

CDPR NEWSLETTER

MAY 2024

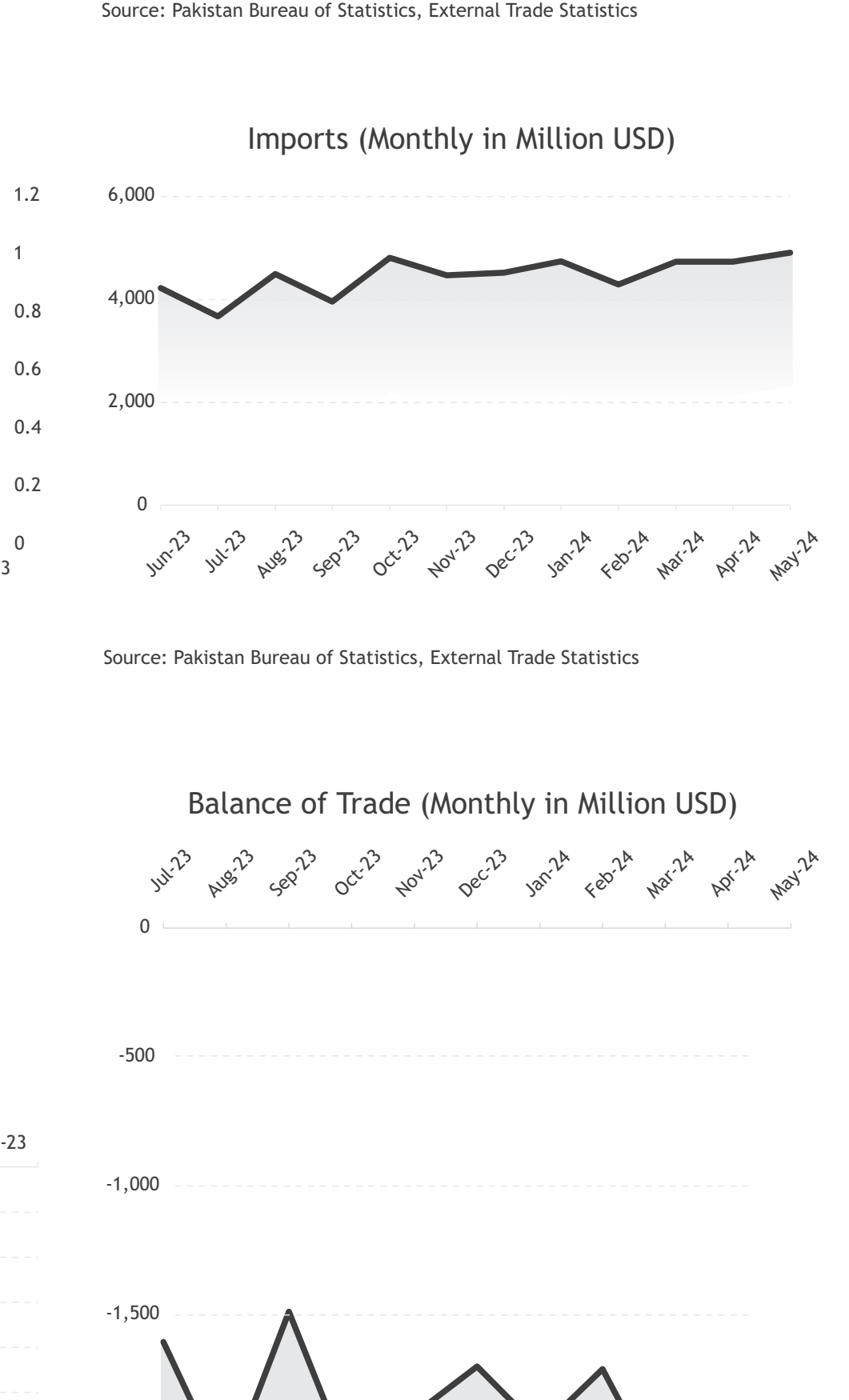


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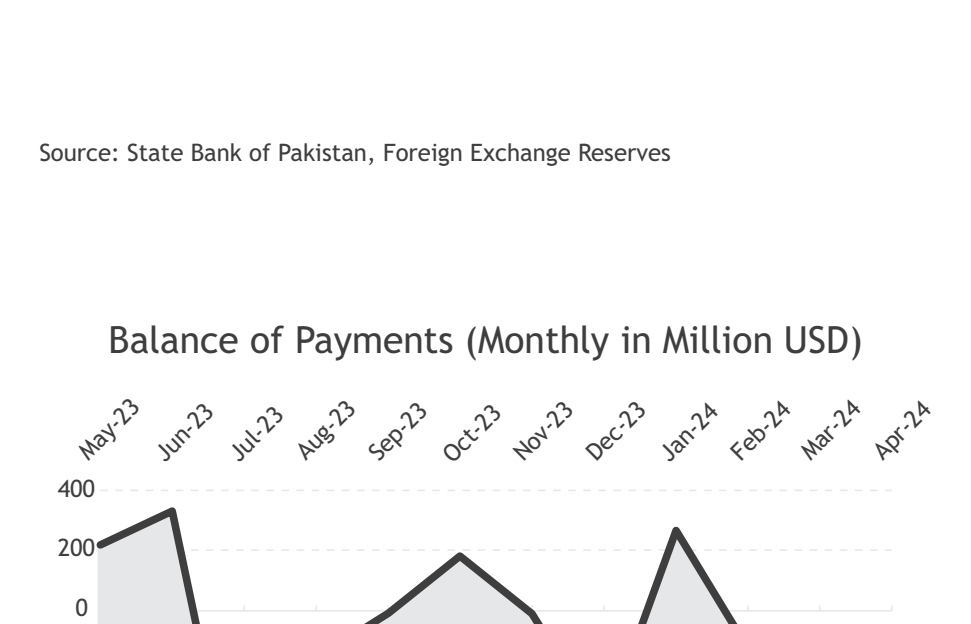
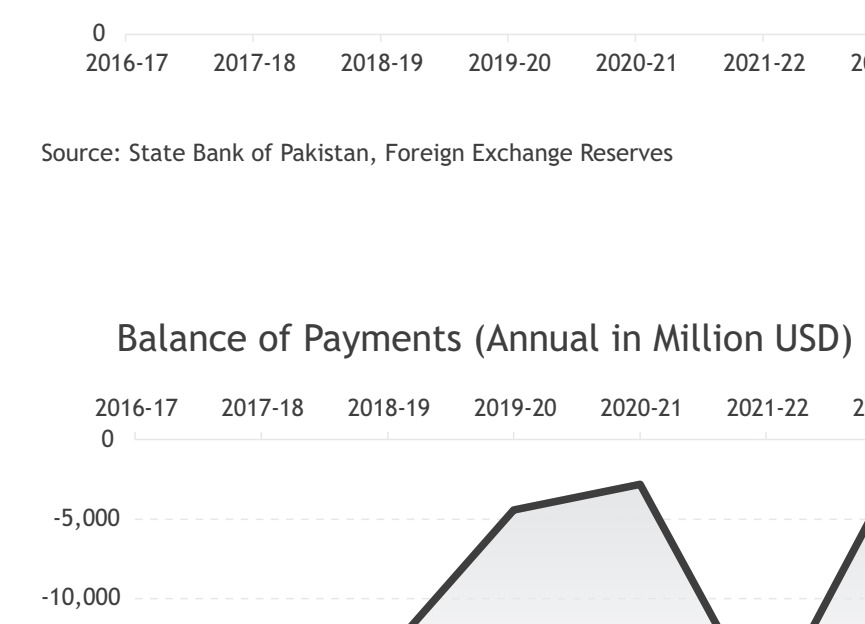
