

Objectives of the network

The objective of the network is to build a new research programme. The questions for the network are as follows: (i) What models of economic development are most likely to secure rapid economic growth and structural change with an expanding share of national income for the poor? And (ii), how are governments to use public policy to manage the trade-off between structural change and inclusive growth? The network is funded by the ESRC Global Challenges Research Fund.

The aims and objectives of the network

The primary aim of the network is to establish and build the intellectual foundations and academic and non-academic network necessary for a future comparative research project with associated methodologies to be submitted in 2018. The network will achieve this aim through five inter-related objectives: first, the network will assemble a highly international network of academics, civil society organisations and policymakers in international and bilateral agencies and in doing so will bring together perspectives from political science, economics, public policy and development studies. Second, the network will conduct a set of scholarly workshops. Third, the network will deliver an agenda-setting set of papers on the state of the art and future avenues for research. Fourth, the network will build capacity with partner institutions in terms of early career researchers' capacities and the capacity of CSOs to engage in co-production of evidence with academics and the capacities of academics in working with CSOs. Fifth, the network will disseminate the outcomes of activities to a wider academic, policy and civil society audience via a dedicated website and social media.

Background

Most of the world's poor live in countries that have since the Cold War experienced rapid economic growth and substantial rises in average income per capita; unequivocal structural change of GDP and exports away from agriculture (though less so the labour force); and an increase in the disparity of national income shares between the richest and the poor in the sense that the share of the richest decile has increased at the expense of the poorest forty percent. Global poverty is heavily concentrated – more than sixty percent – in four such newly emerging economies: India, China, Indonesia and Nigeria. The network will study such countries and a set of longer established Middle Income Countries such as Brazil, South Africa and the Philippines.

The UN goal of ending global poverty by 2030 will require that high growth rates are sustained and that growth is inclusive and shared across society so that poverty reduction is maximised. The former, high and sustained growth, is best driven by structural change. This is not least to avoid a growth slowdown or a contested 'middle-income trap'. However, structural change is associated with rising disparities between the rich and poor as noted. In contrast, inclusive growth and its earlier iterations in pro-poor growth and growth with equity are best achieved with steady or falling inequality to maximise poverty reduction. How to manage this tension or trade-off between structural change and inclusive growth is a crucial contemporary question for developing countries.

The GPIID network will focus on this 'developer's dilemma': how countries are to manage the trade-off between sustaining high economic growth rates that require structural change and typically drive up disparities whilst at the same time making growth inclusive, which entails steady or even falling inequality to maximise the rate of poverty reduction. Core to the developer's dilemma is the inequality dynamics of structural change. The network will define a new research agenda at the nexus of structural change, inclusive growth, poverty reduction and the inequality dynamics that connect these, and this agenda will form the basis of a future cross-country comparative research project. In order to manage the scope of the network, we will largely focus on income/consumption/wealth poverty and inequality.