



## Statement of Purpose and Work Program

### **Motivation**

A basic premise of this project is that the formidable challenges the world needs to deal with in the years and decades ahead are best met in conditions of rising and sustained prosperity, and expanding economic opportunities. Some of these challenges include reducing poverty, the rate of environmental degradation, misunderstandings between nations, the incidence of violent conflicts, differences in living standards within and across countries and more generally, creating the conditions for people around the world to realize their creative potential to lead meaningful and fulfilling lives.

Over the past several decades, developing countries have made considerable progress in improving social indicators. Life expectancy, school enrollment, malnutrition, literacy rates and other social indicators have converged towards those in industrialized countries. Progress in closing income gaps has been slower, however. Except for countries in East- and South-Asia, per capita incomes in developing countries have not converged towards incomes in industrialized countries, and in many cases income gaps have widened. The importance of economic growth both for closing these gaps and for sustaining social progress is well recognized. With international commitment to the Millennium Development Goals firmly established, the issue of what drives growth takes on renewed importance.

The forces behind sustained growth are not fully understood, however. Variations in growth performance across countries and over time have been unexpectedly large. Some regions have been able to grow at high and sustained rates, while others have stagnated or even declined. Some countries have been able to grow very rapidly, but few have been able to sustain this performance. Equally intriguing and challenging is the fact that successful countries have followed remarkably diverse growth strategies. In the context of global trends rapidly changing the economic landscape, how countries formulate growth strategies becomes a major challenge.

### **Composition of the Commission and Role of the Commission Members**

The Commission on Growth and Development is being formed at the request of the President of the World Bank. The members of the Commission are independent from the World Bank. The Commission will be free to consider all theoretical and empirical evidence available, and reach the conclusions it considers appropriate. All the Commission members are distinguished practitioners from government, business and policy making committed to the goals of fostering faster convergence of incomes between rich and poor countries. They have agreed to make some of their time available for this project. Nobel Laureate Michael Spence has agreed to lead this Commission. Prof. Spence brings to the Commission his skills as a theoretician, and experience in administration and business. Danny Leipziger, Vice President, PREM is the Commission Vice-Chair. The Commission's work would be a continuation of a program of work that began with the Lessons of the 1990s, which was published in 2005 in the form of a main report and two accompanying volumes, and followed through diagnostic pilot studies on the binding constraints to growth that PREM is leading. To ensure strong coordination with other Bank efforts, the Bank's Chief Economist is invited to all Commission meetings and his views would be solicited at key stages of preparation.

The role of the Commission members would be to provide inputs, advice, and guidance to the preparation of the report, chair working groups, and ultimately endorse the final report. The report's goal is to bring forth our best understanding of the growth challenges faced by developing countries, and transform what we now know about growth into a framework that can be useful to those who have to make decisions on economic policy.

The list of Commission Members is attached.

### **Building on Previous Work**

The Commission will build on recent studies which highlight the diversity of growth experiences, and will sharpen our understanding of what it takes to stimulate and sustain growth in the medium to long-term. The Commission is expected to go beyond recent Bank work on the Lessons of the 1990s for growth and complement what has been a useful backward looking exercise. That work took a broad perspective on the events, country experiences, academic research and controversies of the decade, and reflected on how they alter our thinking about economic growth and the policies that can bring it about. Key findings are that economic growth is central to poverty reduction, uniform policy packages are not useful and do not translate consistently into growth across countries, macroeconomic stabilization is not a sufficient condition for sustained growth, and country-specific strategies addressing the binding constraints to growth are most likely to be successful. The Report also shows that there is no universal set of rules for achieving growth, that there are few situations where the choices are black and white, and that we need to move away from formulaic approaches and use rigorous, country specific economic analysis to identify the barriers to growth in developing countries. While there is little controversy on some of the necessary conditions for growth (macroeconomic stability, market based allocation of resources and integration in the global economy) the sufficient conditions are much more difficult to identify.

