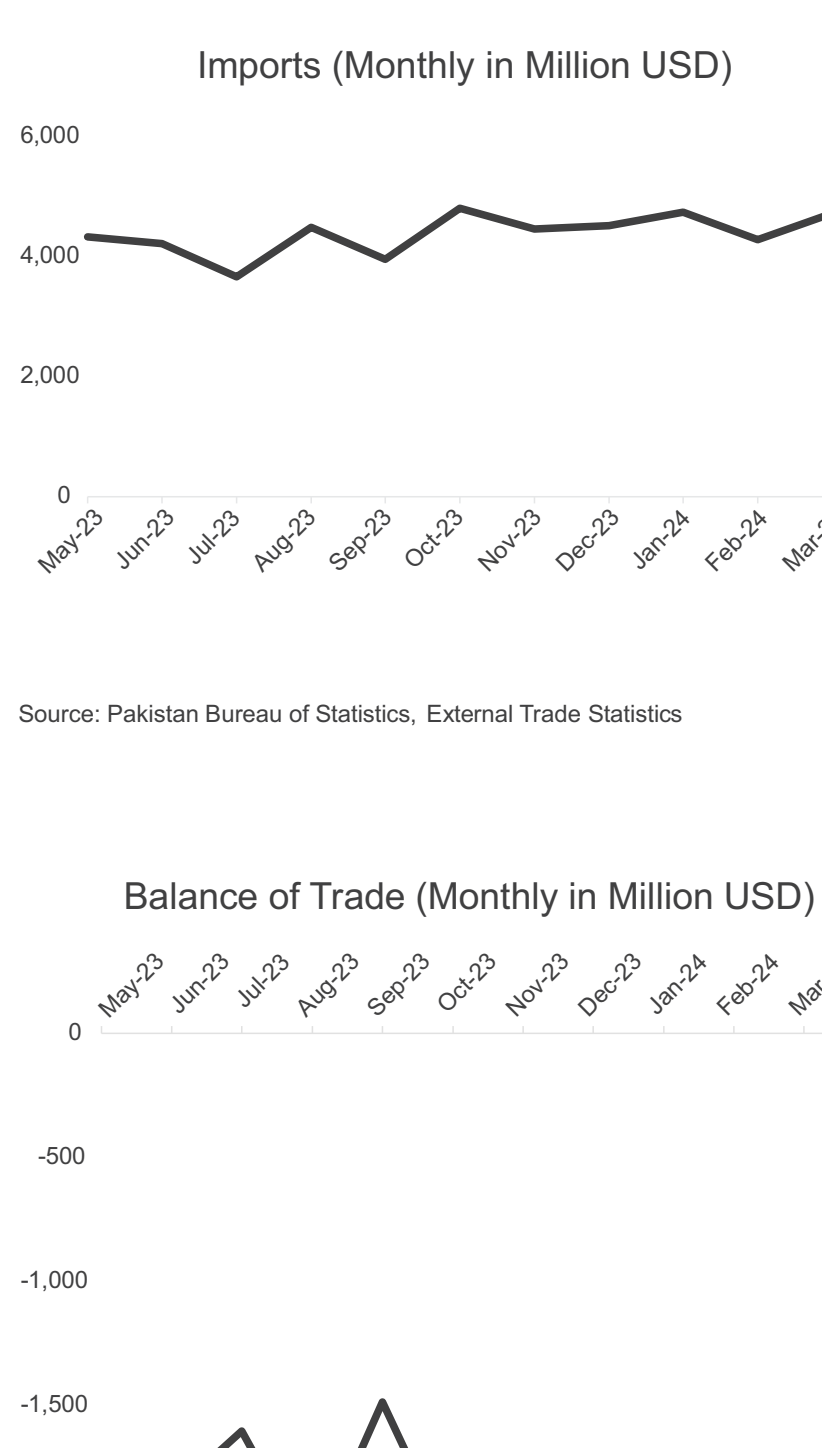


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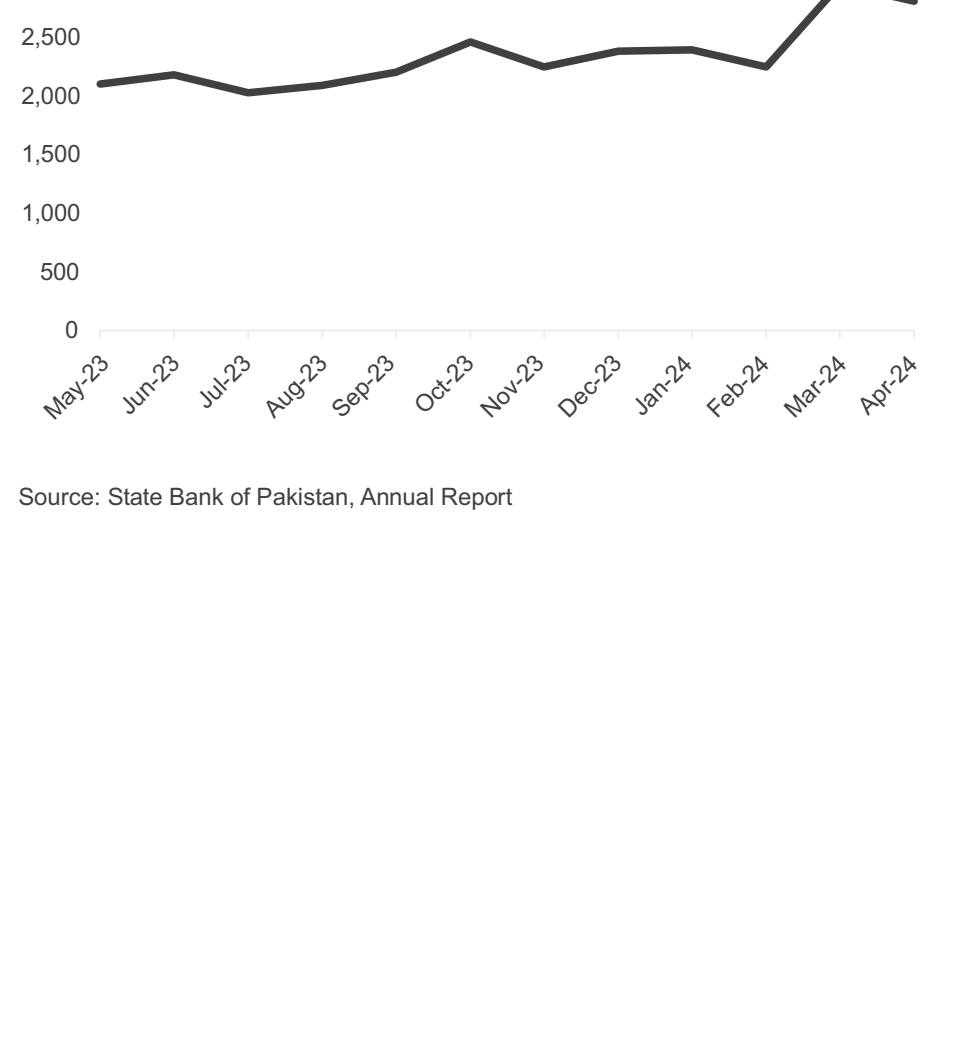
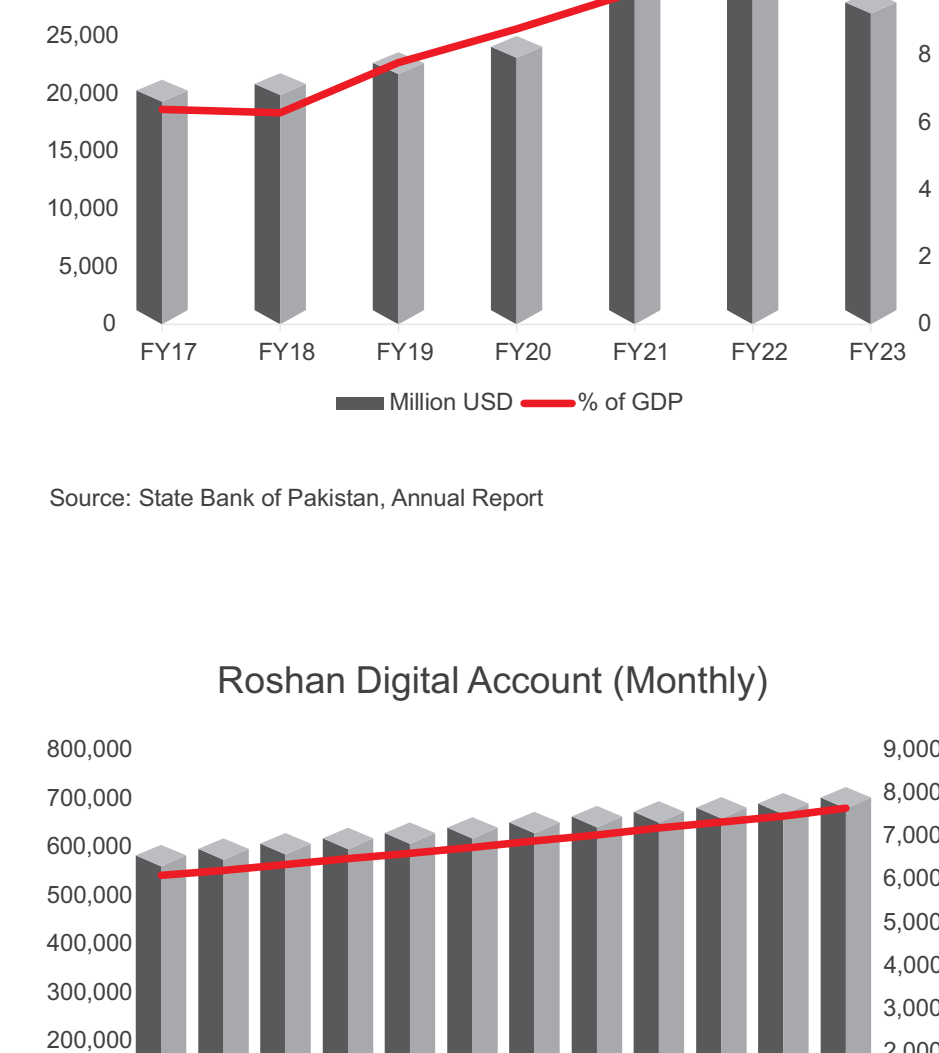
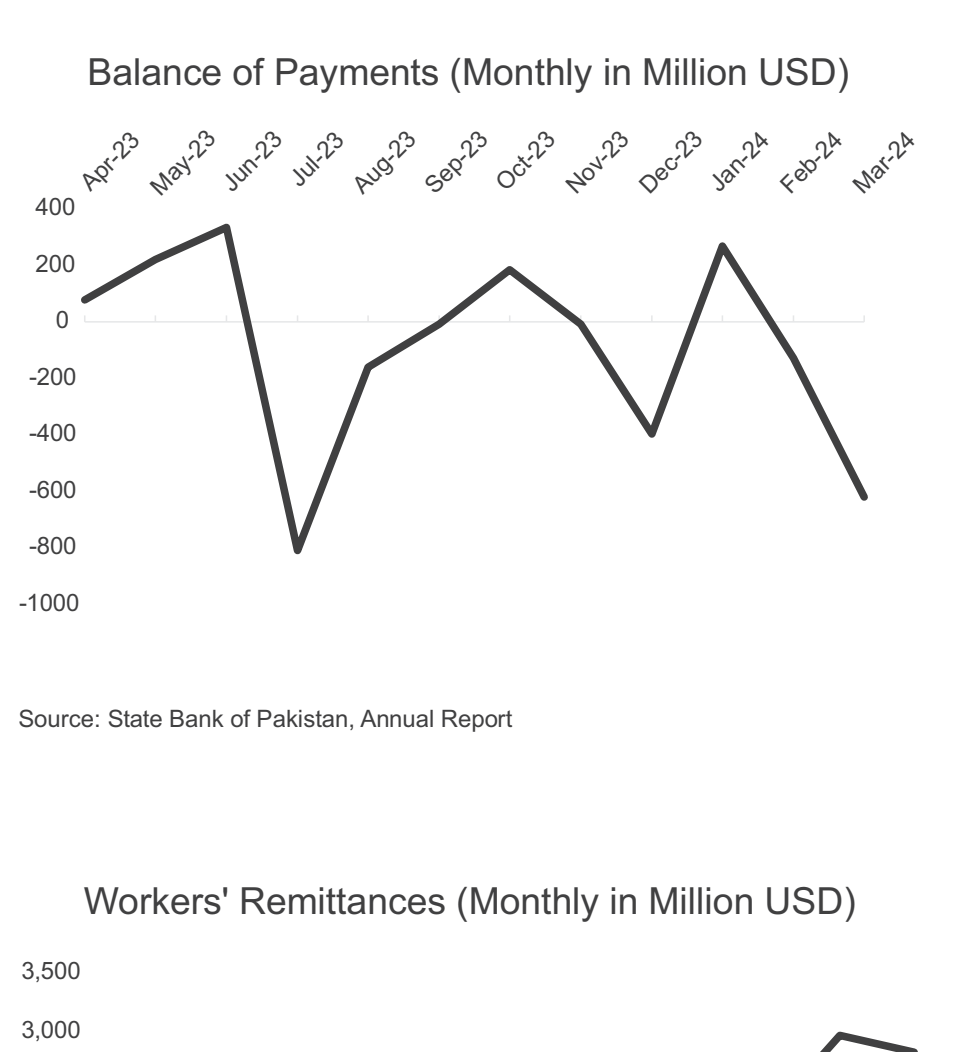
