

PIDE Focus



A Quarterly Newsletter of the Pakistan Institute of Development Economics, Islamabad

□ A FRESH LOOK OF PIDE

Engr. Dr M. Akram Sheikh, Minister of State/Deputy Chairman, Planning Commission, Planning and Development Division, Government of Pakistan, is the first Chancellor and the Chairperson of the Senate of the Pakistan Institute of Development Economics (PIDE), Islamabad.

Dr Nadeem Ul Haque has been appointed as the first Vice-Chancellor of the PIDE, Islamabad, with effect from January 3rd, 2007, with reference to the Notification No. 2(87) Ad.VII/PIDE/PD/2000(A), dated January 3rd, 2007, of the Planning Commission, Planning and Development Division, Government of Pakistan, Islamabad, and the office order No.1/2007, dated January 8th, 2007, of the PIDE, Islamabad. Dr Haque joined PIDE as Director in April 2006.

The Senate of PIDE

The Senate of PIDE has been constituted, in exercise of the powers conferred under section 40 read in conjunction with the provisions contained in Section 17 of the PIDE Ordinance 2006, as follows:

1. Engr. Dr M. Akram Sheikh *Chairperson*
(Chancellor, PIDE and Minister of State/
Deputy Chairman, Planning Commission)
2. Dr Nadeem Ul Haque *Member*
(Vice-Chancellor, PIDE, Islamabad)
3. Dr Atta ur Rehman *Member*
(Federal Minister/ Chairman, Higher
Education Commission, Islamabad)
4. Dr Ishrat Hussain *Member*
(Chairman, National Commission for
Government Reforms, Islamabad)
5. Dr Shamshad Akhtar *Member*
(Governor, State Bank of Pakistan)
6. Mr Muhammad Zia ur Rehman *Member*
(Secretary, P&D Division, Islamabad)
7. Mr Muhammad Jehangir Bashir *Member*
(Secretary, Ministry of Education, Islamabad)
8. Dr M. Shaukat Ali *Member*
(Chief Economist, Planning Commission)
9. Dr Abdul Hafeez Sheikh *Member*
(Former Minister for Privatisation and
Investments)
10. Dr Akmal Hussain *Member*
(Managing Director, Sayyed Engineers)
11. Mr Sikandar Hayat Jamali *Member*
(Former Secretary)
12. Dr A. R. Kemal *Member*
(DG, International Islamic University, Islamabad)
13. Dr Anjum Nasim *Member*
(Professor, LUMS, Lahore)
14. Dr Rehana Siddiqui *Member*
(Professor, Federal Urdu University, Islamabad)
15. Dr Musleh-ud Din *Member*
(Chief of Research, PIDE, Islamabad)
16. Dr Ijaz Shafi Gilani *Member*
(Chairman, GALLUP Pakistan)
17. Mrs Nasreen Mehmood Kasuri *Member*
(Chairperson, Beaconhouse School System)
18. Ms Tahira Abdullah *Member*
(Development Worker & Human Rights Activist)
19. Dr Zeba A. Sathar *Member*
(Country Director, Population Council)
20. Dr Saba Gul Khattak *Member*
(Executive Director, SDPI, Islamabad)

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□ RESEARCH SPOTLIGHT

PIDE Working Papers 2006:5
Wheat Markets and Price Stabilisation in Pakistan: An Analysis of Policy Options
by Paul Dorosh and Abdul Salam

The study provides a quantitative analysis of the effects of domestic wheat procurement, sales, and trade policies on wheat supply, demand, prices, and overall inflation. The analysis shows that increases in wheat procurement prices have relatively small effects on overall price levels and fluctuations in production are plausible explanations for price increases in recent years. The paper concludes that the policies which promote the private sector wheat trade can increase price stability and reduce fiscal costs.

PIDE Working Papers 2006:6
Stock Market Liberalisations in the South Asian Region
by Fazal Husain and Abdul Qayyum

The study attempts to investigate the characteristics of the South Asian stock markets including the effects of the opening of these markets. The analysis indicates a significant development in stock market indicators. However, this development does not influence the real sector and the stock markets are still playing a minor role. The research suggests that the markets in South Asia are integrated with other major markets. The markets in India and Pakistan are affected by the major as well as the regional markets in the long run, however, independent in the short run.

PIDE Working Papers 2006:7
Volatility Spillover between the Stock Market and the Foreign Market in Pakistan
by Abdul Qayyum and A.R. Kemal

The paper examines the volatility spillover between the stock market and the foreign exchange market in Pakistan. The research shows that there is no long-run relationship between the two markets. The results from the volatility modeling show that the behaviours of both markets are interlinked and the returns of one market are affected by the volatility of the other market. Moreover, there is a strong relationship between the volatility of the foreign exchange market and the volatility of returns in the stock market.

PIDE Working Papers 2006:8
A Significant Shift in Causal Relations of Money, Income, and Prices in Pakistan: The Price Hikes in the Early 1970s
by Fazal Husain and Abdul Rashid

The study investigate the causal relations between real money and real income, between nominal money and nominal income, and between nominal money and prices using the annual data set from 1959-60 to 2003-04, examining the stochastic properties of the variables used in the analysis and taking care of the expected shifts in the series through dummy/ies. The analysis indicates significant shift in the variable and the shift of the early 1970s seems to be more important. The study finds an active role of money in the Pakistani economy, as it is found to be the leading variable in changing prices.

PIDE Working Papers 2006:9
A Social Accounting Matrix for Pakistan, 2001-02: Methodology and Results
by Paul Dorosh, Muhammad Khan Niazi and Hina Nazli

The paper describes the structure and construction of a Social Accounting Matrix (SAM) for Pakistan for 2001-02. It is designed to analyse the links between growth and rural poverty, agricultural activities, agricultural factors of production, and rural household accounts which are more disaggregated than are those for urban activities and households. Rural household groups in the SAM are split according to three regions (Punjab, Sindh, and other Pakistan) to capture the large differences in the structure of agricultural production and incomes across Pakistan.

PIDE Working Papers 2006:10
Demographic Dividend or Demographic Threat in Pakistan
by Durr-e-Nayab

The research focuses on the demographic transition in the case of Pakistan. The paper looks into the demographic dividend available to Pakistan and its implications for the country, mainly through three mechanisms: labour supply, savings, and human capital. The study concludes that for economic benefits to materialise there is a need for policies dealing with education, public health, and those that promote labour market flexibility and provide incentives for investment and savings. On the

contrary, if appropriate policies are not formulated, the demographic dividend might in fact be a cost.

PIDE Working Papers 2006:11

Awake the Sleeper Within: Releasing the Energy of Stifled Domestic Commerce!

by Nadeem Ul Haque

Policy in Pakistan has been fairly path-dependant, placing a higher weight on export promotion and domestic industrialisation development than on domestic commerce. Yet domestic commerce is growing rapidly, and quite possibly is the largest sector in the economy. The research work argues that a more holistic policy, with no favourites, that allows for all sectors to grow leads to better long-term economic results. A vibrant domestic commerce sector is the core of the economy. The paper concludes that Pakistan could achieve a higher and a more sustainable growth rate by adopting a more balanced growth strategy.