### **Terms of Reference for the Commission**

The Commission would take stock of our current state of knowledge and understanding of economic growth, review the salient features of successful growth experiences, identify new and developing trends that are relevant to future growth strategies, and assess the most effective strategies for developing countries, for the coming ten years and beyond, in light of the economic uncertainties that affect the international environment. The Commission is expected to shed light on the long-run forces underlying growth experiences, and highlight the actions--at the national and international level--most likely to improve developing countries' growth prospects.

On the basis of consultations and technical work commissioned for this purpose, the Commission will produce a report to be drafted with the help of a small technical group, a Secretariat, drawn from Bank staff and outside experts. The report is expected to highlight the importance of economic growth as an instrument in achieving economic and social goals, and have a positive influence on the decisions of policy makers in developing countries and in relevant international institutions, that will enhance the likelihood that higher rates of economic growth and poverty reductions will occur in the coming decade. This will be accomplished not only by pooling the considerable learning from the past to understand the key drivers of economic growth and the key impediments, but also by presenting it in ways that are useful to practitioners.

The Commission is expected to hold several meetings over the next eighteen months, and will draw on the experience of its members as well as on the work of the World Bank and others in reaching its conclusions. Commission members could also host regional meetings. The Bank knowledge will be captured through staff involvement, workshops, and DEC's participation. The experts group will deliberate freely and consider all relevant evidence in coming up with its findings. The final report is expected to be completed by end 2007. PREM would provide secretariat functions, drawing upon expertise bank-wide.

### **Issues for Analysis: Our Current Thinking**

Below is a preliminary list of the issues that the Commission could decide to include in its Report. Most will require technical and analytical work and papers will be commissioned for that purpose, in the tradition of papers for the Journal of Economic Literature—that is papers that sum up and evaluate the state of knowledge on a certain issue, and identify knowledge gaps and future research.

We look forward to the Commission members' reactions to the issues discussed below. Once agreement is reached that the list, or a modified list, represents the relevant set of issues, we will formulate more detailed terms of reference for the technical work to be commissioned to specialists in the area. They would work with World Bank counterparts from the Poverty Reduction and Economic Management (PREM) network, the Research Complex of the Bank (Development Economics, DEC), and other Networks or Regions as appropriate.

### **Preliminary List of Possible Topics**

**1. The nature of the growth challenge.** The nature of the challenge changes across countries, and over time. In some countries the challenge now is to break away from stagnation and put the economy on a sustained growth path. In others it is to address growing income disparities. And yet in others it is to modernize institutions, deal with vulnerability, or to reduce rapid environmental degradation. While there would be no attempt at capturing the nature of the growth challenge country by country, part of the work of the Commission could be to reach an understanding on the nature of growth challenges faced by developing countries. There will hence be an effort at classifying and prioritizing growth challenges faced by different countries around the developing world, *from the perspective of policy makers*, and *from the perspective of experts with specific country knowledge*.

**2. Our understanding of growth.** A half of century of theoretical and empirical work has enriched our understanding of growth experiences, as well as awareness of the strengths and weaknesses of economics in this area. Part of the work of the Commission will be to clarify our best understanding of **the underlying dynamic model of rapid economic growth—is export oriented growth the only model of growth that has generated sustained growth in the last few decades? Are there any other variants?** Market systems seem able to lead to a wide range of outcomes, and paths for wages and productivity growth. **What gets in the way and leads to low performance paths? What are the central issues at various stages of growth defined by per capita income levels?** A separate set of issues relates how to think about growth. **Can we find a framework which, applied to country specific cases, can generate pragmatic growth strategies?** This work will be guided by the analysis of **growth experiences** over the last five decades, and the last 15 years in particular. It will take into account the fact that whereas most countries in the world experienced frequent episodes of growth those were generally short lived, and very few were sustained over decades--which is the essential feature of

successful growth experiences. **What are the reasons behind growth accelerations? And what are the reasons behind growth decelerations? A related question is whether it is possible to identify the main features of sustained growth processes and associated savings and investment behavior, including changes in incentives behind these changes?**

