



PAKISTAN INSTITUTE OF DEVELOPMENT ECONOMICS

ANNUAL REPORT
2011-12



PAKISTAN INSTITUTE OF DEVELOPMENT ECONOMICS

Annual Report
2011-2012

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Designed, composed, and finished at the Publications Division, PIDE.

C O N T E N T S

Message from the Vice-Chancellor	(iii)
Introduction	1
Highlights and News	2
Research	5
Macroeconomics and Economic Growth Division	5
Governance and Economic Reforms Division	15
Demography, Poverty and Labour Dynamics Division	17
Sustainable Development Division	22
Centres of Excellence	27
Centre for Environmental Economics and Climate Change (CEECC)	27
Food Security Centre	29
Centre for Population, Health and Social Policy (CPHSP)	33
Centre for Economics of Conflict, Security & Development (CECS&D)	34
Nurturing Minds Seminar Series	36
Academics	38
Research Students Currently Enrolled	38
Department of Economics	40
Department of Business Studies	44
Department of Econometrics and Statistics	45
Department of Environmental Economics	45
Department of Health Economics	46
Department of Development Studies	47
Extra-Curricular Activities	48
Quality Enhancement Cell	49
Project Evaluation and Training Division	50
Information and Communication Technologies (ICT) Division	52
Publications Division	55
Library and Documentation Division	58
Annexure-I: Department of Economics: PhD & MPhil Dissertation in Progress	60
Annexure-II: Department of Environmental Economics: MPhil Dissertation in Progress	64



MESSAGE FROM THE VICE-CHANCELLOR

As I leave PIDE, at the completion of my five-year tenure, I do so with very happy memories of my stay and with a considerable degree of satisfaction over what we have been able to achieve during this period.

It was a challenging time and with splendid support from all my colleagues we managed to emerge a stronger and more vibrant research-cum-teaching institution. The fact that so soon after starting a post-graduate teaching programme we have been ranked first by the HEC amongst all private and public universities with less than 3000 students (the largest category) is clear testimony of our achievement.

Our credentials in cutting-edge theoretical and applied research in economics and development are well established over the last fifty-five years. Yet it is still heartening that we are ranked by the internationally recognised body RePEc (Research Papers in Economics) as first in Pakistan, first in South Asia and among the top ten in all of Asia.

With great effort we have brought almost up to date our PIDE journal, *The Pakistan Development Review (PDR)*, thanks to the untiring efforts of the editorial committee. As its Editor, I have endeavoured to maintain its high standard and we all must continue our efforts to ensure its place as an internationally recognised world class journal of economics and development including applied economic research on Pakistan.

During my five years as its President we were able to successfully hold the Annual Conferences of the Pakistan Society of Development Economists with the last in November, 2012. The efforts put in by all PIDE staff, in successfully holding these conferences with internationally recognised economists from all over the world and the best and upcoming young economist from all over Pakistan, are indeed laudable. The special issue of the *PDR* that includes the account of the proceedings and the papers presented speaks for the importance of this annual event.

Perhaps, the biggest achievement over the last five years was the enactment of the PIDE Act, 2010 by Parliament, which gave formal recognition to PIDE as a degree awarding research and teaching institute in economics and in any other subject. This was “democracy’s gift to PIDE” as I said at the formal signing of the act by the President of Pakistan and Patron of PIDE at the Presidency.

There were many other creditable initiatives like the setting up of Centres of Excellence on Environment and Climate Change, Health Economics and Social Policy, Food Security and Economics of Conflict, and Security and Development. We started new MPhil programmes in Development Studies, Econometrics and Statistics, Health Economics and Economics of Environment and Climate Change. All these initiatives have slowly taken roots and I hope they will be firmly established over the coming years.

We have also encouraged social and sports activities for the students of PIDE which I feel must form an integral part of their education and personality development.

In the end I wish PIDE the very best in the future. I will not say goodbye as PIDE is the home of the economists of Pakistan who would always look forward to visiting and returning to our professional home.

Rashid Amjad
Vice-Chancellor



INTRODUCTION

The Pakistan Institute of Development Economics (PIDE) was founded at Karachi in 1957 and in 1964 accorded the status of an autonomous research organisation by the Government of Pakistan. In November 2006, PIDE was granted the degree awarding status which was then formalised by an Act of Parliament in March 2010. It is our vision that PIDE functions as a World Class Centre of Excellence for Research and Teaching and for the past fifty years PIDE has been dedicated to the generation, attainment and proliferation of knowledge to achieve this goal.

The emphasis on areas and topics of research has changed in PIDE from time to time with the changing needs of different eras covering both theoretical and empirical research in Development Economics in general and on Pakistan-related economic issues in particular. In addition to providing a firm analytical basis to economic policy-making, its research represents to both outside world and in Pakistan itself, cutting edge economic research. PIDE has also extended itself to related social sciences, such as demography and anthropology and interdisciplinary studies increasingly define the widening scope of research that must be undertaken for proper economic and development policy to have sound underpinnings.

As a university, the top priority of PIDE is to provide quality education which is affordable but of world class standard along with a truly thought-provoking learning environment. The advice of PIDE's International Advisory Board is also sought on various aspects of the Institute's academic activities. This Board comprises outstanding scholars (including Nobel Laureates) in the fields of Economics, Demography and Anthropology.

Working closely with the Vice-Chancellor the annual report 2011-12 was prepared by Mariam Mohsin (Lecturer), Rafat Mahmood (Staff Economist), Sadia Razzaq (Research Economist), Saman Nazir (Staff Demographer), Sundus Saleemi (Staff Economist), Tahira Ishaq (Staff Economist) and Unbreen Qayyum (Staff Economist). The contributions of Abdul Majid for his help in collecting photographs and that of the Publications Division are also acknowledged.

HIGHLIGHTS AND NEWS

PIDE was Ranked No. 1 in General Small Universities (Student Enrolment < 3000) of Pakistan by Higher Education Commission as of February 2012.

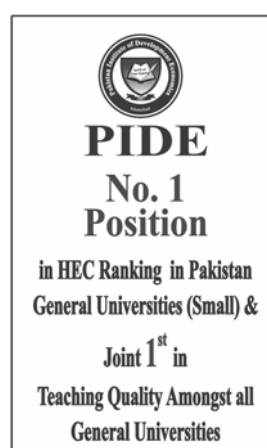
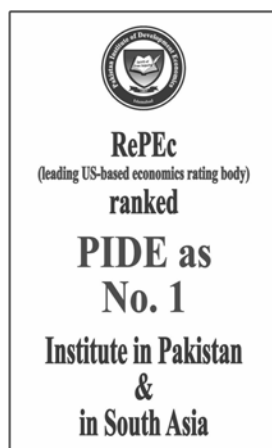
ISLAMABAD-Pakistan Institute of Development Economics (PIDE) celebrated its recognition by Higher Education Commission (HEC) as the top university in the largest category of universities in Pakistan at an impressive ceremony. The ceremony was organised within PIDE premises and while presiding over it, Vice-Chancellor, PIDE, Dr Rashid Amjad, announced to celebrate March 1, as 'PIDE Quality Research and Teaching Day' every year.

PIDE has been ranked Number 1 Institute in category of general small university by HEC in January 2012. The Vice-Chancellor also committed that PIDE will continue to maintain the highest standards of teaching and research. He thanked the Joint Directors, Deans, Heads of Departments, Faculty, and Researchers along with all other staff members and said, "This achievement was not possible without teamwork". He said that PIDE is globally recognised for its quality research work but its status as a teaching institute is quite new as it was given the degree awarding status only in 2006. It was therefore remarkable the progress PIDE had made in such a short time.

Pakistan Today
1st March, 2012

In September 2012, RePEc ranked PIDE as No. 1 among the Economic Institutions in Pakistan and No. 1 in South Asia and among top 10 for all of Asia.

RePEc (Research Papers in Economics) is a collaborative effort of hundreds of volunteers in 75 countries to enhance the dissemination of research in Economics and related sciences. The heart of the project is a decentralised bibliographic database of working papers, journal articles, books, books chapters and software components, all maintained by volunteers. The collected data is then used in various services as described below:



So far, over 1400 archives from 75 countries contributed about 1.2 million research pieces from 1,500 journals and 3,300 working paper series. Over 30,000 authors have registered and 70,000 email subscriptions are served every week.

This page provides links to various rankings of research in Economics and related fields. This analysis is based on data gathered with the RePEc project, in which publishers self-index their publications and authors on line profile the works indexed in RePEc. Citation analysis is performed by the CitEc project, abstract views and paper downloads are counted by the LogEc project, and the various rankings are then established.

PIDE economists hold most of the top 10 positions in economic research in Pakistan as listed by RePEc in September, 2012.

27th Annual General Meeting of the Pakistan Society of Development Economists (PSDE)

The Annual General Meeting of PSDE is a prominent event at PIDE. The conference aims to provide a forum and a platform to academics and policy-makers for an exchange of ideas on the pressing economic and social problems facing Pakistan.

The 27th AGM and Conference of PSDE were held on 13-15 December 2011. The theme of the Conference was Growth and Entrepreneurship, and the sub-themes were Exchange Rate Dynamics, Environment and Energy, Labour Market and Wage Structure, Fiscal Policy and Debt Dynamics, Trade and Industry, Governance and Institutions, Monetary Policy and Inflation and Poverty, Inequality and Inclusive Growth.



NEWS

Dr Nadeem Ul Haque, former Vice-Chancellor PIDE, was appointed Deputy Chairman Planning Commission and Chancellor PIDE on 1 May 2010.

Dr Rashid Amjad, Vice-Chancellor PIDE, was invited to the Expert Group Meeting of Economic and Social Commission for Asia and the Pacific (ESCAP), held in Bangkok on 9 March 2012.

Dr Musleh ud Din, Joint Director, Pakistan Institute of Development Economics, won the 'Best University Teacher Award for 2010' by the Higher Education Commission.

Dr Saima Mehmood, a PhD graduate of the Pakistan Institute of Development Economics (PIDE), has won the prestigious European Foundation Award for outstanding doctoral research from the European Foundation for Management Development in the Human Resource Management Category.

Dr Durr-e-Nayab, Director CPHSP, visited the University of York to discuss the course structure and curriculum for MS Health Economics. The possibility of faculty exchange was also discussed at the event.

Dr Durr-e-Nayab visited Nepal to attend the workshop on Social Protection organised jointly by Ministry of Health and Population, Nepal and Federal Ministry of Economic Cooperation and Development, Germany. Participants from 12 countries attended the workshop and discussed the issues regarding South-South collaboration.

RESEARCH

The research programme at PIDE is conducted under four main divisions. The first division deals with macroeconomics and economic growth with sub-divisions dealing with macro policy and trade and industrial organisation. The second division works on governance and economic reforms with sub-divisions focusing on human capital and growth, reforms and governance, private sector development and applied socio-cultural process. The third division deals with demography, poverty and labour dynamics while the fourth division deals with the issue of sustainable development. The sub-divisions focus on environment and climate change and agriculture and resource economics.

Research Division I: Macroeconomics and Economic Growth

Macro Policy
International Trade and Industry

Research Division II: Governance and Economic Reforms

Human Capital, Innovation and Growth
Reforms and Governance
Private Sector Development
Applied Socio-cultural Process

Research Division III: Demography, Poverty and Labour Dynamics

Social and Demographic Issues
Poverty and Labour Dynamics

Research Division IV: Sustainable Development

Environment and Climate Change
Agriculture and Resource Economics

MACROECONOMICS AND ECONOMIC GROWTH DIVISION

The Macroeconomic and Economic Growth Division undertakes the research that encounters issues related with macroeconomic growth; its main focus is to uncover the root causes that impede the growth process. This division deals with the key macroeconomic issues related with trade and industry, and monetary and fiscal policies.

Macro Policy

This section deals with the research work related to macroeconomic policy that plays an important role in macroeconomic stabilisation and in stimulating the economic growth process. This

section regularly publishes the Macroeconomic Brief, PIDE Business Barometer, PIDE Inflation Survey, and PIDE Budget Viewpoint that provide guidance to policy-makers regarding the perception of the business community and the public on the state of economic activities. The citations that these documents have received in policy circles, in both the public and the private sector, speak of their value to the stakeholders. The forecast of these documents have been widely reported and discussed in the print media as well. The section is also actively involved in improving the researcher's technical capabilities through the training programmes either held within the country or abroad, it also designs and conducts training courses for government officials.

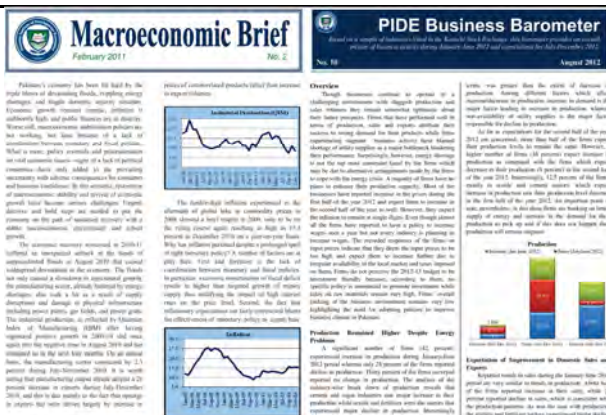
PIDE Business Barometer

Based on a sample of industries listed in the Karachi Stock Exchange, Barometer provides an overall picture of business activity during January-June 2012 and expectations for July-December 2012. Despite low production and sales, the firms are optimistic about their future prospects. Firms that have performed well in terms of production, sales and exports attribute their success to strong demand for their products while firms experiencing stagnant business activity have blamed shortage of utility supplies as a major bottleneck hindering their performance. Firms do not perceive the 2012-13 budget to be investment- friendly because, according to them, no pro-investment policy has been announced while taxes on raw materials remain very high. Firms' overall ranking of the business environment remains very low highlighting the need for adopting policies to improve the business climate in Pakistan.

Macroeconomic Brief (2012)

Despite some positive developments including easing of inflation and reduction in fiscal deficit, Pakistan's economy remains in a precarious state with sluggish growth, fragile macroeconomic fundamentals, and heightened vulnerability to balance of payments shocks. Sadly, the key problems afflicting the economy including energy shortages and a host of structural impediments that have held back investment and growth have not been tackled effectively, showing signs of mis-governance and policy inertia. More worryingly, with the government embroiled in political controversies and the election year approaching, pressing economic issues are likely to remain on the backburner dimming hopes of a reversal in economic situation at least in the near term. At the same time, the government may be tempted to adopt populist measures ahead of the elections that could further compound economic difficulties. Challenging times thus lie ahead.

PIDE, Macroeconomic Brief, 2012



The section has put its great efforts to organise the lecture ‘**Why Pakistan Does Not Grow?**’ by Dr Nadeem Ul Haque. He states that Pakistan’s growth experience is a disappointing story of boom bust cycles signifying a failure of the economy to gain traction on a sustainable growth trajectory. Although much has been written about Pakistan’s growth performance over the years but these studies do not present a coherent and holistic explanation of why Pakistan has not been able to grow on a sustained basis. More worryingly, research has done nothing to change the growth narrative which remains focused on public sector-led growth through development projects without an understanding of the growth and development process. This paper argues that in seeking to explore why Pakistan does not grow, we need to go beyond the conventional wisdom and learn from the modern literature on the long-run determinants of economic growth. It argues that Pakistan has failed to grow because of the missing ingredients of long term economic growth and one needs to look at the deeper determinants of economic growth that shape the incentives for factor accumulation, technological change and productivity improvements. These determinants include institutions, competition, scientific revolution, property rights, modern medicine, consumer society, and lastly, which is the most important, the work ethic. Drawing on modern thinking on economic growth, this paper argues that what constrains economic growth is not the hardware but the software of the society. More specifically, Pakistan’s long term growth potential is seriously impaired by a combination of factors including a predatory state and rent-seeking culture, missing markets, lack of entrepreneurship and innovation and, retarded city development. Pakistan must break from the legacy of the past and develop a new growth model that emphasises inclusive economic institutions, competitive markets, and vibrant cities in which entrepreneurship and innovation can thrive.

**Economic, Political and Institutional Determinants of
Budget Deficits Volatility in Selected Asian Countries**

Attiya Y. Javid, Umaima Arif, and Asma Arif

In the present study the economic, political and institutional sources of budget deficits are analysed for two regions, South Asia and ASEAN countries, for the period 1984 to 2010. The results reveal that high income, rising inflation and large budget to GDP ratio are associated with budget instability, whereas a strong inertia in budget deficit volatility exists. The exposure of more external shocks makes the budget deficit more volatile; however, countries with high population growth have less volatile budget deficits. The results indicate that high level of political stability and democracy and improvement in social and economic condition reduces the budget deficit volatility. High corruption and low institutional quality lead to more fluctuations in the budget deficit. The results suggest that political and institutional factors have a direct impact on fiscal instability beyond the economic reasons to effect fluctuations. The results of the current study lead to the important implication that by improving the quality of institutions, creating situations for economic stability and moving towards democratic regimes would ensure more stable fiscal deficits and resultantly positive effect on the long-run economic growth.

The Pakistan Development Review, 50:4

Under the Forum of Federations, PIDE also published a booklet on the Seventh Award of the National Finance Commission titled *‘The 7th NFC Award: An Evaluation’*. This award has seemingly put an end to the deadlock over revenue distribution among the constituents of the federation in Pakistan. The paper argues that though the 7th NFC Award’s use of multiple indicator criteria for the distribution of resources is a step forward in the direction, the distribution scheme still falls short on various counts. For example, the demographic structure of the population does not figure in the scheme. Also, the basis of weights assigned to the four elements of revenue distribution criteria is unknown and no rigorous exercise seems to have been undertaken to determine these weights. Similarly, matching grants that are key elements elsewhere, are altogether absent in the Award formula. Furthermore, the incentives of the provinces to generate their own revenues will be eroded. The paper emphasises that there is a need to rethink the mechanisms for resource sharing as well as the institutional structure of the NFC itself.