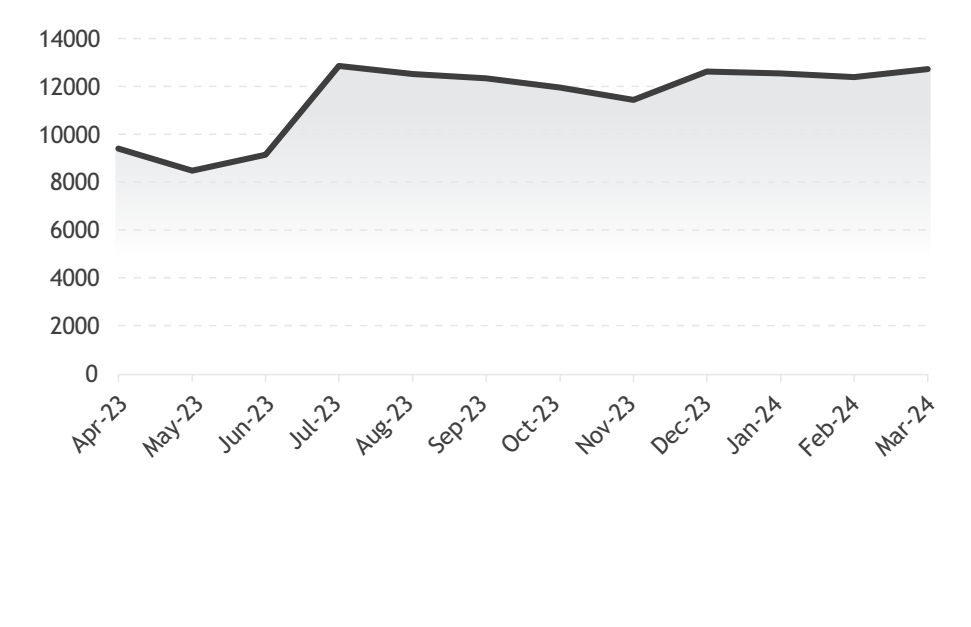
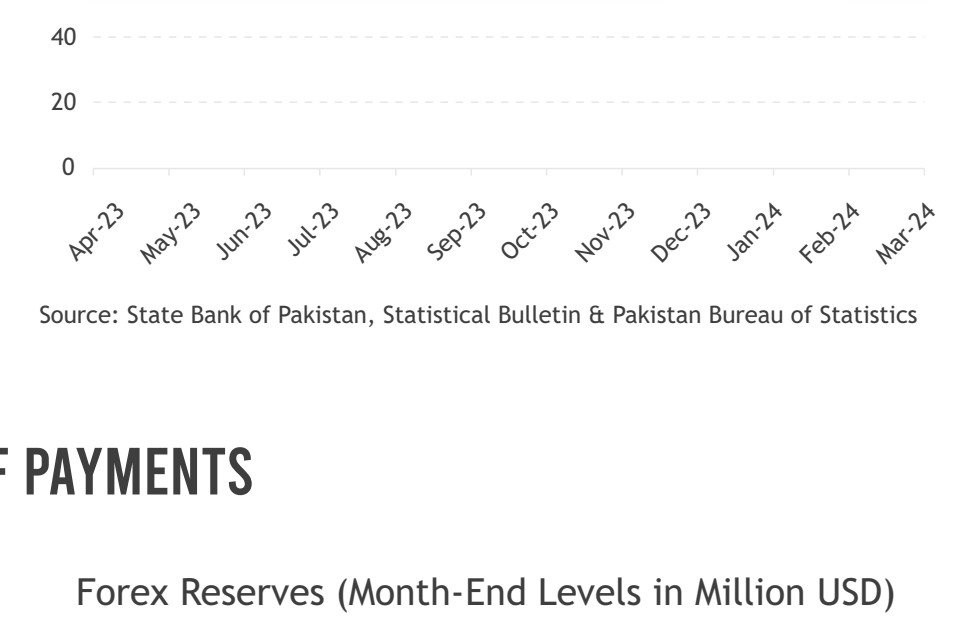
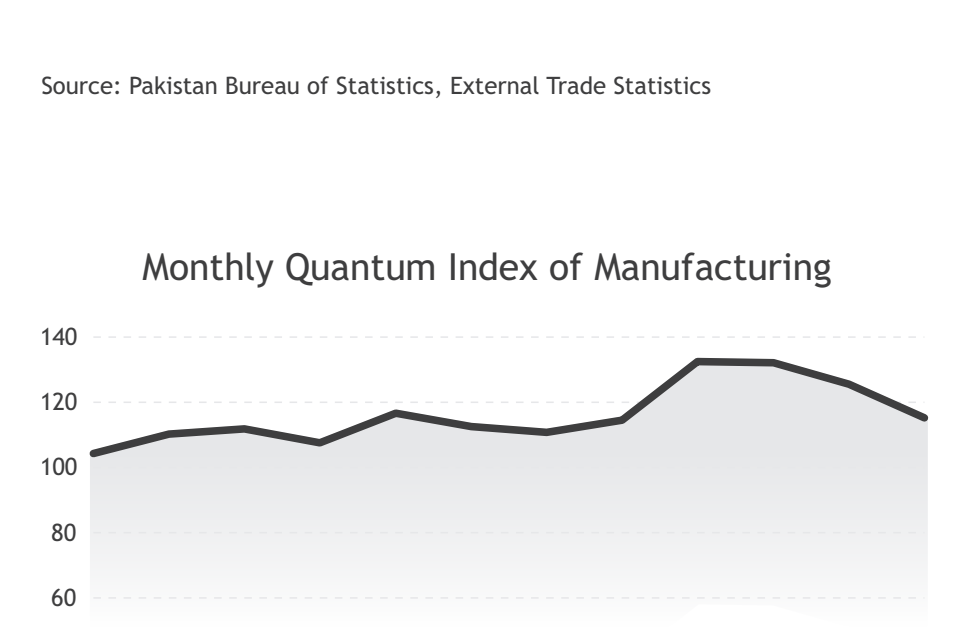
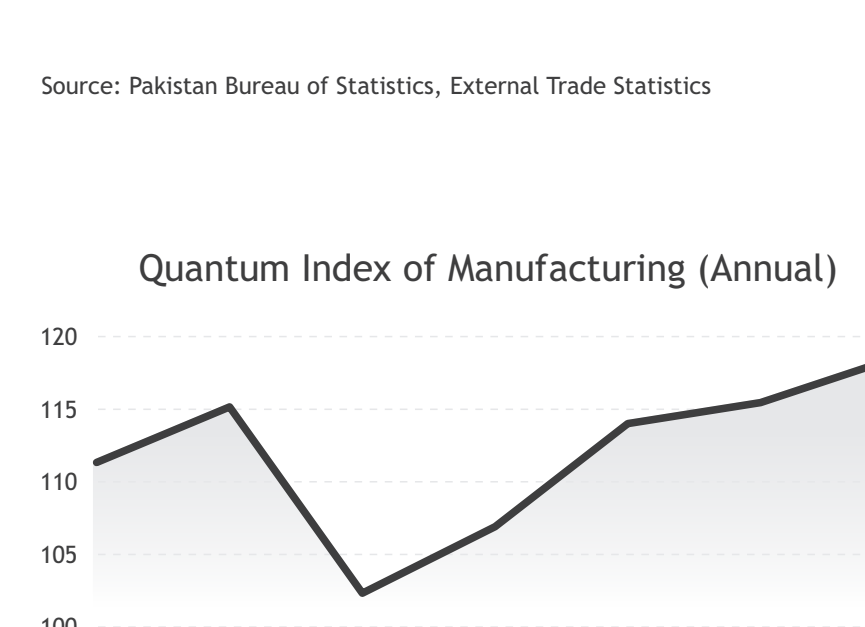
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MACRODATA