PIDE Working Papers 2006:12

Myths and Realities of Long-run Development: A Look at Deeper Determinants

by Lubna Hasan

The paper investigates the determinants of long run determinants. Two factors are highlighted in literature: institutions and geography. The *Institutions school* assigns primal importance to institutions, whereas the *Geography school* considers geographical factors as the primary determinant of the economic performance of countries. The research work reviews the debate surrounding these *deeper determinants* of economic performance and examines the evidence provided by the respective schools in favour of their hypotheses. It concludes in favour of the Institutions hypothesis as the Geography school does not provide a consistent story of long-run development.

PIDE Working Papers 2007:13

A Fresh Assessment of the Underground Economy and Tax Evasion in Pakistan: Causes, Consequences, and Linkages with the Formal Economy

by M. Ali Kemal

Rise in the underground economy creates problems for policy-makers to formulate economic policies, especially monetary and fiscal policies. It is found that if there was no tax evasion, budgets balance might have been zero and positive for some

years and we would not have needed to borrow as much as we had borrowed. The research concludes that the impact of the underground economy is significant to the movements of the formal economy, but the impact of formal economy is insignificant in explaining the movements in the underground economy. In the long run, the underground economy and official economy are positively associated.

PIDE Working Papers 2007:14

The Relationship between Corporate Governance Indicators and Firm Value: A Case Study of Karachi Stock Exchange

by Attiya Y. Javed and Robina Iqbal

The paper investigated whether differences in quality of firm-level corporate governance can explain firm-level performance in a cross-section of companies listed on the Karachi Stock Exchange. The study analysed the relationship between firm-level value as measured by Tobin's Q and total Corporate Governance Index (CGI) and three sub indices: Board, Shareholdings and Ownership, and Disclosures and Transparency for a sample of 50 firms. The results indicate that corporate governance does matter in Pakistan. However, not all elements of governance are found to be important.

PIDE Working Papers 2007:15

Perfect Competition

by M. Ali Khan

The author reviewed the question of the perfectness of perfect competition, and gave four alternative formalisations rooted in the so-called *Arrow-Debreu-Mckenzie* model. The paper offers a fresh assessment of the literature, one that emphasises the independence assumption whereby individual agents are not related except through the price system. And it highlights a *linguistic turn* whereby Hayek's two fundamental papers on *division of knowledge* are seen to have devastating consequences for this research programme.

PIDE Working Papers 2007:16

The Harris-Todaro Hypothesis

by M. Ali Khan

The Harris-Todaro hypothesis replaces the equality of wages by the equality of *expected* wages as the basic equilibrium condition in a segmented but homogeneous labour market, and in so doing it

generates an equilibrium level of urban unemployment when a mechanism for the determination of urban wages is specified. The article reviews work in which the Harris-Todaro hypothesis is embedded in canonical models of trade theory in order to investigate a variety of issues in development economics including the desirability of foreign investment, the complications of an informal sector, and the presence of clearly identifiable ethnic groups.

PIDE Working Papers 2007:17

Wage Differentials, Rate of Return to Education, and Occupational Wage Share in the Labour Market of Pakistan

by Asma Hyder

The paper examines the magnitude of public/private wage differentials in Pakistan using data drawn from the *Labour Force Survey* (2001–02). The research presents the inter-sectoral earning equations for the three main sectors of the economy, i.e., public, private, and state-owned enterprises. These results are further decomposed into *treatment* and *endowment effect*. The paper also examines the role of human capital in the wage gap by calculating the rate of return to different levels of schooling. The relative earning share is also worked out to look into the distribution of wages across the occupational categories. The earning equations are estimated with and without correction for selectivity to find out if any non random selection is taking place within these three sectors of employment.

PIDE Working Papers 2007:18

Foreign Direct Investment and Economic Growth: The Role of Domestic Financial Sector

by Muhammad Arshad Khan

A well-developed domestic financial sector enhances efficient allocation of financial resources and improves the absorptive capacity of a country with respect to Foreign Direct Investment (FDI) inflows. Particularly, a more developed financial system positively contributes to the process of technological diffusion associated with foreign direct investment. The study examines the link between FDI, domestic financial sector, and economic growth for Pakistan over the period 1972–2005. Empirical analysis is based on the bound testing approach of cointegration advanced by Pesaran, *et al.* (2001). The results suggest that better domestic financial conditions not only attract foreign companies to invest in Pakistan,

but also allow maximising the benefits of foreign investment.

Public Sector Efficiency: Perspective on Civil Service Reform

Edited by Nadeem Ul Haque and Musleh-ud Din

The publication is a part of the *PIDE Series on Governance and Institutions* and an output (proceedings) of the *PIDE Round Table Discussion on Civil Service Reform*, held at Royal Palm Club, Lahore, on Saturday, May 27th, 2006.

The book is an attempt to develop research interests and debate on this crucial issue of civil service reform, though, very little research has taken place on this critical issue. But this is not surprising given that research has been a declining industry in Pakistan for much of its history.

The publication will lead to further thought and research on this subject for Pakistan to understand one of its major structures of governance—the civil service. Currently, the subject appears to be the domain of the donor community, which does most of the thinking in this area. However, without Pakistani researchers understanding and researching this subject, reform will either not happen or if it happens, it will be flawed and not domestically owned. Therefore, the study urges greater understanding of all the structures of governance through investigation and debate.

The Pakistan Development Review (PDR)

The *PDR*, 45:2 (Summer 2006), was published recently. The contents of the latest *PDR* issue include a special section on “Monetary Policy and Inflation”, followed by a number of articles and book reviews.

Special Section

“Inflation Everywhere is a Monetary Phenomenon: An Introductory Note” by Nadeem Ul Haque and Abdul Qayyum.

“Inflation in Pakistan” by Mohsin S. Khan and Axel Schimmelpfennig.

“Money, Inflation, and Growth in Pakistan” by Abdul Qayyum.

“Is Inflation in Pakistan a Monetary Phenomenon?” by M. Ali Kemal.

Articles

1. "Why Does Agricultural Growth Dominate Poverty Reduction in Low- and Middle-income Countries?" by John W. Mellor and Chandrashekhar Ranade;
2. "Poverty and Hunger in India: What is Needed to Eliminate Them?" by Arvind Virmani;
3. "Quantifying the Extent and Nature of Risk in Alternative Cropping Patterns in Claveria, Philippines" by Abedullah and Mubarik Ali;
4. "Determinants of Farm Revenue in Pakistan" by Gustavo Anriquez and Alberto Valdes;
5. "Translating Khan on Singer: Global Solvent versus Local Interpretation" by Ilhan Can Ozen and Sean M. Zeigler.