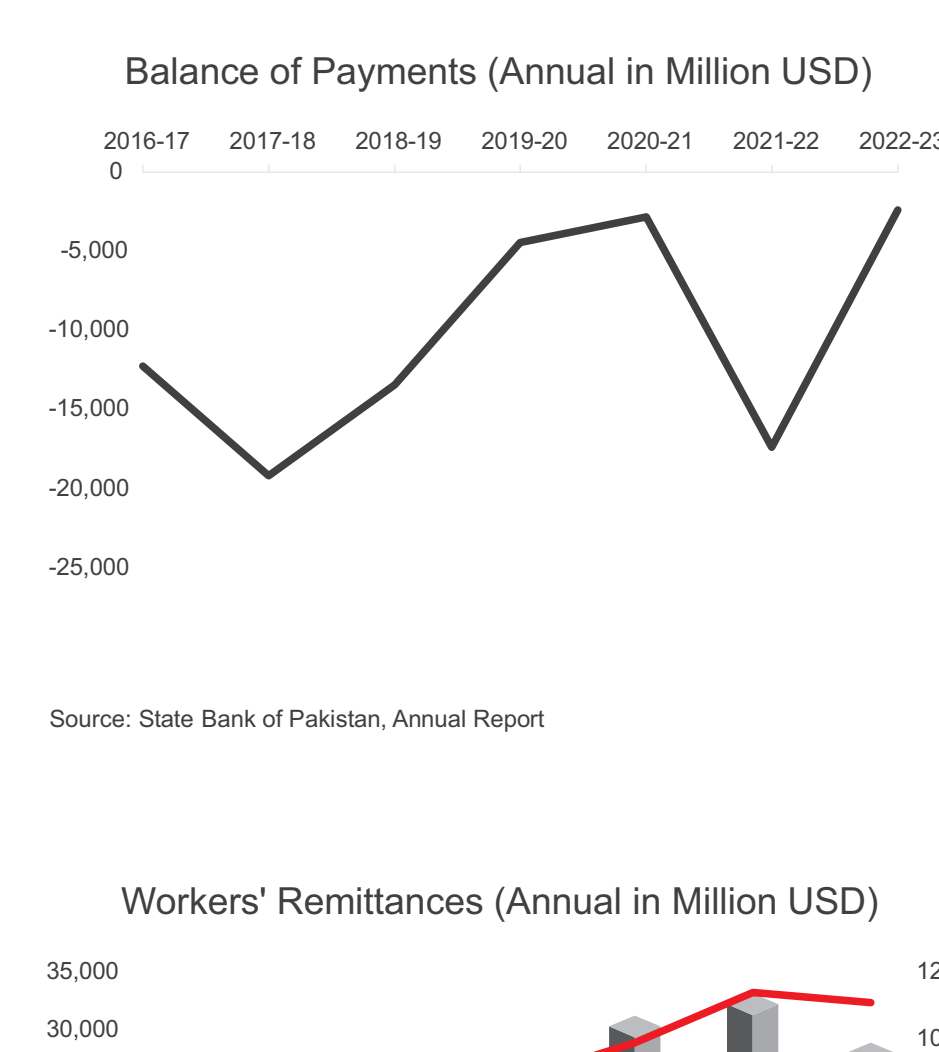
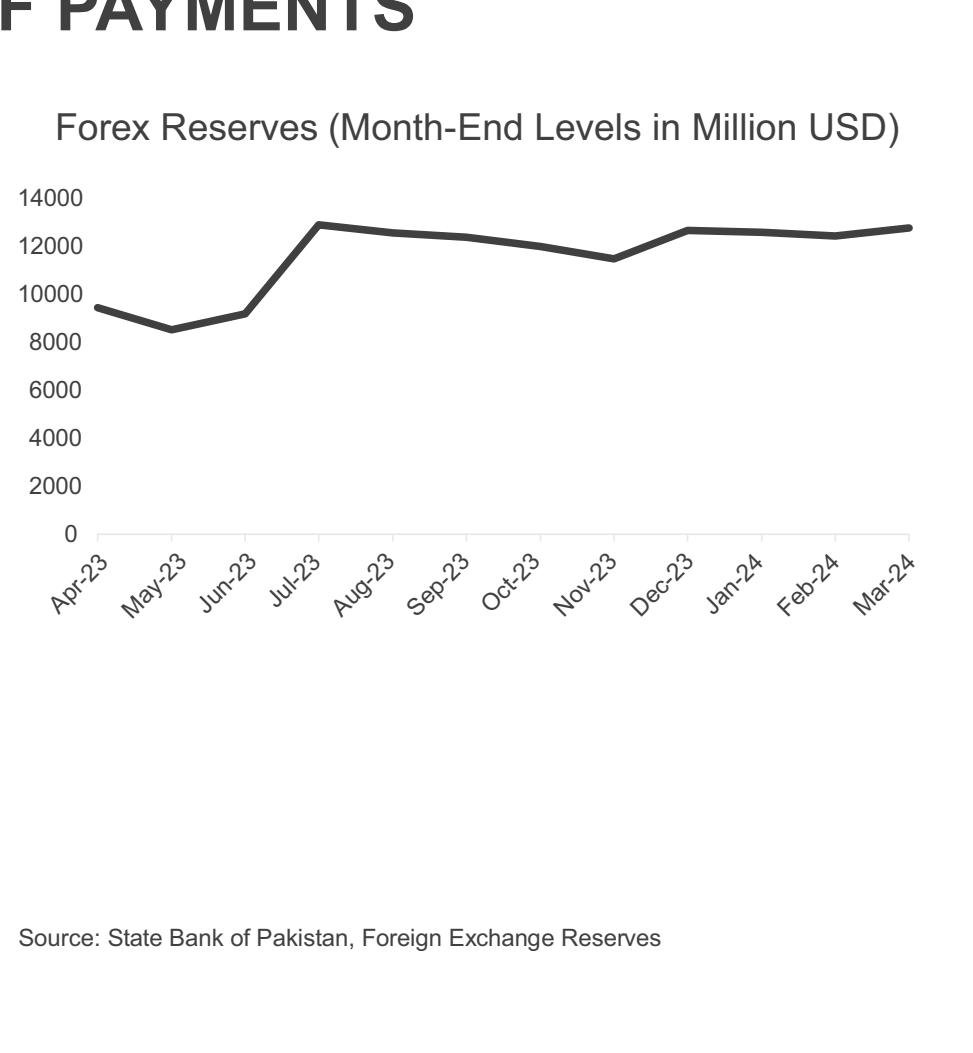
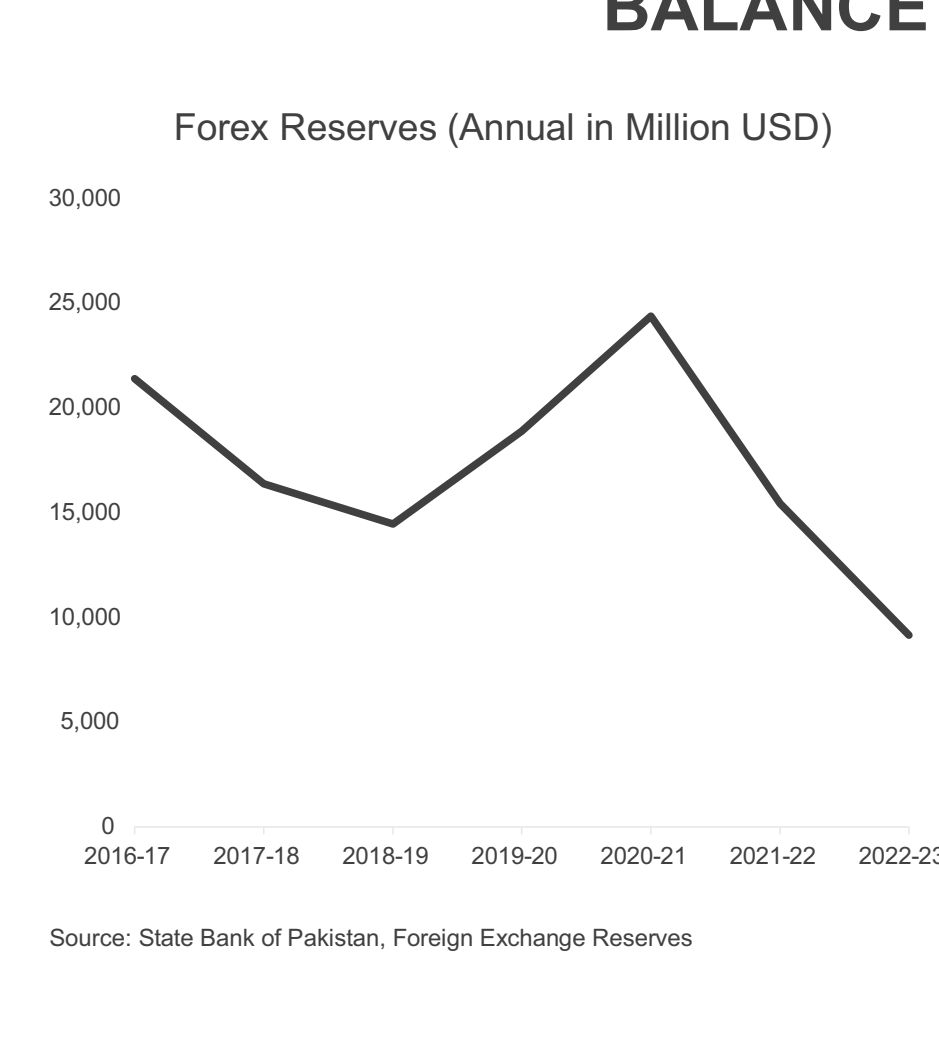
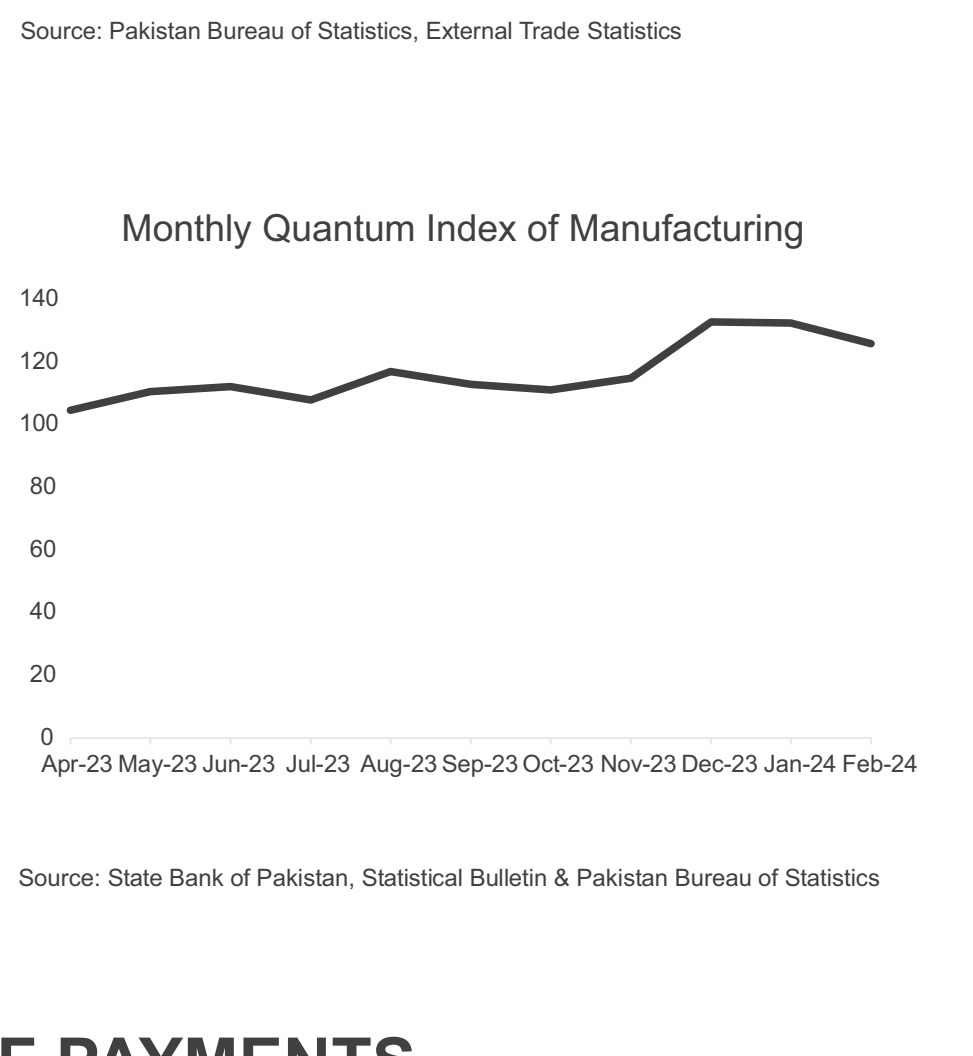
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MACRODATA