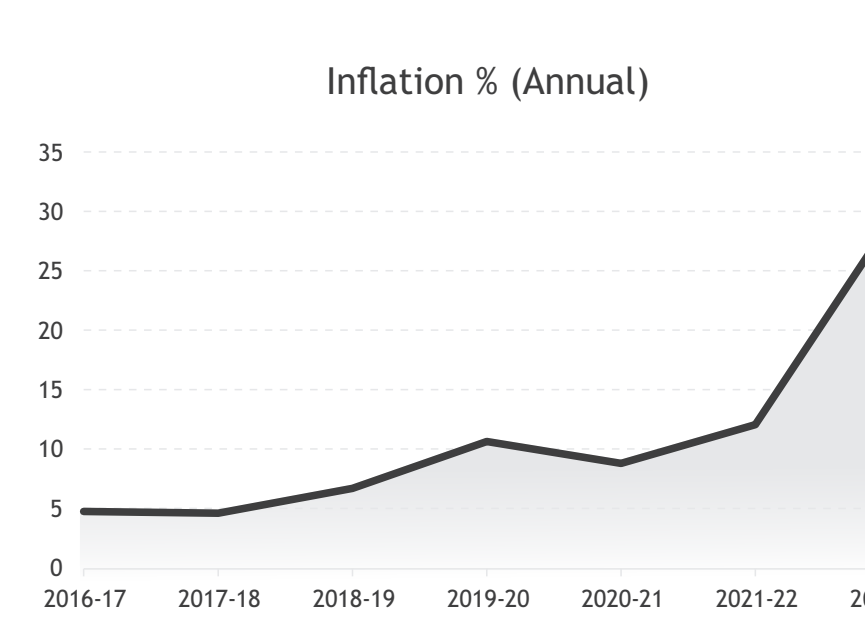
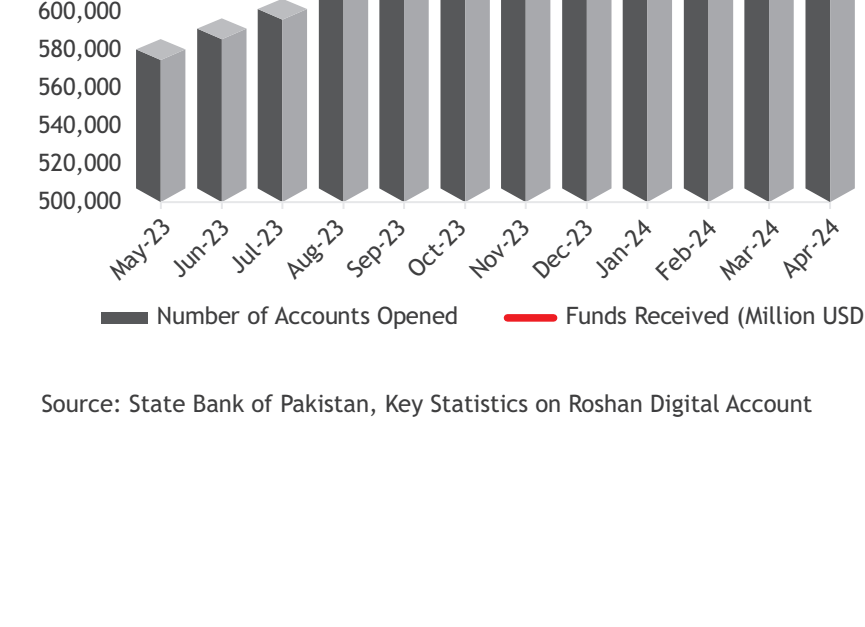
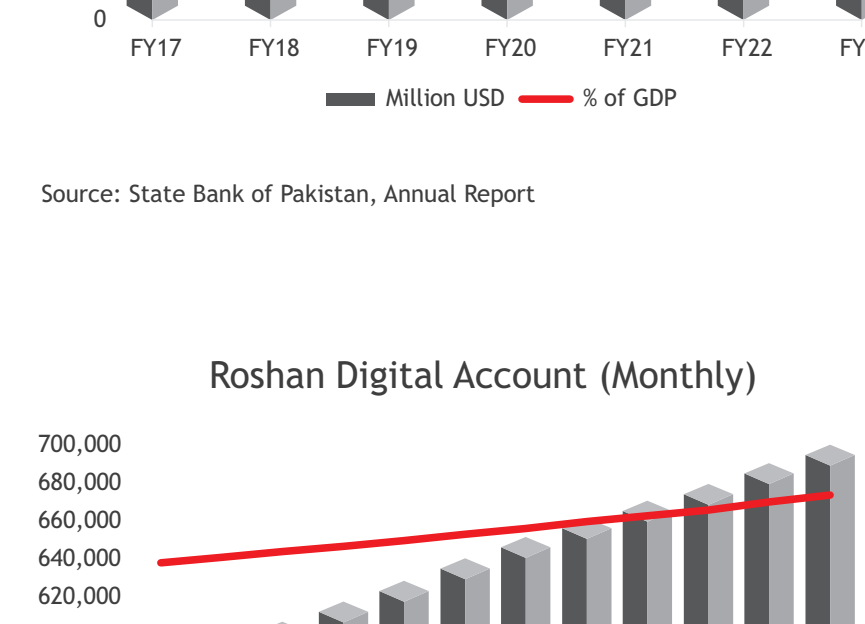
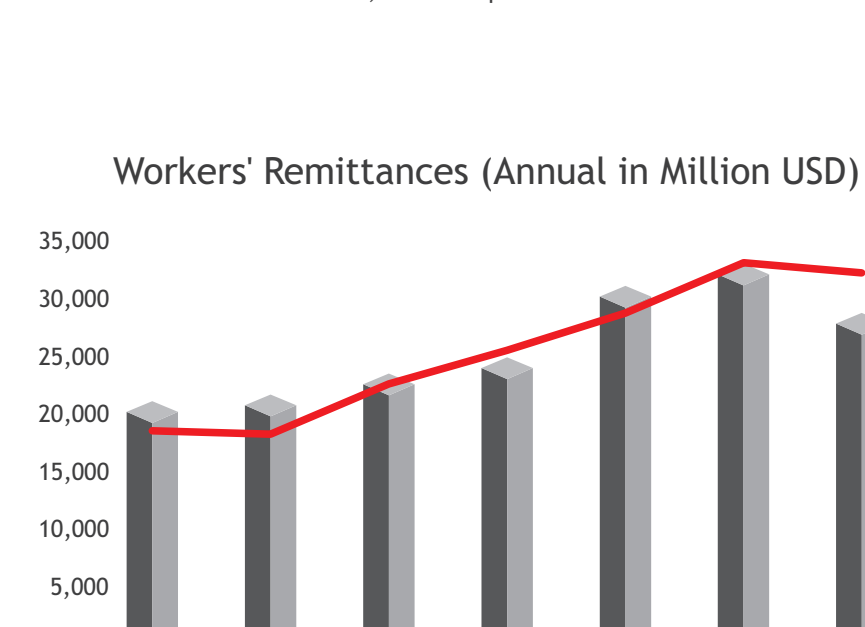
- Trade
