Annual Report



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Foreword by the Director

As the 2019–23 work programme on transforming economies, states, and societies concludes—and as we begin the forthcoming work programme tackling the mega challenges of building sustainable peace in conflict-affected situations, reducing persistent inequalities across and within countries, and creating the fiscal space for development—I'd like to reflect on our journey over the past five years. This milestone not only marks the progress we've achieved but also provides a chance to express my heartfelt thanks to the entire UNU-WIDER team, our broad network of experts, and our partners for their steadfast commitment and substantial contributions.

Starting in 2019, our previous work programme my first as director of UNU-WIDER</u>—began with a series of inception workshops, the forging of new partnerships, and the strengthening of existing ones. This work resulted in over 800 working papers and the hosting of numerous impactful events that engaged key stakeholders at international, regional, and national forums. Our efforts culminated in 2023 with the consolidation of insights from more than 30 research projects into <u>a comprehensive report</u> on three universal aspirations shared by humans everywhere—peace, greater equality, and decent work. The report serves as a tool for engaging with our diverse stakeholders, including through events held in conjunction with regional economic commissions across Africa, Asia and the Pacific, and Latin America and the Caribbean, as well as the Department of Economic and Social Affairs in New York. These discussions were instrumental in shaping our next work programme and highlighted the value of synthesizing our research findings to foster global dialogue and inform our future endeavors. Details of this synthesis process and its implications are explored in a feature for this annual report.

Although our work in sub-Saharan Africa has gained considerable visibility, it's crucial to remember that UNU-WIDER's impact spans the Global South. Our annual report highlights significant outcomes from our research in two country features on Ecuador and Indonesia, underscoring the extensive reach and diversity of our collaborative WIDER network.

The successful conclusion of the 2019–23 work programme would not have been possible without the generous support of our friends and collaborators in the governments of Finland, Norway, and Sweden, among other donors. Their contribution has been pivotal in our journey from 2019 to 2023. As we turn the page, we look forward to our next



four-year work programme. The themes—building sustainable peace, reducing persistent inequalities, and creating a fiscal space for development—reflect our ongoing commitment to the Sustainable Development Goals (SDGs) and our determination to address some of the most pressing challenges facing our world today.

I invite you to stay engaged as we embark on this new phase, filled with opportunities for inspiration, collaboration, and impactful progress.

Kunal Sen Director, UNU-WIDER

WIDER Board 2023



From left: Haroon Bhorat, Raquel Fernández, Kunal Sen, Tshilidzi Marwala, Marty Chen, Jo Beall, Miguel Urquiola, and Antero Klemola

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EX OFFICIO Prof Tshilidzi Marwala Rector, United Nations University, Tokyo, Japan

Prof Kunal Sen Director, UNU-WIDER, Helsinki, Finland

Message from the Chair of the WIDER Board

As a member and now Chair of the WIDER Board, I have remained impressed by UNU-WIDER's ongoing efforts to address the monumental challenges facing our world with a commitment to innovative solutions, especially in the domain of development economics. UNU-WIDER serves as a crucial development actor, seeking to interrogate global issues and influence policy responses through the lens of development economics.

One of UNU-WIDER's distinctive strengths is its commitment to providing global opportunities for individuals and institutions to connect with and learn from UNU-WIDER's research initiatives and from each other. This commitment is exemplified in the recently launched Massive Open Online Course (MOOC) on 'Decent work and economic growth: Achieving SDG 8'. I had the opportunity to be closely involved in this course which draws on research from UNU-WIDER's 2019–23 work programme, including a focus on the informal economy in which well over half of the global workforce is engaged. This MOOC illustrates how UNU-WIDER is dedicated to ensuring that its research has meaningful influence and impact. As the global community navigates a range of critical issues facing today's troubled world, UNU-WIDER remains a driving force in providing essential perspectives and fostering important connections. I am honored to be part of an institution that not only identifies challenges but actively works towards solutions. And I am confident that UNU-WIDER will continue to make significant contributions to development economics and international development more generally in the years to come.

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Marty Chen Chair, WIDER Board

Lecturer in Urban Policy and Design, Harvard Graduate School of Design Senior Advisor at Women in Informal Employment: Globalizing and Organizing (WIEGO)



Decoding development

- insights from UNU-WIDER's synthesis process and beyond

UN Photo/Fred Fath



At UNU-WIDER, we undertake our work explicitly within the context of an emergent strategy designed to maximize the impact of our research findings. We operate based on a theory of change that outlines how research eventually translates into improved development outcomes for the world's most vulnerable populations. In 2023, we published the report <u>Towards peace</u>, <u>decent work</u>, <u>and greater equality</u> to guide policy efforts to achieve the United Nations <u>Agenda 2030</u>. This report synthesizes the key messages and core findings of 30 distinct research projects undertaken by UNU-WIDER between 2019 and 2023. Our goal in producing and releasing the report was to assess the <u>more than 800 research studies</u> published in the WIDER Working Paper Series during our work programme on <u>Transforming economies</u>, <u>states</u>, <u>and</u> <u>societies</u> and to communicate a concise distillation of the most policy-relevant messages.

The synthesis report highlights opportunities for action in three core areas: building peace, providing decent work, and addressing inequalities. The work that led to this report was a monumental undertaking involving more than 1,800 researchers from 85 nations and countless institutions worldwide.

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Building peace

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Early on, it was clear that UNU-WIDER's most important contributions address major contemporary challenges. Our research on how to build and maintain peace in conflict-affected settings emphasizes the need for sustained and ongoing efforts which can transcend the truncated timelines common to donor-funded projects, incumbency terms, and foreign aid cycles.