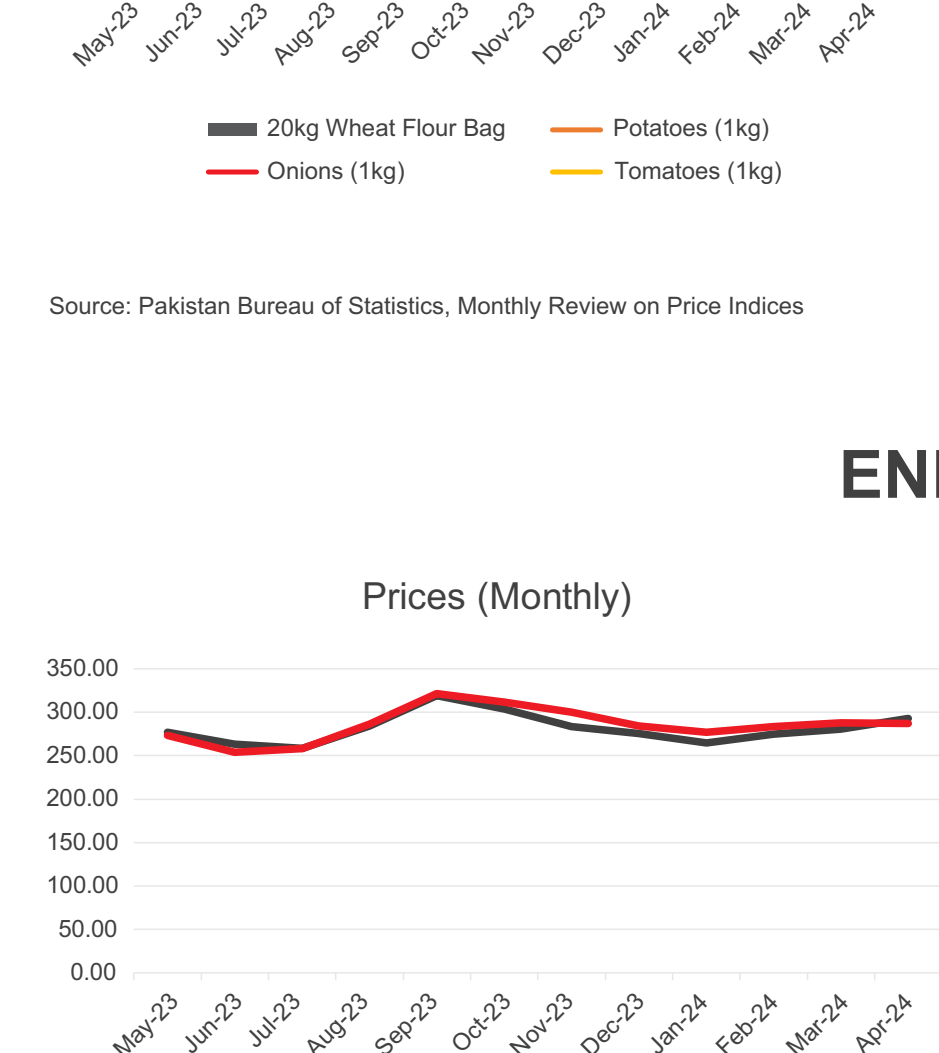
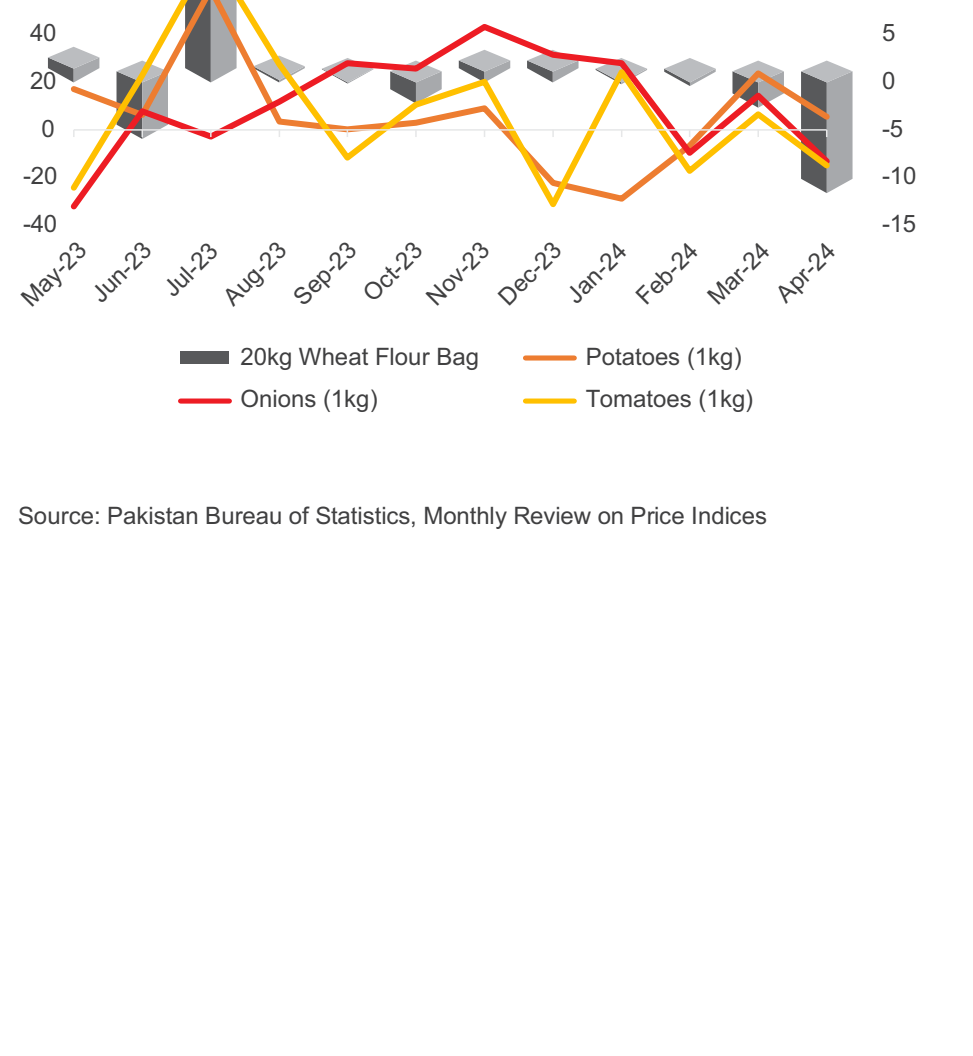
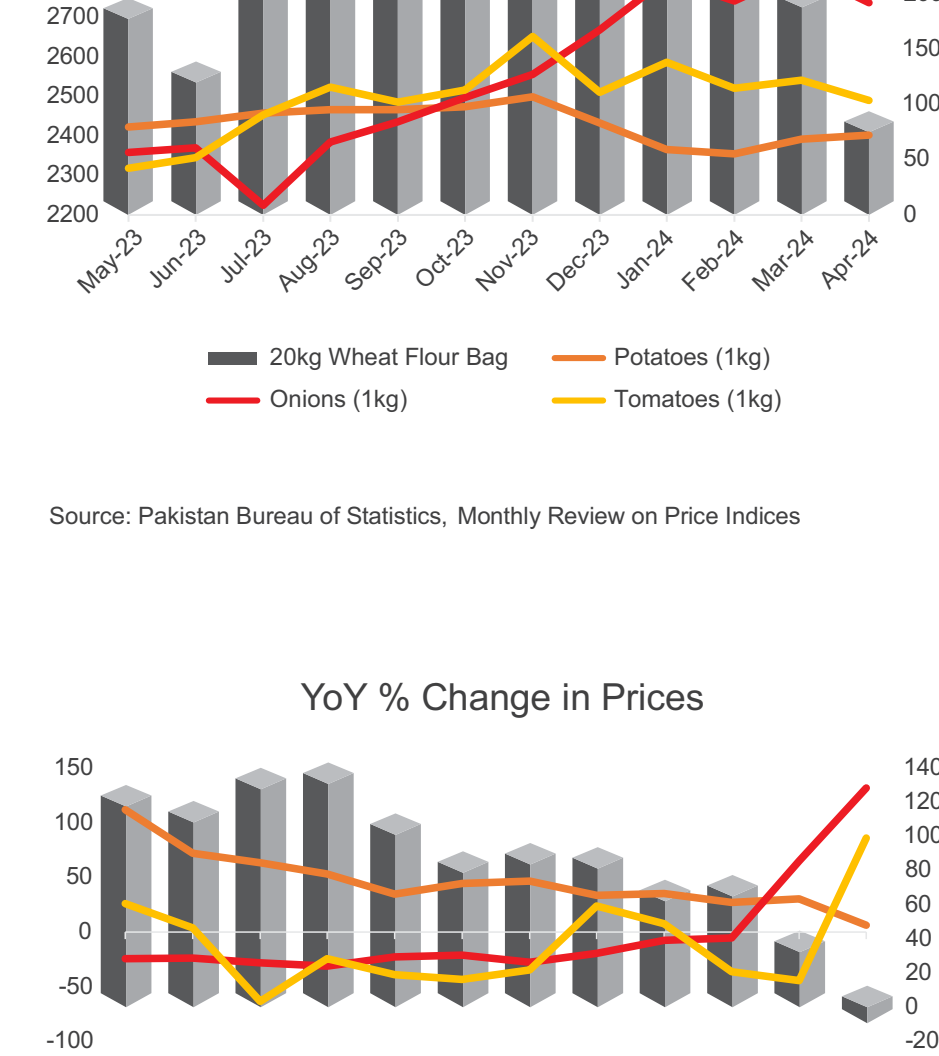
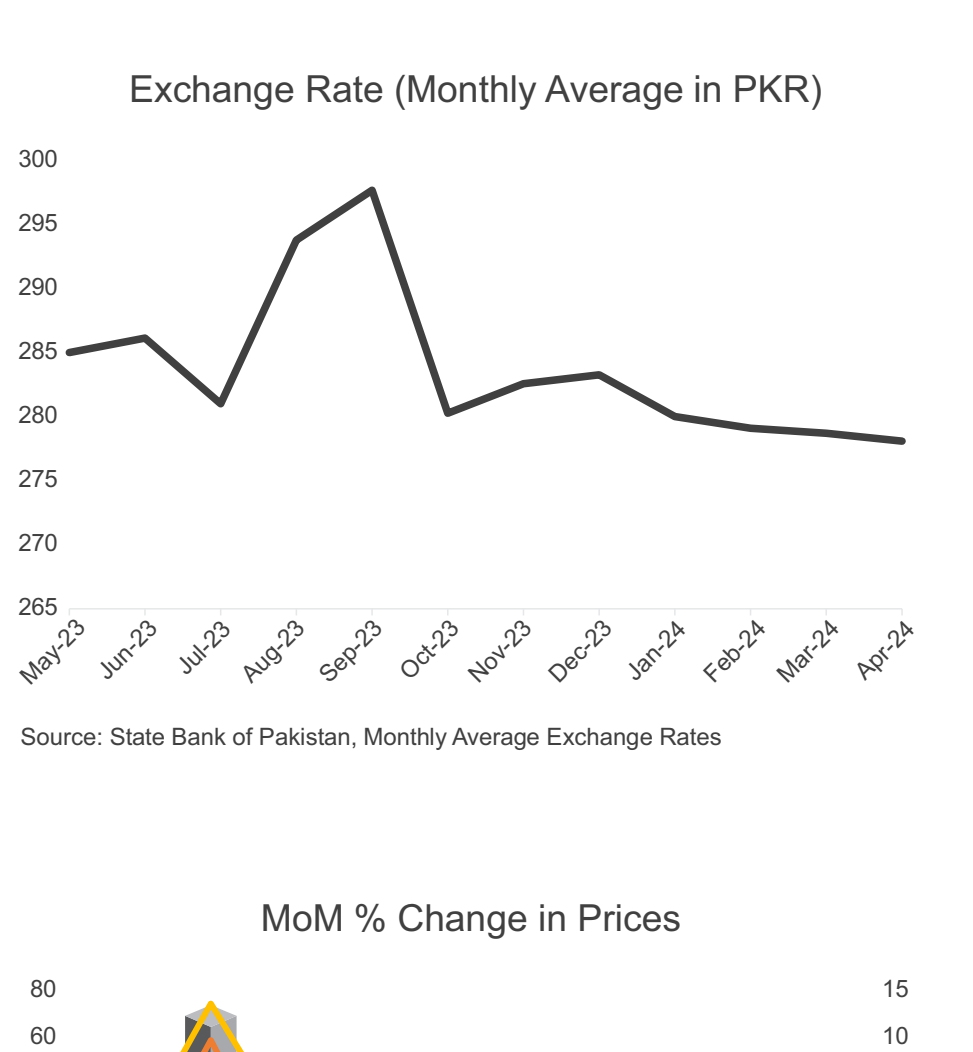