**3. Governance.** Understood as the incentives and rules governing human action—in the economic, political and social areas, there has been increasing awareness that governance and institutions play a central role in development processes. At the same time there is much less clarity as to which institutions matter most for growth and development, and how they come about. Of all the aspects of development, the creation of institutions, and the incentives ensuring their efficient functioning, are perhaps the least understood. Corruption has been one particular aspect of governance which has been the cause of national concern in many countries, and also the focus of international attention. **The Commission could seek to settle what is our best understanding of governance issues, both from theoretical and practical perspectives, focus on how theoretical and empirical analysis can guide understanding in this area and identify the main challenges to be addressed, including the role of political institutions in governance outcomes.**

**4. The macroeconomics of growth.** The importance of sound macroeconomic policies to ensure a predictable environment is well recognized and accepted. Less well recognized and accepted is the fact, however, that **not all stable macroeconomic environments are equally conducive to long term growth.** The Commission will seek to explore these issues, review what we have learned from the currency and banking crises of the last decade, and **identify the policies most likely to lead both to a stable macro-economy, and growth.** In the process, it will **examine the role of the private sector in generating and shaping growth and what institutions help that process.** It will examine whether it is possible to identify how much investment is required to sustain high levels of growth, to what extent private investment can be financed from abroad, and situations when a public sector investment portfolio is out of balance, and how a decision maker can know. Last, it will examine international financial markets and policies related to openness with a view to ascertaining **what degrees and dimensions of openness are advisable and how do they depend on the state of the capital markets and the monetary system, and how hot money, financial flows and the exchange rate can be best controlled in the context of informationally immature capital markets.**

**5. Projecting future trends.** Several trends underway--trade, migration, globalization of the labor force, aging of the labor force, aid, globalization of finance, technology—are changing developing countries prospects and opportunities. In addition, over the next two decades, some developing countries will account for a much larger share of the world GDP, and claim a much larger share of natural resources. The Commission will seek to clarify how these different forces will play themselves out, how they are likely to modify developing countries comparative advantages, and seek to explore a number of issues, e.g.: **Will these trends expand opportunities and improve developing countries prospects for economic growth? Will they influence the nature and content of growth strategies and if so how?** Changing demographics will be an important feature of the global environment in the next few decades, which will have impacts on savings behavior, pension systems and fiscal stability. The Commission could explore the consequences of these changes on developing countries, and how they will influence their choice of policies.

**6. Global integration as a force for growth, and the role of industrial and trade policies.** Successful growth experiences are typically associated with greater integration in the world economy--developing countries' domestic markets are much too small to support rapid and sustained expansions of production. And what a country has a comparative advantage in producing may not be what it should or

wants to consume at the relatively low levels of income that define early stages of growth. The extent to which a country is able to trade is the result of its domestic policies, as much as of the policies of trading partners. What are the policies and government actions that can help accelerate this integration? The issue of integration inevitably raises the issue of **industrial policies** and dynamic comparative advantage. Policies changing the structure of incentives towards manufacturing (trade policies, foreign direct investment regime, exchange rate regime, public enterprises, taxation, export processing zones, competition policy and other regulatory policies, and technology and research) have been used in a variety of developing countries to accelerate industrialization with varying degrees of success. **Is it possible to differentiate the reasons for success and the reasons for failure? Is there a role for industrial policies in the globalizing 21<sup>st</sup> century? What would this role be?** In seeking to answer these questions, the Commission will also examine the role of different instruments such as export zones, policies with respect to imports and tariffs, competition policy with respect to foreign and domestic enterprises, the role of protection of intellectual property rights, and the importance of experiments and demonstration effects to initiate new economic activity and how are those best financed.