**An Inquiry into the Policy of Inflation Targeting in the Presence
of Fiscal Imbalances in Pakistan**

M. Ali Kemal

The main task of the macroeconomic policymakers is to control unemployment and inflation at the minimum possible level. Different policies have been tried to control inflation at its minimum possible level and inflation targeting is the most popular among them. It is the commitment to maintain inflation at the announced level and use interest rate as an instrument to control it if it is expected to diverge from the announced level. However in a higher “dollar denominated debt” country, the Central Bank is reluctant to increase the interest rate because it pressurises the foreign exchange market, which leads to exchange rate depreciation. If there is exchange rate pass through effect to prices, depreciation leads to increase in prices. Thus increase in interest rate does not decrease prices, instead it results in increase in prices. The two important linkages were tested in this study are (i) increase in real interest rate depreciates the currency, and (ii) depreciation in real exchange rate leads to increase in prices. Using VAR model we concluded that real exchange rate is not significantly associated to the real interest rate in the short run and exchange rate pass through effect to prices is not present in Pakistan.

Papers and Proceedings, 27th PSDE Conference

PIDE also published a booklet titled **‘Fiscal Federalism in Pakistan’**. It is concluded that with the passage of the 18th Constitutional Amendment, Pakistan has taken a major step towards fiscal decentralisation which, together with the adoption of the 7th National Finance Commission (NFC) Award, has far reaching implications for fiscal federalism in Pakistan. This booklet has been prepared with the objective of providing a non-technical introduction to the subject of fiscal federalism emphasising opportunities and challenges that it entails for Pakistan. For this purpose, it draws on an extensive body of literature on fiscal federalism and international experience to elicit insights that can help design appropriate policy instruments and institutional structures for better implementation of fiscal decentralisation in Pakistan. The booklet covers a wide range of topics including the federal legislative structure of Pakistan, institutional mechanisms for inter-jurisdictional resource sharing, provincial resources mobilisation, and macroeconomic management in a fiscally decentralised framework.

International Trade and Industry

Trade and industry play a key role in the development process of an economy; they help the economy by generating employment opportunities as well. International trade does not only improve industrialisation capacity, it also perks up productivity as well as the choices to the consumers. The Trade and Industry section is aimed at addressing the emerging issues in the field of international economics and industrial economics. The research programme relating to industrial economies includes industrial restructuring, implication of changes, growth in the manufacturing sector, industrial concentration, role of small scale enterprises in manufacturing growth, determinant of investment in the manufacturing sector, protection rates and efficiency and industrial growth. The section conducted a study titled **“Export Barriers in Pakistan: Results from Firm Level Survey”** and analysed the exporters’ perceptions of obstacles faced by the exporting firms. Shortage of skilled labour, long term credit, high fuel costs, and quality certification were found to be the major obstacles. The study suggests policies that might be required to overcome these obstacles and to ensure that our exporters take full advantage of increased market access brought about by new trading environment.

Market Power and Industrial Performance in Pakistan

Akbar Ullah, Ejaz Ghani, and Attiya Y. Javid

Based on a panel of 8 Pakistani manufacturing industries, this study examines the changes in price cost margin (gross profitability) during 1998-2009. Using the traditional industrial organisation approach of Structure-Performance, the effects of concentration and import intensity on price-cost margins has been analysed. Results indicate that market concentration measured by four-firm concentration lead to high price-cost margin. Imports have the tendency to make the domestic firms more competitive, but their effect on more-concentrated firms are smaller as compared to non-concentrated firms. The minimum efficient scale and the assets of industry have positive effects on margins while capital intensity reduces price margins.

PIDE, Working Paper Series, 88

Power Crisis in Pakistan: A Crisis of Governance?

Afia Malik

The existing power crisis which surfaced in 2006-07 with gradual increase in the gap between demand and supply of electricity, is considered to be the worst of all such crises that Pakistan has faced since its inception. The present government when it took over recognised the magnitude of the crises and its effect on the people and took certain measures to address its crippling effects on the economy. But unfortunately, after the passage of almost four years the situation instead of improving is becoming worse day by day. This paper has tried to evaluate the reasons behind the current energy crisis despite present government commitment and initiatives taken to solve the energy problems. This study finds that poor governance and wrong direction of adopted policies are responsible for the persistence of the current crisis in the energy sector.

PIDE Monograph Series, 2012

Asset Pricing Behaviour with Dual-Beta in Case of Pakistani Stock Market

Attiya Y. Javid and Eatzaz Ahmed

This study investigates the beta dynamics by its asymmetric response to bullish and bearish market environment in respect of 50 stocks traded at the Karachi Stock Exchange during 1993-2007. The results show that the betas increase (decrease) when the market is bullish (bearish). The results however suggest that investors receive a positive premium for accepting down-side risk, while a negative premium is associated with up-market beta. The results suggest that the conditional Fama and French 3-factor model has performed better than the conditional CAPM when news asymmetry was taken into account compared with the unconditional Fama and French 3-factor model and the unconditional dual-beta CAPM in explaining the relationship in beta and returns in case of Pakistani market.

The Pakistan Development Review, 50: 2

The Inter-linkages between Democracy and Per Capita GDP Growth: A Cross Country Analysis

Madeeha Gohar Qureshi and Eatzaz Ahmed

The empirical growth literature gives no clear indication as to how democracy impacts growth; there is evidence of both positive and negative effects and also of the absence any direct link or nexus between democracy and growth. In this study an attempt has been made to resolve this controversy by putting this question in a dynamic simultaneous equation framework that combines in a system the regression in differences with regression in levels applied on a cross country data set over the period 1987-2002. This type of modelling not only controls for the endogeneity of the explanatory variables and the unobserved country-specific effects but also allows us to analyse the impact of democracy on per capita GDP growth and the reverse causation from per capita GDP growth on political and civil freedom simultaneously. Our result shows evidence in support of a quadratic impact of democracy on per capita GDP growth (an inverted U relationship), that is per capita GDP is found to be increasing in democracies at low levels but after a certain moderate level of democracy, this relation turns negative. The support of reverse causation from per capita GDP growth to political and civil freedom is found only in countries grouped as partially free and free democracies. However we do not find any evidence in support of Lipset Hypothesis that prosperity leads to increase in propensity to experience political freedom taking all countries into consideration.

PIDE Working Paper Series, 85

Measuring Efficiency of Pakistani Banks with Data Envelopment Analysis

Munib Badar and Attiya Y. Javid

This study evaluates the individual and overall performance of commercial banking industry consisting of 20 Pakistani banks that together possess almost 90 percent of the share in terms of deposits, advances, total assets, profitability and labour force. Divided into four groups of large, medium, small conventional and Islamic banks, for the period 2006 to 2010, which is characterised by slow economic growth and precarious macroeconomic indicators, the evaluation is done by using the non-parametric technique of Data Envelopment Analysis. Technical efficiency under CRS and VRS models and scale efficiency in respect of production and intermediation approaches are calculated. This study identifies the most efficient and inefficient banks in respect of their overall performance which is seen under slow growth. The Islamic banking group though less efficient is flourishing significantly among all groups. The performance of large conventional banks is less affected by economic upheavals.

SAARJ Journal on Banking & Insurance Research, 1:1

The Gender Differences in School Enrolment and Returns to Education in Pakistan

Madeeha Gohar Qureshi

In this study an attempt has been made to link the gender differences in parental resource allocation to demand for education at primary, secondary and tertiary levels and respective returns to education in these respective categories in Pakistan. The hypothesis is that if we find that the labour market rewards the male more than the female then this explains why households invest much less in the daughter's education. However our results suggest otherwise: that there is under investment in female education at all levels even where returns to education are much higher for females than males. One possible explanation could be that even though the private rate of return to time spent in school than in labour market is higher for a female compared to male but the part of return that goes to parents is much lower for daughters than sons in Pakistan due to dependence of parents on their son for old age support. The key factor from policy point of view that can reduce such discriminatory attitude towards female enrolment is the education of the parents, especially the mother's. Both the father's and mother's education are found to have significant positive impact on education of both sons and daughters. However the mother's education compared to the father has much more impact in terms of magnitude at all levels of education but especially with respect to daughters.

PIDE Working Paper Series, 84

A Decomposition Analysis of Capital Structure: Evidence from Pakistan's Manufacturing Sector

Attiya Y. Javid and Qaisar Imad

This study investigates the determinants of various components of debt, short- and long-term debt and their categories—in the case of non-financial listed firms in Pakistan for the period 2008–10. We make a significant distinction between these determinants depending on the components of debt issued: long-term or short-term. Our results show that large firms are more likely to have access to long-term debt borrowing than small firms and that, due to supply constraints, small firms resort to short-term forms of debt. Firms with higher potential for growth prefer using less long-term debt as well as debt with fewer restrictive arrangements in order to become more flexible financially. Firms with sufficient fixed assets can generate external finance more easily and at lower cost by using these assets as collateral, which supports the trade-off theory. Firms generating high levels of profit, however, may choose to finance their investments using internal resources rather than by raising debt finance, which conforms to the pecking order theory. Our results also confirm the presence of the inertia effect and industry-specific effects, and are robust to alternative estimation techniques.

Lahore Journal of Economics, 17:1

**Impact of Financial Market Performance and Macroeconomic Policies
on Economic Growth: Case of Pakistan**

Aasma Saher, Attiya Y. Javid and Ather Maqsood Ahmad

In this study the impacts of several major macroeconomic and financial variables on real GDP for Pakistan have been estimated by applying the Autoregressive Distributed Lag Model (ARDL) for the period of 1961 to 2010. This study uses the yearly data of GDP, stock market performance (market capitalisation, share price index), macroeconomic policy variables (call money rate, money supply, inflation, real effective exchange rate, debt to GDP ratio) and supply shocks (world GDP). The results indicate that the real money supply, share price index (market capitalisation), real effective exchange rate and world GDP have positive whereas debt to GDP and inflation have negative effect on economic growth in long run. The variance decomposition analysis reveals that the forecast variance of output can be significantly contributed by the stock market performance parameters. From the results, it is concluded that there exists a long run relationship in Pakistan between stock market development and economic growth. It can also be concluded that this relationship is uni-directional i.e. stock market development causes economic growth but economic growth does not cause stock market development.

NUST Journal of Business and Economics, 3:1

**Impact of Managerial Ownership on Financial Policies and the Firm's Performance:
Evidence from Pakistani Manufacturing Firms**

Shahab-ud-Din and Attiya Y. Javid

This study evaluates the impact of managerial ownership on the firm's performance and financial policies in the context of Pakistani market for 60 non-financial firms included in KSE 100 index for the period of 2000 to 2007. The analysis support that the concentration of managerial ownership affects the firm's financial policies, mainly the leverage and dividend policies. Empirical analysis finds that the leverage policy variable influences managerial ownership negatively, supporting that the lower leverage level leads to high profitability in case of firms that engage in low managers' ownership programme. The result also determines a negative and significant association among the managers' ownership concentration and dividend policy of the firms. This result is supported by the agency theory prediction suggesting that as a firm has high managerial ownership, the asymmetric information will decrease and directly decrease the effectiveness of the dividend policy. Besides this the firms with higher managerial ownership decrease their perquisites, so the conflict between manager's shareholders can be settled. It is also observed that the managers' ownership concentration in general has a positive relationship with the performance in the corporate culture of Pakistan, where major firms are family owned. When the managerial ownership is divided at three levels, low level (0-5%), moderate level 5%-25% and high concentrated (above 25%), the performance positively affects only at low and moderate level. The ownership beyond 25 percent has a negative association with performance and supports the entrenchment theory.

International Research Journal of Finance and Economics, 81

Measuring Financial Risk Using Extreme Value Theory: Evidence from Pakistan

Abdul Qayyum and Faisal Nawaz

The purpose of the paper is to show some methods of extreme value theory through analysis of Pakistani financial data. It also introduces the fundamentals of the extreme value theory as well as practical aspects for estimating and assessing financial models for tail related risk measures.

Journal of Basic and Applied Scientific Research, 2:8

Impact of Remittances on Economic Growth and Poverty: Evidence from Pakistan

Muhammad Javid, Umaima Arif and Abdul Qayyum

The study focuses on the importance of remittances inflow and its implication for economic growth and poverty reduction in Pakistan. By using ARDL approach we analyse the impact of remittances inflow on economic growth and poverty in Pakistan for the period 1973-2007. The district-wise analysis of poverty suggests that overseas migration contributes to poverty alleviation in the districts of Punjab, Sindh and Balochistan. However Khyber Pakhtunkhwa is not portraying a clear picture. The empirical evidence shows that remittances affect economic growth positively and significantly. Furthermore the study also finds that remittances have a strong and statistically significant impact on poverty reduction, suggesting that there are substantial potential benefits associated with international migration for poor people in developing countries like Pakistan. So the importance of remittance inflows cannot be denied in terms of growth enhancement and poverty reduction that consequently improves the social and economic conditions of the recipient country.

Academic Research International, 2:1

Sector-wise Performance of Working Capital Management Measures and Profitability Using Ratio Analysis

Abdul Raheman, Abdul Qayyum and Talat Afza

Working capital management efficiency plays a very significant and vital role in the performance of a manufacturing firm, where a major part of assets is composed of current assets. Therefore, the level of working capital must be properly determined and allocated to various segments, effectively controlled and regularly reviewed in order to have adequate and efficient flow of working capital. In this perspective, this paper analyses working capital management performance of manufacturing sectors by using different working capital management measures which include Cash Conversion Cycle (CCC), Net Trade Cycle (NTC), Receivable Turnover in Days (RTD), Inventory Turnover in Days (ITID), Payable Turnover in Days (PTD) and Return on Total Assets (ROTA). It also compares the ranking of sectors/industries based on working capital management performance in order to identify the prominent and laggard sectors. This study covers a period of 10 years from 1998 to 2007 for 204 manufacturing and trading firms listed at Karachi Stock Exchange and classified in 24 sectors. In general the sectors which are leading on the basis of overall average results are also among the leading sectors throughout the study period. There is divergence among sectors over 1998-2007 in terms of working capital measures and corporate profitability. Sector-wise working capital management performance reveals that CCC and NTC, both comprehensive measures, provide almost similar results. Oil & Gas Exploration and Refinery, Cement, Fertiliser and Oil and Gas Marketing sectors are on top based on both measures of working capital management. These sectors are also among the leading sectors according to inventory turnover measure of working capital management performance. Similarly sectors which are laggard in terms of CCC and NTC are mainly due to inefficiency in ITID and RTD. Therefore, the laggard sectors must review their inventory and collection policy in order to be efficient in working capital management. There are few sectors which though among the efficient sectors in terms of working capital are still among the laggard in terms of profitability such as Cement, Sugar and Vanaspati and Allied sectors. All Textile sectors are among the laggard sectors in terms of working capital management measures and ROTA. The Cable and Electric Goods, Engineering and Pharmaceutical sectors are the laggard sectors in terms of CCC because of problems and inefficiency with their inventory and collection policy. The dominant and laggard sectors in terms of working capital performance are mainly attributed to their inventory turnover in days. In most cases, the CCC and NTC are driven by the inventory turnover of the firm.

Interdisciplinary Journal of Contemporary Research in Business, 3:8

Pakistan: Breaking Out of Stagflation into Sustained Growth

Rashid Amjad, Musleh ud Din, and Abdul Qayyum

This paper proposes that the underlying cause of the macroeconomic problems facing Pakistan today are a series of supply shocks which have constrained output growth. It is argued that while the current debate has solely focused on government expenditures and revenues, it is critical to also address the acute energy shortages which is constraining supply. The paper goes on to present four recommendations for breaking out of the present stagflation: (i) prudent macroeconomic management, (ii) reviving the role of the government in development while restoring fiscal balance, (iii) loosening monetary policy in order to spur the private sector, and (iv) improving social safety nets.

Lahore Journal of Economics, 16

Exchange Rate Determination in Pakistan: Role of Monetary Fundamentals

Muhammad Arshad Khan and Abdul Qayyum

This paper examines the role of monetary fundamentals in the determination of Pak-rupee *vis-à-vis* US-dollar exchange rate using quarterly data over the period 1982-2008. Based on the Johansen (1988) and Johansen-Juselius (1990) cointegration approach, it is found that there is significant long-run relationship among the cointegration vectors between the exchange rate and the monetary fundamentals. The long-run cointegrating coefficients are generally consistent with the predictions of Frankel's (1979) interest rate differential variant of the monetary exchange rate model. The results of the adjustment coefficients suggest that disequilibrium is corrected by changes in exchange rate and the relative money and inflation differential in the short-run. To examine the short-run dynamics in a system-wide context, we have applied the persistence profiles approach and the results indicate that the effect of system-wide shocks initially declines rapidly but decays slowly thereafter and completely dies out after 9 quarters. These results are consistent with nonlinear adjustment and monetary factor is found to be the main source of exchange rate volatility in Pakistan.

Journal of Economic Corporation and Development, 32:2

Impact of Monetary Policy on the Volatility of Stock Market in Pakistan

Abdul Qayyum and Saba Anwar

This paper addresses the linkages between the monetary policy and the stock market in Pakistan. The estimation technique employed includes Engle Granger two step procedures and the bivariate EGARCH method. The results indicate that any change in the monetary policy stance has a significant impact on the volatility of the stock market, thus contributing to the on-going debate in the monetary policy rule literature regarding the proactive and reactive approaches.

