



## A WIDER PERSPECTIVE

Presentation at the Launch of the Finnish Government Development Policy Paper

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# Introduction

- Focus on 7 sets of **concerns** (emerging from 7 UNU-WIDER research programmes)
  - In 14 **minutes** + a **conclusion**
- WIDER web-site: see <https://www.wider.unu.edu/>

# 1. Growth and Poverty (GAPP)

- Carried out 16 carefully designed country case studies from the 24 most populous countries in sub-Saharan Africa
  - Covering almost 75% of the African population and 9 of the largest 10 countries
  - Focus on monetary and non-monetary indicators of well-being
- Key message: There is a lot to celebrate in African development; and note: those which succeed have taken food and agriculture as well economic transformation serious
- Yet, key challenges remain:
  - By 2013 GDP/capita was only 7.7% higher than in 1974 => so the development job is far from done; growth, job creation and improved livelihoods remain indispensable
  - But foreign aid to LDCs is falling => risk of leaving those most in need behind unless concerted, strategic action is taken
- For more on GAPP: <https://www.wider.unu.edu/project/reconciling-africa%E2%80%99s-growth-poverty-and-inequality-trends-growth-and-poverty-project-gapp>

## 2. Research and Communication on Foreign Aid (ReCom)

- Brought together more than 300 researchers from 59 countries; who produced 247 original studies under 5 core themes, including a much cited position paper on gender equality (+ special issue entitled "aid for gender equality and development")
- Key message: aid is effective, and has had a very respectable rate of return; including in places with weak institutional environments
- Yes, there is also a lot to improve:
  - Fragmentation of the aid effort remains high and very costly; see <https://www.wider.unu.edu/publication/aid-post-2015-world> for 15 succinct ReCom findings/recommendations WIDER produced as an input to the formulation of the SDGs

# 3. The Economics and Politics of Taxation and Social Protection

- “Reducing inequality” and “leaving no one behind” are key aspirational goals on the 2030 SDG agenda; but social protection systems to help the most vulnerable are yet to be established in many countries
- This ongoing project asks: how should this be done? And aims to design much needed analytical tools to help address the many social, political and economic dilemmas and choices faced by policy makers in this area
- Key messages: (i) financing remains a key constraint; so (ii) efforts to make the tax administration work more efficiently and on a sustainable basis is an essential next step in many countries
- For more see: <https://www.wider.unu.edu/project/economics-and-politics-taxation-and-social-protection>

## 4. Gender and Development

- Gender equity is embedded as one of three primary research focuses in WIDER's 2014-2018 work programme on transformation, inclusion and sustainability
- Some 44 case studies are being carried out around the world, with a high share of researchers being women from developing countries
- Key message: gender equality is both a human right and good economics: realizing the productive potential of half of the world's population is indispensable in furthering growth, poverty reduction, and broad based development
- For more see: <https://www.wider.unu.edu/project/gender-and-development>

## 5. Learning to Compete (L2C)

- A four year UNU-WIDER, Brookings and AfDB research programme, which offers a comprehensive, comparative, cross-country analysis of Africa's economic transformation and industrialization experience
- And 3 high profile books are just about to be launched (including contributions by Nobel price laureates)
- With 3 key messages: business as usual is not enough; structural transformation is very slow; and employment creation is severely lagging
- So only with a more strategic approach to industrial policy, the role of the state and the private sector, and a strong commitment of the region's political leadership can Africa industrialize and generate the jobs required
- <https://www.wider.unu.edu/project/learning-compete-l2c-accelerating-industrial-development-africa>

## 6. Development Under Climate Change (DUCC)

- WIDER has carried out a series of comprehensive country level environmental and climate change assessments in parallel with developing cutting edge approaches to evaluating energy policy choices
- Key messages:
  - Deliberate long term planning accounting for the many uncertainties in climate change impacts is critically needed for effective **adaptation**; and successful implementation and deepening of the CoP21 agreement is crucial for global **mitigation** efforts
  - At the same time: LDCs have intrinsic advantages in renewable energy production – Africa's large hydropower potential could be linked with its very substantial wind and solar resources to generate clean reliable power at low cost to underpin sustainable development
- For more on DUCC: see <https://www.wider.unu.edu/project/ducc-%E2%80%93-development-under-climate-change>