**7. Demographics and migration.** Changing demographics in the developing and industrialized world is creating new opportunities and challenges for job creation and migration. Cross border movement of people and labor has been significant in the last few decades, and has been an increasingly important source of prosperity in developing and industrialized countries alike. At the same time, this has created pressures in industrialized countries stemming from the strains associated to assimilation of diverse cultures, and actual or perceived loss of employment and income opportunities to the national labor force. **The Commission may review the evidence on migration, its costs and benefits, and explore practical measures that could help create greater labor mobility.**

**8. International trade in services.** For a few developing countries, trade in services, and exports of skills, have become important sources of income, growth, and employment. The Commission will examine the opportunities created by the internet and the expanding trade in services, potential for further growth in services trade, the resistance(s) likely to be encountered, both in developing (when accompanied by brain drain) and in industrialized countries (because potential losses of unemployment), and what are the possible policy responses that would facilitate the expansion of trade in services, and the technology changes that be associated with such expansion.

**9. Technological catch up, internet and communications technology.** For developing countries, the challenge has been less to innovate and create new technologies, than to absorb and adapt technologies existing already elsewhere in the world. Technological progress play an important role in economic growth and available estimates suggest that productivity growth has been an important factor in developing countries that have sustained their growth. Trade, particularly imports of capital equipment, FDI, tertiary education, basic and applied research, all played a role in this process. The Commission could examine whether these channels are likely to remain the same the foreseeable future. It might also explore the role for public policies, and what should those be. It may also analyze the impact of the internet and communications technology generally and how it may facilitate the adoption of technology in developing countries.

**10. Urbanization.** While the majority of the poor live and work in rural areas today, this is not necessarily where they will live and work in the future. The world's urban population is projected to reach 4 billion in 2017 and 5 billion in 2030 (up from 3 billion in 2003). As urban areas gain in size, the share of the poor living in urban areas is expected to reach two thirds by 2025 in Latin America and Eastern Europe, and between a third and a half in other regions. Economies of agglomeration have proven to be one of the main forces of growth and development, and thus **urbanization** has been central

to modernization of society. Yet, outdated land regulation and outdated sources of urban financing have limited economies of agglomeration in many countries. **The Commission will examine what has been learned about urban development in growth processes and focus on the policies and institutions that can accelerate it.**

**11. Labor Market Policies and Employment.** On the employment front, the Commission will take as point of departure the fact that growth is important not only to improve the living standards of the population, but also to provide jobs. How growth is translated into employment is determined by the structure and workings of **labor markets**. Most governments intervene in labor markets, sometimes to strengthen the power of firms vis-à-vis workers, and sometimes for the opposite reason. As a result emerge different degrees of informality in the labor market, different degrees of efficiency in the use of capital and labor, and different capacities in economies' ability to translate growth into expanding jobs. The Commission may wish to explore the implications for job creation and real wages and also questions such as: **What labor market and other policies are needed to facilitate the movement of labor into new or expanding sectors? What are the lessons of the last few decades regarding the proper sharing of risks between workers and firms?** Labor markets are also important in that the deployment of surplus labor into higher productivity sectors has been an important feature of successful growth experiences. **Where is the Lewis surplus labor model at work?** The globalization of the labor force and international trade in services is another important labor issue to be examined in that it is expanding employment opportunities for workers in developing countries.

**12. Agriculture.** Technological innovation and diffusion have caused the green revolution and tremendous increases in **agriculture** productivity in the last few decades. At least in East and South Asia, famines have been eradicated. In other parts of the world, however, particularly in Africa, adoption of agriculture technology has lagged behind. And even in East and South Asia, yields remain well below potential in many areas. The “soft” institutional and policy aspects of adoption of modern agriculture technology (ownership rights, pricing policies, risk management, access to markets, access to credit, marketing, health conditions, female education, adaptive research) have proven at least as important as the “hard” aspects—i.e. availability of high yielding seed varieties, fertilized and other basic inputs. **The Commission would examine the actions likely to help increases in agriculture productivity—both at the national and international level and the ways in which Africa’s agriculture poses special challenges, and how can those be addressed.**