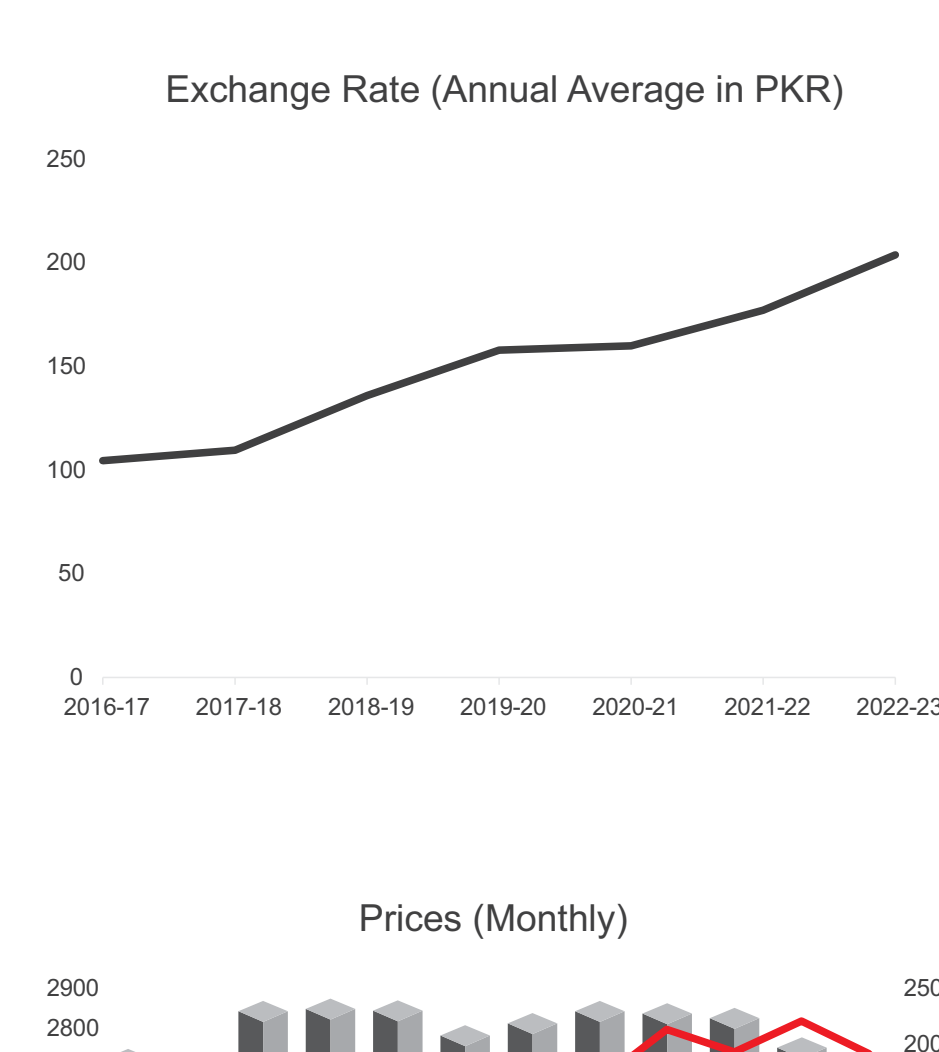
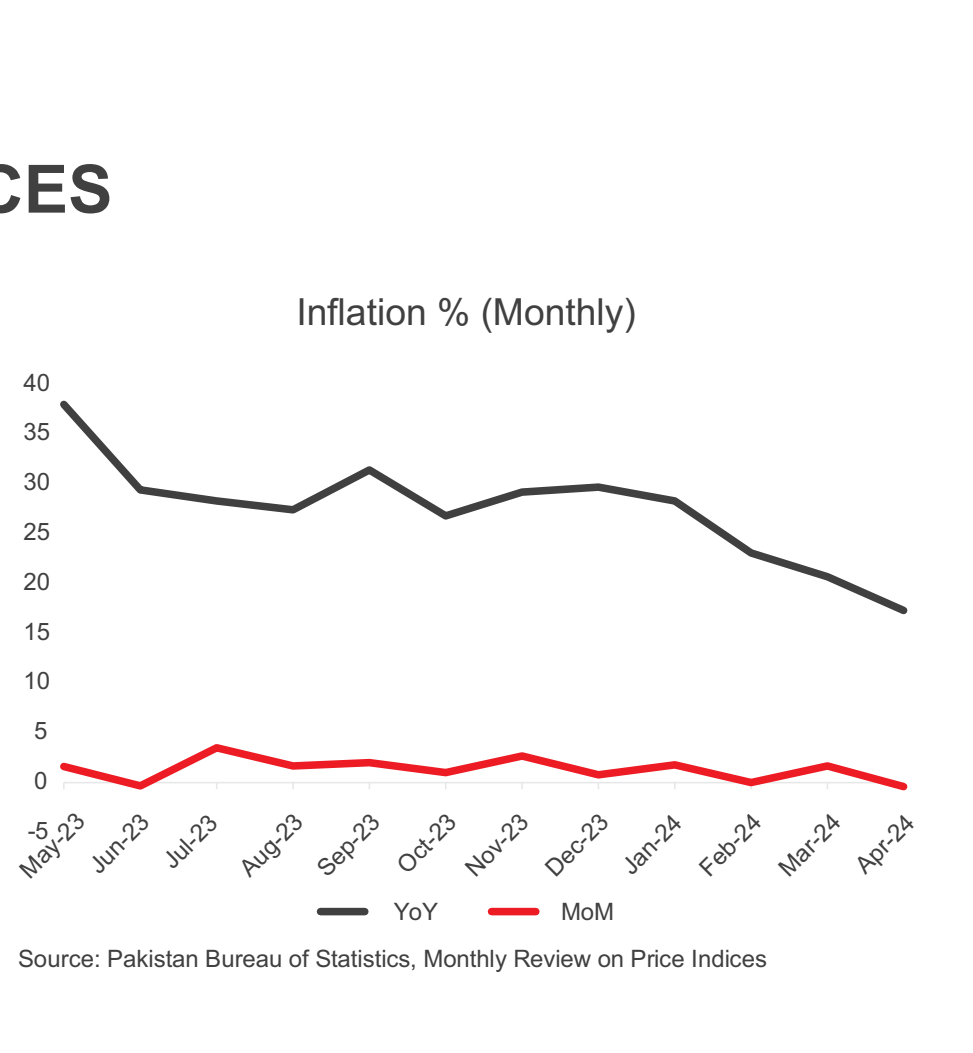
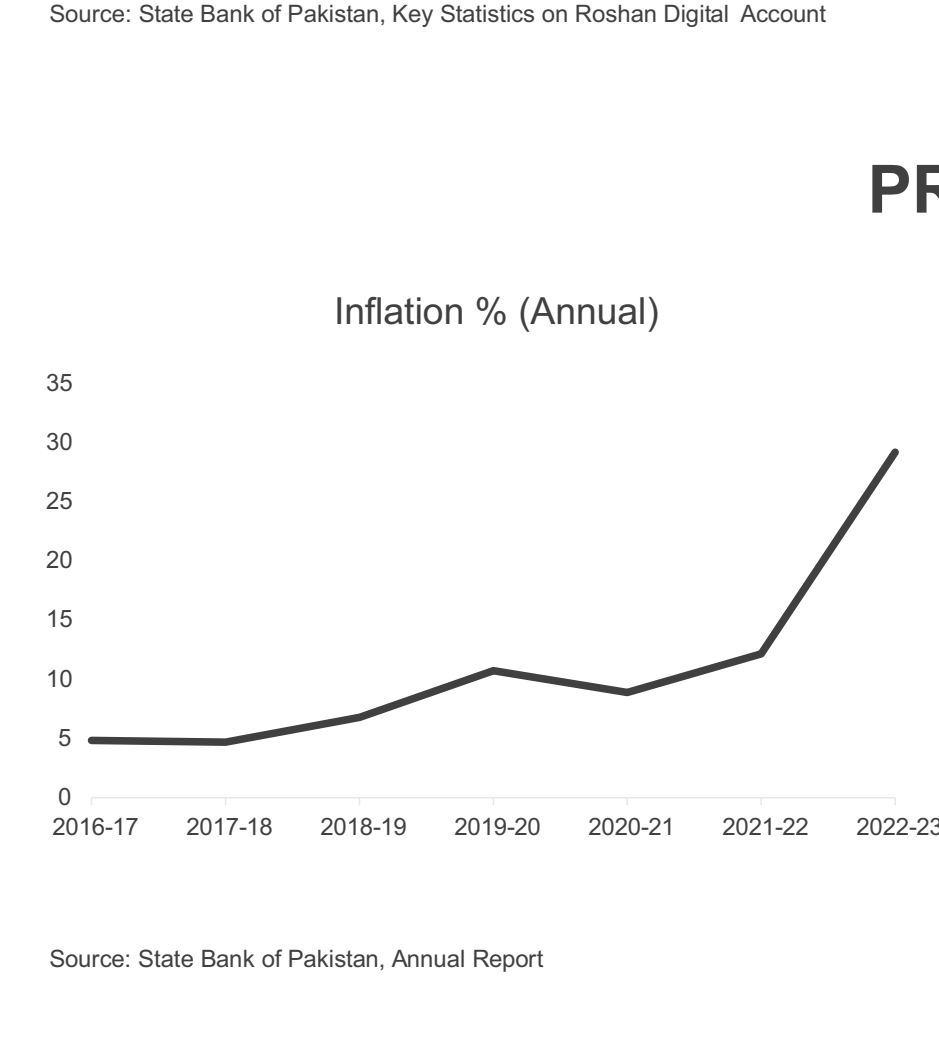
- Trade
- Balance of Payments