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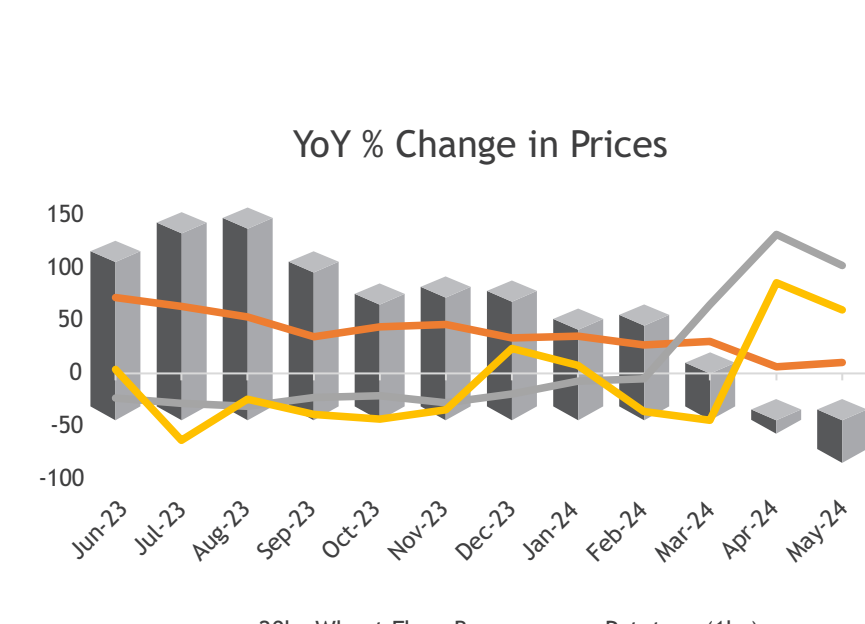
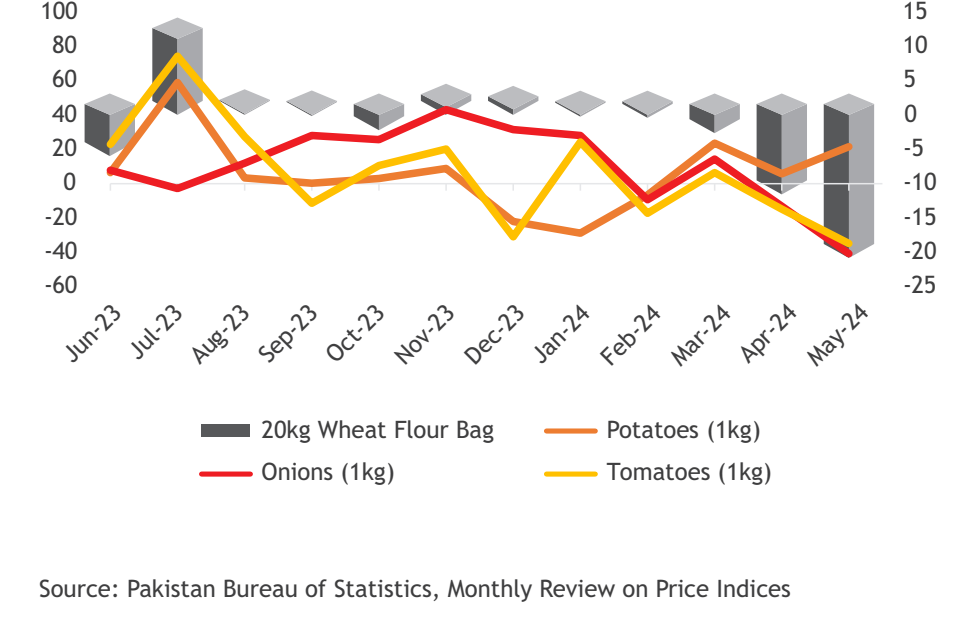
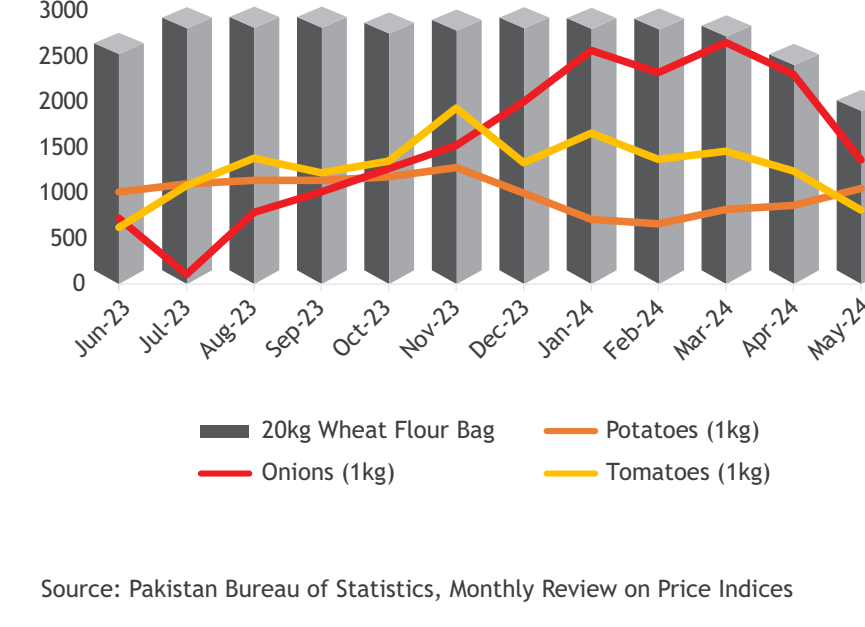