International Journal of Business and Social Science, 2:11

GOVERNANCE AND ECONOMIC REFORMS DIVISION

In addition to undertaking stabilisation policies in the short run, governments must undertake institutional and structural reforms for the long run progress, development and sustainability of development in an economy. Restructuring the economy through reforms such as Tax Reforms, Land Reforms, and Civil Service Reforms etc. is crucial to keeping the organisation of the economy updated with the needs and requirement of the times. Societies that do not undertake these necessary albeit painful readjustments tend to lag behind economically and socially as their systems get increasingly plagued by ills such as corruption, nepotism etc. As technology improves, the existing forms of social organisation become inefficient and stifle further progress and reforms become inevitable. The issues of governance and the management of the economy by the government, are even more pertinent. Economists who struggle to find solutions to economic problems often argue that the answers to crucial questions are well-known; it is in the implementation of the policy recommendations thus founded where the inadequacy remains. Furthermore, the importance of a thriving private sector cannot be over-estimated for the expansion and improvement of a financial system.

Recognising the importance and need of research in these two very important areas of economic policy making in 2010, PIDE launched a programme on “Reforms and Governance”. The division is headed by the Vice-Chancellor, Dr Rashid Amjad; the Governance and Reforms sub-division is headed by Lubna Hasan and the Private Sector Development is headed by Dr Attiya Javed.

In this regard this year an evaluation of Pakistan’s economic performance during different regimes was undertaken by Adnan Haider, Musleh ud Din and Ejaz Ghani which showed that periods of autocratic regimes are typically characterised by low inflation, robust growth and low level of bureaucratic corruption due to better governance. In contrast, the economic performance during the democratic regimes has been observed to worsen with weak governance and high levels of corruption, high inflation due partly to reliance on seigniorage to finance public spending, and lacklustre growth. The abstract of the paper is given.

Another paper by Umaima Arif and Eatnaz Ahmed studied pension system reforms for the Pakistan economy and highlights the current situation and future prospects. It is an overview of empirical evidence on pension system reforms, the strengths and weaknesses of the pension system of Pakistan and the institutional development pertaining to pension reforms.



Consequences of Political Instability, Governance and Bureaucratic Corruption on Inflation and Growth: The Case of Pakistan

Adnan Haider, Musleh ud Din and Ejaz Ghani

This paper presents a theoretical model with micro-foundations that capture some important features of Pakistan's economy which have emerged in sixty-four years of its history. A comparison of Pakistan's economic performance during different regimes shows that macroeconomic fundamentals tend to show an improvement during the autocratic regimes as compared with those prevailing during democratic regimes. In particular, periods of autocratic regimes are typically characterised by low inflation, robust growth and low level of bureaucratic corruption due to better governance. In contrast, the economic performance during the democratic regimes has been observed to worsen with weak governance and high levels of corruption, high inflation due partly to reliance on seigniorage to finance public spending, and lacklustre growth. Using annual data from 1950 to 2011, computational modelling is carried out by applying Markov-Regime switching technique with maximum-likelihood procedures. The estimation results based on empirical modelling set-up are supportive of the above stylised- facts and also confirm the implications of the theoretical model.

The Pakistan Development Review, 50:4

Pension System Reforms: A Case for Pakistan

Umaima Arif and Eatzaz Ahmed

The study deals with pension system reforms for the Pakistan economy and highlights the current situation and future prospects. The study presents an overview of empirical evidence on pension system reforms, the strengths and weaknesses of the pension system of Pakistan and the institutional development pertaining to pension reforms. Fully funded pension system can help to strengthen the formal channels of retirement savings and can help to get rid of problems prevailing in the current pension system. If the decision to reform the pension system is not taken in time, then in the near future rising pension expenditure would lead to increase in indirect taxes, reduction in development expenditure and/or increase in government borrowings. Although some efforts to reform the pension system had been made to reduce the government's rising pension bill, yet despite realisation of the problem no serious effort has been made to reform the pension system in any fundamental way.

Journal of Economic Cooperation and Development, 33:1

DEMOGRAPHY, POVERTY AND LABOUR DYNAMICS DIVISION

Among other defining elements, two factors which have consequential impact on growth generation and economic sustainability are the population and poverty dynamics in the country. The on-going demographic transition in Pakistan calls for immediate attention at policy level as the current age-sex composition of population can play an important role in initiating and sustaining high growth environment for the economy. Research in this regard can bring out the much needed directions for progress and change in general and the group at risk in particular. The division of population, poverty and labour market dynamics has been working on demographic, socio-economic and health issues of the population of Pakistan. This year, the division has produced research on poverty, nutrition, intergenerational income mobility, migration and shock vulnerability. Most of the studies have used the PIDE panel data set (Pakistan Panel Household Survey 2001, 2004 and Pakistan Panel Household Survey 2010) to analyse the long-term effect on different issues, in depth. One of the major works on poverty is the PIDE Viewpoint on '**Rural Poverty Dynamics in Pakistan**'.



Photography by Saman Nazir



This viewpoint suggests that poverty reduction trends in the past show a high mobility of population into and out of poverty in rural Pakistan. And in the last ten years about half of rural population experienced poverty.

Half of Rural Population Experienced Poverty over Last Decade

Based on the analysis of panel data sets as well as the historical evidence, the PIDE Viewpoint is that a one-time decline in poverty does not really matter in Pakistan. About half of the rural population is either poor or has often moved into and out of poverty during the last decade. The extent of this vulnerability is even larger in Sindh and southern Punjab. In the large pool of the rural poor and vulnerable, the proportion of those who are chronically poor is relatively small. The majority moves into and out of poverty. Thus, the real challenge is how to sustain poverty reduction. Policy interventions for the chronically poor may not be the same as for the transitory poor. The former may need financial assistance in the short term to smoothen their consumption, for instance, through the Benazir Income Support Programme or the distribution of *zakat*, but such programmes may not be sufficient to help these households escape poverty. The latter could be targeted through interventions in the labour market to increase their employability and productivity. Village-level infrastructure and rural-urban linkages have also been effective in influencing rural poverty dynamics in other developing countries. In northern Punjab, better human capital, strong rural-urban linkages, and access to local and international labour markets have successfully played a role in controlling rural poverty.

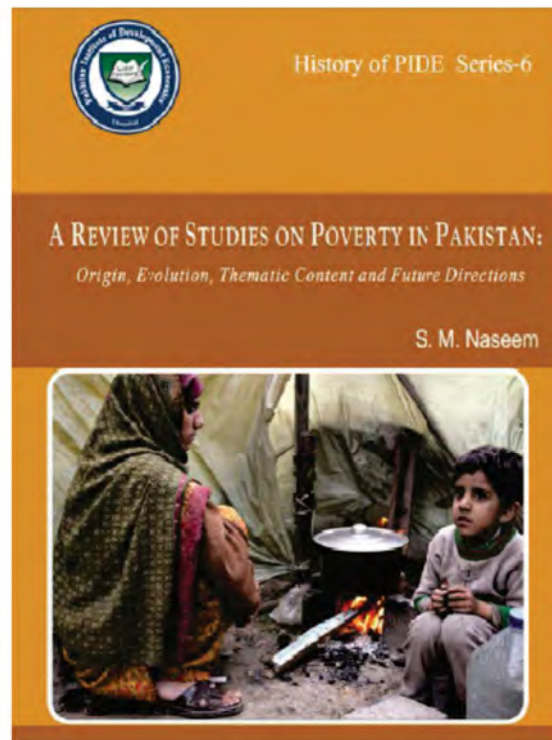
Since the inception of PIDE, it has produced important research on poverty. The research does not only assess the issues and structural causes of poverty but has identified the critical policy points. A review monograph is published covering the work on poverty done at PIDE since 1970s.

**A Review of Studies on Poverty in Pakistan:
Origin, Evolution, Thematic Content and
Future Directions**

S. M. Naseem

It examines the interest of poverty studies in Pakistan in political economy perspective, qualitative evolution of poverty studies from number crunching exercising to determine the population living below poverty line, broadening of thematic content of poverty studies e.g. geographical, income and occupation distribution, measurement issues, food poverty, structural adjustment, trade liberalisation etc. and finally efforts to translate poverty studies into anti-poverty programmes and future directions.

History of PIDE Series-6



Another study has been done by Sajid Amin and Mohammad Irfan titled “**Intergenerational Income Mobility in Pakistan: Evidence from Pakistan Panel Household Survey**”. The study examines the dynamics and extent of intergenerational mobility for Pakistan using household data from Pakistan Panel Household Survey (2010) by employing two methodologies for empirical analysis, namely transition matrix and regression analysis, wherein the former in case gives the relative position of the child as compared to the father while the latter provides the extent to which the father’s economic status determines the economic status of the son depicting intergenerational mobility. This work, building on the life cycle bias hypothesis, undertakes cohort analysis and performs regression analyses for all sons (greater than 21 years of age), sons of age 25-39 and 30-50 years of age. The results are suggestive of higher levels of intergenerational income immobility in Pakistan. Higher intergenerational income mobility is recorded when the earnings are observed at later stages of life confirming the life cycle bias. The transition matrix analysis, building on Markov Chains, reveals higher persistence for income, educational and occupational mobility.

Rizwan-ul-Haq also used the Pakistan Rural Household Survey to find the determinants of out-migration in rural Pakistan. The study titled “**Determinants of Out-migration in Rural Pakistan: Evidence from Pakistan Rural Household Survey**” aims to study the determinants of migration taking place after 2001. The study assumes that decision to migrate is not an individual’s decision, rather it is a collective decision of the household. Therefore household level characteristics have been used in the analysis. The results show that poverty has a negative relationship with international migration whereas for internal migration, the economic status of the household does not trigger the decision to migrate.

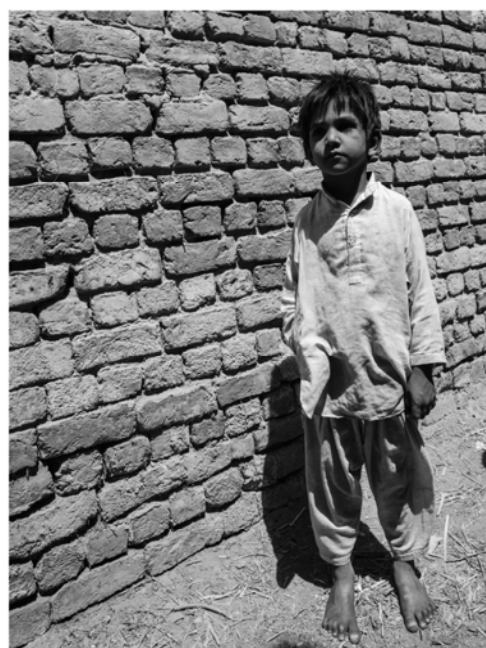
The nutrition status of a section of the population is a different dimension of welfare from income and consumption, and is often used to indicate poverty. Pakistan is not performing well as far as the nutritional status of children is concerned. Pakistan is among the three countries half of the children are malnourished (the other two are India and Bangladesh). It is important to explore the determinants and solutions to come out of this situation. PIDE research also shows that Pakistan still has very high rates of malnourished children. A study on child nutrition in Pakistan has been done by G. M. Arif, Shujaat Farooq, Saman Nazir and Maryam Satti.

**Child Malnutrition and Poverty in Pakistan:
The Case of Pakistan**

Based on Pakistan Panel Household Survey 2010 and Pakistan Rural Household Survey 2001, the study finds the linkages between poverty and malnutrition, as well as its determinants. Interestingly no such relation has been found between poverty and malnutrition whereas mother and child health along with environmental factors turn out to be more significant in determining the nutrition status of children.

The positive and significant impact of lady health workers programme in child nutrition status shows the importance of health care services in improving child nutrition.

Poverty and Social Dynamics Paper Series, No. 3



Photography by Saman Nazir

It is always crucial to see how well the existing welfare programmes are on target in a country because it does not only show performance and functioning of the running institutions but also indicate the future requirements of the population where such programmes are needed the most. Two such studies were done this year.

**Welfare Impact of the Health Intervention in Pakistan:
The Case of Lady Health Workers Programme**

G. M. Arif, Durr-e-Nayab, Shujaat Farooq, Saman Nazir, and Maryam Satti

The study aims at analysing whether LHWs serve the poor and vulnerable disproportionately, their contribution to improving the child and maternal health and the programme's impact on poverty reduction. By using the Pakistan Panel Household Survey 2010 and Pakistan Rural Household Survey, the study shows positive impact of LHWs programme on mother and child health in Pakistan.

Poverty and Social Dynamics Paper Series, No. 1



Effectiveness of Cash Transfer Programmes for Household Welfare in Pakistan: The Case of the Benazir Income Support Programme

Durr-e-Nayab and Shujaat Farooq

Based on the Pakistan Panel Household Survey (PPHS)-2010, the study shows that although the BISP has had no effect on the general level of poverty though it does provide some relief to the recipient households as far as food and health expenditures are concerned. In the Programme's defence it could, however, be said that the rationale behind the initiative was to provide assistance to the poorest of the poor households in the face of rising food and fuel prices and not alleviating poverty per se. In the four years since its inception, the Programme has shown the ability to evolve with time, adjusting to the changing needs and criticism. The Programme needs to consolidate and promote its strategy towards raising the living standards of the poorest people which cash transfers cannot do on a permanent basis. Widening its coverage and maintaining the political commitment required to make any such programme a success are other issues that need to be taken care of.

Poverty and Social Dynamics Paper Series, No. 4

The soliciting of vulnerability to shocks is important in efforts to improve the standard of living in any society. Many households that are affected by shocks do not have the capability of recovering from the consequences of suffering from them. **Shocks as a Source of Vulnerability: An Empirical Investigation** is one such study done by Rashida Haq. The objective of this study is to describe the sources of vulnerability in Pakistan by using data from Pakistan Panel Household Survey, 2010. The study has estimated the frequency, correlation structure, and severity of the risk and shocks that affected the households during 2005-06 to 2009-10. The study also analyses the household characteristics that are associated with the probability of reporting a shock and identifies the coping strategies used by households when faced with shocks.

SUSTAINABLE DEVELOPMENT DIVISION

Environment and Climate Change

Environmental degradation and climate change are becoming critical in the debate on sustainability of economic development and maintaining quality of life. The establishment of a research division particularly addressing this growing policy concern is testimony to the fact that PIDE keeps abreast of recent research needs and emerging issues relating to challenges to the economy.

‘Green Growth’ as a strategy for achieving sustainable development has gained renewed importance after the Ministerial Conference on Environment and Development in Asia and the Pacific. Rabia Manzoor and Ghulam Samad conducted the study titled **“Green Growth: An Environmental Technology Approach”** in the context of the 11 developed countries. It stresses the role of intellectual property rights and research and development to encourage the invention of environment friendly products. Moreover it has been proposed that effective environmental taxation should be introduced to control environmental degradation which will also provide incentive for promotion of environmental friendly ideas in the field of science and technology.

Green Growth: An Environmental Technology Approach

Rabia Manzoor and Ghulam Samad

This research is focused on achieving green growth through environmental technology. In this approach four elements figure: the enforcement of intellectual property rights (IPRs), research and development (R&D) expenditures, the size of the market capture by GDP and most importantly, environmental taxations. This study includes 11 developed countries— Austria, Australia, Canada, France, Japan, Finland, Germany, Sweden, the U.K. and the U.S. Technology change can be better handled by panel data than by pure cross-section or pure time series. It can minimise the bias if the aggregate individuals or firms were used. Estimation techniques depend on a short or long panel. This study used the Pooled Least Square estimation techniques like the Fixed Effect Model (FEM) and the Random Effect Model (REM) for both the balanced period of 2000-2005 and unbalanced period from 1995-2005. The study concluded that policy formulation was needed in developing climate resilient economies.

The Pakistan Development Review, 50:4

As climate change has the potential to threaten the viability of life on earth, it is especially fruitful to study the effect of such changes on crop production. In a study conducted by Dr Pervez Zamurrad Janjua, Ghulam Samad and Nazakat Ullah Khan titled **“Impact of Climate Change on Wheat Production: A Case Study of Pakistan”** it has been found that wheat production in Pakistan may get affected by the phenomenon of global climate change. It is, thus, recommended that policy measures such as introducing new technologies and drought-resistant seeds should be undertaken to cope with possible reduction in one of the country’s major staple food crops.

**Impact of Climate Change on Wheat Production:
A Case Study of Pakistan**

Pervez Zamurrad Janjua, Ghulam Samad and Nazakat Ullah Khan

Climate change is an emerging issue of agricultural production. The geographical location of Pakistan makes it vulnerable to climate change. It is basically due to the increase in the concentration of greenhouse gases (GHGs) like carbon dioxide, methane and nitrous oxide through anthropogenic activities. These gases trap the sunlight and increase the earth's overall temperature. This higher temperature may negatively affect the growth process of wheat and hence decrease its productivity. The objective of this study is to look at the impact of climate change on wheat production which is the main food crop of Pakistan. The study uses Vector Auto Regression (VAR) model to evaluate the impact of global climate change on the production of wheat in Pakistan. The study considers annual data from 1960 to 2009. On the basis of this historical data the study captures the trends of the impact of climate change on wheat production for the period 2010-2060. The estimates reveal that global climate change may influence wheat production in Pakistan. Therefore, appropriate adaptative and mitigative techniques as well as measures like timely cultivation, better irrigation system, new technology and utilisation of drought resistant seeds are recommended to cope with or at least reduce this newly emerging hazard of global climate change on wheat production in Pakistan.

The Pakistan Development Review, 48:4

The related issue of food prices has been addressed in a study on **“The Determinants of Food Prices: A Case Study of Pakistan”** by Henna Ahsan, Zainab Iftikhar and M. Ali Kemal. The major factor responsible for affecting food prices is found to be money supply; in the short as well as the long-run. Moreover it is found that in the long run, international prices also contribute to the rise in domestic prices.