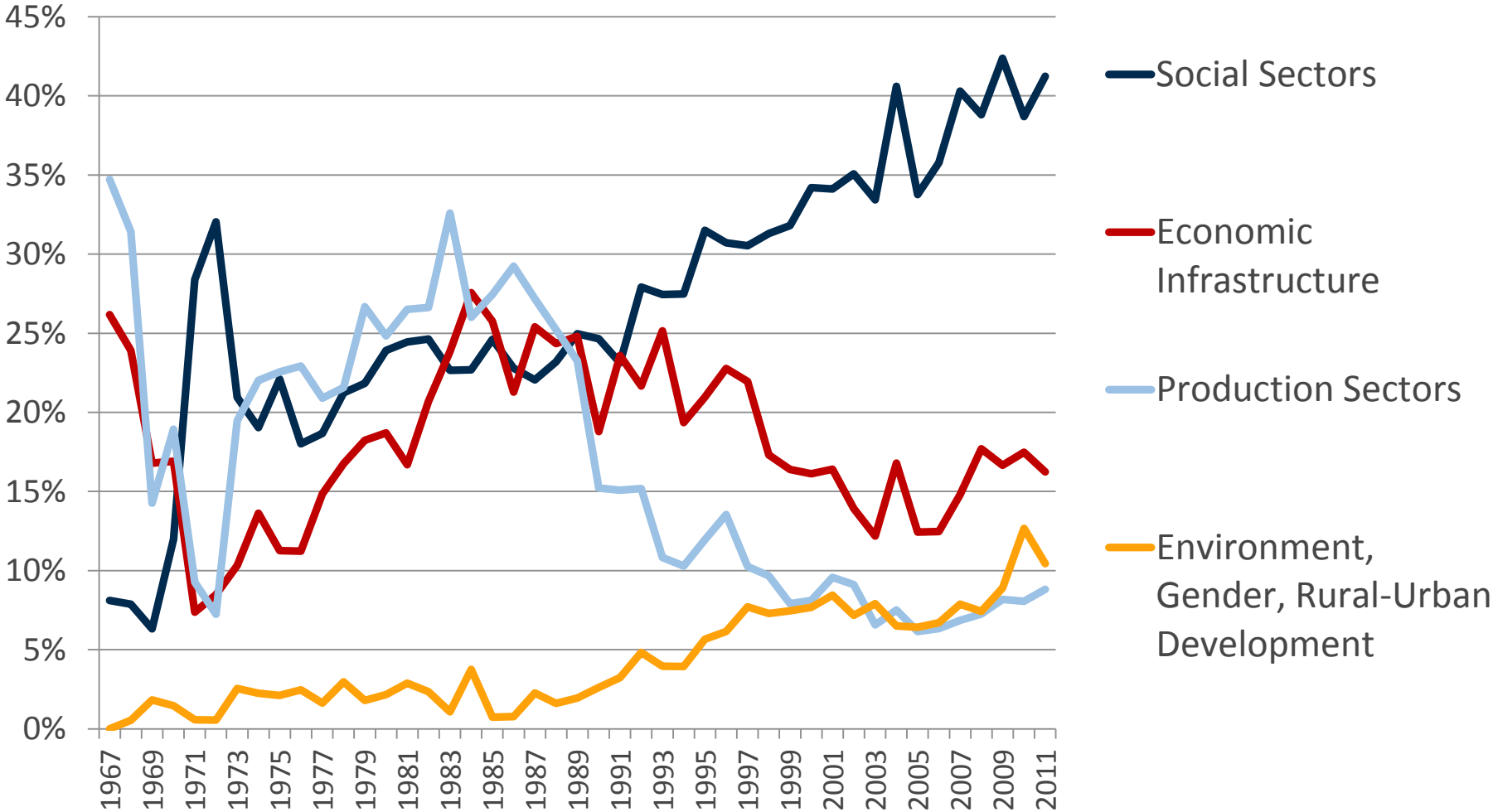
## 7. Data to Support the SDGs

- WIDER is home of the World Income Inequality Data Base (WIID) – and we work on household and enterprise surveys in selected countries
- A key message: technical assistance and capacity building is critical in developing the data systems needed for evidence based policy making in support of the SDGs
- But it is not only technical issues that are faced: widespread political sensitivities exist – and the lack of data to help formulate effective gender action is striking
- For more on the WIID: see <https://www.wider.unu.edu/project/wiid-world-income-inequality-database>

# UN High-Level Panel report on the post-2015 development agenda

- Called for:
- “..A quantum leap forward in economic opportunities and a profound economic transformation to end extreme poverty and improve livelihoods...”

# But What Will Happen to Development Finance Post-2015?



# Dilemmas and Priorities

- Where does: growth, jobs, improved livelihoods, poverty reduction, and reduced inequality – including gender equity – come from?
- In the years to come it will in international development be critical to pursue work on:
  - Creating a conducive policy environment and effective public finance and social systems
  - Mobilising the necessary resources – private and public – for expanding investments in infrastructure, agriculture and action on climate change and sustainable energy production
  - Generating new ideas and knowledge about our changing world [where continuing crises (poverty) are regularly swept aside by unexpected challenges (refugees) while future crises (population) fall out of sight]
- Scaling up as suggested here is indispensable for success of the the 2030 SDG agenda; and I hope it is clear that such action will require both that strategic choices are taken by national governments and the international development community, and that they are followed up in practice



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