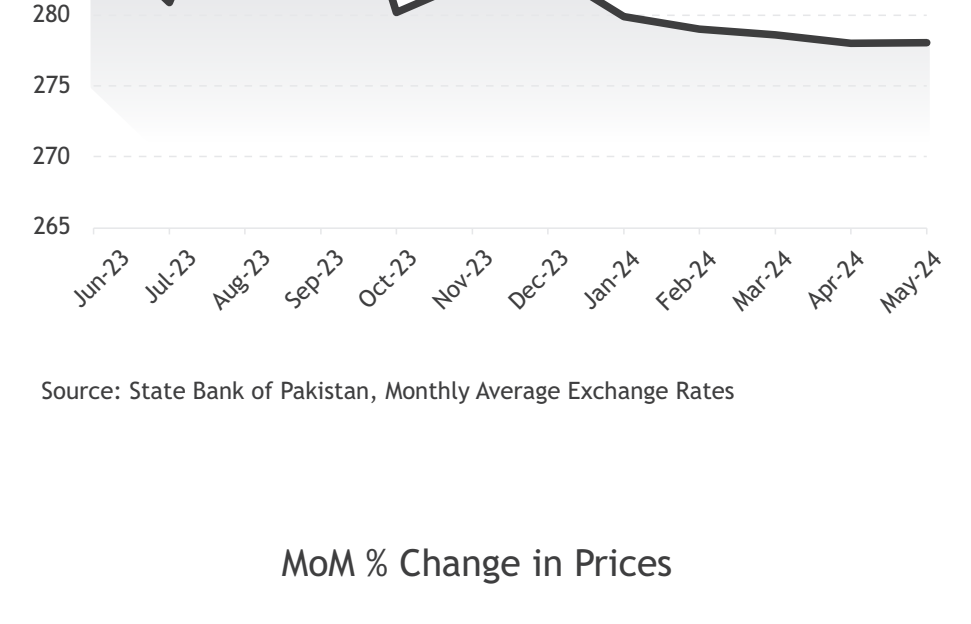
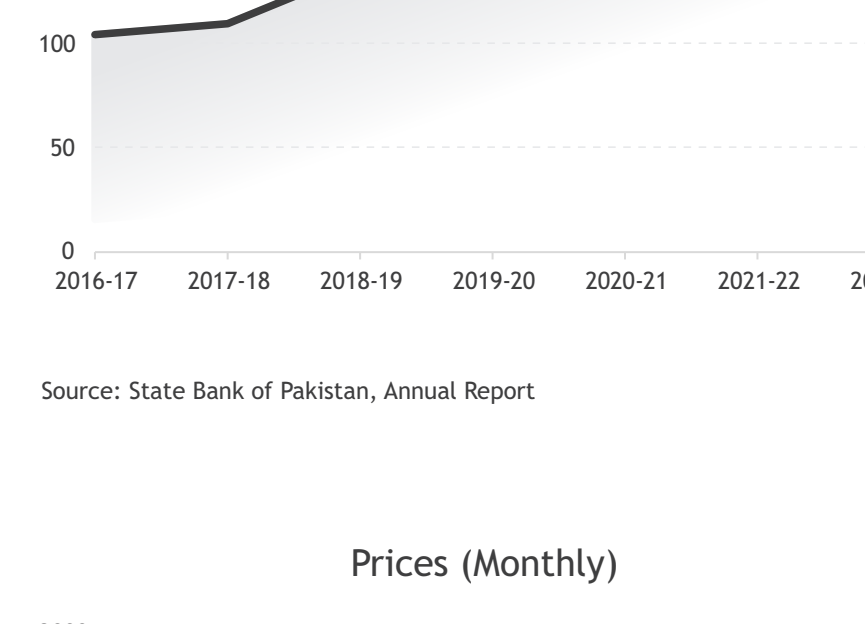
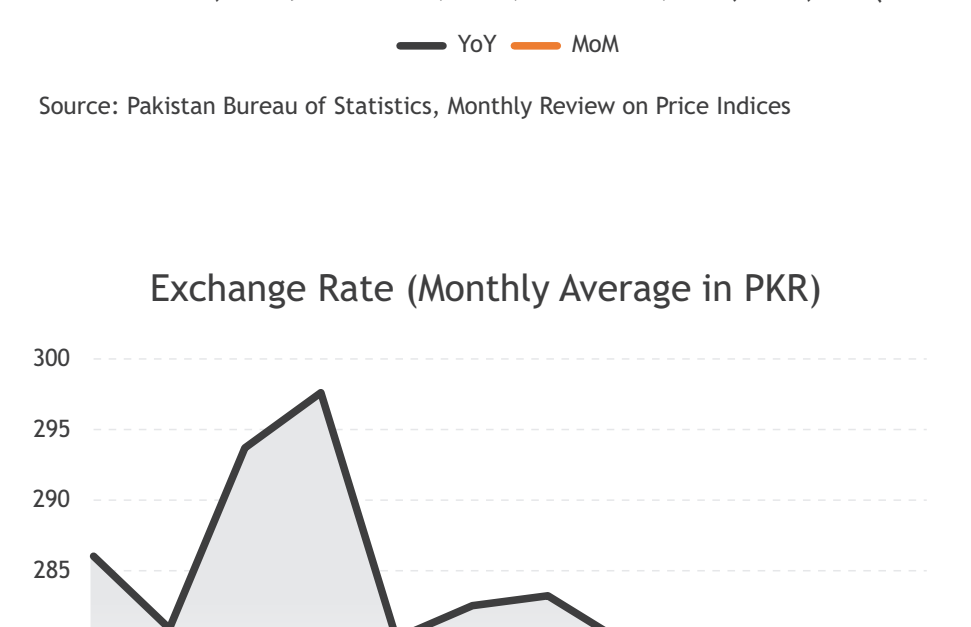
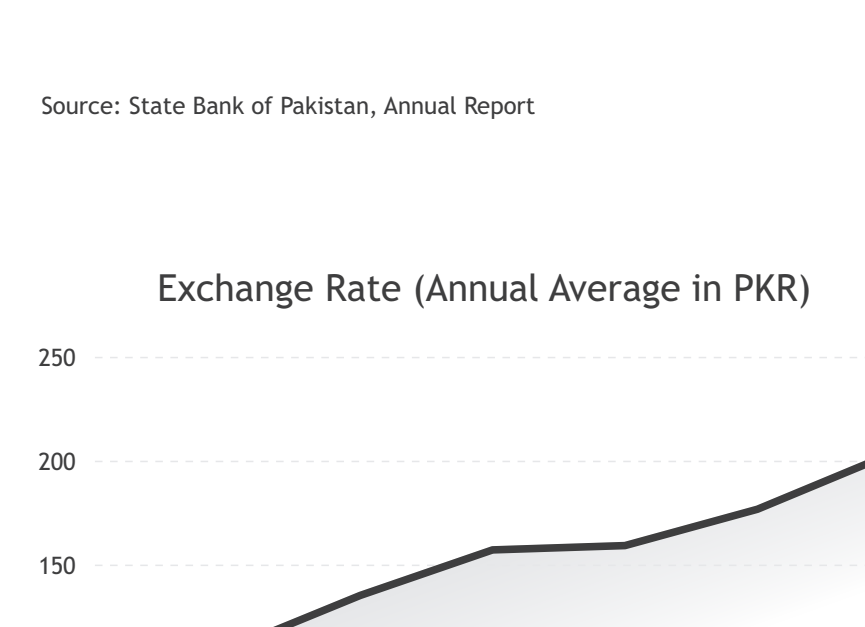
TRADE