**13. Human Resources and Social Policies as a source for growth.** Over the last few decades, most developing countries have increased public spending on health and education. Higher spending has not always been translated into actual outcomes, however, e.g. in actual learning achievements in the case of education. In addition, measured rates of return on education tend to be low in most countries for which data exist, though there are probably measurement issues. The Commission could focus on **the measures that could lead to a better use of public resources, and accelerate development of human resources while at the same time ensuring better economic returns from their development.**

**14. Women in development and in labor and capital markets.** There is little question that the integration of women in the economy and in labor markets influences both growth and the achievement of broader development goals. The issue is **what actions can governments take that would accelerate the process of integration?** The Commission may wish to focus on reviewing the experience of different developing countries and draw lessons from failures and successes, and seek to formulate a practical agenda that in the next decade or so could make a material difference in this area.

**15. Income Inequality.** Correcting for egregious **income inequality** and finding the appropriate balance between production incentives and redistributive programs is a long standing issue in economics and policy making. It is likely to gain even more prominence in the coming decades, as globalization continues, as growth rates are likely to continue to be highly differentiated, both within and across countries, and as labor relocates as new activities take off and old ones decline, also both within and across countries. Significant changes in income distribution can affect the political consensus underlying growth strategies. Demographic transitions in many countries will also create pressures for redistribution across age groups. **The Commission may want to focus on what should be the role of redistributive justice in growth and development strategies and how can the goals of redistributive justice best be met. It will also examine the importance of social insurance and social safety nets. Last, it could examine the extent to which equity in wealth or income distribution improves—or deters—the efficiency of markets.**

**16. Risk Management and mitigation.** Micro and macro **risks** are a major source of macro economic instability in developing countries where they tend both to be more frequent and less insurable. This has been a particularly important challenge for smaller countries and highly specialized economies. From natural disasters (floods, earthquakes, cyclones, droughts) and exports prone to commodity price fluctuations, to macro economic vulnerabilities and financial weaknesses, enterprises and households in developing countries face a much more uncertain world than those in industrialized countries. The Commission may wish to explore possible actions, at the national and international levels that could help mitigate some of these risks, and increase their insurability.

**17. Development Finance.** First experimented with in the Marshall Plan in Europe and Japan, large scale external finance for development—both through international development agencies such as the World Bank or the Asian Development Bank, and bilateral development agencies such as Usaid, Canadian CIDA or Swedish CIDA—has provided resources for a wide range of investment projects and also, support for policy reform in developing countries. Whereas in Japan and Europe external finance is believed to have accelerated the recovery while permitting higher consumption, there is much less confidence that aid has been effectively deployed elsewhere. Mistrust in the contribution of aid in development reached a high point with the publication of the Meltzer report in 2000 which proposed abolishing development finance altogether and, where it persisted, to replace grants for loans. In addition, international financial markets have developed tremendously since the 1950s with the result that only few developing countries are not able to borrow internationally. Last, it has become evident that in growth processes the volume of resources allocated to development mattered as much as the policy and institutional framework governing how efficiently it is used. Against the background of all the experience accumulated over the last decades. **The Commission could examine what should be the role of aid in the future, what can ensure its effective use, the role of international institutions, and the multinational policies needed to maximize the growth opportunities for developing countries.**

**Country cases.** Most of the issues identified above are best understood through concrete country cases. A framework will be developed for country cases to be applied on a number of countries to be identified.

**Summing up.** The work above is expected to bring progress on:

- our understanding of sustained and rapid growth, and what brings it about according to the best theoretical knowledge available, against the wisdom from practical experience. To our knowledge, this would be the first time academics are asked to work with practitioners on such scale to reflect and sum up our best understanding of growth.

- our understanding of complex development issues ranging from governance and equity to technological catch up and risk mitigation and management.
- clarity, and perhaps consensus on a number of controversial policy areas ranging from pension reform and the role of the private sector in infrastructure, to industrial policy and openness.
- clarity on actions that at the national and international level are most likely to bring about sustained and rapid growth.