**The Determinants of Food Prices:
A Case Study of Pakistan**

Henna Ahsan, Zainab Iftikhar, and M. Ali Kemal

Controlling prices is one of macroeconomic policy-makers' major tasks. Food prices the world over have increased due to recent oil price hike—that shifted the policy towards biofuels, and some natural calamities. This paper analyses the demand and supply-side factors that affect food prices in Pakistan. The long-run relationship is analysed using the Autoregressive Distributed Lag Model (ARDL) for the period 1970 to 2008. The result indicates that supply-side factors (subsidies and world food prices) have a significant impact on food prices, whereas demand-side factors, such as money supply, are the main cause of the increase in food prices in the short as well as the long run. The error correction is statistically significant and shows that market forces play an active role in restoring the long-run equilibrium.

PIDE Working Papers, 2011:76

Agriculture and Resource Economics

This section contains research on issues and policy implications related to agriculture and natural resources and their current condition in the country. Different activities like research articles, working papers, conferences and projects on the subject form part of this section. These research studies were completed in 2011-12.

To determine the economic impact of major crops in Pakistan, a study was conducted by Anwar Hussain and N. R. Khattak on the sugarcane crop in Charsadda district under the title **“Economic Analysis of Sugarcane Crop in District Charsadda.”** The productivity of food crops as a crucial issue in food security has been researched in another study by the same authors.

Economic Analysis of Sugarcane Crop in District Charsadda

Anwar Hussain and N. R. Khattak

This study was undertaken for economic analysis of sugarcane crop in district Charsadda. The study was based on primary data collected from five randomly-selected villages namely Dargai, Mani Khela, Sapula Khile, Qalat Naseer and Khule. The data were collected on the basis of a structured questionnaire using a sample size of 50 farmers, allocating proportionally to these villages. The results revealed that socio-economic variables like capital employment, labour employment, marketing, credit and financing and sources of income were more closely related with sugarcane production. The major economic practices were; preparation of land, water management, weed control, insecticides and making of brown sugar (Gur). The main sugarcane varieties grown were 77/400, 44, Mardan-92, 48, 310 and 722082. The 77/400 variety was observed as the most profitable. The average per acre cost was calculated as Rs 35,450 for all varieties. The major cost elements were land rent, labour input, seed, manure, irrigation, land preparation, fertiliser, and hand weeding and making of brown sugar (Gur). The net revenue from variety-77/400, 44, Mardan-92, 48, 310 and 722082 was Rs 54550, 48550, 48550, 45550, 48550 and 45550 respectively. The crop was characterised by increasing returns to scale. It is recommended that modern techniques should be adopted for making Gur. Awareness among sugarcane growers about improved varieties should be created.

Journal of Agricultural Research, 49:1, 153–163

A study titled **“The Future of Budgetary Allocation to Sports Sector in Pakistan: Evidences from Autoregressive Integrated Moving Average Model”** was conducted by Anwar Hussain, A. Farid, S. Hussain and S. Iqbal to see future budget share of Public Sector Development Programme (PSDP) to the sport sector of Pakistan until 2020. Another study, **“Exchange Rate Depreciation and Export Price Competitiveness: The Case of Pakistani Manufacturing Industries”** by Uzma Zia and Zafar Mahmood investigated how exchange rate

depreciation is related to the export price competition in major manufacturing industries of Pakistan for the period 1971-2011. To check the long run relationship, the Johanson cointegration technique was applied. Exchange rate volatility has been assessed by the GARCH-M process. Results indicate that in the manufacturing sector of Pakistan, the exchange rate volatility partially offsets the positive effect of depreciation on exports, that is, volatility in exchange rate has resulted in decrease in export price competitiveness despite currency depreciation and, therefore, the country has experienced slow growth in manufactured exports.

**The Future of Budgetary Allocation to Sports Sector in Pakistan:
Evidences from Autoregressive Integrated Moving Average Model**

Anwar Hussain, A. Farid, S. Hussain and S. Iqbal

This study forecasts Public Sector Development Programme (PSDP) allocation to the sports sector up to 2020 in Pakistan, utilising time series secondary data ranging from 1988 to 2010, taken from official documents of the Ministry of Sports, Islamabad. For the analysis of the data, descriptive statistics and Autoregressive Integrated Moving Average (ARIMA) model have been applied. The findings reveal that there have been extreme fluctuations in these allocations during 1988-2010, showing an uncertainty trend in these allocations. The allocation is projected at Rs 120.082 million, Rs 124.113 million, Rs 128.349 million and Rs 134.711 million in the PSDP of 2013, 2015, 2017 and 2020 respectively. It is recommended that there should be a sustained growth in these allocations so as to remove the uncertainty component. There should be public-private partnership in the sports sector.

Journal of Managerial Sciences, 5:2, 111–124

The impact of agricultural productivity on growth is quite evident in the research. It also affects income distribution, saving patterns, labour migration and poverty. Inputs are very important in productivity of agriculture in terms of timely and correct application. To see how credit availability, water, fertiliser and consumption patterns have an impact on rice production, a study was undertaken by Anwar Hussain, titled **“Impact of Credit Disbursement, Area under Cultivation, Fertiliser Consumption and Water Availability on Rice Production in Pakistan (1988-2010)”**.

Food is essential for human survival and its availability to all the living beings is crucial. In this regard a study entitled **“Demand and Supply Projections of Major Food Grain in Pakistan”** by Anwar Hussain, Muhammad Iqbal and Jaffar Hussain was conducted in which the projections for demand and supply were drawn for wheat and rice. For projections, moving averages, exponential smoothing, the Holt-Winter and ARIMA models were applied using time series data from 1976 to 2009. The findings showed excess supply over demand for both crops in the future. However, being an agriculture country, the surpluses are still low and this study strongly supports production-push measures to ensure higher productivity.

Impact of Credit Disbursement, Area Under Cultivation, Fertiliser Consumption and Water Availability on Rice Production in Pakistan (1988-2010)

Anwar Hussain

This study was undertaken to estimate the impact of major agriculture inputs (credit disbursement, area under cultivation, fertiliser consumption and water availability) on total rice production in Pakistan using a time series ranging from 1988 to 2010. The study uses a log-linear Cobb-Douglas production function to estimate the impact and importance of these inputs. It finds that area under cultivation and water availability had a positive and statistically significant impact on rice production and the other two inputs had a positive but statistically insignificant impact. Estimation reveals that a 1 percent increase in area under rice cultivation brought a 1.64 percent increase in total rice production and a 1 percent increase in water availability increased total rice production by 0.87 percent. The insignificance of credit disbursement and fertiliser consumption indicates the presence of inefficiencies which begs for some policy attention.

Sarhad Journal of Agriculture, 28:1, 95–101

CENTRES OF EXCELLENCE

CENTRE FOR ENVIRONMENTAL ECONOMICS AND CLIMATE CHANGE (CEECC)



Conserve



Optimise



Reduce



Explore

The CORE

The vision behind the establishment of the Centre is to create the best alternative applied solutions to the impact of Human-Nature interaction. One of the major consequences of such interactions is environmental degradation which is an issue so grave that it puts the very viability of sustainable economic growth and development in question. As the rapid depletion of environmental resources continues, we are faced with critical concerns such as water scarcity and pollution, air pollution, waste management, inefficient use of energy and loss of biodiversity.

Another outcome of Human-Nature interaction that has threatened the viability of human life on earth is observable in the form of climate change across the globe. The emission of greenhouse gases (GHGs) as a result of certain human activities e.g., burning of fossil fuels and deforestation contributes to the phenomenon of global warming and the potential dangers associated with it. Such climatic changes manifest themselves in the form of decline in agricultural productivity, increase in water shortages, adverse effect on the ecosystem and on health.

The Centre, therefore, focuses explicitly on these effects of economic growth and development and in turn conducts research to combat the potential hazards that such environmental and climatic changes impose on survival and economic development of mankind.

Formally, the Centre conducts and facilitates research through the applied CORE; Conservation, Optimisation, Reduction and Exploration. Moreover dissemination of findings-both among policy makers and students creates a fission effect in advancement in this particularly important area of research. Moreover one of the objectives of the Centre is to establish a databank on environmental indicators which will serve as a valuable assistance to further research.

Focusing on the interconnection between certain conservation techniques and human health, Ajaz Ahmed, Usman Mustafa and Muhammad Nasir conduct a study titled **“Impact of Rooftop Rain Water Harvesting Technology on Women Well-being in Hilly and Fragile Areas: Evidence from Pakistan”**. The evidence suggests the viability, profitability and women friendly nature of rooftop rain water harvesting technology and thus is an important contribution towards suggesting practicality of this water conservation technique in addressing the looming water shortage issue.

**Impact of Rooftop Rain Water Harvesting Technology on Women Well-being in
Hilly and Fragile Areas: Evidence from Pakistan**

Ajaz Ahmed, Usman Mustafa, and Muhammad Nasir

This study assesses the impact of Rooftop Rain Water Harvesting (RRWH). RRWH system with special reference to women’s health in the hilly and earth quake affected areas of Bagh and Battagram villages of Azad Jammu and Kashmir and Khyber Pakhtunkhwa province of Pakistan, respectively. Analyses are carried out using Negative Binomial Regression technique to quantify the results. The results reveal that RRWH technology is viable and profitable; it is women friendly and a sustainable source of water supply, especially in the earthquake-prone, hilly, and rural areas, which are receiving comparatively high rainfall in Pakistan.

CEECC Working Papers, No. 1

In addition, a working paper on **“Financial Appraisal of Rooftop Rain Water Harvesting Technology in Bagh and Battagram Districts of Azad Kashmir”** by Ajaz Ahmed, Usman Mustafa, and Ghulam Samad is in progress that will evaluate financial viability of this technology using primary and secondary data. Moreover a study by Raheel Anjum titled **“Willingness to Pay for Solid Waste Management Services: A Case Study of Islamabad”** is also in the pipeline that will analyse the impact of age, household income, education and environmental awareness on the willingness to pay for solid waste management.

Promoting interaction-based learning, CEECC warmly welcomed the invited guests who have dedicated their time and knowledge for the following seminars:

1. “Future of Economic Development”, by Mr Tariq Banuri for Director UN Division for Sustainable Development, May 17, 2012.
2. “The Famine of Truth and the Price We Pay for It: Ensuring Water and Food Security”, by Mr Shams-ul-Mulk former Chairman WAPDA, April 23, 2012.
3. “Outcomes of Post Durban Climate Change Negotiations”, by Mr Malik Amin Aslam former Federal Minister for Environment, March 22, 2012.

FOOD SECURITY CENTRE

The Food Security Centre is responsible for conducting research on issues of food scarcity, and the appropriate policies to ensure security of food in the country to be adopted subsequently. The Food Security Centre works in close collaboration with the “Agriculture and Resource Economics” division of PIDE in view of the essential and obvious inter-linkages between agriculture and food security. This year the focus of the Centre’s research was on the quality of agricultural land in Pakistan. In this regard the head of the Centre presented a publication titled **“Review of Available Knowledge on Land Degradation in Pakistan”** at an international workshop on **“Land and Water Policies to Sustainably Improve Food Security”** held in May, 2012.

The work reviews the existing literature on depletion of agricultural resources in the country, specially focusing on land degradation. Land degradation includes desertification among other forms of degradation due to water erosion, wind erosion, depletion of soil fertility, deforestation, unsustainable livestock grazing and water logging practices. The work will provide better understanding of the issue which in turn will help in devising strategies to combat the various effects of the problem.

The executive summary of this publication given below provides a better overview of the publication.

Executive Summary: Review of Available Knowledge on Land Degradation in Pakistan

Muhammad Azeem Khan, Munir Ahmed, and Hassnain Shah Hashmi

This publication reviews the historical and current literature on land degradation in Pakistan. It is intended as a useful guide for Government officials, donor agencies, NGO’s, farmers, rural groups and others in determining a route forward to combat land degradation in the country and in delivering practical assistance on the ground.

Desertification and degradation affect about 68 million hectares of fragile lands across the country. The problem is exacerbated by the fact that Pakistan has a highly complex and diversified agro-ecological and socio-economic structure that makes it difficult to control the different types of land degradation.

Such damage is mainly due to water erosion, wind erosion, depletion of soil fertility, deforestation, unsustainable livestock grazing and water logging practices (little recharge and over exploitation). These problems of land degradation in Pakistan are aggravated by water scarcity, frequent droughts and mismanagement of land resources that contribute to reduced productivity and increased rural poverty.

Land degradation has been worsening in the absence of effective land policies and political will to address its long-lasting effects. At present there is no organisation in the country responsible for coordinating and monitoring the use of land according to its potential.

The Pakistan Government has recently launched the National Action Plan as a strategy to combat desertification. This strategy aims at implementing a land policy plan to overcome degradation through three policy pillars of conservation of natural resources, sustainable development and improved efficiency in the use and management of resources. The priority programmes to recover degraded lands include projects of afforestation, improved crop production in dry lands, improved range/livestock feeding and management, soil and water conservation, water harvesting and increased water use efficiency, rehabilitation and reclamation of saline/sodic soils, improved drainage and on-farm management, improved production of horticultural crops, improved biodiversity.

The sustainable management of a huge, inter-linked and very complex natural resource base is the single most challenging long-term task for natural resource managers in Pakistan and requires the development of world-class capacity in adaptive management of natural resources, development and management of water resources and new institutional arrangements involving communities in natural resource management.

Pakistan has been striving to streamline the use of natural resources in a manner to provide a decent living to its more than 117 million peoples, advancing growth level by 2 percent annually. There is real urgency in merging the economy to the environment in decision making and in the use of economic instruments rather than regulation to control land degradation.

Project Inception Workshop

The Food Security Centre also organised an inception workshop of the Centre's project **"Climate Change, Agriculture, and Food Security in Pakistan: Adaptation Options and Strategies"**. The project is a part of IDRC's recent research initiative on **"Climate Change Adaptation, Water and Food Security in Pakistan"**.

The International Development Research Centre (IDRC) based in Canada supports research in developing countries to promote growth and development. IDRC's Climate Change and Water Programme (CCW) helps developing country researchers to understand the consequences of climate change on water resources and water-related natural hazards. IDRC's Agriculture and Food Security Programme (AFS) works to enhance food security through small-scale farming and environmentally sustainable food production.

The research project currently being undertaken by the Food Security Centre is in collaboration with the Lahore University of Management Sciences (LUMS) and the Social Policy and Development Centre (SPDC).

The Social Policy and Development Centre (SPDC) is a non-profit, policy research centre established in April 1995 as a limited company based in Karachi. The Lahore University of Management Sciences (LUMS) is a national university established in 1986 by the support of Pakistan's leading private and public sector corporations.

This workshop was held in July, 2012 and was attended by over 100 participants representing institutions like Planning Commission of Pakistan, IDRC, PIDE, LUMS, SPDC, Ministry of Climate Change, Pakistan Agricultural Research Council, National Agricultural Research Centre, Quaid-i-Azam University, Ministry of Food Security and Research, Provincial Agricultural Ministries, UN Agencies, diplomats, civil society organisations, regional organisations, academia, NGOs, and electronic and print media. Dr Nadeem Ul Haque, Deputy Chairman, Planning Commission of Pakistan and PIDE Vice-Chancellor, Dr Rashid Amjad, were also present on the occasion among other notable academicians, economists and social scientists.



The Deputy Chairman Planning Commission of Pakistan, Dr Nadeem Ul Haque at the inception workshop. Vice-Chancellor PIDE, Dr Rashid Amjad and Joint Director of the Food Security Centre, Dr Munir Ahmed are also present.

About the Project

Pakistan has faced the brunt of global climatic changes in many forms. One manifestation was the floods that affected the Indus Basin in 2010. The floods are attributed to heavy rainfall and an unanticipated increase in river flow, further compounded by multiple institutional failures in managing the response. These floods have shown how vulnerable Pakistan's agricultural and economic growth is to changes in patterns of rainfall induced by climate change.

The vulnerability of the farm and general economy to the impact of climate change and the required response need to be understood deeply. In this regard Canada's International Development Research Centre (IDRC) supported a small scoping project in March 2011 to map key actors and institutions engaged in post-floods relief and reconstruction efforts, assess the science behind climate uncertainty at the local level, and look at who was affected by the floods and why along a vast stretch of the Indus Basin.

The Food Security Centre's research for IDRC's project will use panel data (district level data over time) as well as cross-section data (household survey data) to study the impact of climate change. The panel data being collected will be used to assess the changes in yield that have taken place due to climate change.

Data Collection

The farm household survey data will be collected from various cropping systems in Punjab, Sindh, and Pakhtunkhwa provinces and will be used to examine how the decision to adapt or not to adapt to climate change affects agricultural productivity by accommodating the household specific rainfall and temperature data along with other important variables. For analysis of the farm level data a methodology similar to that used by Falco, *et al.* (2011) would be closely followed. Under the capacity building component of the project, PIDE will provide technical and financial support (for specified period) to two PhD and two MPhil degree candidates during their thesis research.

The collected household data covers more than 250 villages and 16 districts in four provinces including Punjab, Sindh, Khyber Pakhtunkhwa and Balochistan. The information gathered pertains to various household characteristics including employment status of the household members, education, income and information regarding food security and agriculture. The massive amount of data collected is being compiled into readable Microsoft Excel sheets and other software by the staff of Food Security Centre for easy access and better understanding. The data will be extremely useful for researchers conducting studies at district or provincial level. The survey also helps in understanding household behaviour and choices.

Research Projects

The major research projects undertaken in the area cover many aspects of food security such as projections and forecasts of major food grains like wheat and rice. Factors that affect agricultural productivity have also been studied.