PIDE Policy Viewpoint No. 2. *Renew Cities to be the Engine of Growth*

by Nadeem Ul Haque and Durr-e-Nayab

The PIDE Policy Viewpoint No. 2, *Renew Cities to be the Engine of Growth*, was published in January, 2007.

The document focuses the learning from research and experience of the rest of the world on cities; understanding cities; characteristics of Pakistani cities; decentralisation, city management, and rent-seeking in Pakistan; and finally, the policy viewpoint offers a simple reform agenda to make our cities better.

PIDE Cities Research Programme was initiated in Karachi with a conference, titled *Cities: the Engine of Growth*, on November 15th–16th, 2006.

PIDE Policy Viewpoint No. 3. *Establishing Property Rights through a Secure System of Land Title Management*

by Shahid H. Kardar

The PIDE Policy Viewpoint No. 3, *Establishing Property Rights through a Secure System of Land Title Management*, was published in March, 2007.

The need for a timely, accurate, safe, simple, secure, and universally accessible system of registering and recording land transactions and interest in land is the cornerstone of a proper land market. Such land markets are an important mechanism to empower the poor and reduce the costs of doing business.

The document focuses the records-of-rights in land in Pakistan; registration of land; traditional system of conveyancing; certainty of land title; state guarantees of title to property and its advantages; learning and experience of other countries; and finally, the policy viewpoint offers recommendations underlining secure system of land title management in Pakistan.

PIDE Policy Viewpoints are carefully selected by the Vice-Chancellor and Research Staff of the PIDE to convey important policy messages arising from PIDE research.

Pro-poor Strategy: Case Study of Livestock Development in Pakistan

by Usman Mustafa

Usman Mustafa presented a paper entitled *Pro-poor Strategy: Case Study of Livestock Development in Pakistan* at the International Conference on *Productivity and Growth in Agriculture: Strategies and Interventions* on December 6th, 2006, at the University of Agriculture, Faisalabad. The paper highlighted the importance of livestock sector in the economy and its role in elimination of poverty particularly in rural areas. Livestock management and involvement of communities for livestock sector development was emphasised.

Environmental Fiscal Reforms

The World Conservation Union (IUCN) and PIDE jointly agreed to enter into a collaboration to implement the research component of *Environmental Fiscal Reforms* (EFR) project in Pakistan. The Memorandum of Understanding (MoU) for EFR project was signed by Dr Nadeem Ul Haque (Vice-Chancellor, PIDE) and Dr Sohail J. Malik (Country Representative, IUCN) on October 2nd, 2006.

EFR refer to a range of fiscal measures which raise revenues and rationalising expenditure while furthering environmental goals. The main goal of the project is to reduce poverty through fiscal reforms for improving the environment. Dr Usman Mustafa, Chief, Training and Evaluation Division, PIDE, is the focus person from PIDE. However, for effective and efficient implementation of the EFR project, national as well as provincial/district starring committees were also formulated.

□ WORKSHOPS AND CONFERENCES

22nd AGM–PSDE, Lahore

The 22nd Annual General Meeting and Conference of the Pakistan Society of Development Economists (AGM–PSDE) was held on 19th–22nd December, 2006, at Pearl-Continental Hotel, Lahore. The Prime Minister of Pakistan, Mr Shaukat Aziz, inaugurated the conference. A large number of eminent foreign scholars and famous economists participated in the conference.



The Prime Minister of Pakistan, Mr Shaukat Aziz Promised his Support for PSDE.

On Tuesday, December 19th, 2006, the Prime Minister of Pakistan, Mr Shaukat Aziz inaugurated the 22nd AGM–PSDE, held at Pearl-Continental Hotel, Lahore. The inauguration ceremony was also graced by the Governor Punjab, Lt. Gen. (Retd.) Khalid Maqbool, the Chief Minister Punjab, Chaudhry Pervez Elahi, the Advisor to the Prime Minister on Finance, Dr Salman Shah, and the Deputy Chairman, Planning Commission of Pakistan, Engr. Dr M. Akram Sheikh.



Speaking on the occasion, the Prime Minister commended that the theme of the conference, i.e., “Governance and Institutions”, was aligned with the government’s agenda of second generation reforms. He appreciated the PIDE and the PSDE for their timely research initiatives.

The Prime Minister further stated that the government’s agenda of second generation structural

reforms for good governance involved a three pronged approach. The first being a commitment to a market-based economy; the second is, the formulation of policies and regulatory mechanisms that are aligned to global norms and support efficient markets; and the third is the institutional strengthening of the public sector.

The Prime Minister said that access to justice including a fair and quick disposal of court cases is a basic constitutional right. Efficient justice systems expedite economic transactions, ensure sanctity of contract, and protect the marginalised groups. He stressed for more research in this area. He encouraged the research at the PIDE on civil service reform. He said that our real challenge is to devolve effective power, citizen empowerment, community-based accountability and financial autonomy to the lowest level of local government.

He further stated that globalisation is an unavoidable reality. It is like a tidal wave which is difficult to resist and not easy to ride as well. However, if we manage to ride the wave this will carry us far. In this context, he emphasised that we will not be able to stand to the challenge of globalisation unless we adapt our institutions to face the challenges imposed by the new world order. The world of economic scene is changing fast and accordingly numerous institutions need to change themselves. Many Sovereigns are raising funds from the world capital markets. Given this reality the IMF needs to reinvent herself.

The Prime Minister applauded the efforts at PIDE for its recent research on development of cities and domestic commerce. He also recognised PSDE’s initiatives for reaching out to provincial centres, involving students from the non-metropolitan areas through a scholarship scheme to attend the conference, and initiating prizes for the best academic paper in this conference. He promised his support to the PSDE and stressed that the corporate sector and all segments of government should support academic associations like PSDE. He said that this form of professional development through research-based networking will bear fruit over the long term.

Presidential address by the President, PSDE

Dr Nadeem Ul Haque, the President of the PSDE, presented his presidential address on “Economics and Governance” at the inaugural ceremony of the 22nd AGM–PSDE. At the outset he thanked the Prime Minister for his continued support to the academic economist community.

He said that despite the new developments in economic research, economic discourse in Pakistan, even today, follows the development economics of the earlier interventionist's era. He further elaborated that billions of dollars in loans and aid have been consumed yet poverty continues to persist. For the last two decades researchers have been tirelessly investigating this issue. From research we have learnt that weak, missing or perverse institutions lie at the heart of underdevelopment.



Dr Haque listed various measures that PIDE has undertaken to promote economics research in Pakistan. The many steps taken to make this happen initially include taking the annual meetings of PSDE out of Islamabad. He said that knowledge has no boundaries and after this annual meeting and conference of the PSDE in Lahore we intend to organise such events in all the provincial capitals of Pakistan. These include: scholarships to serious economic students from under-represented areas of Pakistan for attending the conference; presentation of more than eighty research papers in the conference; award of Rs 100,000 and Rs 50,000 for the first and second best technical research papers; and finally, research collaboration with Lahore University of Management Sciences (Lahore), Quaid-i-Azam University (Islamabad), National Reconstruction Bureau (Islamabad), Lahore School of Economics (Lahore), and the Punjab University (Lahore).