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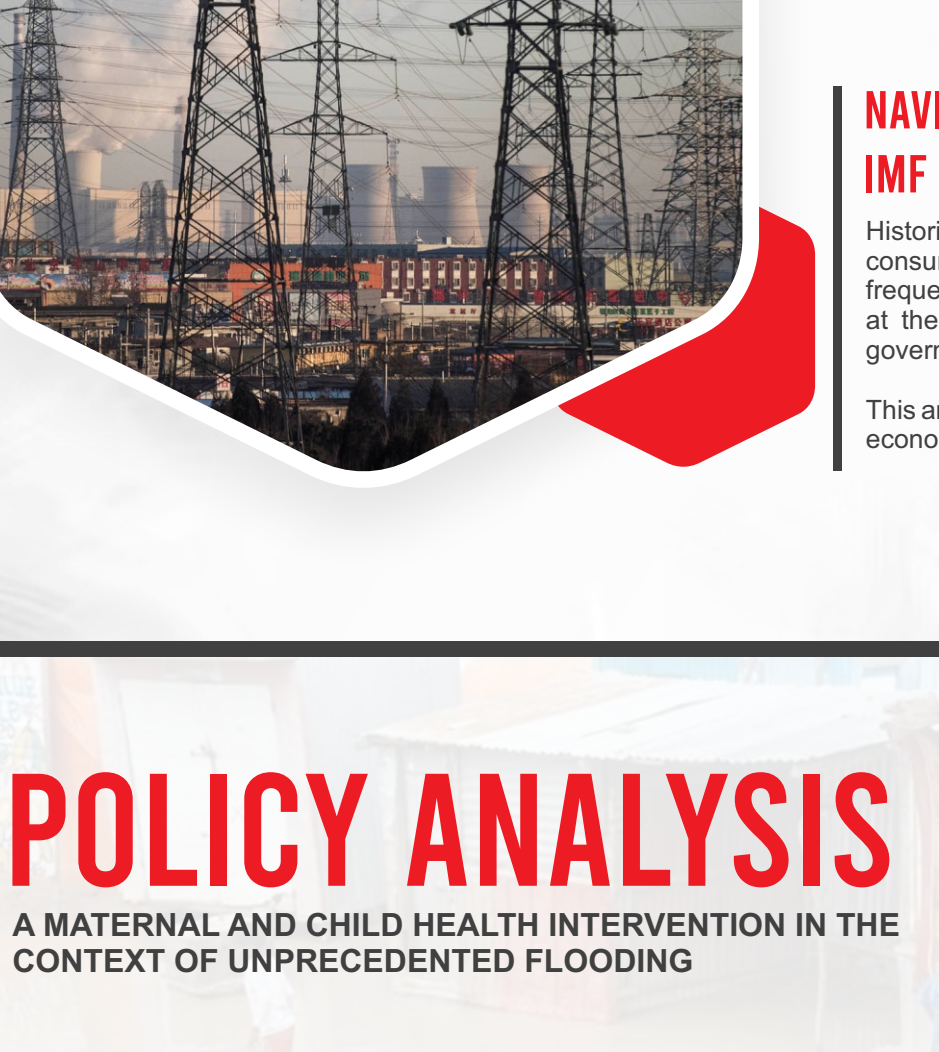
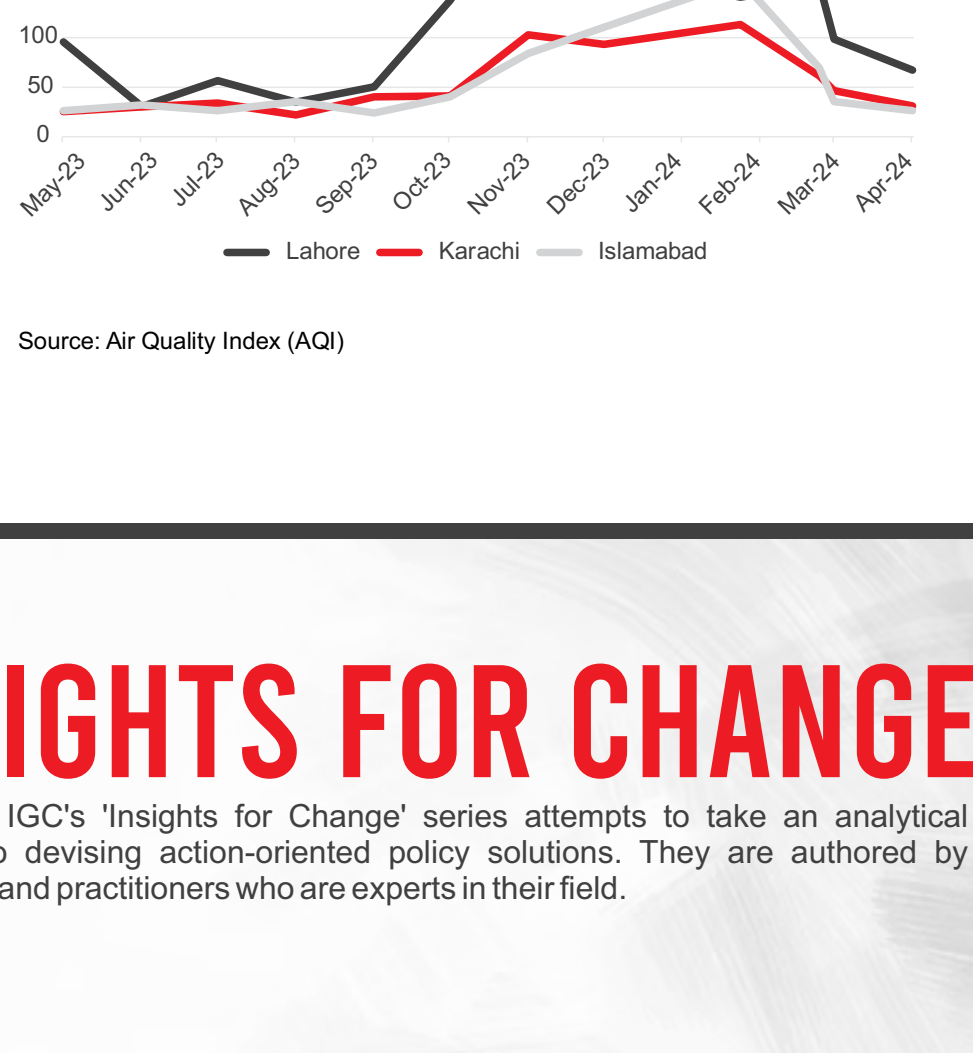
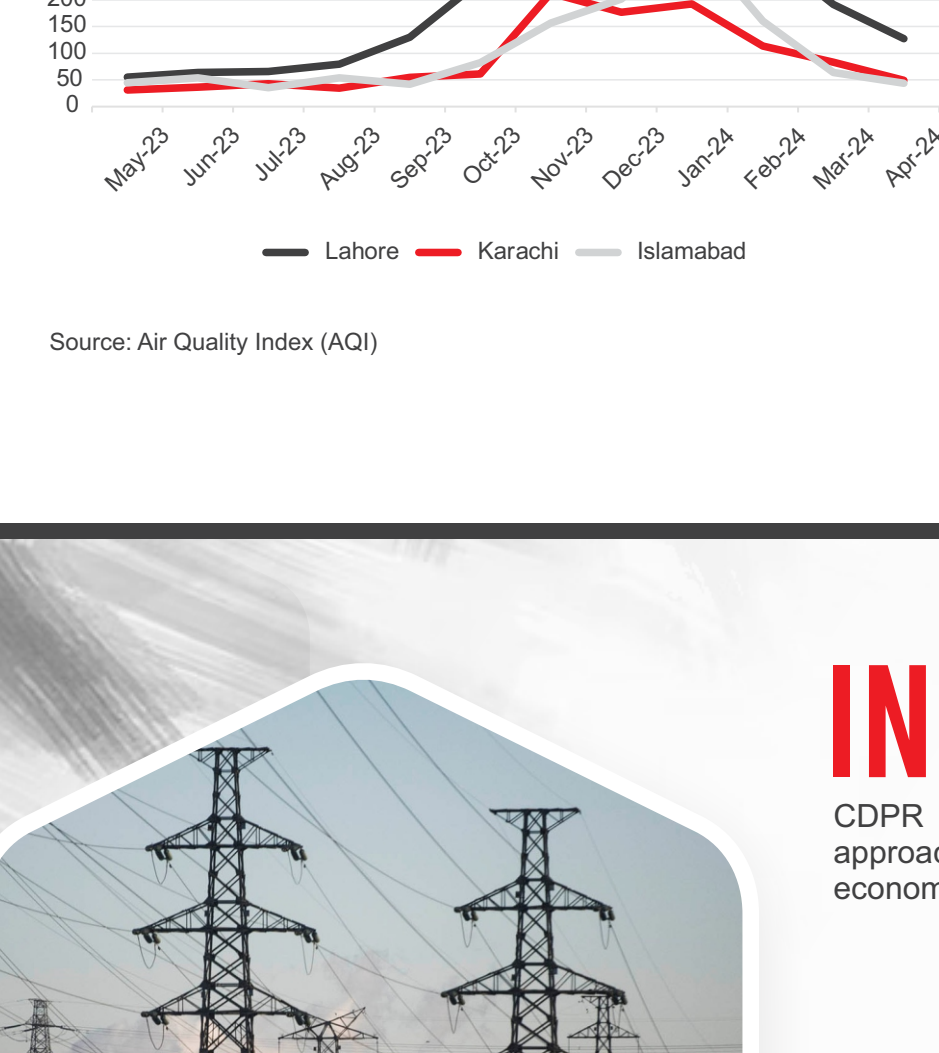