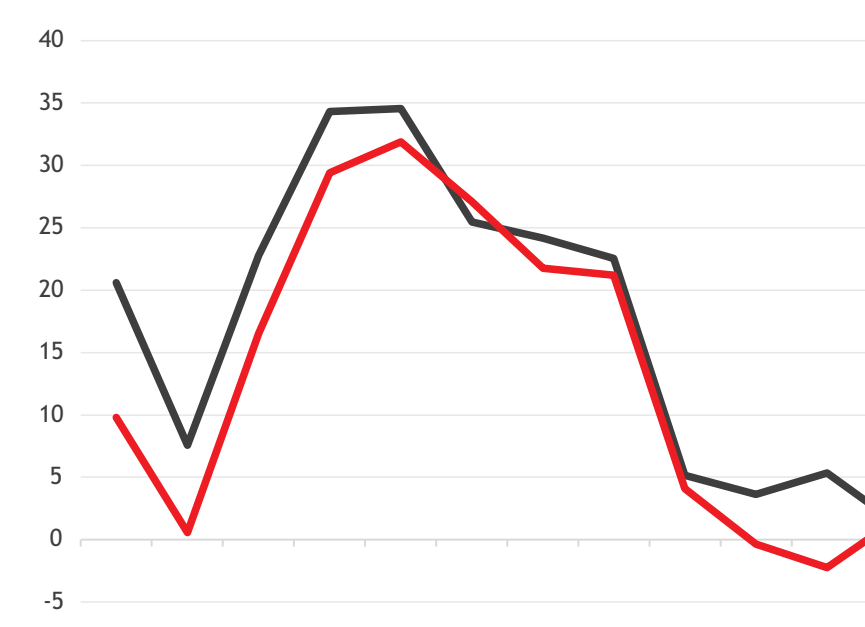
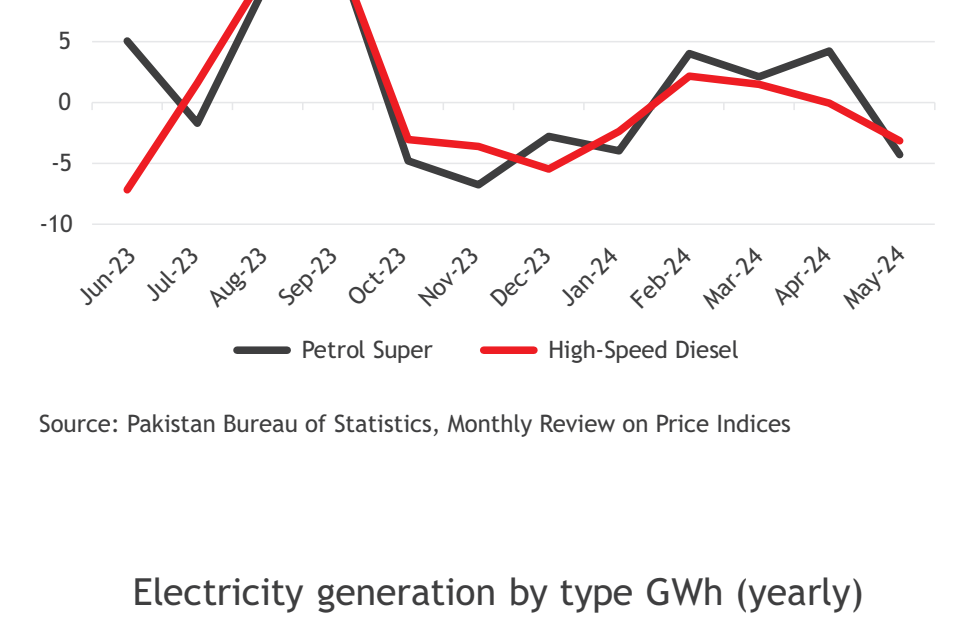
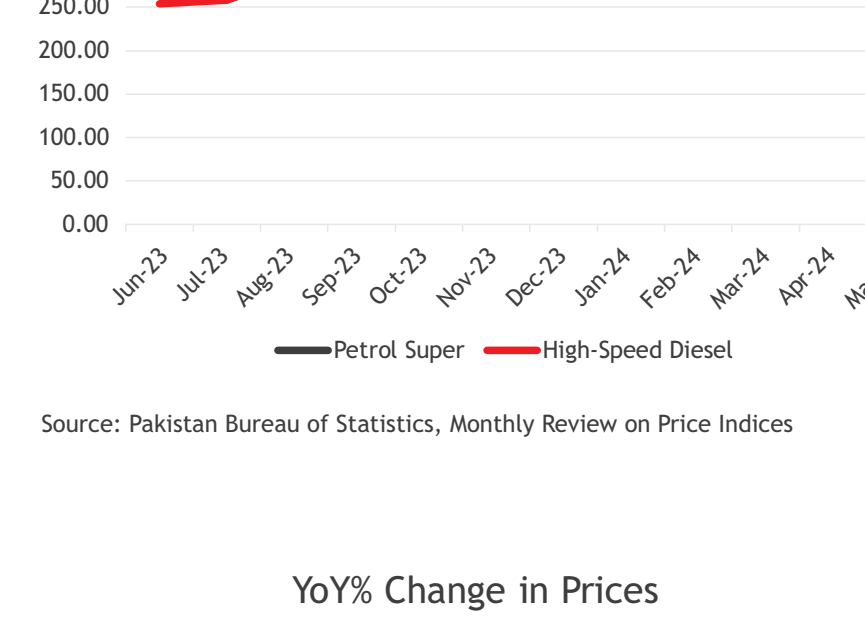