**The Determinants of Maize Productivity: Towards a Policy of Food Security
in Pakistan. Farming and Rural System Economics, Issues and
Challenges in Rural Development**

Anwar Hussain, F. Rabbi, I. Hussain, and G. Sher

This paper empirically investigates the determinants in the growth of maize production in west Pakistan over the period 1960 to 2007. The aim is to identify how government policy variables reflecting credit disbursement and fertiliser off-take affect maize productivity in Pakistan. Since maize crop is an important food staple in Pakistan for the majority of poor households, increase in its production would be helpful in coping with food insecurity in Pakistan. This study makes use of the Johansen's Cointegration techniques to identify the impact of policy variables on the vertical and horizontal growth of maize production in Pakistan. The Johansen's Cointegration test indicates long run relationship between maize production and farm inputs. The policy makers are recommended to focus on provision of subsidies on fertiliser and other farm inputs to enhance maize productivity to ensure food security for the majority of rural poor families.

Compendium of Approaches for Socio-Economic and Ecological Development in Developing Countries, Vol. III. PP. 191–196. Book Chapter 4, Article 4.1 Edited by Werner Doppler and Siegfried Bauer, Margraf Publishers GmbH, Germany



CENTRE FOR POPULATION, HEALTH AND SOCIAL POLICY (CPHSP)

Health needs holistic attention in Pakistan. PIDE has created a centre of excellence devoted to this multi-faceted problem. Named the Centre for Population, Health and Social Policy (CPHSP) its prime objective would be to focusing on health holistically. It will discover, integrate and disseminate knowledge through research in the field of health, especially demography and economics; produce professionals with the right mix of knowledge, skills and competence in health economics and related disciplines; and articulate and translate the knowledge generated into evidence-based policies and practices. These objectives would be achieved through quality teaching, research and policy advice.

A major strength of PIDE lies in its breadth of disciplinary expertise and interests. Staff members have training in economics, demography, anthropology, statistics, health economics, econometrics and business studies. All these disciplines help in achieving clearer understanding of health and its related issues, especially in the fields of demography and economics. The issues related to health economics are gaining importance everywhere but they continue to be ignored in Pakistan. With the availability of relevant human capital at PIDE, the Centre can fill in this gap.

Health policy development involves three stages: identifying the major disease problems, designing health care systems and defining what governments can do using the full range of policy instruments. Coherent health policies need to be strong in all three areas, an aim which the CPHSP would pursue through a multidisciplinary lens, mainly that of demography and economics. Through seminars, conferences and workshops the CPHSP would help disseminate the research conducted by the Centre and also help in evidence-based policy formulation.

Launching Ceremony of CPHSP



CENTRE FOR ECONOMICS OF CONFLICT, SECURITY & DEVELOPMENT (CECS&D)

The Centre for Economics of Conflict, Security and Development (CECS&D) has been established with a vision to create a prosperous and equitable society through peace, harmony, and human security. With the objective to develop high quality research and encourage debate and discussions on critical issues of conflict and security and their role in the development process, the Centre aims at carrying out policy-oriented research on various socio-economic dimensions of conflict including poverty and social justice, income and spatial inequalities, human displacement, reconstruction and rehabilitation, and governance. The Centre collaborates with the government, international bodies, research centres and non-governmental organisations to create awareness and initiate dialogue on vital issues of conflict and security and how these can be tackled to promote peace and prosperity.

This year, the Centre engaged in research as well as debate and discussions on critical issues of conflict and security. Dr Usman Mustafa, Director of the Centre delivered a session on **“De-radicalisation: Socio-Economic Perspectives”** in a seminar entitled **“De-radicalisation of Vulnerable Segments of Society in Pakistan”** organised by Islamabad Policy Research Institute (IPRI), February 22, 2012. He highlighted that the vast economic disparity between the poor majority and rich minority was behind radicalisation. It was not religious indoctrination alone which was driving the poor to take up arms but the desperation of their circumstances. In order to curb radicalisation, international organisations need to implement equity and equality in true will and spirit (Box A).

Box A

“De-radicalisation: Socio-economic Perspectives”*

Usman Mustafa

The vast economic disparity between the poor majority and rich minority was behind radicalisation. It was not religious indoctrination alone which was driving the poor to take up arms but the desperation of their circumstances. While the rich sought protection of their possessions the poor had nothing to lose but their lives which had no value. Unless this disparity was reduced and the poor given something to hold on to the problem of radicalisation would persist and grow. He said radicalisation in Pakistan had an economic motivation. He accused the Western countries which preached equality and equity to the world but used their exclusive veto power at the UN to secure their advantage. The disparity between nations of the west and the east was as glaring as one saw between segments of society in Pakistan.

**Presented at “De-radicalisation of Vulnerable Segments of Society in Pakistan” seminar organised by Islamabad Policy Research Institute (IPRI), February 22, 2012*

Another seminar titled **“Agency Problem in Foreign Aid to Pakistan: Does Conflict Matter?”** by Dr Nadia Tahir, Postdoctoral Researcher at the Centre of Development Studies, University of Cambridge and Associate Professor at the University of Lahore, Pakistan was held on Thursday September 27, 2012 at 11:00 am in A. R. Kemal Conference Room at PIDE. She concluded that incompatibility of goals and the short-sightedness of the donors are causes of reverse moral hazard. The important finding is that aid increases incidence of conflicts in Pakistan and governments are more responsive to donors than to the people’s needs. A large number of PIDE researchers, academicians, and students attended the seminar. The students of MPhil (Development Studies) showed keen interest.

An important study on the burning issue of US drones attacks in Pakistan was supervised by Dr Usman Mustafa, Director of the Centre. The study **“Drones and Development: The Duality of US-Pak Relations 2007-2011”** was MPhil (GPP), dissertation of 2012, NDU, Islamabad (Box B). The study clearly brought out the dual nature of US-Pak relationship. The drone air strikes have soured the relationship. Pakistan feels that the US has been gaining its objectives at the cost of Pakistan’s interests.

Box B

Drones and Development: The Duality of US-Pak Relations 2007-2011

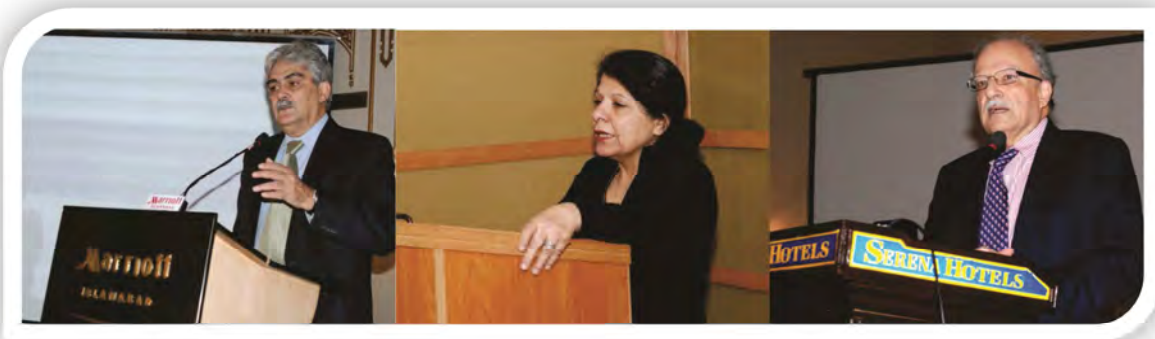
Ayesha Zafar Malik*

The study focuses on US aid to Pakistan and economic development. This aid is more on the basis of US vested political and national interests rather than on humanitarian basis. This study has focused on highlighting the dual nature of US-Pak relationship that is based on carrot and stick approach. The study clearly shows the duality of US-Pak relationship. This relationship has been going through turmoil after drone strikes. The drone air strikes have caused a rift between the Pak-US relationship. This situation was further aggravated due to recent events that have taken place in Pakistan which have been dealt with in detail in the above given studies. The duality becomes further apparent in the form of aid provided to Pakistan in the name of development. Moreover, there has been more destruction than development in Pakistan. This situation highlighted an important point that the US has been gaining its vested interests but on the other hand it is not fulfilling its promises to Pakistan in regard to development.

**MPhil (GPP), Dissertation, NDU, Islamabad 2012. Supervised by Dr Usman Mustafa, Director, CECCS&D, PIDE*

The section this year also initiated and planned a number of new research studies which are in progress. These include MPhil Development Studies dissertations and a proposal titled, **“Assistance for Implementing the FATA Development Indicators Household Survey”** which has been submitted to the World Bank and FATA Secretariat, Peshawar.

NURTURING MINDS SEMINAR SERIES



It is a tradition at PIDE to organise weekly seminars where academicians, economists and scholars from PIDE and other universities and organisations from Pakistan as well as from abroad are invited to speak on different contemporary issues. These seminars serve as a floor for open discussion and exchange of ideas between students, researchers and the speakers. This year too, the tradition continued and scholars from around the world were invited to talk about their work and experiences. The topics discussed are listed below:

1. *"Food Security Strategies in Punjab"* by Internationally Renowned Agricultural Economist Dr Mubarik Ali, Chief Executive Punjab Agricultural Research Board (PARB), July 7th, 2011.
2. *"Remittances and Poverty Linkages in Pakistan: Evidence and Some Suggestions for Further Analysis"* by Dr Mohammad Irfan. Formerly Joint Director PIDE Islamabad. September 15, 2011
3. *"Monitoring Country Progress: Pakistan"* by Mr Thomas Morris. September 21, 2011.
4. *"Pakistan Social Safety Nets Report"* by Cem Mete, Senior Economist, The World Bank and Xiaohui Hou, Economist, The World Bank. October 12, 2011.
5. *"Estimating the Middle Class in Pakistan"* by Dr Durr-e-Nayab, Head of Population Science Department, PIDE. October 20, 2011.
6. *"Pakistan Panel Household Survey (PPHS): Sample Size, Attrition, and Research Potential"* by Dr G. M. Arif, Joint Director PIDE and Dr Durr-e-Nayab, Head of Population Science Department PIDE. October 28th, 2011.
7. *"Time Poverty, Work Status and Gender: The Case of Pakistan"* by Dr Najam us Saqib Senior Research Economist PIDE and Dr G. M. Arif. November 2, 2011
8. *Long-Term Agricultural Growth in India, Pakistan and Bangladesh from 1901/02 to 2001/02"* by Professor Takashi Kurosaki, Professor of Economics at the Institute of Economic Research (IER) of Hitotsubashi University, Tokyo. November 28, 2011
9. *"Financing Health Care in Developing Countries: Experiences and Options"* by Prof. Dr Konrad Obermann, Staff Scientist and a university lecturer at the MIPH. Former professor at the University of Applied Sciences of the German Red Cross. February 16, 2012.
10. *"Pakistan: Financial Sector Constraints and Solutions"* by Mr Salim Raza, Former Governor, State Bank of Pakistan February 22, 2012 at PIDE.
11. *"Privatisation: New Imperatives"* organised by PIDE at the Islamabad Serena Hotel, where the book titled *"The Impact of Privatisation in Pakistan"* by Dr Akhtar Hasan Khan was launched on March 1, 2012.
12. *"Irrigation and Drainage Sector Reforms and the Agrarian Elite in Sindh Province of Pakistan"* by Dr Junaid Alam Memon, Assistant Professor, PIDE March 2, 2012.
13. *"Expanding India-Pakistan Trade"* by Dr Mohsin S. Khan, Senior Fellow at Peterson Institute for International Economics, Washington, DC and Former Director IMF March 12, 2012 at PIDE.

14. *“Arab Revolution: Its Causative Factors and Evolving Dynamics”* by Dr Shamshad Akhtar, Former Regional Vice-President, The World Bank, for the Middle East and North Africa Region, and Former Governor, State Bank of Pakistan March 15, 2012 at PIDE.
15. *“Outcomes of Post Durban Climate Change Negotiations”* by Mr Malik Amin Aslam, Former Federal Minister for Environment, March 22, 2012 at PIDE
16. *“Human Rights and Economic Development”* by Mr I. A. Rehman Secretary General, Human Rights Commission of Pakistan Thursday March 29, 2012, PIDE Islamabad
17. *“Managing Organisational Change for Development”* by Dr Faiz Shah, Head of Development Management Division, Asian Institute of Technology, Thailand, March 30, 2012 in the A. R. Kemal Conference Room, PIDE.
18. *“Cost Efficiency for Service Delivery through Public-Public, Public-Community and Public-Private Partnership Models: A Case Study of Small Industries Development Board (SIDB), KP”* by Syed Akhter Hussain Shah, Managing Director, Small Industries Development Board, Government of KP, Pakistan Syed Tariq Shah, Assistant Professor, Department of Mathematics, QAU, Islamabad and Mahmood Khalid, Research Economist, PIDE, Islamabad. April 4, 2012 in the A. R. Kemal Conference Room PIDE.
19. Quaid-i-Azam Lecture on *“Can Pakistan Grow Faster”* Organised by Pakistan Society of Development Economists (PSDE) and Pakistan Institute of Development Economics (PIDE) April 05, 2012, at Marriot Hotel, Islamabad.
20. *“Preliminary Social and Environmental Assessment of Zulfiqarabad Project”* by Junaid Alam Memon, Assistant Professor PIDE April 09, 2012 at PIDE.
21. *“Pakistan: Moving the Economy Forward”* by Mr Shahid Javed Burki, Former Finance Minister and Vice-President, World Bank April 19, 2012 at Serena Hotel, Islamabad.
22. *“The Famine of Truth and the Price We Pay for It: Ensuring Water and Food Security”* by Mr Shams-ul-Mulk, Former Chairman, WAPDA April 23, 2012 at PIDE
23. Seminar on *“Preliminary findings of the Pakistan Panel Household Survey”*, April 26, 2012 in the A. R. Kemal Conference Room, PIDE.
24. *“The Gender Differences in School Enrolment and Returns to Education in Pakistan”* by Madeeha Gohar Qureshi, Staff Economist PIDE May 9, 2012 in the A. R. Kemal Conference Room, PIDE.
25. *“Future of Economic Development”* by Dr Tariq Banuri, Former Director, UN Division for Sustainable Development May 17, 2012 at PIDE.
26. *“Competitiveness and Pakistan: A Dangerous Distorting and Dead End Obsession?”* by Dr Matthew McCartney, Director of Contemporary South Asia Studies, Oxford University May 23, 2012, in A. R. Kemal Conference Room, PIDE.
27. *“The Inter-linkages Between Democracy and Per Capita GDP Growth: A Cross-country Analysis”* by Madeeha Gohar Qureshi, Staff Economist, PIDE and Dr Eatnaz Ahmed, Dean Faculty of Social Sciences, QAU, June 01, 2012 in the A. R. Kemal Conference Room, PIDE.
28. *“Demand and Supply Projections of Major Food Grains in Pakistan”* by Dr Anwar Hussain Research Associate PIDE, Dr Muhammad Iqbal and Jaffar Hussain, September 5, 2012 in the A. R. Kemal Conference Room, PIDE.
29. *“Households Heterogeneity in the global MIRAGE CGE Model: Effects in Pakistan of Coordinated Worldwide Trade Liberalisation”* by Dr Antoine Bouet, Professor of Economics, University Montesquieu Bordeaux IV France and Senior Research Fellow, International Food Policy Institute, Washington, DC. Ms. Carmen Estrades, Senior Research Assistant, International Food Policy Research Institute (IFPRC) Mr David Laborde Debucquet, Research Fellow, International Food Policy Research Institute (IFPRC) on Friday September 14, 2012 in the A. R. Kemal Conference Room, PIDE.
30. *“Economic Challenges in Balochistan”* by Dr Khalid Ikram, Former Advisor, World Bank on Wednesday September 19, 2012 in A. R. Kemal Conference Room, PIDE.
31. *“Aid and Conflict”* by Dr Nadia Tahir, Postdoctoral Researcher at Centre of Development Studies, University of Cambridge & Associate Professor at the University of Lahore Pakistan. September 27, 2012 in A. R. Kemal Conference Room, PIDE.
32. *“Determinants of Intra-Industry Trade between Pakistan and Selected SAARC Countries”* by Mr Adnan Akram, Staff Economist, PIDE on October 17, 2012 at PIDE.
33. *“Industrial Revolution: Historical Perspective”* by Prof. Dr Imran Ali, Karachi School for Business & Leadership, Former Professor, LUMS on October 18, 2012 at PIDE.