Dr Haque thanked Canadian International Development Agency (CIDA), Department for International Development (DFID), National Reconstruction Bureau (NRB), Askari Commercial Bank, Muslim Commercial Bank (MCB), Imperial Chemical Industry (ICI), Pakistan Limited, United Nations Population Fund (UNFPA), Arif Habib Investment Company, and other sponsors for their generous contribution towards conduct of the conference.

Distinguished Lectures at the PSDE Conference

The three distinguished lectures presented at the PSDE conference were: Mahbub-ul-Haq distinguished lecture; Allama Iqbal distinguished lecture; and Quaid-i-Azam distinguished lecture.

The ***Mahbub-ul-Haq distinguished lecture*** was delivered on Wednesday, 20th December, 2006.

The theme of the lecture was “*The Persistence of Underdevelopment Constituencies and Competitive Rent Seeking*”. The speaker was Prof. Raghuram G. Rajan, Director and Economic Counselor, Research Department, IMF, Washington, D.C., USA. The session was chaired by Mr Wasim Sajjad, Senator and Leader of the House, Senate of Pakistan.



Prof. Raghuram said that underdevelopment persists because of the initial inequality in opportunity. The initial inequality creates self-interest groups that perpetuate the status quo. It is the interest groups within the society that hamper development because it is not in their interest. Speaking on the occasion Mr Wasim Sajjad said that inequality of opportunity leads to underdevelopment, however, it is due to a lack of resources that inequality is created. On its part the government is endeavoring hard to reduce inequality but the resource constraints hinder its efforts.



The ***Allama Iqbal distinguished lecture*** was delivered on Thursday, 21st December, 2006. The theme of the lecture was “*An Approach to Governance Reforms*” and the speaker was Mr Daniyal Aziz,

Chairman, National Reconstruction Bureau, Islamabad. The session was chaired by Mr Tariq Hasan, advocate High Court, Lahore.



Mr Aziz said that there is lack of development strategy on governance. The framework for institutional assistance interventions in developing countries is missing. Millennium Development Goals (MDGs), Poverty Reduction and Growth Facility do not directly address the governance aspect. The bureaucracy is under threat of losing all credibility and integrity. He expressed the opinion that we have to open up to the WTO, and need to privatise our enterprises.

He said that, the bureaucracy needs international moral support and legitimacy to regularise what the governance market has already priced. He proposed the creation of a new sector, i.e. Transaction Cost Sector, which should include Police, Land revenue and other inefficient sectors working currently under government domain. Then the incentives must be designed and administered to create adherence to the principles and value system of the countries institutional structure not to be destroyed any more, he added.

Speaking on the occasion Mr Tariq Hasan, Chairperson of the session said that such research studies are helpful for policy-making particularly with respect to our laws. Dr Surjit Bhalla, Oxus Research and Investment, New Delhi, India, as a discussant, highlighted the various aspects of the study and also pointed out certain areas in which more research is required.



The **Quaid-i-Azam distinguished lecture** was delivered on Thursday, 21st December, 2006. The theme of the lecture was “Towards Re-orienting the Role of the Government in Pakistan”. The Speaker was Dr Abdul Hafeez Sheikh, Formerly Minister for Privatisation and Investment Commission, Islamabad. The session was chaired by the Governor Punjab, Lt. Gen. (Retd.) Khalid Maqbool.

Dr Sheikh, while presenting his paper, said that the biggest challenge facing Pakistan is to make the government work. To ensure, that government must be responsive to the needs of the citizens, provide efficient service delivery, and ensure free of corruption dealings. Governments, in the past, have not been able to do anything well and have failed to do anything at all. In particular, governments have ignored their core functions, i.e. providing security, justice, regulation, basic needs, and an environment for business to succeed. Governments running commercial enterprises—bureaucrats running businesses—represents this drift, this is the lack of focus. As a result, in countries including ours, the treasury suffered fiscal drain, the economy endured higher costs and the citizens put up with poor quality of services. And the nation as a whole had its development thwarted. He stressed that, reorienting the role of the state, confining it to its core functions and getting it out of activities better performed by others is the priority for Pakistan.



Speaking on the occasion, Governor Punjab, Lt. Gen. (Retd.) Khalid Maqbool said that infrastructure development, public-private partnership, and rapid industrialisation are the major pillars of the Punjab government’s policies. He further said that policies favouring investment and industry have brought an economic boom to Punjab.



PSDE Conference at a Glance

The 22nd AGM–PSDE was held in Lahore, at Pearl-Continental Hotel, on 19th – 22nd December, 2006. The conference was inaugurated by the Prime Minister of Pakistan Chaudhry Shaukat Aziz. The Governor Punjab, Lt. Gen. (Retd.) Khalid Maqbool, Chief Minister Punjab, Chaudhry Pervez Elahi, Finance Advisor to the Prime Minister, Dr Salman Shah, Federal Information Minister, Mohammad Ali Durrani, Federal Tourism Minister, Nilofer Bakhtiar, and Minister of State/Deputy Chairman, Planning Commission of Pakistan, Engr. Dr M. Akram Sheikh also graced the occasion.

The inauguration ceremony started with the recitation of the Holy Quran, followed by the Welcome Remarks and report on PSDE's performance by Secretary PSDE, Dr Rehana Siddiqui. Presidential address by the President PSDE, Dr Nadeem Ul Haque, on 'Economics and Governance' and Inaugural Address by the Prime Minister of Pakistan, Mr Shaukat Aziz, were delivered afterwards.



The conference remained in full swing for four full days. There were three distinguished lectures; nine thematic sessions; three technical sessions (that involved four parallel sessions each); one round table; and one invited panel discussion. More information can be obtained from the link <http://www.pide.org.pk/PSDE/PSDE.htm>.

Distinguished Guests at the PSDE Conference

A number of distinguished guests and eminent scholars of international fame attended the 22nd AGM–PSDE, Lahore.

Some of them are:

(Foreign scholars) *Mr Tony Venables*, Professor of International Economics, London School of Economics and Political Science, United Kingdom;



Mr Raghuram G. Rajan, Director and Economic Counselor, Research Department, IMF, Washington, D.C., USA; *Mr Surjit Bhalla*, Oxus Research and Investment, New Delhi, India; *Mr Omar Afsar*, Associate Professor of Economics, John Jay College of Criminal Justice, USA; *Mr Ismail Cessay*, Senior Financial Management Specialist, World Bank, Islamabad; *Mr David Johnson*, Department for International Development, Islamabad; *Mr Muhammad Azizali*, International Monetary Fund (IMF), Washington, D.C., USA; *Ms Regina Birner*, International Food Policy and Research Institute, Washington, D.C., USA; *Mr Adeel Malik*, Lecturer, University of Oxford, United Kingdom; *Mr Musharraf R. Cyan*, Andrew Young School of Policy Studies, Georgia State University, Atlanta, USA; *Mr David Orden*, Senior Research Fellow, International Food Policy and Research Institute, Washington, D.C., USA; *Mr Takashi Kurosaki*, Professor, Institute of Economic Research, Hitotsubashi University, Tokyo, Japan.