### **The Modus Operandi of the Commission**

Several of the Commission members have asked the number of meetings to be kept at a minimum and minimize the need for travel. Accordingly, the proposal is for full meetings of the Commission, principals only, to follow the schedule of IMF-WB Spring and Annual meetings. Following the April 19-20 meeting, the next full meetings of the Commission would hence be in Singapore in September 2006, just before the IMF-WB Annual Meetings, in April 2007 in Washington DC, and a final meeting in September 2007 in Washington DC. These meetings would be complemented by bilateral and smaller regional meetings which would include policy makers and economists. We should also plan for electronic interactions and discussions, and for the establishment of a web site to post background papers and possibly partial results as they become ready.

The members of the Commission are expected to provide guidance, inputs, comments and reactions to the background papers, as well as to the various drafts of the Commission's final report which, ultimately, they are expected collectively to endorse. While hopefully the report of the Commission will be endorsed collectively by the Commission members in its entirety, we should also leave open the possibility that full consensus may not be reached on all issues. The final Commission report will include a chapter on dissenting views to deal with those. Consensus will be sought, and dissent noted, for the final report, not the background papers.

Depending on their availability and interests, some Commission members may also take the lead on some specific issues, and oversee the work in such areas.

### **Time Tables, deadlines and output.**

The objective is to have a report ready by end-2007. The work will start immediately after the first meetings of April 19-20 endorse or modify the thematic focus proposed in this note. Progress reports will be reviewed and discussed in each of the Commission main meetings. Background papers will be released as they become ready. We should expect one background paper for each of the thematic issues discussed in this paper, currently seventeen. Consultations with governments, academics, and NGOs will be held in the months before the finalization of the final report. Following the finalization of the report, in late 2007 and early 2008, there will be several regional conferences to disseminate its conclusions.

## **Management of the Task and the Role of the World Bank**

The World Bank will provide to this project its intellectual resources as well secretarial functions to organize the work and contribute to the preparation of background papers and the final report. Ultimately, however, the final report will be a report of the Commission, not a report of the World Bank.

## **Funding**

The Swedish Government, the Dutch Government, and the William and Flora Hewlett Foundation have provided US\$ 2 million to finance the costs of background papers, meetings, travels, and printing and dissemination of the final report. The World Bank is providing an equivalent amount, mostly in the form of staff, and associated costs. All Commission members, including the Chair, are working for this project pro-bono, and the costs of travel are covered when they cannot be covered by other institutions or governments by applying the Bank standard travel policy.

Drafted by: Spence/Zagha/Leipziger

April 10, 2006

## Addendum

Following suggestions made during the first meeting of the Commission on Growth and Development on April 20th, 2006, and subsequent discussions between Mike Spence, Commission members, and Bank staff, the work program has been expanded to include (1) examination of regional growth issues which, against the background of economies of agglomeration, will explore the extent of regional imbalances in growth processes and the effectiveness and nature of policies needed to redress those imbalances, including fiscal federalism issues as appropriate; (2) examination of bottom-up development strategies, their effectiveness in reducing large-scale poverty, and the nature of policies and institutions supporting bottom-up poverty reduction strategies; and (3) the role of finance in growth and development--see elaboration below.

**Financial development.** Economists hold very different views on the role of financial sector in economic development. On the one hand, prominent researchers believe that the operation of the financial sector merely responds to economic development, adjusting to changing demands from the real sector and is therefore overemphasized. On the other hand, equally prominent researchers believe that financial systems play a crucial role in alleviating market frictions and hence influencing savings rates, investment decisions, technological innovation and therefore long-run growth rates. The bulk of the empirical literature on finance and development suggests that well-developed financial systems play an independent and causal role in promoting long run economic growth. More recent evidence also points to the role of the sector in facilitating disproportionately rapid growth in the incomes of the poor, suggesting that financial development helps the poor catch up with the rest of the economy as it grows. The commission will review the existing evidence and seek to explore a number of related issues such as: **What is the balance of the evidence on the role of finance in economic growth? If finance is important for development, why do some countries have growth-promoting financial systems while others do not? What role can the governments play in building effective financial systems?**

## **Annex A. Commission Members**

### **Chair**

Mike Spence, Nobel Laureate and Professor Emeritus, Stanford University, California.