ACADEMICS

Department of Economics

Department of Business Studies

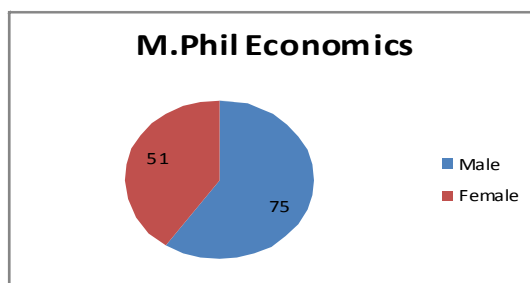
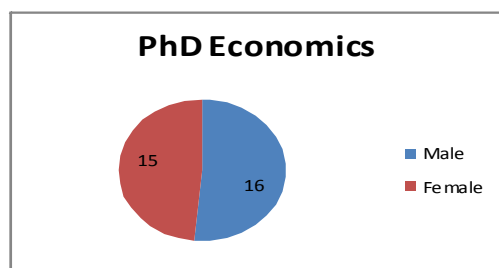
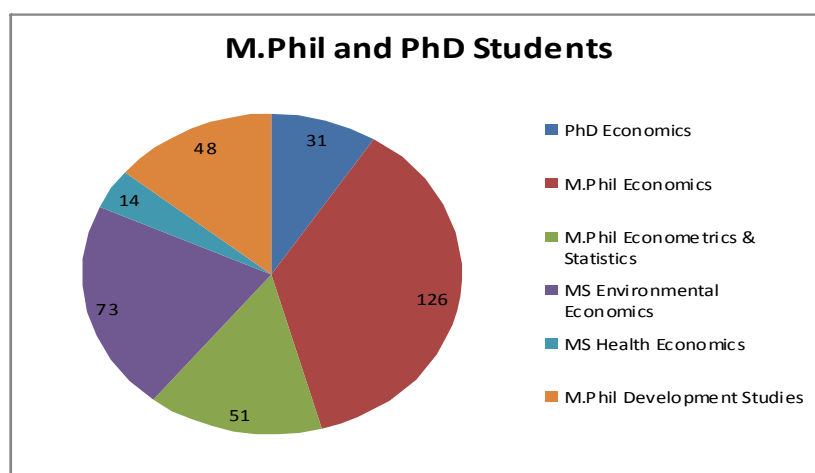
Department of Econometrics & Statistics

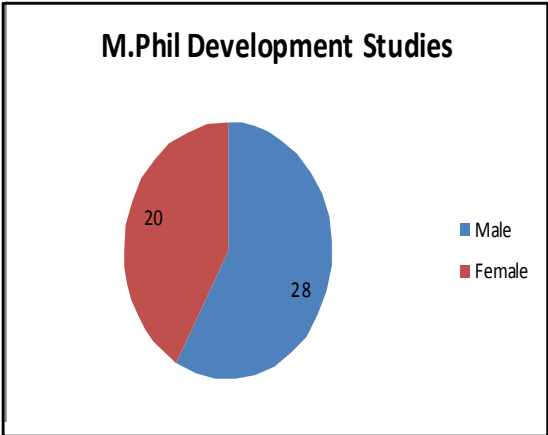
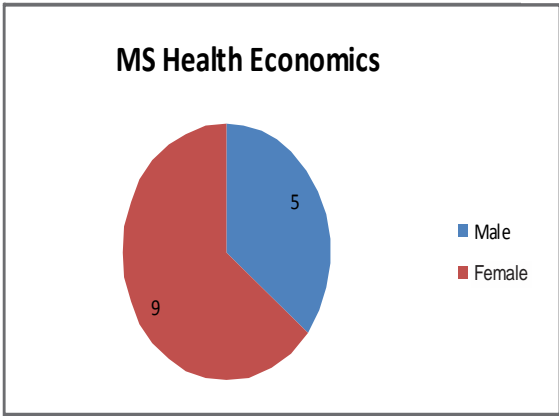
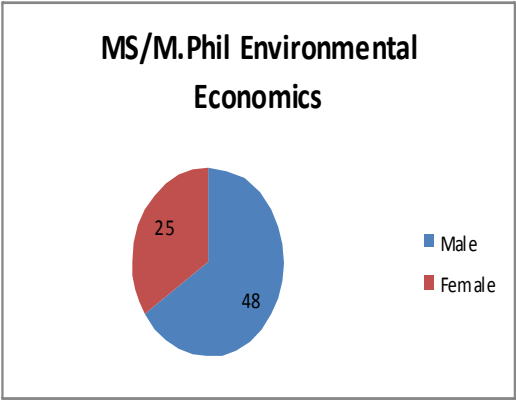
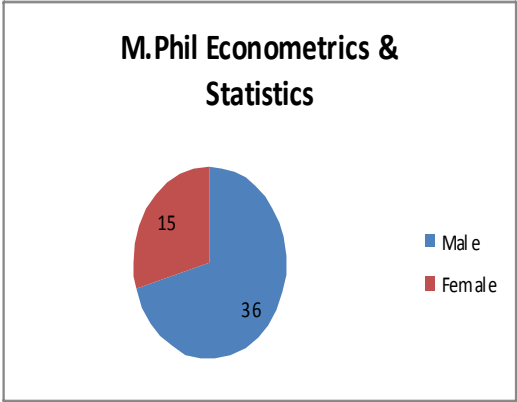
Department of Environmental Economics

Department of Health Economics

Department of Development Studies

Research Students Currently Enrolled





DEPARTMENT OF ECONOMICS

The Department of Economics is the leading teaching department of PIDE enjoying world-class reputation. PIDE's greatest asset is its highly accomplished faculty with a majority holding PhDs from renowned universities of the world. The Faculty won international recognition during the year as according to latest ranking by RePEc, six of the top ten economists of Pakistan are based at PIDE and, as an Economic Teaching/Research Institute, PIDE stands First in Pakistan and 17th in Asia. PIDE has been ranked No.1 Institute in General Small Universities (Student Enrolment < 3000) of Pakistan by HEC as of February 2012. Over the years, the Department has witnessed a growing interest in its academic programmes: the total number of applicants increased from 585 in 2010 to 1043 in 2011.

The Economics Department of PIDE has made major strides in developing its curricula in line with international standards. Besides core courses in economic theory and quantitative methods, the department offers specialisation in a variety of fields including International Trade and Finance, Industrial Organisation, Monetary Economics, Banking & Finance, Agricultural Economics, Public Finance, Development Economics etc. These courses reflect the current state of knowledge and are taught by top ranking professionals in the relevant fields.

The PhD/MPhil programme in Economics at PIDE remains at the forefront of higher education in Pakistan. The programme offers high quality specialised training with emphasis on theoretical and empirical research. A unique feature of this programme is the active interaction of students with top level researchers that allows students to develop their analytical skills under the supervision of leading experts.

PIDE is known for maintaining the highest academic standards and consequently its graduates remain in exceptionally high demand. They have been placed in international organisations including the IMF and the World Bank, Planning Commission, Ministry of Finance, State Bank of Pakistan, academia and key positions in the private sector.



PhD Dissertations Completed

Title of Dissertations	Name of Candidates	Supervisors/Co-Supervisors	Date of Defense
“Sensitivity and Simulation Analysis of Granger Causality, and Structural Causality (An Empirical Investigation)”	Zahid Asghar	Dr Assad Zaman Dr Rehana Siddiqui	Aug. 21, 2007
“Exchange Market Pressure and Monetary Policy: Pakistan’s Experience”	M. Idrees Khawaja	Dr Musleh ud Din Dr Abdul Qayyum	Aug. 30, 2007
“Three Essays on Monetary Policy in Pakistan”	Wasim Shahid Malik	Dr Ather Maqsood Ahmed Dr Musleh ud Din	Oct. 04, 2007
“Debt Sustainability and Dynamics in Pakistan: Theory and Evidence”	Tahir Mahmood	Dr Ather Maqsood Ahmed Dr Shahnaz A. Rauf	Nov. 08, 2007
“Measuring the Effects of Public Expenditures and Macroeconomic Uncertainty on Private Investment: The Case of Pakistan”	Imtiaz Ahmad	Dr Faiz Bilquees Dr Abdul Qayyum	Nov. 27, 2007
“Balance of Payments: Real Vs. Monetary Phenomenon”	Irem Batool	Dr A. R. Kemal Dr Musleh ud Din	Nov. 28, 2007
“Exchange Rate Pass-Through to Consumer Prices in Pakistan: Does Misalignment Matter?”	Atif Ali Jaffri	Dr Rehana Siddiqui Dr Shahnaz A. Rauf	Nov. 29, 2007
“Some Issues in the National Income Accounts of Pakistan (Rebasing, Quarterly and Provincial Accounts and Growth Accounting)”	M. Farooq Arby	Dr A. R. Kemal Dr Musleh ud Din	Feb. 08, 2008
“Resource Allocation among Consumption, Labour Supply, Human Capital, Social Capital and Religious Human Capital: Theory and Empirical Analysis”	Syed Akhtar H. Shah	Dr Eatzaz Ahmad Dr Musleh ud Din	Feb. 15, 2008
“Testing the Monetary Approach to Exchange Rate Determination: The Case of Pakistan”	M. Arshad Khan	Dr Abdul Qayyum Dr Fazal Husain	Mar. 05, 2008
“Changes and Lags in Effects of Monetary Policy Transmission Mechanism: A Case of Pakistan”	Sajawal Khan	Dr Abdul Qayyum Dr Fazal Husain	Jul. 17, 2008
“Financial Development and Economic Growth: Evidence from Heterogeneous Panel Data”	M. Nadim Hanif	Dr Abdul Qayyum Dr Rehana Siddiqui	Oct. 22, 2008
“Efficiency Wage Theories and Non-Monetary Motivational Strategies: An Experimental Approach”	Saima Mahmood	Dr Assad Zaman Dr Rehana Siddiqui	Mar. 28, 2011
“Performance of Export-Oriented Manufacturer in Pakistan: Evidence from Micro and Macro Level Data”	Tariq Mahmood	Dr Musleh ud Din Dr Ejaz Ghani	Mar. 28, 2011
“Three Essays on Monetary Policy and Exchange Rate”	Muhammad Waheed	Dr Ather Maqsood Ahmed Dr Rehana Siddiqui	Mar. 29, 2011
“Educational Mismatches: Monetary and Non-Monetary Consequences in Pakistan”	Shujaat Farooq	Dr G. M. Arif Dr Abdul Qayyum	Jun. 30, 2011
“An Analysis of the Effects of Economic Reforms and Openness on Structure, Conduct and Performance of Agro-based Industries in Pakistan”	Saeed Ahmed Sheikh	Dr Musleh ud Din Dr Ejaz Ghani	Dec. 8, 2011
“Analysing the Effect of Policy Intervention in Agriculture Markets” Case of Punjab, Pakistan”	M. Sarwar Zahid	Dr Munir Ahmad Dr Abdul Qayyum	Feb. 20, 2012
“International Trade, Human Capital, and Economic Growth: A Cross Country Analysis”	Mirajul Haq	Dr Ejaz Ghani Dr Musleh ud Din	Feb. 22, 2012
“Intellectual Property Rights, Technology Transfer and Economic Growth”	Abdul Sattar	Dr Ejaz Ghani Dr Wasim Shahid Malik	May 23, 2012

MPhil Dissertations Completed

Title of Dissertations	Name of Candidates	Supervisors	Date of Defense
“The Impact of External Indebtedness on the Growth and Poverty of Pakistan”	Babar Shahzad Dogar	Dr Eatnaz Ahmad	May 24, 2007
“Export Price Competitiveness in the Manufacturing Sector of Pakistan”	Uzma Zia	Dr Zafar Mahmood	Mar. 2, 2010
“Aid Growth Nexus for Pakistan: Role of Macroeconomic Policies”	Muhammad Javid	Dr Abdul Qayyum	Jul. 2, 2010
“The Impact of Political Risk and Macroeconomic Policy Uncertainty on Foreign Direct Investment: The Case of Selected South Asian Countries”	Muhammad Azam	Dr M. Arshad Khan	Oct. 21, 2010
“An Analysis of the Spatial Dimensions of Poverty in the Punjab”	Azhar Ali	Dr G. M. Arif	Mar. 28, 2011
“Land Distribution and Agricultural Productivity: A District Level Analysis of Punjab Province”	Sobia Saeed	Dr Munir Ahmad	Sept, 07, 2012
“Currency Depreciation, Output and Price Level: Evidence from Pakistan”	Muhammad Nawaz	Dr Ejaz Ghani	Sept. 28, 2011
“Three Essays on the Economics of Trade Unions in Pakistan”	Afaq Mehmood	Dr Zafar M. Nasir	Nov.1, 2011
“Impact of External Debt on Economic Growth in Pakistan: A Disaggregated Analysis”	Muhammad Ramzan	Dr Eatnaz Ahmad	Nov. 4, 2011
“Financial Development and Agricultural Growth: A Case Study of Pakistan”	Syeda Sidra Batool	Dr M. Idrees Khawaja	Nov. 4, 2011
“Impact of Monetary Policy on Food Prices: A Case Study of Pakistan”	Hassan Siftain	Dr Abdul Qayyum	Dec. 26, 2011
“The Impact of Foreign Capital Inflows on the Competitiveness of Pakistan’s Economy”	Shabana Kishwar	Dr Zafar Mahmood	Dec. 20, 2011
“Determinants of Intra-Industry Trade between Pakistan and Selected SAARC Countries”.	Adnan Akram	Dr Zafar Mahmood	Jan. 16, 2012
“Performance of Islamic Bank in Pakistan: Alternative Models”	Zohaib Omer Mirza	Dr Abdul Qayyum	Jan. 18, 2012
“Impact of Economic Growth and Population on Environment”.	Khurram Shahzad	Dr Rehana Siddiqui	Jan. 27,2012
“Consumer Preferences for the Quality Demanded for Milk in Islamabad, Pakistan: An Application of Hedonic Price Model”.	Syeda Sadia Zehra	Dr Usman Mustafa	Feb. 09, 2012

Title of Dissertations	Name of Candidates	Supervisors	Date of Defense
“Nexus between Fiscal Discretion and Macroeconomic Variables of Pakistan”	Muhammad Ismail	Dr Fazal Husain	Feb. 20, 2012
“Impact of External Debt, Foreign Aid and Governance on Economic Growth”	Unbreen Qayyum	Dr Musleh ud Din	Apr. 10, 2012
“Stringent Environmental Regulations and Trade Competitiveness”	Bushra Hassan	Dr Rehana Siddiqui	Apr. 17, 2012
“The Relative Price convergence in Pakistan: Does the Choice of Numeraire City Matters?”	Zahra Azam	Dr Hassan M. Mohsin	Apr. 17, 2012
“Market Structure, External Sector and Firm Performance: Evidence from Pakistan”	Akbar Ullah	Dr Ejaz Ghani	Apr. 17, 2012
“Fiscal Decentralisation and Corruption”	Malik Kifayatullah Awan	Dr Zafar M. Nasir	Apr. 18,2012
“Validity and Asymmetry of Okun’s Law: A Case Study of Selected Asian Economies”	Farhat Rasool	Dr Hassan M. Mohsin	May 7,2012
“Disaggregated Energy Consumption, Industrial Output and GDP – A Co-integration Analysis”	Hanan Ishaque	Dr Hassan M. Mohsin	May 8,2012
“Ricardian Equivalence Hypothesis: Evidence from Emerging Market Economies”	Imran Arif	Dr Attiya Y. Javed	May 09,2012
“The Exchange Rate Channel of Monetary Policy and its Impact on Inflation and Net-Exports in Pakistan”	Mukamil Shah	Dr Arshad Khan	May 09,2012
“Economic and Non-Economic Determinants of Private Investment: A Case Study of Pakistan”	Umar Farooq	Dr M. Arshad Khan	May 15, 2012
“Emigration and Export Creation in Pakistan”	Noureen Fatima	Dr Zafar Mahmood	May 31,2012
“Welfare Impact of Minimum Wage in Pakistan”	Allah Nawaz	Dr Zafar M. Nasir	May 22,2012

DEPARTMENT OF BUSINESS STUDIES

The focus of the MBA education at the Business Studies department of PIDE is to create a class of management professionals equipped with the latest skills needed in dynamic national and international organisations. The department is working on a three pillar strategy i.e. personality development, communication skills and knowledge acquisition. This strategy is aimed at helping students to secure jobs in reputed national and international organisations. Beside core courses, three specialisations are offered to the students to choose from. These include Marketing, Human Resource Management and Finance. It plans to expand its specialisation programme by including Information Technology and Systems which is an emerging field. The following courses are offered in Fall and Spring semesters.

Training at PIDE Business School

In addition to its strong emphasis on quality education, the Department arranges different activities such as industry visits, trainings, workshops, seminars and inviting distinguished speakers from the industry. Students not only get first hand information on the working of different departments but also a chance to interact with management staff to understand the decision making process in the organisation. Trainings and workshops conducted by PIDE Business School students attract some of the reputed market figures including among others the Brand Manager, Nestle. The students also participated in seminars and workshops conducted by Nestle Nesvita, Pakistan and Tiecon, Pakistan. A number of such events were organised in the academic year 2010-11 including an industrial visit to the Volta Batteries, Hattar Industrial Estate and Pakistan Tobacco Company, Jhelum.

Internship/Employment Programme of MBA Students

The students of MBA are required to work 6 to 8 weeks as interns at some reputable organisation after completion of two semesters. They are also required to submit a written Internship/employment report in compliance with the approved format of this three credit hours activity. The purpose of internship is to provide the students with an opportunity to learn and practice various principles, theories and procedures being taught in class rooms. In addition, students practically experience the operations/working of the business organisations, coordination among different departments/sections and how different tasks are assigned to workers. The internship also helps students to know how performance of the workers is monitored and evaluated to achieve the overall goals of their organisations. In a broader perspective, internships provide students with invaluable work experience in their selected fields and in many cases lead directly to employment opportunities. Generally the students are expected to carry-out the SWOT analysis of the organisation and its marketing, HRM, Compensation, and performance management strategies.

In 2010-11, PIDE arranged internship in a number of reputable public and private sector organisations. These include the State Bank of Pakistan, Security and Exchange Commission of Pakistan, National Telecommunication Corporation, National Highway Authority, Ministry of Textile, Askari Bank Ltd., Bank Alfalah, Zong Telecom, Mobilink Telecom, Marriott Hotel, Habib Bank Limited, National Bank, MCB Ltd., United Bank Limited, Pakistan Telecommunication Corporation Ltd., Higher Education Commission etc.

DEPARTMENT OF ECONOMETRICS AND STATISTICS

Econometrics is the unified study of economic models, mathematical statistics, and economic data. The Economist's *Dictionary of Economics* defines Econometrics as "*The setting up of mathematical models describing economic relationships (such as that the quantity demanded of a good is dependent positively on income and negatively on price), testing the validity of such hypotheses and estimating the parameters in order to obtain a measure of the strengths of the influences of the different independent variables.*"

The Econometrics and Statistics department at PIDE offers Masters in Econometrics and Statistics and MPhil in Econometrics focusing on statistical tools that allow economists to test hypotheses using real world data and on the development of quantitative techniques that are useful for making "economic decisions".