(Public/Private Sector) *Engr. Dr M. Akram Sheikh*, Deputy Chairman, Planning Commission of Pakistan, Islamabad; *Mr Danyal Aziz*, Chairman, National Reconstruction Bureau; Islamabad; *Ms Donya Aziz*, Parliamentary Secretary, Population Welfare Division, Islamabad; *Mr Waseem Sajjad*,

Senator, Senate of Pakistan, Islamabad; *Mr Ismail Qureshi*, Secretary Agriculture, Islamabad; *Mr Arif Habib*, Chairman and Chief Executive, Arif Habib Investments Group, Karachi; *Mr Akmal Hussain*, Managing Director, Sayyed Engineers Private Limited, Lahore; *Mr Ahsan Iqbal*, Member National Assembly and Former Deputy Chairman, Planning Commission, Islamabad; *Mr Zafar Altaf*, Former Chairman, Pakistan Agricultural Research Council, Islamabad; *Mr Khalid Mirza*, Chairman, Monopoly Control Authority, Islamabad; *Mr Shahid Amjad Chaudhry*, Rector, Lahore School of Economics, Lahore; *Mr Abdul Hafiz Sheikh*, Former Minister for Privatisation and Investment Commission, Islamabad; *Mr Imran Khan*, Member National Assembly and Chairman, Pakistan Tehrik-i-Insaf, Islamabad; *Mr Pervaiz Hassan*, Advocate, High Court, Lahore; *Mr Mehtab S. Karim*, The Agha Khan University, Karachi; *Mr Syed Ali Raza*, Chairman and President, National Bank of Pakistan, Karachi; *Mr Salman Shah*, Advisor to the Prime Minister of Pakistan on Finance, Islamabad; *Mr Sarfraz Khan Qureshi*, Chief Executive, Innovative Development Strategies Private Limited, Islamabad; *Mr Sohail Jehangir Malik*, Chairman, Innovative Development Strategies Private Limited, Islamabad; *Mr Najam Sethi*, Senior Generalist, Lahore; *Mr G. M Arif*, Poverty Specialist, Asian Development Bank, Islamabad; *Mr Ali Cheema*, Head of the Economics Department, Lahore University of Management Sciences, Lahore; *Mr Faisal Bari*, Associate Professor, Lahore University of Management Sciences, Lahore; *Mr Shujat Ali*, Chief Economist, Planning and Development Department, Government of the Punjab, Lahore; *Mr Eatjaz Ahmed*, Chairman, Department of Economics, Quaid-i-Azam University, Islamabad; *Mr Tariq Khosa*, Deputy Inspector General, Federal Investigation Agency, Islamabad; *Mr Azhar Hassan Nadeem*, Additional Inspector



General of Police, Punjab, Lahore; *Mr Saeed Shafqat*, Executive Director, National Institute of Population Studies, Islamabad; *Mian Amir Mahmood*, Nazim Lahore city, Lahore; *Mr Munir Ahmed*, Member, Pakistan Agricultural Research Council, Islamabad; and *Mr Muhammad Sharif*, Chief Scientific Officer, National Agriculture Research Centre, Islamabad.



Panel Discussion on NFC Award

A panel discussion on National Finance Commission (NFC) Award was organised by the PIDE on February 21st, 2007, at Marriott Hotel, Islamabad. The panel discussion was chaired by the Chairman, Senate of Pakistan, Mr Mohammad Mian Somro. The Panelists-included Shahid H. Kardar, Abdul Karim Lodhi, Syed Mohammad Shabbar Zaidi, and Gulfranz Ahmad.

Speaking on the occasion Chairman Senate said that the NFC Award is a very important national issue to be discussed at the intellectual forums and it will be resolved very soon. He further added that, in the past, NFC Award was based on population, but now, there is a need that it should be on the basis of development and the resources. Moreover, we need to optimise the resources that would be more beneficial.

Nadeem Ul Haque, Vice-Chancellor, PIDE, in his introductory remarks said that PIDE has tried to create under-standing on the key policy issues among the policy-makers, intellectuals and the public. We are doing policy-oriented research at the PIDE and we have tried to present our point of view at different forums and had panel discussions on *Civil Service Reforms*; *Cities: The Engine of Growth*, and the *Governance and Institutions*. We have put our experiences

from research and all economist gathered here are discussing this issue non-politically. Dr Haque emphasised that government should create



Chairman, Senate, Mr Mohammad Mian Somro at Panel Discussion on NFC Award

fiscal decentralisation, and take new ideas from global thinking.

Shahid H. Kardar said that the NFC Award structure in Pakistan is centralised and there is a need to bring reforms in the form of reducing the federal dependency. NFC Award on the basis of population formula is not followed anywhere in the world except in Pakistan. We should reformulate the award on the basis of consensus and it should be treated as a technical issue.

Participating in the panel discussion, Gulfray Ahmad emphasised two important issues: first, vertical imbalance which arises from centralisation of revenue collection, and second, horizontal imbalance that results from disparities in capacities and needs of the provinces. Mr Ahmed argued that NFC formula should be devised in such a way that it should take into account all provincial disparities, i.e., population, backwardness, and revenue generation in an equitable proportion. It will help to achieve the national objectives and national harmony.

Abdul Karim Lodhi pointed out that NFC is never free to work as devised in the constitution because it is just a sub-committee of the federal government. He suggested that along with population, underdevelopment and poverty should be taken into account for the NFC Award. Mr Lodhi also favours giving sales tax to the provinces that will solve many problems.



Participation at the Panel Discussion on NFC Award

Syed Shabbar Zaidi said that the most important issues, underlining the NFC Award, are: size, composition, and utilisation of non-divisible sum, resource generation in the provinces, and criterion for distribution. He emphasised that we should not disturb the existing system of tax collection rather we should revise the quantum of the non-divisible pool. Mr Zaidi also suggested that the NFC Award issue should be

openly discussed and debated and as a result it would help to improve the system.

The panel discussion was adjourned with a note of thanks by Usman Mustafa to the chief guest, the panelists, and the participants for their active involvement.

Lecture on Pakistan's Green Revolution

On Friday, March 2nd, 2007, PIDE organised an invited lecture on *Pakistan's Green Revolution* at the Auditorium of the Planning and Development Division, Islamabad.