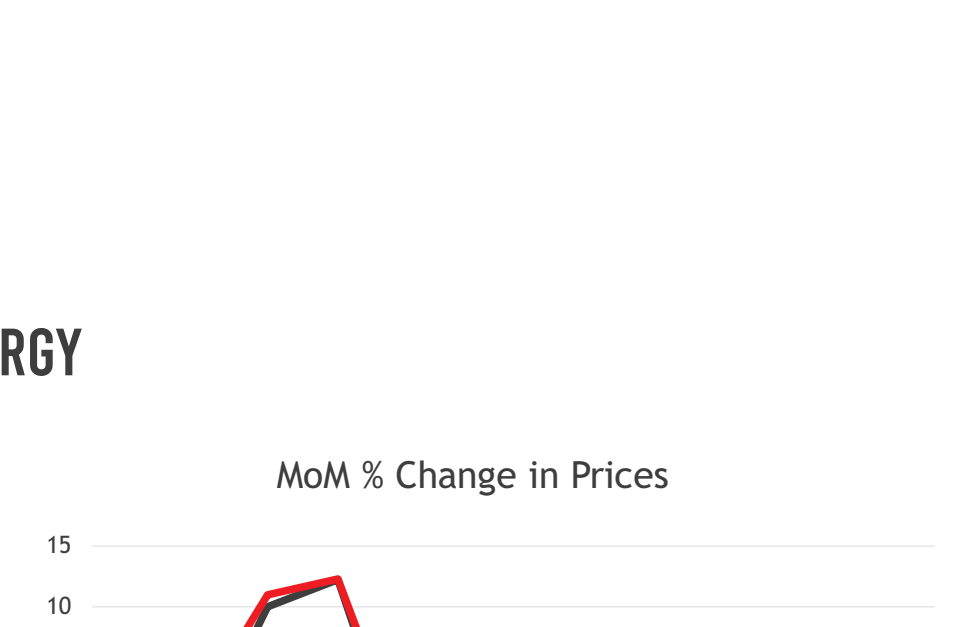
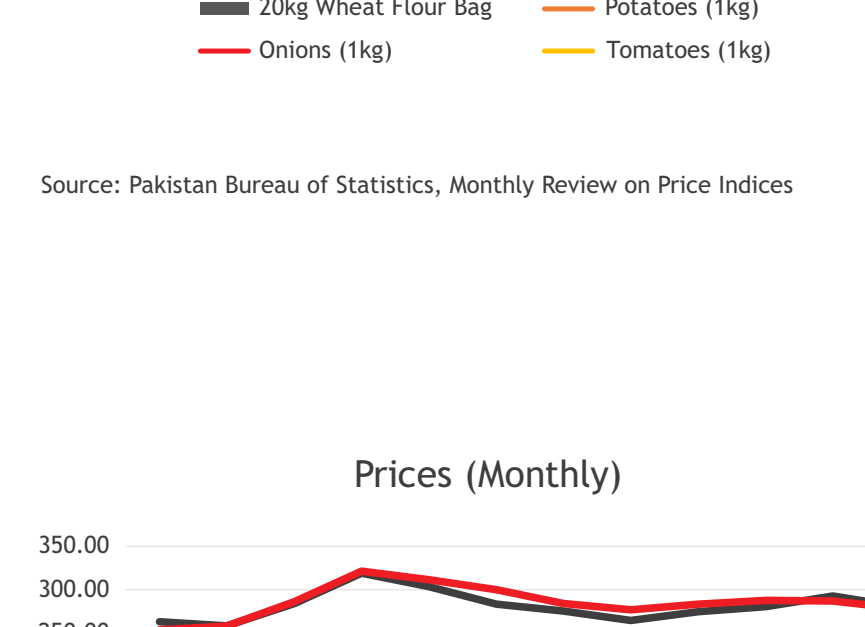
BALANCE OF PAYMENTS