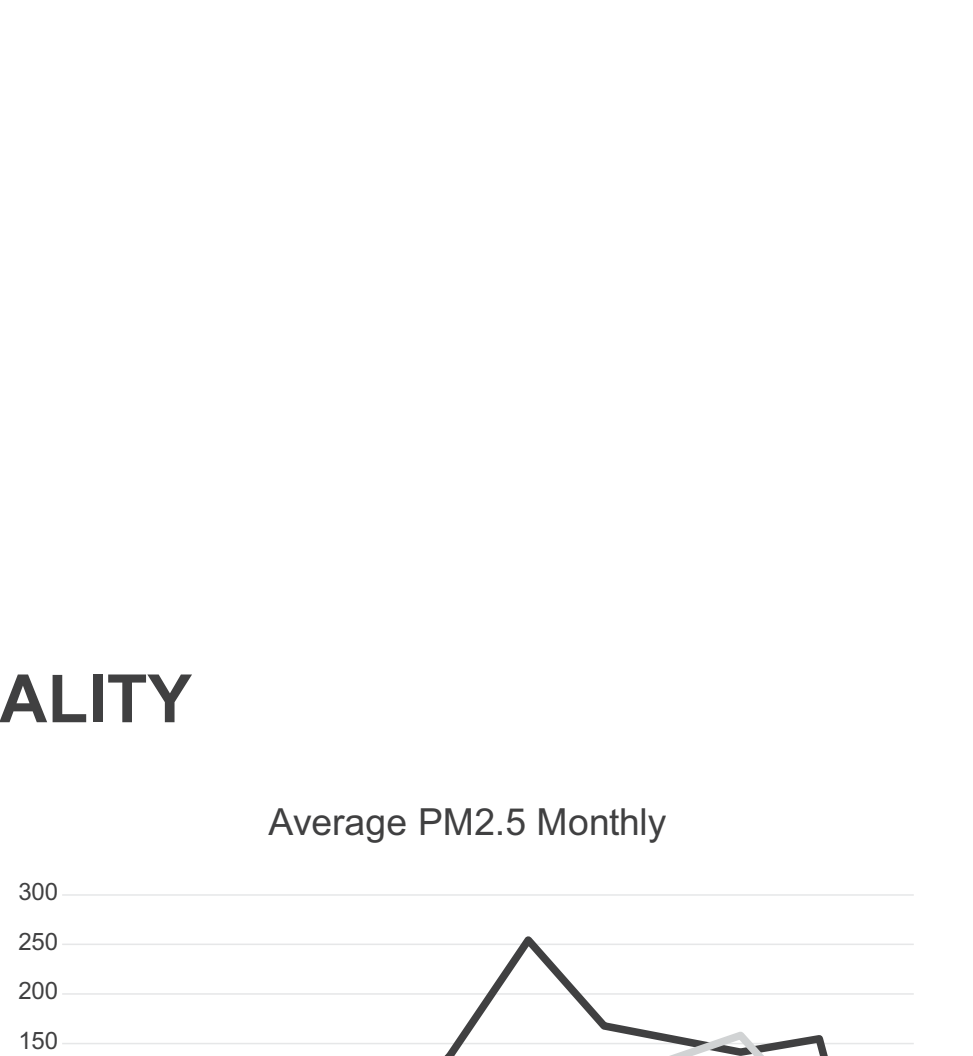
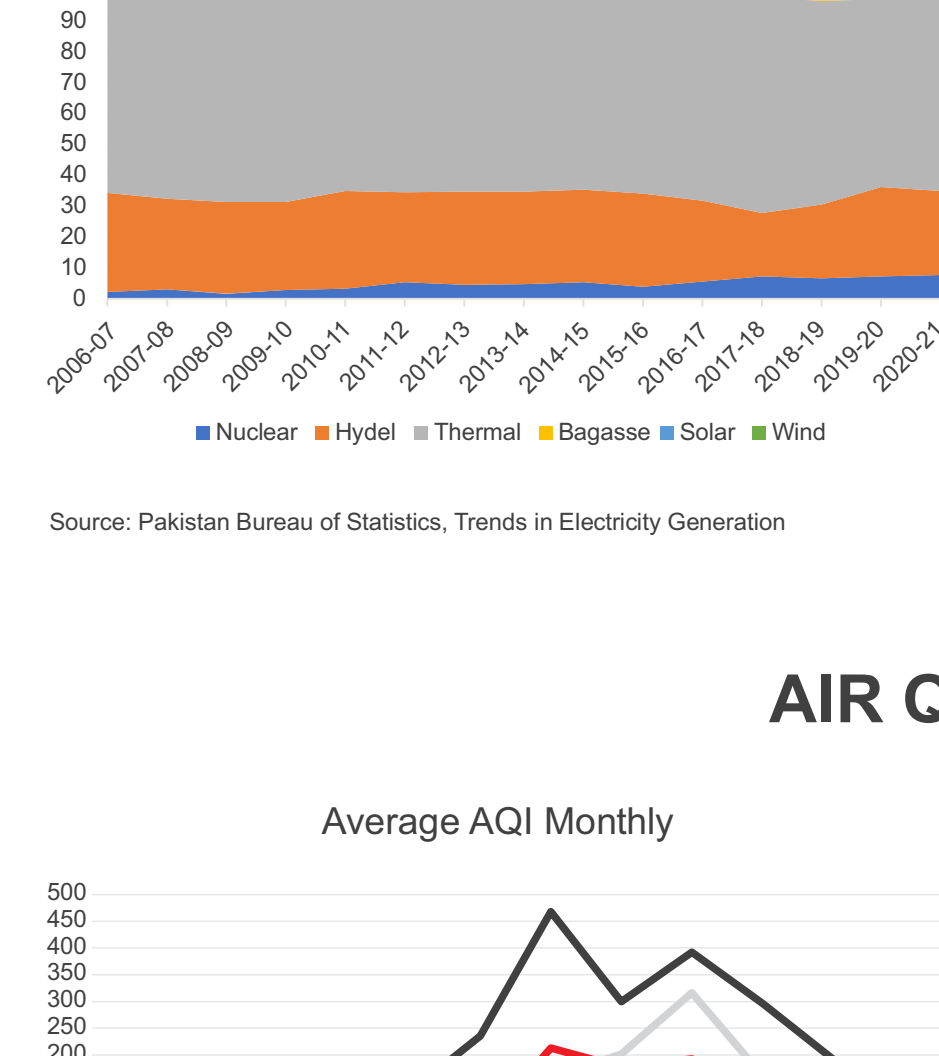
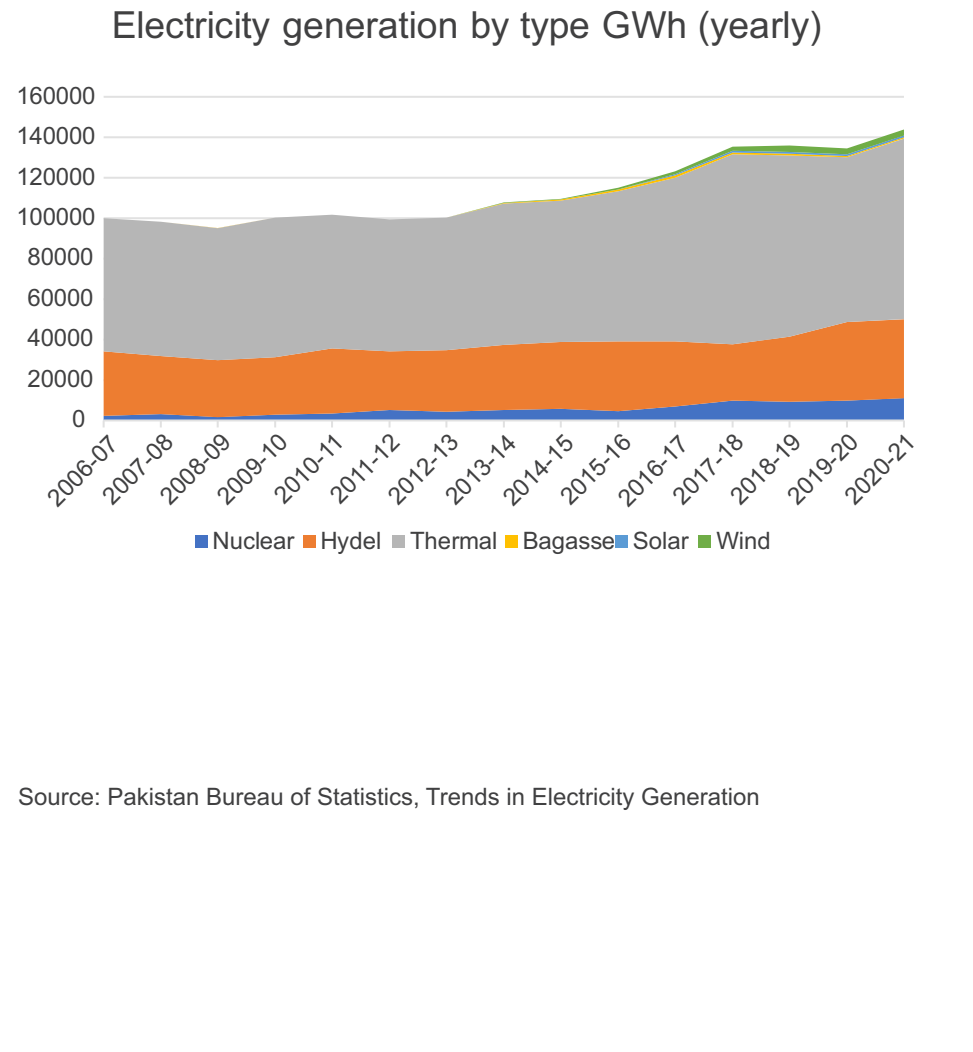
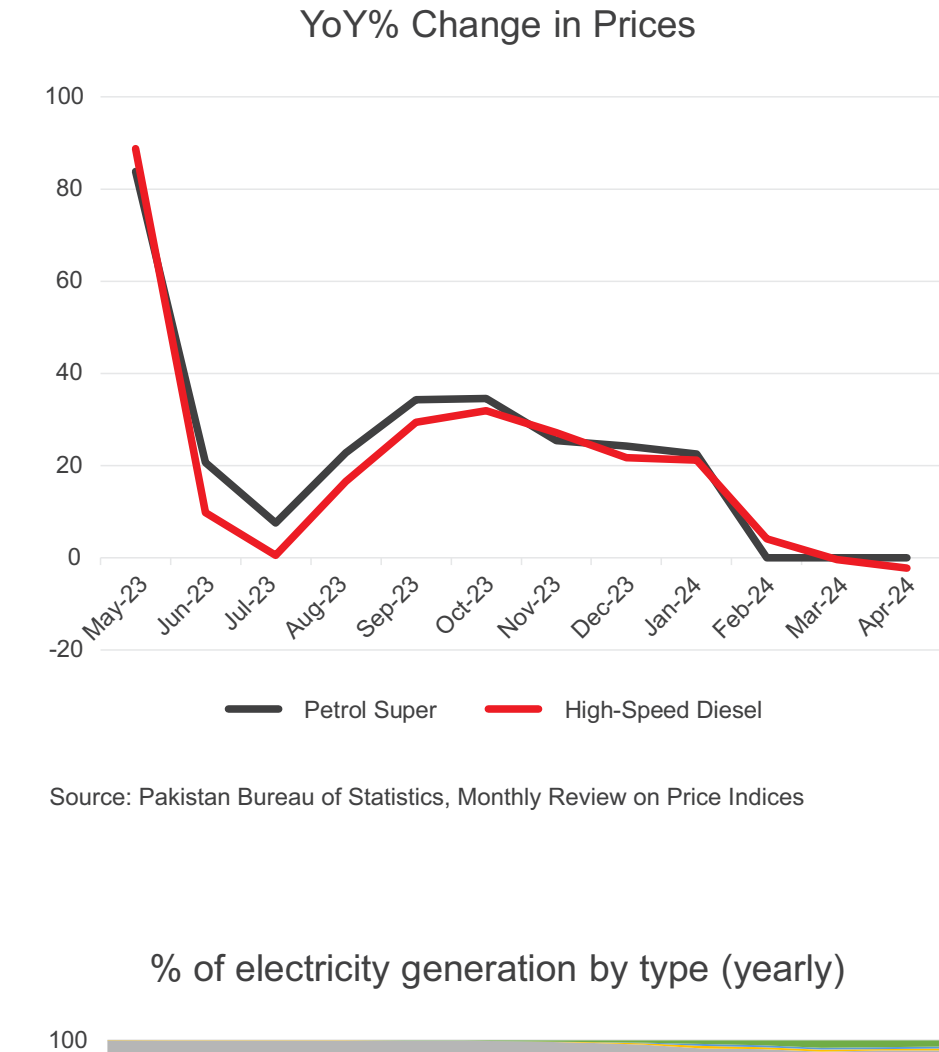
TRADE