Dr Amir Muhammad (Rector, National University of Computer and Engineering Sciences, Islamabad) chaired the invited lecture and Mr Joseph C. Wheeler (Former USAID's Mission Director, Pakistan) gave his presentation on Pakistan's Green Revolution. The presentation focused on the agricultural performance in Pakistan; agriculture related research; water management issues; and policies related to plant nutrition in Pakistan. He also highlighted the issue of global warming as Pakistan gets much of its water from the mountain glaciers and if reduced ice formation changes river flow, future generations may suffer.

□ NURTURING MINDS—PIDE SEMINARS

This seminar series at PIDE is a weekly seminar series to give impetus to development discourse. The seminars are open for all policy-makers, researchers, planners, practitioners, educators from public and private organisations, and students.

Seminar 2006:49. *Demographic Dividend or Demographic Threat in Pakistan?*

by Durr-e-Nayab

On Monday, December 4th, 2006, Dr Durr-e-Nayab (Senior Research Demographer, PIDE) presented her research on the changing age structure of population, not just the growth of population, resulting from the demographic transition in Pakistan. Using the UN projections, the research work looks into the demographic evolution leading to the demographic dividend in Pakistan, the key mechanisms influencing the ability to reap benefits from the *dividend*, and its implications for the country.

Seminar 2006:50. *Myths and Realities of Long-run Development: A Look at Deeper Determinants*

by Lubna Hasan

On Tuesday, December 5th, 2006, Ms Lubna Hasan (Research Economist, PIDE) presented her research on deeper determinants of economic performance. The paper reviews debate as it has long been realised that factor accumulation and technological development are only proximate causes of economic development, and focus has now shifted to investigating the 'deeper determinants' of economic growth—institutions and geography. However, it remains controversial as to which of these causes is most important?

Seminar 2006:51. *Corporate Governance and Firm Performance: Evidence from Karachi Stock Exchange*
by Attiya Yasmin Javid and Robina Iqbal

On Friday, December 8th, 2006, Ms Attiya Yasmin Javid (Research Economist, PIDE) presented her study based on corporate governance. They have analysed the relationship between firm-level values as measured by Tobin's Q and Corporate Governance Index (CGI) and three sub-indices, i.e., board, shareholdings, and disclosure for a sample of 50 firms. The results indicate that corporate governance does matter in Pakistan. However not all elements of governance are important. The board composition and ownership and shareholdings enhance firm performance. However disclosure and transparency has no significant effect on firm performance.

Seminar 2007:52. *An Introduction to Procurement*
by Uzma Sadaf

On Wednesday, January 17th, 2007, Ms Uzma Sadaf (Procurement Specialist, World Bank, Islamabad) gave a talk about the importance of a procurement system, and its impact on the economy and development. The presentation covered the current procurement regulatory framework in the country; the interventions that the World Bank is making for procurement reforms; and areas where more attention is needed in order to achieve implementation of good procurement practices.

Seminar 2007:53. *Factors Affecting Commitment to Organisational Change and its Outcomes*
by Hina Jawaid Kalyal

On Wednesday, January 24th, 2007, Ms Hina Jawaid Kalyal (Ph.D. Student, NUST Institute of Management Sciences, Rawalpindi) gave a presentation on literature based survey underlining

major organisational changes due to deregulation, privatisation and restructuring in public sector organisations all over the world. The presenter proposed a model which deals with the factors that may negatively affect employee commitment to change, as well as factors that may help mitigate the negative effects of changes and the possible outcomes of these interactions.

Seminar 2007:54. *Foreign Direct Investment and Financial Growth: The Role of Domestic Financial Sector*

by Muhammad Arshad Khan

On Thursday, January 25th, 2007, Mr Muhammad Arshad Khan (Research Associate, PIDE) gave a presentation on his research work focusing Foreign Direct Investment (FDI) and Financial Growth. This study examines the link between FDI, domestic financial sector, and economic growth for Pakistan over the period 1972-2005. The results suggest that FDI inflows exerted positive impact on economic growth in the short- and long-run if the domestic financial system enhances the ability to absorb the benefits of FDI and promotes economic performance of the country.

Seminar 2007:55. *Towards A New Paradigm for Economics*

by Asad Zaman

On Wednesday, February 7th, 2007, Dr Asad Zaman (Professor, International Islamic University, Islamabad) gave a presentation on the current economic theory, mainly concerned with the factors which affect the wealth of nations. The presenter argued that issues of income distribution and elimination of poverty and deprivation are secondary. He suggested an alternative formulation which would make hunger and homelessness, and poverty in general, the central concern of economics and economists.

Seminar 2007:56. *Competitiveness Initiative of the Government of Pakistan and the Roadmap for Competitiveness Support Fund*

by Arthur Bayhan

On Wednesday, February 14th, 2007, Mr Arthur Bayhan (Chief Executive Officer, Competitiveness Support Fund, Pakistan) gave a talk on the various aspects of competitiveness, including the integration of

firms into industries, academia, clusters, economies and focused on links with the global economy with respect to the competitiveness rankings of the world economic forum. He also presented the action plan of the Competitiveness Support Fund to improve overall competitiveness of the Pakistan's economy.

Seminar 2007:57. Awareness and the Demand of Safe Drinking Water Practices
by Eatzaz Ahmed and Abdul Sattar

On Wednesday, February 28th, 2007, Dr Eatzaz Ahmed (Professor of Economics, Quaid-i-Azam University, Islamabad) and Mr Abdul Sattar (Research Officer, Corporate Finance Wing, Ministry of Finance, Islamabad) presented a household survey based study from Hyderabad city on safe drinking water practices. The authors have estimated the contribution of awareness and income on households' water purification behaviour. The study finds out that measures of awareness such as different levels of schooling of decision-makers and household heads and their exposure to mass media have statistically significant effects on home purification methods for drinking water.

Seminar 2007:58. Sectoral Volatility, Development and Governance: A Case Study of Pakistan
by Toseef Azid, Naeem Khaliq, and Muhammad Jamil

On Thursday, March 1st, 2007, Mr Muhammad Jamil (Staff Economist, PIDE) gave a presentation on the nature of volatility of the different economic sectors, using the household data, trying to find out that to what extent do volatility in growth rate is associated with the volatility of the sectors under analysis. The study finds that in Pakistan no long-run relations exist in between volatility of growth rate and the sectoral volatility. However, a relationship exists for the short-run.

Seminar 2007:59. Causality in Economics: An Empirical Investigation
by Asad Zaman and Zahid Asghar

On Wednesday, March 7th, 2007, Dr Asad Zaman (Professor, International Islamic University, Islamabad) and Mr Zahid Asghar (Assistant Professor, Department of Economics, Quaid-i-Azam University, Islamabad) gave a presentation on their paper in which they propose a method for detecting structural causality which is based on extra statistical

information, economic theory and statistical analysis. The authors apply this technique to a simulated data and also apply it to the export-led growth hypothesis for India and energy-growth data for Shanghai. The results indicate that there is unidirectional causality from export to economic growth and no causality between energy-growth variables.