### **Vice Chair**

Danny Leipziger, Vice-President, Poverty Reduction and Economic Management & Head of Network, World Bank

Montek Ahluwalia (India), Deputy Chairman, Planning Commission, India

Edmar Bacha (Brazil), Director of the Casa Das Garças Institute for Economic Policy Studies in Rio de Janeiro and former President of the National Bank for Economic and Social Development

Dr. Boediono (Indonesia), Coordinating Minister for Economic Affairs

Lord John Browne (Great Britain), Chief Executive Officer, British Petroleum

Kemal Dervis (Turkey), Administrator of the UNDP program and former Minister of Finance in Turkey

Alejandro Foxley (Chile), Minister of Foreign Affairs in Chile and former Minister of Finance

Duck Soo Han (Korea), former Deputy Prime Minister and Minister of Finance and Economy

Chok Tong Goh (Singapore), Senior Minister and Chairman of the Monetary Authority of Singapore and former Prime Minister of Singapore

Danuta Hübner (Poland), European Commissioner for Regional Policy

Carin Jämtin (Sweden), former Minister for International Development

Pedro Pablo Kuczynski (Peru), former Prime Minister of Peru

Trevor Manuel (South Africa), Minister of Finance of South Africa

Mahmoud Mohieldin (Egypt), Minister of Investment for the Arab republic of Egypt

Ngozi N. Okonjo-Iweala (Nigeria), MD/CEO of NOI Global and former Minister of Finance of Nigeria

Robert Rubin (USA), Director, Chairman of the Executive Committee and Member of the Office of the Chairman of Citigroup and former Secretary of the US Treasury

Robert Solow (USA), Nobel Laureate and Professor Emeritus, Massachusetts Institute of Technology (MIT)

Sir K. Dwight Venner (Saint Kitts and Nevis), Governor of the Eastern Caribbean Bank (West Indies).

Ernesto Zedillo (Mexico), Director of the Yale Center Study of Globalization and former President of Mexico.

Zhou Xiaochuan (China), Governor of the People's Bank of China (Central Bank of China)

### **Working Group**

Mike Spence, Nobel Laureate and Professor Emeritus, Stanford University, California

Francois Bourguignon, Senior Vice President and Chief Economist, World Bank

Pedro Carneiro, Lecturer, Department of Economics, University College London

Ricardo Hausmann, Director of Harvard's Center for International Development and Professor of the Practice of Economic Development at the Kennedy School of Government

Homi Kharas, Visiting Fellow, Wolfohnsen Center for Development, Brookings Institution

Danny Leipziger, Vice President, Poverty Reduction and Economic Management & Head of Network, World Bank

Edwin Lim, former Country Director of India and China, World Bank

Lant Pritchett, Lead Economist, World Bank

Dani Rodrik, Professor, John F. Kennedy School of Government, Harvard University

Paul Romer, STANCO 25 Professor of Economics in the Graduate School of Business at Stanford University and a Senior Fellow of the Hoover Institution.

Roberto Zagher, Senior Economic Advisor, World Bank

### **Secretariat**

The World Bank provides to the Commission on Growth and Development its intellectual resources as well secretarial functions to organize the work, meetings and workshops, and contribute to the preparation of background papers and the final report. The World Bank provides fiduciary oversight to this project.

Roberto Zagher, Senior Economic Advisor, World Bank and Secretary of the Commission

Muriel Darlington, Program Assistant, World Bank

Heiko Hesse, Economist, World Bank

Dorota A. Nowak, Program Officer, World Bank