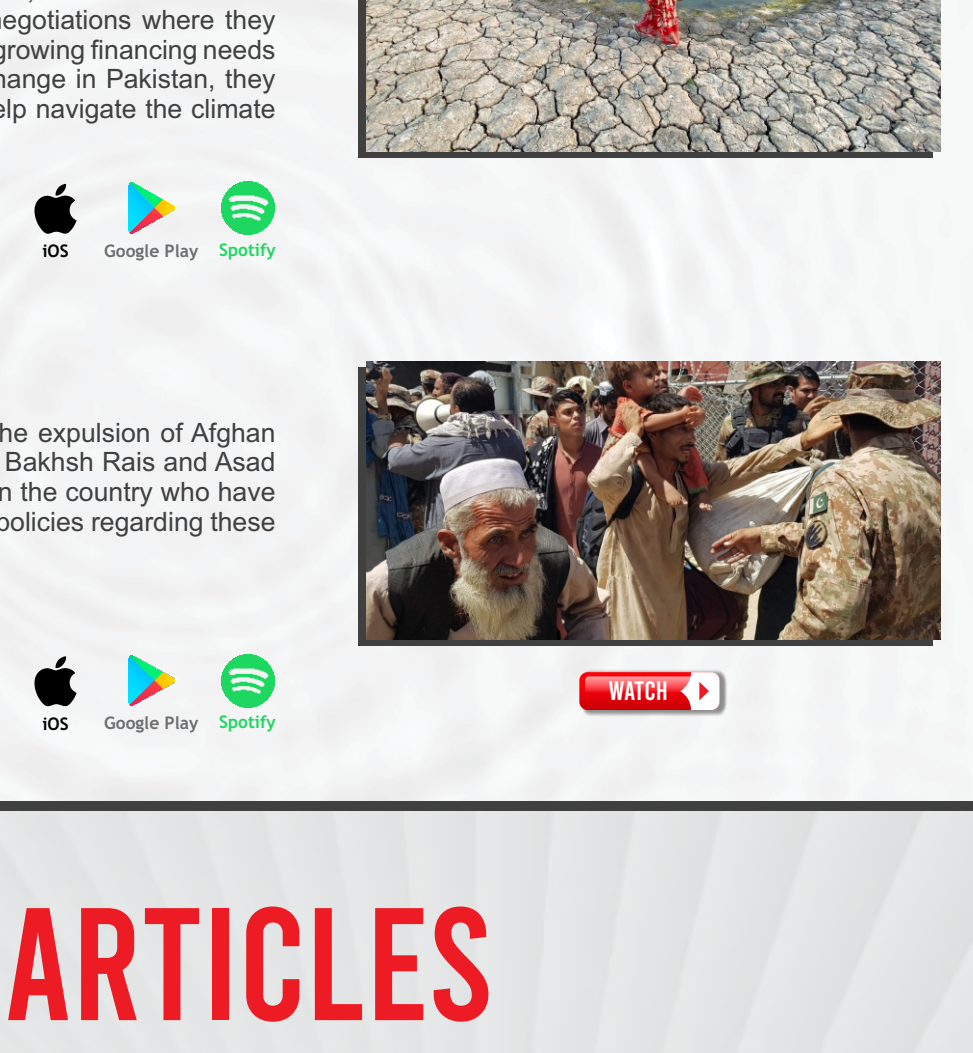
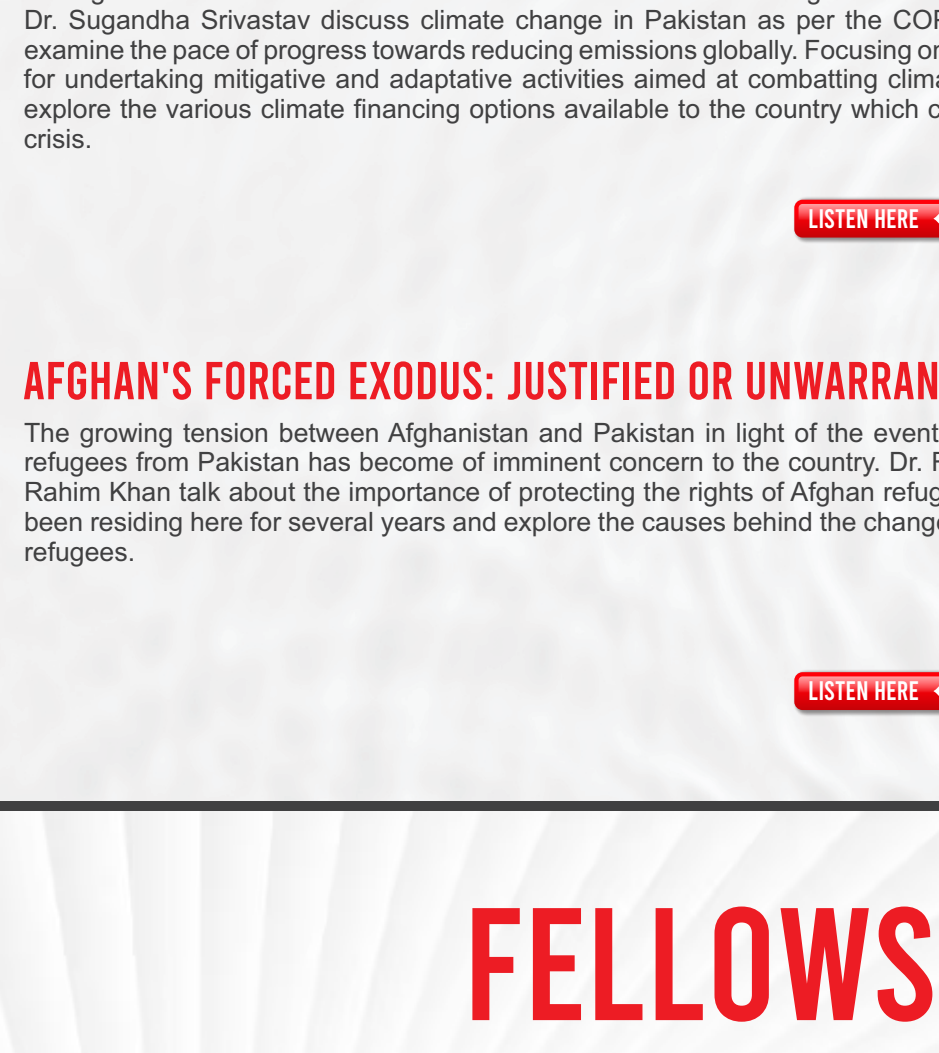
BALANCE OF PAYMENTS