Seminar 2007:60. Bilateral Trade J Curves between Pakistan and her Trading Partners
by Zehra Aftab and Sajawal Khan

On Wednesday, March 14th, 2007, Ms Zehra Aftab (Research Fellow, PIDE) and Mr Sajawal Khan (Research Associate, PIDE) presented their research work on the effects of real exchange rate depreciation in the Pakistani Rupee on the bilateral trade balance between Pakistan and its 14 respective trade partners. In order to differentiate between the long-run equilibrium and short-run disequilibrium dynamics and also to deal with non-stationary data, the ARDL approach is used. The results do not provide support for the standard J curve phenomenon.

Seminar 2007:61. Pension and Social Security Schemes in Pakistan: Some Policy Options
by Naushin Mahmood and Zafar M. Nasir

On Wednesday, March 21st, 2007, Dr Naushin Mahmood (Joint Director, PIDE) and Dr Zafar M. Nasir (Director, Planning Policy Cell, Labour and Manpower Division, Islamabad) gave a presentation on existing pension and social security in view of the ageing population and rising old-age dependency ratio in Pakistan. Their analysis reveals that the existing pension and social security schemes are inadequate and a large section of population is not covered by pensions and old age benefit schemes, thereby leaving a majority of the elderly in need of social and economic assistance.

Seminar 2007:62. Education in Pakistan
by Javed Hasan Aly

On Wednesday, March 28th, 2007, Mr Javed Hasan Aly (Senior Consultant for the National Education Policy Review) gave a presentation based on the revised version of a White Paper on *Education in Pakistan*; a pre-policy document to stimulate a discussion of major policy issues

concerning education in Pakistan. The presentation reflected on issues like governance and management, quality of education, equity, access to and relevance of education, religious education, linkages with principal social issues, and education in emergencies.

□ TRAINING AT PIDE

Gender Analysis and Project Preparation

A five-day training course (January 8th–12th, 2007) on *Gender Analysis and Project Preparation* was organised by the Training Division of PIDE, in collaboration with the Planning and Development Division, Islamabad, and the United Nations Development Programme (UNDP), Islamabad.

The training course was attended by 43 participants belonging to federal government of scale BPS-17 and 18. The objective of the course was to develop capacity of mid-level government officials to gender analysis, planning, monitoring and evaluation.



Group photo of the course participants with the Training Division Staff of PIDE, Islamabad

Monitoring and Evaluation of Development Projects

A two-week training course (February 12th–24th, 2007) on *Monitoring and Evaluation of Development Projects* was organised by the Training Division of PIDE.

The course was attended by 40 participants belonging to the National Telecommunication Corporation, National Institute of Health, National Highway Authority, Ministry of Science and Technology, Ministry of Finance, Water and Power Development Authority (WAPDA), Planning and Development Division, Protected Areas Management Project, etc.

The training course consisted of core lectures, syndicate group discussions, and case studies. The aim of the course was to develop the managerial skills of the participants so that they can successfully implement all aspects of development projects.



Working Group Discussion during the Training Course on Monitoring and Evaluation of Development Projects

Gender Analysis and Project Preparation

A five-day training course (March 5th–9th, 2007) on *Gender Analysis and Project Preparation* was organised by the Training Division of PIDE, in collaboration with the Planning and Development Division, Islamabad, and the United Nations Development Program (UNDP), Islamabad.

The training course was attended by 50 participants belonging to federal and provincial governments of scale BPS-17 and 18. The objective of the course was to develop capacity of mid-level government officials to gender analysis, planning, monitoring and evaluation.



Participation during Training Course on Gender Analysis and Project Preparation

Upcoming Trainings at PIDE

Training Division of PIDE is organising a two-weeks training course on *Project Preparation and Appraisal* from April 16th, 2007.

The objective of the course is to refresh the knowledge of development planners and managers in the area of project preparation and appraisal. The course also aims to develop the operational skills of the participants to successfully plan and assess all aspects of development projects. The subject course is for the officers (BPS 17–19) of the federal/provincial governments and autonomous development agencies.

Training Division of PIDE is organising a one-week training course on *Effective Communication Skills* from May 7th, 2007.

The objective of the course is to refresh the knowledge of development planners and managers in the area of presentational skills. The training course will enhance the communication skills of the development practitioners in the planning, organising, and implementation of projects effectively. The subject course is for the officers (BPS 17 and above) of the federal/provincial governments and autonomous development agencies.

❑ PIDE AFFAIRS

Sitara-i-Imtiaz for Dr A. R. Kemal

On March 23rd, 2007, Dr A. R. Kemal, former Director PIDE (December 15th, 1999, to April 13th, 2006), was awarded *Sitara-i-Imtiaz* (A distinguished civilian award for academic excellence in economics).

Prior to his appointment as Director, PIDE, Dr Kemal served the Government of Pakistan as Chief Economist; Member of the Planning Commission; and Joint Economic Advisor, Ministry of Finance. He is a co-author/co-editor of ten books and has more than 185 research articles published in various national and international journals and books. Dr Kemal holds a Ph.D. degree in Economics from Manchester University, U.K. and Masters degree in Economics from Stanford University, USA.

He joined PIDE in April 1969. Currently, Dr Kemal is serving as Director General, International Islamic University, Islamabad.

Brain Gain at PIDE

On February 1st, 2007, Dr G. M. Arif re-joined PIDE as Chief of Research after working at Asian

Development Bank, Islamabad, as Poverty Reduction Specialist for more than two-and-half years.

Dr Arif worked with the Poverty Reduction Strategy Paper (PRSP) Secretariat, Ministry of Finance, Islamabad, primarily to monitor and review the progress of the PRSP-I and improve the M&E system for PRSP-II. He was coordinator of the Poverty Group designated by the Government of Pakistan to prepare recommendations for the 10th Five Year Plan and was appointed coordinator of the Poverty Group by the Planning Commission of Pakistan to prepare a draft for the 2004 MDG (Pakistan) report.

Dr Arif is a renowned Poverty Expert and has more than 30 research articles published in various national and international journals and books. He is associated with PIDE since 1980.

SANEI

Global Development Network (GDN) organised its Eighth Annual Conference in Beijing (China) on January 14th–16th, 2007. The theme of the conference was *Shaping a New Global Reality: The Rise of Asia and its Implications*. SANEI along with East Asia Development Network (EADN), another regional partner of GDN, organised a joint session for the conference. The title of the session was *Governance and Civil Services Reforms in South East Asia*. Nadeem UI Haque, Vice-Chancellor, PIDE/Coordinator SANEI, presented a paper on *Why Civil Service Reforms Does Not Work*.