The department is headed by Dr Abdul Qayyum and is being run by him and his team including Dr Zamir Hussain, Amena Urooj and Hafsa Hina. The faculty members are highly qualified and have extensive research and teaching experience. They work together to impart knowledge, hone young minds, inculcate inquisitiveness and develop the students' problem solving skills. They are present on campus and available to the students every working day during office hours.

Students

Currently 24 students are enrolled in the first semester of the MPhil programme and 20 students in the third semester. The students in their third semester are undertaking their respective MPhil dissertations.

These research students have varied areas of interest; the students are working on subjects such as Panel Data Econometrics, Exogeneity, Time Series, Micro-econometrics (Primary Data), Micro-econometrics (Cross Section / Time Series Data), Macro (Time Series), and Financial Micro-econometrics.

Additionally, there are five students in the process of completing their M.Sc Econometrics and Statistics.

DEPARTMENT OF ENVIRONMENTAL ECONOMICS

Keeping in view the lack of requisite expertise in this area, the programme of MS/MPhil in Environmental Economics has been designed especially to train students well enough to ensure supply of high quality personnel to federal and provincial institutions as well as research institutes. The curriculum emphasises increasing awareness and understanding of issues related to environment and climate change using tools and concepts derived from core economics. The combination of finely drafted syllabus and expert teaching and research faculty makes the department a hallmark of quality education.

In 2011, 14 students were enrolled, out of which 10 students have completed their course work and are working on their research proposals. The fourth batch, admitted in 2012, consists of 26 students. As the department is still in its nascence, the number of graduates who have completed their degrees is small but still they are in demand and have been placed in relevant departments e.g., Ministry of Climate Change.

List of Completed Thesis

No.	Name of Student	Name of Supervisor	Title	Date of Submission
1.	Mr Ajaz Ahmed	Dr Usman Mustafa	Impact Assessment of Rooftop Rain Water Harvesting: A Case Study of Bagh and Battagram Districts	29-06-2011
2.	Mr Raheel Anjum	Dr Rehana Siddiqui	Current SWM Practices and Peoples STP for Improved SWM Services: in Twin Cities	09-12-2011
3.	Ms. Rabia Manzoor	Dr Rehana Siddiqui	Green Growth: An Environmental Technology Approach	09-12-2011
4.	Ms. Fatima Gulzar	Dr Usman Mustafa	An Evaluation of Ground Water Pollution on Children Health—A Case Study of Manka Drain in D.G. Khan, Punjab	10-07-2012

DEPARTMENT OF HEALTH ECONOMICS

Health economics is a rapidly developing field which has acquired much importance among the public health practitioners, governments, physicians, and pharmaceutical industry worldwide but it remains a much neglected area in Pakistan. There is a pressing need to develop the discipline in the country and train professionals who can deal with these issues skilfully. Health economics offers considerable flexibility and diversity in the application of economic tools to health and healthcare, which can help in better comprehension and planning of related issues. In the context of deteriorating public health system in Pakistan, the discipline of economics is critically important for measuring health impact of diseases and interventions; evaluating the cause-effect relationships between care-seeking behaviour and the specific attributes of individuals and health systems; estimating the statistical association between patient compliance and personal as well as intervention-specific attributes. Health economics can also measure inefficient resource use by governments or individual health institutions; guide the choices in public health interventions; assess the macroeconomic relationship between disease, development, poverty, and globalisation; and assess health systems' performance and advise governments and policy makers accordingly.

Building on the existing strength in Economics at PIDE in terms of availability of senior faculty members from leading universities of the world and the addition of adjunct faculty members from renowned international universities, CPHSP has initiated a **Master of Science in Health Economics (MSHE) Programme**. The programme aims at producing professionals well-versed in the application of economics to health and healthcare. Initially an MS degree is to be offered with plans to initiate a PhD in the field at a later stage.

The MSHE is designed in a way that will enable the students to apply the macro and microeconomic principles and concepts to the analysis of decisions by consumers, firms and governments regarding health and healthcare. The programme provides training in all aspects of health economics, meeting the urgent need for a comprehensive programme in Pakistan. Clearly defined academic streams ensure all students have the necessary skills and knowledge to succeed in this programme regardless of the previous economics background. This highly specialised programme provides critical insight into the complex economic issues in health sector administration, and the economic impact of decisions.

The programme offers the students an opportunity to develop strong analytical skills and is a qualification which may further their career opportunities in national and international health organisations both in public and private sectors. Graduates can go on to work in government departments, research units, universities, national health services and health care organisations, and pharmaceutical industry.

Currently, the CPHSP is collaborating with the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit), Health Sector Support Programme, Pakistan, for the development and delivery of the MSHE programme. In addition, it is in the process of developing collaborations with various institutes and bodies in different capacities through formal and informal linkages to achieve its goals. These organisations include, FES (Friedrich-Ebert-Stiftung), IDRC (International Development Research Centre, University of Heidelberg), DAAD (German Academic Exchange Services), Agha Khan University, University of York, Australian National University (ANU) and the London School of Economics (LSE).

Permanent Faculty

The programme prides itself in having an outstanding faculty with doctorate degrees from some of the best universities in the world, including, Columbia University (USA), University of Cambridge (UK), Australian National University (Australia), Johns Hopkins University (USA), Connecticut University (USA), Ohio University (USA) and Bradford University (UK). In addition, some intensive courses would be taken by visiting faculty from foreign universities, giving an international exposure to those pursuing the MSHE degree.

DEPARTMENT OF DEVELOPMENT STUDIES

Prosperity and high standard of living is the dream of every society for which the process of development is essential. Many rich and prosperous nations have followed certain economic strategies to achieve the targeted living standard. However many developing economies are still lagging behind to achieve even the basic standard of living and goals of economic development. Keeping in view the importance of development, the Department of Development Studies was established at PIDE in September 2011. The programme aims to improve the analytical skills of the students by creative thinking through the repertoire of multidisciplinary education and training at PIDE. The department of Development Studies aspires to advance knowledge that resonates with the realities of transition countries through innovation and excellence in its academic programme. A strong focus on theory and methods will equip graduates to apply new insights to policy analysis in a practical context.

EXTRA-CURRICULAR ACTIVITIES



With special focus on student grooming, PIDE maintains a healthy environment that encourages co-curricular activities. PIDE organises an Annual Societies Fair and encourages students to register and actively participate in sports and social activities.

PIDE Societies include

- Dramatics Club
- Debating Society
- Book Club
- Welfare Society
- Excursion Club
- Entrepreneurship Society
- Blood Donors Society
- Event Management Society
- Cricket Club
- Football Club
- Table Tennis Club
- Badminton Club

From June 2011 to June 2012 following events were conducted at PIDE:

Welcome and Farewell Parties

PIDE has the tradition of welcoming newcomers and bidding farewell to those leaving the institution. In this connection, all departments conduct their own welcome and farewell parties.

Sports

Cricket: PIDE societies actively organise sports events every year. The year 2011-12 was marked by success for students of PIDE, who won the QAU cricket championship in March 2012.

Badminton: The PIDE Badminton Club organised an inter-departmental Badminton Tournament in October 2012.

First Round of All Pakistan Inter-University Debate Contest

PIDE Debating Society organised the first round of All Pakistan Inter-University Debate Competition for the selection of Intra University Top Debaters. The winners of both English and Urdu debates qualified for Regional contests for the Allama Iqbal Shield.

QUALITY ENHANCEMENT CELL

The Quality Enhancement Cell (QEC) was established at PIDE in June 2011 to attain the objectives in line with the vision of the organisation to retain its international standing. In order to see that the standards of quality education are being maintained and ensure future progress, performance indicators have to be watched. PIDE has defined these indicators to match its standards of quality education with top institutions of the world.

To strengthen the quality of higher education, QEC PIDE has taken the following initiatives:

- A Proforma 1 to 10 has been prepared and circulated among all departments to start the process of Self Assessment.
- A Teacher and Course evaluation proforma has been compiled for two departments.
- An awareness seminar is organised for faculty and students.
- The subject level database has been updated for 2009-11.

Furthermore, to continue the process of quality enhancement, one new programme team has been formed in the Department of Environmental Economics (MPhil Environmental Economics) which is responsible for preparing the Self Assessment Report. Meanwhile, the programme teams of MSc Economics and MSc Econometrics & Statistics have already completed the process of Self Assessment Report.

PIDE has constituted two authorities i.e. Graduate & Research Management Council and the Faculty Council. The Director QEC is the ex-officio voting member of both the authorities. The Deputy Director QEC participated in the second meeting of Phase IV QECs on 10th – 11th April, 2012, at the HEC Regional Centre, Lahore and briefed the participants about the current status and future plans of QEC, PIDE. The webpage of QEC PIDE is fully functional, where all the information and activities are updated from time to time.

Following are the future plans of QEC PIDE:

- to formulate assessment teams and organise their visit
- to formulate three new programme teams
- to conduct awareness seminars on higher education and quality assurance
- to obtain the membership of national/international bodies to further strengthen the quality of higher education at PIDE.

QEC Activities

Mr Kashif Munir, Deputy Director, QEC,PIDE has participated in the 2nd Meeting of Phase IV QECs held on 10th-11th April, 2012 at HEC Regional Centre, Lahore.

PROJECT EVALUATION AND TRAINING DIVISION

PARTICIPANTS OF THE TRAINING COURSE ON
"Project Preparation and Management"
(January 16 – 28, 2012, Islamabad)



The Project Evaluation and Training Division (PE&TD) is one of the important components of PIDE. The Division is mainly concerned with project evaluation and training. The Division is organising specialised training courses/workshops for in-service officials for government, semi government, corporate and private organisations. The Division also provides special tailor-made training courses parallel with its regular training programmes throughout the year. This year as well, the section has remained successful in attracting various training projects from UNDP, the Centre for Civic Education, Pakistan & Forum of Federations, and Small and Medium Enterprises Development Authority (SMEDA).

For healthy teaching and learning institutions need to maintain a conducive and friendly environment. PIDE provides its participants with the state of the art technology to make the process of learning interesting, accommodative and comfortable. PIDE is situated in a beautiful scenic surrounding at the foothills of the Margala range in the Quaid-i-Azam University Campus, Islamabad. It has modern, up to date and well equipped lecture and seminar halls. The air conditioned lecture rooms have overhead projectors and facility of audio/video conferencing. With an state of the art computer lab and internet facilities, participants are induced to do their practical exercises. PIDE library is famous for its rich collection of international books, reports and articles. It also provides a number of search engines, which help the trainees in completion of their assignments.

The Division conducted 12 training courses ranging from two days to two weeks duration with varieties of topics including regular, tailor-made, and special training courses. The details of the courses are presented at Table below. Two courses entitled “Fiscal Decentralisation in Pakistan” were conducted on the request of the Centre for Civic Education Pakistan & Forum of Federations. The first course was for senior government and semi government officers while the second was for middle level officers. In both the courses participants officers of federal, provincial and autonomous bodies participated. On the request of SMEDA, a special tailor-made course entitled “Project Preparation and Management” was conducted in which 20 managers, officers, and field staff participated. A one week course on the Role of Gender in Development was organised on the request of UNDP and P&DD.

PE&TD this year took an innovative initiative for PIDE students by arranging a special course entitled “MS Project and Chart WBS PBS Pro” for MBA final year students. A large number of students (34) successfully completed this course. The course was conducted by Mr Tabjeel Ashraf, Project Director, National Highway Authority (NHA), Islamabad. The course consists of theoretical as well as practical application of the computer programme. Besides these activities, the Division organised its regular courses on Project Preparation, Monitoring, Evaluation, Management, RBM, and Communication.

List of Training Courses (July 2011 to October 2012)

No.	Training Course	Participants
1.	One week Gender Mainstreaming in Planning and Development (GMPD) from July 11-16, 2011	13
2.	Two weeks Training Course “Project Preparation and Management” from July 11-23, 2011	12
3.	One-week “Effective Communication Skills” (ECS) July 25-30, 2011	11
4.	Two weeks Training Course on “Project Monitoring and Evaluation” from September 12-24, 2011	16
5.	Three days Training Course on “Fiscal Decentralisation in Pakistan” from October 17-19, 2011	20
6.	Two days Training Course on “Fiscal Decentralisation in Pakistan” from October 20-21, 2011	30
7.	Two weeks Training Course on Project Preparation and Management “ from January 16-28, 2012	18
8.	Five days “Result Based Management” from April 9-14, 2012	11
9.	Six days “MS Project and Chart WBS PBS Pro” April 23-28, 2012	34
10.	Three days Training Course on Project Preparation and Management “ (from July 4-6, 2012)	20
11.	Two weeks Training Course on “Project Monitoring and Evaluation” from July 9-21, 2012	17
12.	Two weeks Training Course on “Project Preparation and Appraisal” (from September 10-22, 2012)	16

INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT) DIVISION



The overall objective of the Information and Communication Technologies (ICT) Division is to provide state-of-the-art ICT facilities and efficient support to the research staff, teaching faculty, students and other Divisions of the Institute. The ICT Division also aims to electronically disseminate the social sciences research produced at PIDE to maintain its ranking as one of the top research institutes of the world. During 2011-12, the major achievement in this regard is as follows:

PIDE is ranked in Top 5 percent economic institutions of the world as compared to Top 10 percent in the previous year. (<http://ideas.repec.org/top/top.inst.all.html>)

PIDE is ranked in Top Ten Economic Institutions of Asia. (<http://ideas.repec.org/top/top.asia.html>)

PIDE maintains its first position among Top Economic Institutions of South Asia and Pakistan. (<http://ideas.repec.org/top/top.pakistan.html>)

As per **IDEAS/RePEc Aggregate Rankings for Journals**, the “*The Pakistan Development Review*” has been ranked among **Top 100 Journals of Economics around the World**. (<http://ideas.repec.org/top/top.journals.all.html>)

This has been possible by creating and modifying 107 profiles of PIDE researchers, uploading their research publications and submitting 202 PDR articles, 150 PIDE working papers, 16 PIDE Economic Digests, 20 MIMAP Technical Series Papers, 2 CEECC working papers, 5 PIDE Monograph Series papers, 10 PLM Project Reports, and 5 PIDE Books to the RePEc/IDEAS database.

Other updates regarding ICT facilities and services provided during 2011-12 are as follows:

- The internet bandwidth of 8 Mbps had been upgraded to 13 Mbps under *Phase 2* of the *PERN Project of HEC*.
- Cabling, ducting and installation of multiple switches had been completed to expand the Local Area Network to accommodate 80 more nodes at the two new Blocks of PIDE building. The computer lab in the new academic block having capacity of 20 PCs is now connected to the LAN through wired network and is fully functional.
- 8 MB Internet connectivity is provided to facilitate the students at PIDE male Hostel while 4 MB bandwidth is provided to female hostel.
- About 400 students and staff members were registered at National Student Software Accessibility (NSSA) Portal. The portal consist of around 172 software applications (including operating systems, MS office applications and developer tools, etc.) to enable them to download genuine Microsoft software free of cost under “Microsoft for ALL” programme of the Higher Education Commission (HEC) and Microsoft.

The following new hardware and software were also added to the stock:

1. Twenty Laptops core i7 with original Microsoft OS & Office suite
 2. Thirty Five Desktops core i3 with original Microsoft OS & Office suite
 3. One A3 size ADF Kodak Scanner 50 ppm (full duplex)
 4. High Performance 6-Core Dell server with 4TB Storage capacity
 5. Sixty Three APC 650 VA UPS
 6. One Santak 3KVA UPS
 7. Eight Laser jet Printers Dell 2230d
 8. Five Multimedia Projectors NEC-3500 lumens
 9. One hundred and seventy four Licenses for Anti-virus (Kaspersky)
 10. Ox matrix (01 license)
 11. Micro fit v 5 (01 license)
 12. Eviews 7.1 (01 license)
- Two staff members of ICT Division attended the Technical Training of Video Conference Setup organised by HEC on February 13-15, 2012. Around 10 events including PIDE seminars, meetings with HEC and all other universities and HEI of

Pakistan, panel discussions by USEFP and US Embassy Representatives for Graduate Applicants to the US, and Introductory sessions like INVENT—The entrepreneurial challenge, The student level business plan competition of Pakistan were conducted through Video Conference facility at Dr A. R. Kemal Conference Hall for students and staff of PIDE.

- The Division also updated and maintained websites of PIDE and the PSDE.
- The data bank was strengthened by adding more data sets like PSLM 2010-11 Demographic Part and LFS 2010-11.
- The data cleaning and documentation of the files for Pakistan Poverty Households Survey 2010 (PPHS phase III) has been completed and now the data is being processed to rectify the problems of the panel datasets.
- For the convenience of users, soft copies of the reading material were prepared on CDs for distribution among the participants of various training courses and the 27th & 28th Annual General Meetings of the PSDE. The Division also prepared several presentations for the Senate, the Syndicate, and the PSDE meetings.
- Other services provided by the Division during 2011-12 include provision of multimedia projectors during lectures and training workshops, and online application forms for Fall 2012 admissions. The ICT Division prepared students ID Cards, Security Passes for staff, new e-mail accounts and new user accounts for students and new staff members.

