

Royal Danish Ministry of Foreign Affairs



The prospects for progress in low-income countries in the wake of the crisis

Invitation to a seminar with Justin Yifu Lin, Chief Economist and Senior
Vice President of the World Bank.

Date: 18 January 2010, 13.00-14.45

Venue: Eigtveds Pakhus, Asiatisk Plads 2 G, 1448 Copenhagen K

Host: Ib Petersen, Director for Development Policy, Ministry of Foreign Affairs

Background

Many of the World's poorest countries have made significant progress over the last decade in combating poverty and improving the conditions for economic growth. Per capita income in low-income countries, which fell during the 1980s and 1990s, grew by 3.2 percent a year in the period 2001-2007, and net private capital flows grew from 1.2 percent in 2000 to 7.4 percent of GDP in 2007. At the same time, many low-income countries have made considerable progress towards attaining the MDGs.

However, the global financial and economic crisis illustrated that such gains were not irreversible. Falling global demand, FDI and employment –combined with the effects of the food and fuel crises – thwarted initial hopes that low-income countries could be insulated from the consequences of the global recession. Indeed, the World Bank estimates that the crisis is likely to result in another 89 million people living in extreme poverty (under \$ 1.25 a day) by the end of 2010, in addition to negative effects on the provision of basic social service. At a time where the global economy is showing signs of a recovery, indications are that low-income countries may be facing a long and difficult recovery.

How has the crisis affected the achievements of the last decade, and what are the prospects for regaining the momentum? What should be the priorities of governments in low-income countries, and what can external partners do to help? How can gainful employment be secured for a rapidly growing number of labor market entrants in the coming years?

These are some of the pressing questions which will be addressed by Chief Economist and Senior Vice President, Mr. Justin Yifu Lin, based on his analysis of recent research and data generated by the World Bank and others. Short interventions will be made by Ib Petersen, Director for Development Policy, and other representatives of the Ministry of Foreign Affairs on the thinking and work of Danida relevant to the issues, and participants will be invited to comment and respond.

Practical information

The seminar will be held in English. Participation is free of charge but registration is required due to the limited number of seats. Please register by sending name and contact information to GSO@UM.DK no later than 14 January 2010 COB. Practical questions may be addressed to Inger Blomstrand Sørensen (ph: +45 33920909).