Deunden Nikomborirak, Research Director for Economic Governance, Thailand Development Research Institute, Thailand, and Dr Surjit Bhalla, Principal, Oxus Research and Investments, India, also presented their papers during the session. The session was chaired by Chalongphob Sussangkam

from East Asia Development Network, President Thailand Development Research Institute. Dr Lloyd Fernando, Chairman Marga Institute, Sri Lanka, was the discussant of the session.

SANEI has also launched the *South Asia Regional Window* in partnership with the GNet. The window is providing international researchers, policy makers, international agencies and donors with access to a broad range of resources from the region, links to colleagues, a means to promote their research to a regional and global audience and research news about conferences, jobs, calls for papers and funding information. The South Asia Regional Window covers the following countries: Afghanistan, Bangladesh, Bhutan, Burma, India, Maldives, Nepal, Pakistan, and Sri Lanka.

On March 31st, 2007, SANEI is organising a *Multidisciplinary and Intermediation Research Initiative* (MIR) seminar which is scheduled to be held at the Pearl-Continental Hotel, Lahore.

Dinner hosted by the P&D Department, Lahore

A buffet dinner was organised by the Planning and Development Department (P&D) of the Government of the Punjab, Lahore, on Tuesday, December 19th, 2006, at the Royal Palm Country Club, Lahore. Distinguished guests and organisers of the Pakistan Society of Development Economists (PSDE) conference were invited on the occasion. The gathering was organised to have informal interaction between eminent scholars at the PSDE and the P&D Department, Punjab.

Dr Suleman Ghani (Chairman, Planning and Development Board, Government of Punjab), Dr Shujat Ali (Chief Economist, P&D, Punjab), Mr Shahid Mahmood (Secretary, P&D, Punjab), and Mr Habib ur Rehman (Senior Chief, P&D, Punjab) along with other senior government officials welcomed the invitees.

Cultural Evening at the PSDE Conference

On Wednesday, December 20th, 2006, a *Cultural Evening* was organised and hosted by the PSDE organising committee at the Peeru's Café, Lahore. Distinguished guests and PSDE organising committees were invited. The event included: Visit to the Puppetry Museum; Bonfire Buffet Dinner; and the Live Ghazal sung by Ustad Imtiaz Ali and Riaz Ali. The event was thoroughly enjoyed by the guests.



Best Technical Paper Awards at the PSDE Conference

The PSDE Awards for the best technical articles were announced by the Governor Punjab, Lt. Gen. (Retd.) Khalid Maqbool, at the Quaid-i-Azam distinguished lecture on Thursday, December 21st, 2006. The two lucky winners are:

1. **First Prize** of Rs 100,000.00 *Public-Private Wage Differentials, Preference for Public Sector Jobs and Unemployment Duration in Pakistan* by Asma Hyder, Research Fellow, Pakistan Institute of Development Economics, Islamabad.
2. **Second Prize** of Rs 50,000.00 *Corruption and Inequality: A Panel Data Analysis* by Muhammad Aman Ullah, M.Phil Student, Quaid-i-Azam University, Islamabad, and Eatzaz Ahmed, Chairman, Department of Economics, Quaid-i-Azam University, Islamabad.

The papers were refereed by an independent panel of distinguished international social scientists participated in the PSDE conference, Lahore. All research papers presented in the conference, except the Distinguished Lectures, were eligible for the competition.



Lucky Draw for Civil Service Reform Survey

The Development Strategies and Governance section at the Pakistan Institute of Development Economics, Islamabad, has conducted a perception survey based study on the 'Civil Service Reform in Pakistan'. PIDE offered two-nights stay at Pearl-Continental Hotel, Bhurban, or equal amount of cash to a lucky winner as an incentive to complete and respond to the survey questionnaire. The study was conducted in all regions of Pakistan covering a sample of more than 400 civil servants as ten percent of the total population. The results of the survey were presented at the PSDE Conference, Lahore.

The computerised lucky draw was conducted by Dr Salman Shah, Financial Advisor to the Primer Minister, at the Panel Discussion on the 'State and the Economy in Pakistan' at the PSDE Conference, Lahore. The lucky winner is Mr Agha Muhammad Tariq Khan, Deputy Secretary, Ministry of Defence, Islamabad.



Video Documentary on Cities

Followed by the conference on *Cities: The Engine of Growth*, a video documentary is due to be released soon. The aim of the video documentary is to convey its messages to policy-makers, practitioners, district/tehsil administrations, civil servants, academicians, etc.

New PIDE Introduction

The seventh edition, revised, of the *PIDE Introduction* was published. The document offers comprehensive information about PIDE for researchers, scholars, development partners, practitioners, academicians, and students.

PIDE Introduction is divided into five sections, i.e., Evolution of the Institute; Objectives and Services; Publications and Research Information; Fostering Information Exchange; and Resources and Facilities—Implementing the Research Agenda.

A complete document can be downloaded from PIDE's website <www.pide.org.pk>.

❑ PIDE IN PRESS

22nd AGM-PSDE, Lahore

"Debts cannot be misused now: Prime Minister", *Daily Times*, Wednesday, December 20th, 2006.

"PM asks IMF to rationalise policies", *The NEWS*, Wednesday, December 20th, 2006.

"PM for strict enforcement of commercial laws: To encourage business deals", *DAWN*, Wednesday, December 20th, 2006.

"PM Inaugurated 22nd PSDE Conference", *The Nation*, Wednesday, December 20th, 2006.

"Local and foreign investments grow by 20 percent: Shaukat" *Business Recorder*, Wednesday, December 20th, 2006.

"Uplift through investments in infrastructure, says Governor", *The Nation*, Wednesday, December 22nd, 2006.

"Right policies brought economic boom in Punjab: Governor", *Daily Times*, Wednesday, December 22nd, 2006.

"Pakistan one of 11 topmost emerging economies", *Business Recorder*, Wednesday, December 22nd, 2006.

"*firstperson*: Nadeem Ul Haque Growth Economics (An Interview)" *The NEWS (Political Economy)*, Sunday, December 24th, 2006.

Articles by PIDE Staff

"Controversy: The economics of prohibition" by Nadeem Ul Haque appeared in *Daily Times*, Wednesday, February 14th, 2007.

"Re-thinking Pakistan's growth strategy" by Lubna Hasan appeared in *Business Recorder*, Monday, February 19th, 2007.

"Economics in one easy lesson" by Nadeem Ul Haque appeared in *The NEWS*, Tuesday, March 20th, 2007.

NFC Award

“NFC Award be Revised as per Provinces’ Demands”, *The Nation*, Thursday, February 22nd, 2007.

“NFC should consist of Professionals”, *Daily Times*, Thursday, February 22nd, 2007.

“Population-based criterion for NFC Award stressed”, *Business Recorder*, Thursday, February 22nd, 2007.

PIDE Policy Viewpoint

“PIDE Paper Emphasises Serious Rethinking about Cities’ Structuring”, *Business Recorder*, Monday, February 18th, 2007.

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