PUBLICATIONS DIVISION



The Publications Division is responsible for compilation, formatting, designing and printing of all research materials (working papers, newsletters, research reports etc.) produced by PIDE's research divisions. The division also published other research material relating to various PhD programmes, the programmes of the PSDE, PIDE Seminar Series, and the training courses. Publication of the quarterly *The Pakistan Development Review* which is a prestigious PIDE journal, is an eminent duty of the division. It was first published as *Economic Digest* in 1958, In its present shape *The Pakistan Development Review (PDR)* has been published by the Institute regularly since 1961, with only a short pause during 1971-72. For several decades now, it has been a refereed international journal of Economics and related social sciences. The journal is issued quarterly and, with a fair mix of topics, regularly contains original (theoretical and empirical) contributions to economics, in general, and on Pakistan's socio-economic problems, in particular. The Review's Editorial Board consists of 36 outstanding scholars in the field of Economics and various social science fields. *PDR* is now recognised as one of the oldest journals. The Publications Division ensures its timely distribution nationwide and internationally to meet its demand in Pakistan and abroad.

The Pakistan Development Review

Vol. 50, No. 1 (Spring 2011)

Vol. 50, No. 2 (Summer 2011)

Vol. 50, No. 3 (Autumn 2011)

Vol. 50, No. 4 (Winter 2011)

Following is the list of some of the research working papers presented and published during 2011-12.

PIDE Working Papers

- 2011:74. *The Persistence and Transition of Rural Poverty in Pakistan:1998-2004* by G. M. Arif, Nasir Iqbal and Shujaat Farooq (2011).27pp
- 2011:75. *The Cost of Unserved Energy: Evidence from Selected Industrial Cities of Pakistan* by Rehena Siddiqui, Hafiz Hanzla Jalil, Muhammad Nasir, Wasim Shahid Malik and Mahmood Khalid (2011).21pp
- 2011:76. *The Determinants of Food Prices: A Case Study of Pakistan* by Henna Ahsan, Zainab Iftikhar and M. Ali Kemal (2011).21pp
- 2011:77. *Estimating the Middle Class in Pakistan* by Durr-e-Nayab (2011).29pp
- 2011:78. *Remittances and Poverty Linkages in Pakistan: Evidence and Some Suggestions for Further Analysis* by Muhammad Irfan (2011).18pp
- 2011:79. *Contribution of Services Sector in the Economy of Pakistan* by Ayaz Ahmed and Henna Ahsan (2011).18pp
- 2011:80. *Poverty Dynamics of Female-headed Households in Pakistan: Evidence from PIHS 2000-01 and PSLM 2004-050* by Umer Khalid and Sajjad Akhtar (2011).16pp
- 2012:81. *Time Poverty, Work Status and Gender: The Case of Pakistan* by Najam us Saqib and G. M. Arif (2012) .23pp
- 2012:82. *Efficiency of the Foreign Exchange Markets of South Asian Countries* by Sana Arif Chaudhry and Attiya Yasmin Javid (2012).22pp
- 2012:83. *Applying an Equity Lens to Maternal Health Care Practices in Pakistan* by Naushin Mahmood and Saima Bashir (2012).23pp

CEECC Working Paper No. 1 “Impact of Rooftop Rain Water Harvesting Technology on Women Well-being in Hilly and Fragile Areas: Evidence from Pakistan” by Ajaz Ahmed, Usman Mustafa and Muhammad Nasir (2011).

CEECC Working Paper No. 2 “Economic Appraisal of Rooftop Rainwater Harvesting Technology in Bagh and Battagram Districts Pakistan” by Ajaz Ahmed, Usman Mustafa, and Ghulam Samad (2012).

Newsletters

Newsletter “*PIDE-Inflation Expectations Survey*” Vol. 3, No. 2 by Abdul Qayyum and Kashif Munir (2011)

PIDE Viewpoint “Strengthening Intraregional Trade and Investment in the Eco Region” October, 2011.

Newsletter “*Macroeconomic Brief*” No.3 by Musleh ud Din, Omer Siddique and Ahmed Waqar Qasim. March (2012).

PIDE Viewpoint “Rural Poverty Dynamics in Pakistan”. October, 2012.

Business Barometers

PIDE Business Barometer No. 8, April, 2011

PIDE Business Barometer No. 9, October, 2011

PIDE Business Barometer No. 10, August, 2012

Books

History of PIDE Series-6 “*A Review of Studies on Poverty in Pakistan: Origin, Evolution, Thematic Content and Future Directions*” by S. M. Naseem (2012).

PIDE Research 2007-2010 (2011)

Annual Report 2010-11 (2012)

PIDE Monograph Series

“*Power Crises in Pakistan: A Crises of Governance*” by Afia Malik (2012).

“*Poverty Reduction in Pakistan: Learning from the Experience of China*” by G. M. Arif and Shujaat Farooq (2012).

“*Pakistan’s Energy Sector: From Crisis to Crisis—Breaking the Chain*” by Ziad Alahdad (2012).

Project Reports

Project Report “*The 7th NFC Award: An Evolution*” (June, 2012)

Project Report “*Fiscal Federalism in Pakistan*” (June, 2012)

Project Report “*Export Barriers in Pakistan: Results from Firm Level Survey*” (July, 2012).

Miscellaneous

Different material printed during 2011-12 includes, Brochure MPhil Development Studies, Poster MPhil Development Studies, Brochure MSc Population Sciences, Brochure MSc/ MPhil Econometrics, Bank Challan books, Poster PSDE, Invitation Cards, Reports, Programme Booklet etc. for the 27th AGM and Conference of the PSDE (December 13-15, 2011).

LIBRARY AND DOCUMENTATION DIVISION

A library is an integral part of a research organisation. The PIDE library with its vast collection of books is serving the research needs of the students and scholars alike not only belonging to the Institute but other universities and think tanks of the country. The library has a rich collection of the latest books, journals and periodicals that are regularly added to its stock. Besides the library has a data bank of statistics relevant to the needs of research in various disciplines. The present stock of books and other published material in number stands at 37008. The library receives 500 volumes of periodicals and research papers from nearly 250 different distinguished institutions. The library subscribes for 10 foreign journals and 101 journals of international repute are received on exchange basis. Around 300 books and over 100 research documents were added to the library this year. This in fact is in keeping with the average annual addition rate.

The library produces two bulletins. The “PIDE PERIODICAL BULLETIN” provides information about the journals and papers on a monthly basis and the “PIDE LIBRARY BULLETIN” provides information on books on a quarterly basis to update the researchers on availability of literature in their field of interest as well as on other current and burning issues. The bulletins are regularly supplied to the research staff.

Economics, Environmental Economics, Management Sciences, Demography, Econometrics and Statistics are the relevant fields on which books, journals, periodicals and research reports remain in demand and which the library seeks to add to its stock. To make this literature easily and efficiently available to students and researchers a current data base (LAMP) is now in the process of up-gradation with a new software ‘KOHA’. It will soon be completed which will facilitate the students and researchers in retrieving the available books, journals and research reports from the library stacks in a systematic way.



The PIDE library has access to the HEC digital library through which access to the following sources is enabled:

- E-brary
- JSTOR
- Project MUSE
- Springer Link
- Taylor & Francis
- Wiley Inter Science

The library regularly receives some of the most popular and distinguished publications of renowned institutions like the Depository Library of the World Bank, Asian Development Bank, International Labour Office. In addition the library has full independent access to the following databases that place a mass of facts and figures at the disposal of students and researchers:

- World Bank E Library
- Global Development Finance online
- World Development Indicators (WDI)
- Data Bank (containing: International Financial Statistics) online

ANNEXURE-I

Department of Economics: PhD Dissertations in Progress

Title of Dissertations	Name of Candidates	Defended Research Proposals	Supervisors/ Co-Supervisors	Date of Proposal
“Housing Demand in Urban Areas of Pakistan”	Ayaz Ahmad	Defended	Dr Rehana Siddiqui	Aug. 13, 2009
“Role of Foreign Aid in Promoting Economic Growth and FDI in Pakistan”	Sajid Ullah Babar	Not defended	-	-
“A Study of Inter-relationships among Diverse Types of Spiritual Human Capital, Work Life and Economic Well being: A Cross Section Analysis of Normal and Post-disaster Cities of Pakistan”	Imran Haq Nawaz	Defended	Dr Rehana Siddiqui	Aug. 13, 2009
“Does Fiscal Policy Matter? Evidence for Pakistan.	Mahmood Khalid	Defended	Dr Eatnaz Ahmad Dr Rehana Siddiqui	Jun. 24, 2008
“The Impact of Analysis of Pakistan’s Financial Sector Reforms Using CGE Modelling”	Saghir Pervaiz Ghauri	Defended	Dr Abdul Qayyum Dr Muhammad Iqbal	Apr. 10, 2006
“Three Essays on Monetary Policy”	Tasneem Alam	Defended	Dr Mazhar Iqbal Dr Wasim Shahid Malik	Aug. 31, 2007
“Financial Liberalisation and its Impact on Economic Growth of Pakistan”	Samina Shabir	Defended	Dr Zafar Mahmood	Dec. 2, 2010
“Policy Cohesion, Tracking the Dynamics of Interaction and Coordination between Monetary and Fiscal Policy in Pakistan”	Muhammad Shahid	Defended	Dr Abdul Qayyum Dr Wasim Shahid Malik	May 25, 2011
“Genuine Savings and Sustainability Analysis of Pakistan Economy”	Rehmat Ali	Defended	Dr Rehana Siddiqui Dr Muhammad Iqbal	Sept. 24, 2008
“Estimating the Optimal Monetary Policy Rule for Pakistan”	Ghulam Saghir	Defended	Dr Wasim Shahid Malik Dr Fazal Husain	Oct. 3, 2010
“Regional Climate and Health: A Cross Country Analysis and a Case Study with Reference to Pakistan”	Muhammad Tayyab	Defended	Dr Rehana Siddiqui Dr Eatnaz Ahmad	Jul. 24, 2008

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Department of Economics: PhD Dissertations in Progress—(Continued)

“Fiscal Decentralisation, Macroeconomic Stability and Economic Growth”	Nasir Iqbal	Defended	Dr Musleh ud Din Dr Ejaz Ghani	Mar. 10, 2011
“Dynamic Effects of Monetary Policy on Macroeconomic Variables in Pakistan: A Disaggregated Analysis”	Kashif Munir	Defended	Dr Abdul Qayyum	Jan. 31, 2010
“Institutions, Fiscal Policy and Economic Growth”	Saima Nawaz	Defended	Dr Musleh ud Din Dr M. Idrees Khawaja	Aug. 26, 2010
“Model of Climate-Economy Interactions: The Case of Pakistan”	Riffat Yasmeen	Defended	Dr Munir Ahmad Dr Musleh ud Din	Dec. 9, 2010
“Does Global Financial Crisis Effect Exchange Rates Dynamics: Empirical Evidence from the Synthesis of Keynesian, Monetary and Portfolio Approach”	Hafsa Hina	Defended	Dr Abdul Qayyum	Mar. 8, 2011
“Food Price Shocks and Household Welfare Comparisons: Evidence from Household Panel Data in Rural Pakistan”.	Lubna Naz	Defended	Dr Munir Ahmad Dr G.M. Arif	Nov.25, 2011
“Sacrifice Ratio and Inflation Forecasting: A Case Study of Pakistan”	Zobia Bhatti	Defended	Dr Abdul Qayyum Dr Wasim Shahid Malik	Jan. 19,2012
“Impact of Financial Sector Reforms on Banking Sector of Pakistan”	Samina Sabir	Defended	Dr Abdul Qayyum	Jul. 2, 2010
“Socio Economic Determinant of Happiness”.	Ghulam Fatima Sharif	Defended	Dr Eatzaz Ahmed Dr Rehana Siddiqui	Jan. 19,2012
“Impact of Trade Liberalisation on the Environmental Quality”	Naila Jabeen	Defended	Dr Rehana Siddiqui	Jun. 13, 2011
“The Issues Covered under Macroeconomics of Agriculture and Related Issues”	Aisha Siddiqua	Not defended	Dr Munir Ahmad	-
“Three Essays on New-Keynesian Macroeconomics”	Adnan Haider	Defended	Dr Musleh ud Din Dr Ejaz Ghani	Jul. 12, 2012

Department of Economics: MPhil Dissertations in Progress

“Determinants of Conflicts”	Muhammad Rizwan	Not defended	Dr Usman Mustafa	-
“Explaining the Volatility of Price-Dividend Ratios”	Sehrish Ashfaq	Submitted for Defense	Dr Wasim Shahid Malik	-
“Household Saving Behaviour in Pakistan”	Umbreen Iqbal	Submitted for Defense	Dr Zafar M. Nasir	Dec. 10, 2010
“Effect of Foreign Aid on Governance in South Asia”	Mutee ur Rehman	Defended	Dr M. Idrees Khawaja	Jan. 26, 2012
“Impact of Institutional Quality and Monetary Policy”	Abdul Wajid	Defended	Dr M. Idrees Khawaja	Jan. 27, 2012
“Investigating Opportunity and Grievance as Drivers of Violence: A Case Study of Pakistan”	Laila Sohail	Defended	Dr M. Idrees Khawaja	Jan. 27, 2012
“Modelling the Demand for Bank Loans by Private Business Sector in Pakistan”	Faiza Hassan	Defended	Dr Abdul Qayyum	Jan. 16, 2012
“Inequality, Institutions and Economic Development”	Neelam Nigar	Defended	Dr M. Idrees Khawaja	Nov. 24, 2011
“Oil Prices and Workers Remittances in Pakistan: An Empirical Analysis”	Syed Hasan Ali Naqvi	Defended	Dr Hassan M. Mohsin	Jan. 02, 2012
“Energy Prices and Inflation: Evidences from Pakistan”	Munazza Akhtar	Defended	Dr M. Idrees Khawaja	Jan. 23, 2012
“Rent-seeking and Fiscal Distortions in Developing Countries”	Aqila Anwar	Not defended	Dr Musleh ud Din	-
“An Analysis of Monetary Policy Reaction Functions for Pakistan Economy: In Search of an Optimal Monetary Policy Rule”	Shahzad Ahmed	Defended	Dr Abdul Qayyum	Jun. 8, 2011
“Measuring and Decomposing Agriculture Productivity in Pakistan”	Naeem Akhtar	Defended	Dr Usman Mustafa	Mar. 07, 2012
“Natural Resource and Economic Growth: A Panel Data Analysis”	Abdul Hannan	Defended	Dr Hassan M. Mohsin	Jul. 12, 2012

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Department of Economics: MPhil Dissertations in Progress—(Continued)

“The Relationship between Governance and Economic Growth”	M. Faheem Sajjad	Not Defended	Dr M. Idrees Khawaja	-
“Political Economy of the Trade in Services : A Strategic Framework of Liberalising in Services of Pakistan”	Ahmad Gulzar	Defended	Dr Ejaz Ghani	May. 10, 2012
“Economic Determinants of Crime in Punjab”	Shahzad Mahmood Jabar	Not Defended	Dr Hassan M. Mohsin	-
“Working Poverty”	M.Mohsin Latif Kiani	Not Defended	Dr G.M. Arif	-
“Effects of Longevity and Dependency Rates on Savings and Growth in Pakistan”	Javaria Kanwal	Defended	Dr Abdul Qayyum	Sept. 11, 2012
“Determinants of Dividend Policy Evidence from Pakistan”	Darakshan Younis	Not Defended	Dr Attiya Y. Javed	-
“Impact of Economics Governance on Microfinance Institutions”	Zeeshan Ali	Not Defended	Dr Attiya Y. Javed	-
“Determinants of Stock Price Volatility”	Romila Qamar	Not Defended	Dr Attiya Y. Javed	-
“The Pakistani Labour Supply and Demand: Analysis on Sex and Age Subgroups”	Reema Kazmi	Defended	Dr Z.M. Nasir	May.16, 2011

Annexure-II
Department of Environmental Economics:
MPhil Dissertations in Progress

No.	Name of Student	Name of Supervisor	Title
1.	Ms. Erum Sharif	Dr Rehana Siddiqui	Impact of Seasonal Migration on Livelihood in Cholistan Desert: A Case Study of Cholistan, Bahawalpur Division.
2.	Mr M. Zohaib Saeed	Dr Usman Mustafa	Impact Assessment of the Socio-Economic Aspects and Agricultural Productivity of a Mini-dam: A Case Study of Ziarat, Balochistan.
3.	Mr Amir Jadoon	Dr Usman Mustafa	Valuating Carbon Storage Service: A Case Study of Margalla Hills National Park, Islamabad
4.	Ms. Sana Pervaiz	Dr Rehana Siddique	Impact of Water Pollution on Human Health: A Case Study of Sambrial, Sialkot, Pakistan
5.	Syed Asif Iqbal	Dr Usman Mustafa	Analysis and Forecasting of Environmental Trend in Pakistan.
6.	Syed Aqrar Hussain	Dr Usman Mustafa	Impact of Climate Change on Agriculture: Ricardin Analysis
7.	Mr Arif Rehman	Dr Aneel Salman	Quantifying Vulnerability to Climate Change
8.	Ms. Maryum Najeeb	Dr G.M. Arif	Exploring the Role of Environmental Income in the Rural Households Welfare.
9.	Mr Imran Ali	Dr Rehana Siddiqui	Joint Efficiency Analysis of Thermoelectric Power Plants in Pakistan.
10.	Hafiz Ajmal Saeed	Dr Usman Mustafa	Observation on Conservation and Peoples Attitude towards Endangered Species (Snow Leopard in KP) with Special Reference to Chitral.
11.	Mr Bilal Tariq	Dr Zafar Mahmood	Trade and Environment in SAARC Countries.
12.	Ms. Zara Bari	Dr Durr-e-Nayab	Impact of Housing Water Supply and Sanitation Facilities on Health: Evidence from Pakistan Panel of Household Survey 2010.
13.	Ms. Bibi Rabia	Dr Anwar Hussain	Impact of Climate Change on Crops Productivity in Pakistan
14.	Mr Zahid Ullah	Dr G.M. Arif	Impacts of Natural Disasters on Poverty and Economic Development: An Investigation of Pakistan.