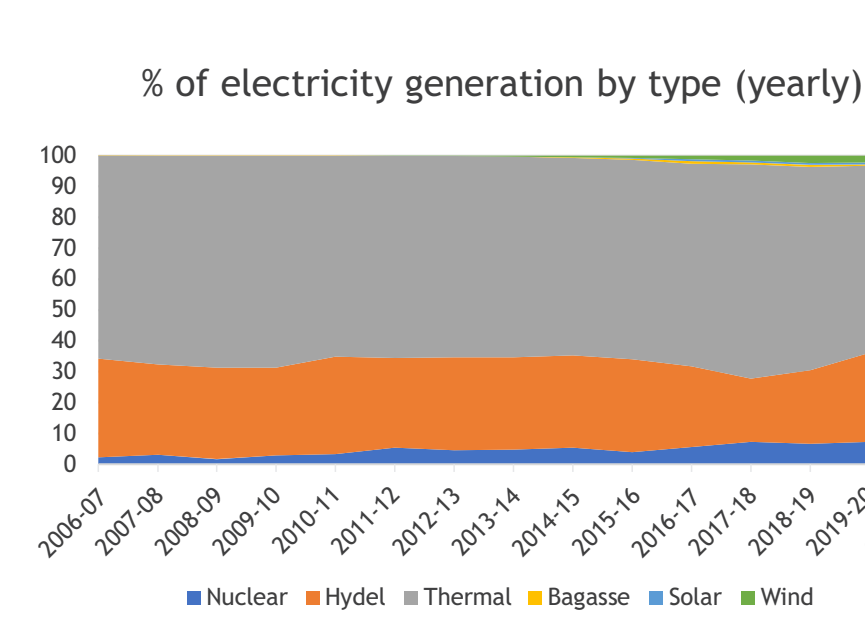
PRICES



ENERGY



AIR QUALITY



POLICY ANALYSIS

A Narrow Path out of a Dangerous Place: Debt Management and Sustainability Issues in Pakistan

This research was a collaboration between the Consortium for Development Policy Research (CDPR) and Finance for Development Lab, Paris School of Economics. The principal investigators are Riaz Riazuddin (Former Deputy Governor, State Bank of Pakistan) and Sajjad Zaheer (Economist, research department, State Bank of Pakistan).

The paper examines the debt management and sustainability issues in Pakistan, addressing whether the country needs debt restructuring and highlights Pakistan's scenario of domestic debt restructuring. Reviewing Pakistan's debt history, the paper states that Pakistan's debt started to become unsustainable from the late 1990s, causing a technical default in 1998, after which Pakistan's debt was restructured in 1999.

To address the question of whether the country needs debt restructuring now, four approaches to debt sustainability have been highlighted: the classical approach, where a sustainable policy is used to drive debt to GDP ratio back to the initial level, the IMF approach of debt sustainability analysis, the debt intolerance approach as well as the Arrow et al. approach, which states that the welfare of future generations should not be compromised by present consumption. According to the authors, all approaches point towards the risk to sustainability of fiscal and debt position in Pakistan, suggesting that Pakistan can avoid debt restructuring, provided that it has continued support from the IMF programme together with a new medium-term facility as well as support for liquidity from friendly countries.

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.



DEFERRED DREAMS: NAVIGATING PAKISTAN'S PUBLIC SECTOR PENSION CRISIS

The latest Insights for Change article navigates Pakistan's pension crisis by unpacking pension mechanisms, the scale of pension debts, its structural flaws, and unprecedented growth. It outlines reform options via the balancing of politics, economics, and fairness in pension reform, along with a strategic direction for sustainable pensions.

The author Hassan Khawar is a former civil servant and a public policy and international development expert.

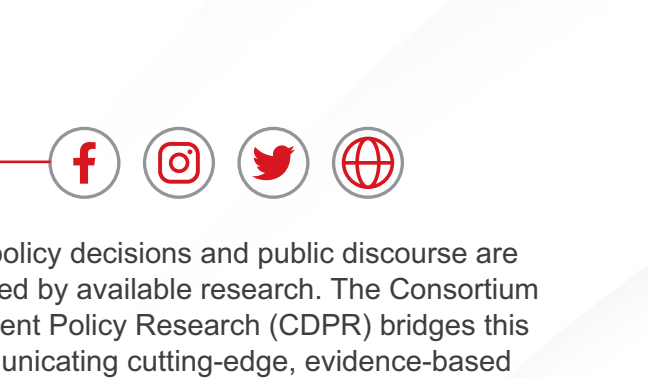
LET'S TALK DEVELOPMENT



CDPR and IGC's 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.

THE BIG PICTURE: NAVIGATING THE DEVELOPING WORLD

The leading models for development and its progress in a country differ greatly because of the country's resources and societal differences. Dr. Stefan Dercon and Dr. Ali Hasanain talk about the big picture in terms of the world economy, global development and growth. They dive deep into the discussion of global development in the context of developing countries, elite bargains and choosing the right state objectives.



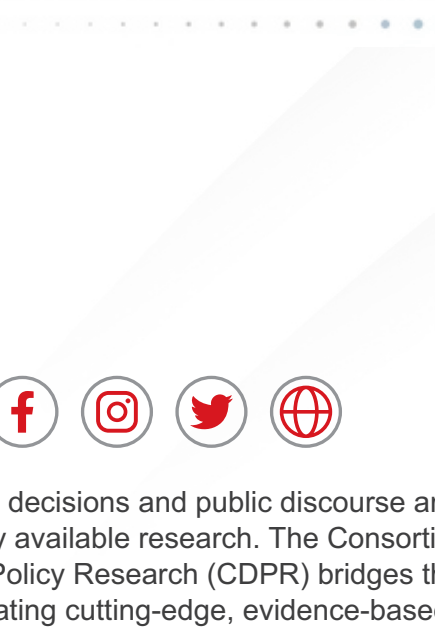
FELLOWS' ARTICLES



FAISAL BARI
AN INTERESTING INITIATIVE



UMAIR JAVED
IN DEFAVIATION'S NAME



RIAZ RIAZUDDIN
ENIGMATIC EXCHANGE RATE

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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.

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