PRICES



ENERGY



INSIGHTS FOR CHANGE

CDPR 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.

NAVIGATING PAKISTAN'S POWER SECTOR CRISIS: CHALLENGES, IMF RECOMMENDATIONS, AND THE PATH TO SUSTAINABLE REFORM

Historically, the Pakistani government has subsidized electricity for industrial and residential consumers. These subsidies are often implemented through complex mechanisms, are frequently unbudgeted, and ultimately financed by debt. This insights article takes a closer look at the challenges faced by Pakistan's electricity sector, the IMF's recommendations, the government's response, and a sustainable way forward.

This article has been co-authored by Numair Liaqat and Faraz Hayat. Numair Liaqat is a country economist at the IGC and Faraz Hayat is a post-doctoral scholar at the IGC.

READ MORE

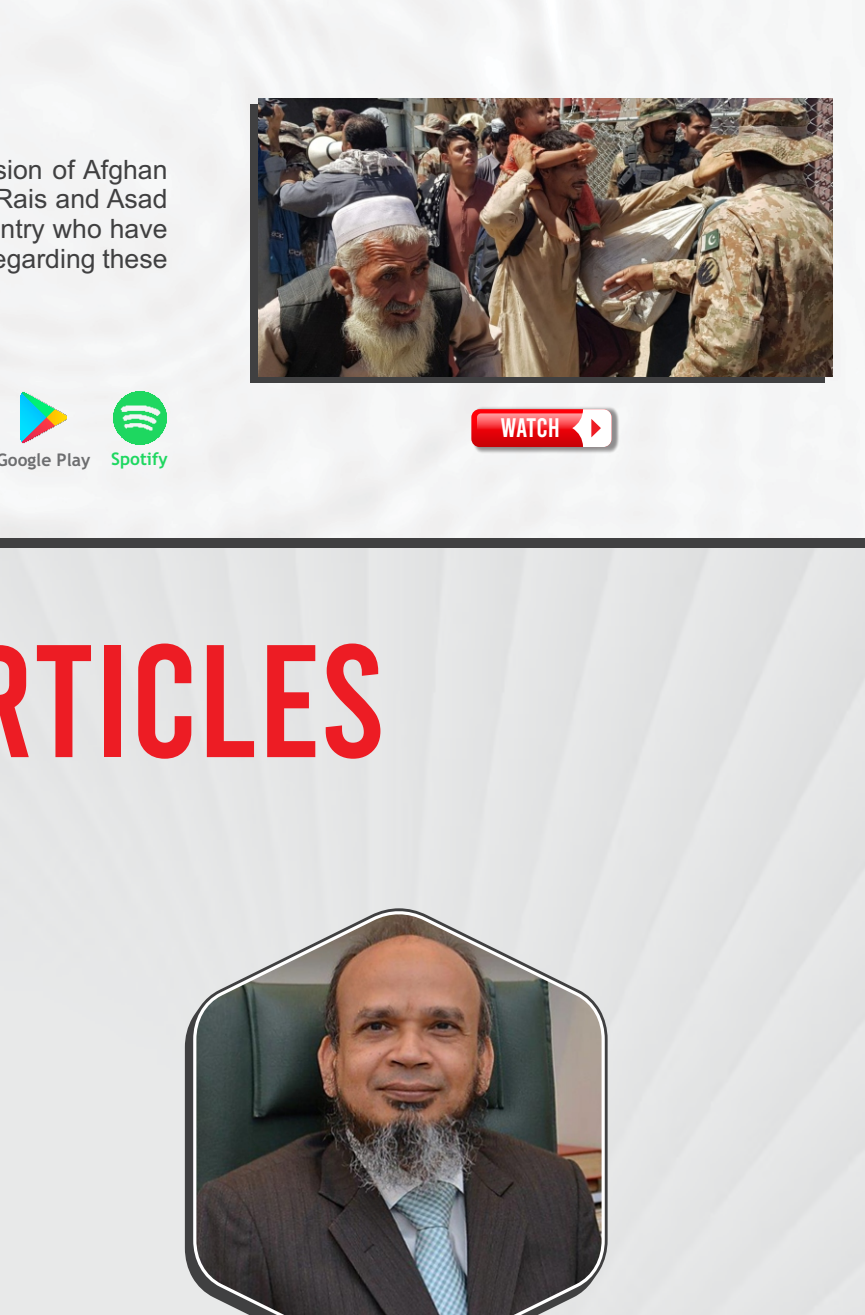
POLICY ANALYSIS

A MATERNAL AND CHILD HEALTH INTERVENTION IN THE CONTEXT OF UNPRECEDENTED FLOODING

The report has been funded by the International Growth Centre (IGC). The principle investigators are Syeda Maria Raza (PhD Candidate, University of California - Davis) and Michael R. Carter (Distinguished Professor of Agricultural and Resource Economics, University of California - Davis).

Maternal and child health remains a priority in the developing countries. On the demand side alone, the economic costs of avoiding healthcare often coincide with conservative socio-cultural norms making it hard for many policy initiatives to achieve the desired improvement. The evidence on how these economic and non-economic costs work in conjunction to affect healthcare is limited, which is what this paper sets out to do in the context of a conditional cash transfer program in Sindh, Pakistan. It further examines the exposure of the study participants to the floods of 2022, providing a natural experiment to evaluate the effectiveness of a CCT program during and in the aftermath of a large-scale natural disaster.

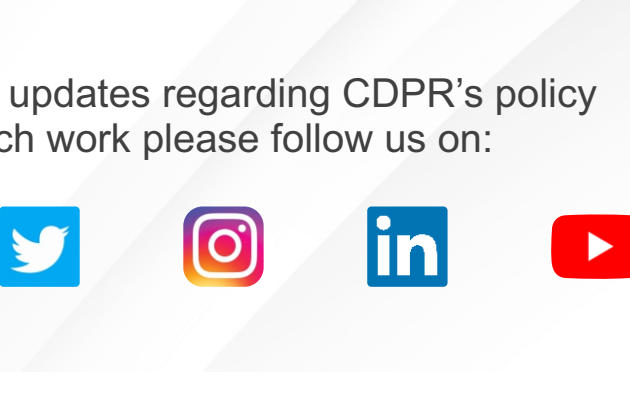
24 health facilities in the study area were asked about the extent of flood damage and how the registration of the CCT was impacted, if at all. Some of the preliminary findings suggested that the time it took women to get to the health facilities doubled during the floods and the respondents faced severe economic hardships, affecting the impact of the CCT program.



LET'S TALK DEVELOPMENT

CDPR and IGC's crucial 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.

RESPONDING TO PAKISTAN'S CLIMATE CRISIS
Despite contributing to only about 0.9% of the global greenhouse gas emissions, Pakistan remains high among the list of countries that are most vulnerable to climate change. Dr. Faraz Hayat, Tim Dobermann and Dr. Sugantha Srivastava discuss climate change in Pakistan as per the COP28 negotiations where they examine the pace of progress towards reducing emissions globally. Focusing on the growing financing needs for undertaking mitigative and adaptive activities aimed at combating climate change in Pakistan, they explore the various climate financing options available to the country which can help navigate the climate crisis.



AFGHAN'S FORCED EXODUS: JUSTIFIED OR UNWARRANTED
The growing tension between Afghanistan and Pakistan in light of the events of the expulsion of Afghan refugees from Pakistan has become of imminent concern to the country. Dr. Rasool Bakhsh Rais and Asad Rahim Khan talk about the importance of protecting the rights of Afghan refugees in the country who have been residing here for several years and explore the causes behind the changes in policies regarding these refugees.

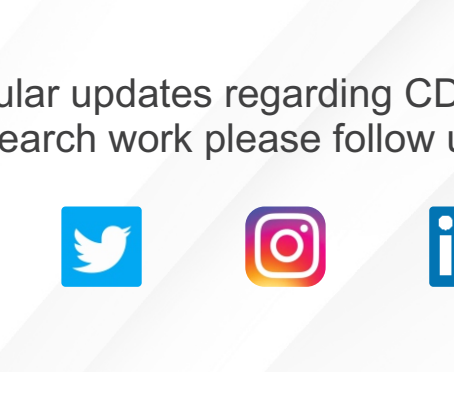
FELLOWS' ARTICLES



FAISAL BARI

THIS IS PAKISTAN
A YOUNG man cheated on one of his assignments. His professor referred the case to the relevant committee for investigation and adjudication. I was, at the time, the department chair. The mother of the young man called and said she wanted to see me even though I explained to her that the case was with the relevant committee and I could not intervene in the process. When she came, accompanied by one of her brothers, she started out by saying that she had lost her husband and the young man his father. I offered my condolences but did point out that since her husband had passed away many years ago, this could not really explain why the young man had cheated.

She was not thrilled by my response. The next thing she said was: "It was just cheating. What is the big deal? It happens all the time in Pakistan. Do you not live in Pakistan?"



RIAZ RIAZUDDIN

OUR SLUGGISH DISINFLATION
WHAT goes up must come down. This truth also applies to economic trends, which exhibit cycles of ups and downs. However, the pace of going up and coming down depends not on gravity, but economic policies. We are now seeing the effects of higher interest rates, which are slowly taking the steam out of inflation in the consumer price index (CPI). Year-on-year inflation has come down from its peak of 38 per cent in May 2023 to 17.3pc in April 2024.

How long does it take to contain high inflation and to lower it? If we take high inflation to mean anything higher than 15pc, then the current spell has been persisting for the last 22 months. The bad news is that in our inflation history, we have witnessed CPI inflation persist above 15pc, peaking at 29.3pc, for 23 months straight—from July 1973 to November 1975. Let us hope that this inflation history does not repeat itself in terms of the length of that spell.

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In Pakistan, policy decisions and public discourse are often uniformed by available research. The Consortium for Development Policy Cutting-edge (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.

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