Our work underscores how post-conflict prospects for peace are shaped 'after the guns are silenced' and are affected for years to come by the legacies of violent conflict. This creates a related need to build both capable and legitimate states and effective civil society at both local and national levels.

Two key messages emerge from our research on peacebuilding.

- First, efforts that focus on the capacity of state actors to provide for communities' legitimate needs—such as economic security, meaningful political participation and representation, and human rights —are more likely to succeed.
- Second, civil society is a critical ally in the formation and maintenance of a just peace, suggesting that peacebuilders must consider strategies that strengthen state capacity and civil society actors in tandem, while supporting autonomous institution-building efforts at local and national levels.

Decent work

Across Global South countries, informal workers often comprise a majority of the workforce but remain underrepresented in efforts to improve workers' quality of life. An important lesson from our work on COVID-19 is that social protection programmes across the Global South <u>do not provide</u> <u>broad enough coverage to protect a substantial</u> <u>portion of the working poor</u> in normal times, let alone during crises.

Our research indicates that formalizing informal occupations can improve access to existing social insurance by turning informal workers into qualifying formal workers, but the success of formalization is moderate at best. <u>Extensive new empirical</u> work documents the low transition rates to formal employment for vulnerable informal workers. And while policy actions can improve these transition rates—particularly by targeting upper-tier informal wage workers and their employers—an obvious conclusion is that there is a need for more inclusive social policies and a new social contract with informal workers.

Women, especially, are systematically overrepresented in the worst-paid jobs with the least protections. We find that, conditional on individual and household characteristics, women are 7 percentage points more likely to be in vulnerable employment than men across the Global South. A key driver of gender gaps is the different experiences of marriage and parenthood that women face. Our studies find that mandating and expanding family leave policies can reduce gender gaps in both labour force participation and pay. It also increases formal employment for women. Ensuring equal access to other rights and opportunities—such as property rights and credit—further supports improved outcomes for women.

Greater equality

Our research on inequalities, consistent with UNU-WIDER's history of work in this area, is far reaching. We report new understandings of global trends in within- and across-country income inequality. These insights are made possible by a World Income Inequality Database (WIID) expansion—which we have hosted and maintained for close to two decades. The WIID Companion makes WIID data comparable across countries and over time for the first time. It also includes an estimate of the complete global income distribution and is a critical tool for monitoring progress on reduced income inequality globally.

A key finding is that while global income inequality trended downward for nearly 30 years, the burden of this progress was born mostly by the large and populous economies of India and China, whose rapid economic advancement contributes to the large reductions in between-country inequality. Further progress now relies on individual countries to address ongoing within-country income inequality.

Our research findings also suggest that <u>high levels</u> of inequality are strongly correlated with lower <u>human development index (HDI) scores</u>. This means inequality is associated with lower society-wide levels of education, public health and life expectancy, and economic performance. To combat inequality, governments need to address the long-term structural inequalities between social groups in their countries, continue to develop efficient and fair tax systems, and implement well-funded redistributive social programmes.

We also report on the relative success of public actions to redress inequalities. Our Affirmative Action Database documents global policy efforts to address ethnic inequalities; we report on several successful actions by revenue authorities in sub-Saharan Africa to improve tax systems and generate more revenue for public investments; and we provide estimates of the next-day impact of proposed social transfers on poverty and inequality levels.

Taken together, the key message of our work on inequality is that with enough fiscal space, Global South countries can still achieve the aspirations of SDG 10: Reduced inequality.

Next steps on the journey from research to impact

It took nearly two years to produce our report. It was updated multiple times as new findings advanced our understanding of the critical issues in economic development today. What is not covered in the report has also been disseminated through many conferences, events, research papers, articles, and briefs. In 2023, our findings played a critical role in conversations at the United Nations—in panel discussions hosted with regional economic commissions across Africa, Asia and the Pacific, and Latin America and the Caribbean, as well as the Department of Economic and Social Affairs in New York

In the years ahead, we hope this work contributes to broader understanding and inspires changes to improve the lives of those in need, by promoting sustainable and equitable development for all. In the years ahead, we hope this work not only contributes to broader understanding but also inspires changes to improve the lives of those in need by promoting sustainable and equitable development for all.



Research in focus

Co

- country profiles: Indonesia and Ecuador



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Our Institute's expansive international research contributions, consisting of over 800 WIDER Working Papers in the 2019–23 work programme, delve deep into the development challenges the world faces. In the following country profiles, we pivot our focus towards Ecuador and Indonesia, serving as examples of our unique collaborative approach to development.

Utilizing our vast network of researchers, policymakers, and institutions, we not only assess pressing development issues, but actively work with partners to find solutions and make recommendations. These profiles depict the current economic outlook of these countries, while also showcasing how our researchers address research gaps and provide evidence for policymakers for inclusive and equitable development.

Ecuador – a case of economic resilience and challenges

Latin America

Economic context and challenges

According to the World Bank, <u>Ecuador's economic</u> <u>outlook</u> reveals encouraging post-pandemic recovery prospects, but also acknowledges structural weaknesses, such as oil dependency and macroeconomic vulnerabilities. Recently, the economy <u>faced a slowdown due to increased</u> <u>insecurity, organized crime, and political uncertainty</u>, necessitating an even greater urgent need for a solid evidence base to inform inclusive, sustainable development strategies.

UNU-WIDER's contributions and innovations through ECUAMOD

Between 2019 and 2023, UNU-WIDER <u>published an</u> <u>array of research outputs on Ecuador</u>—each delving into different facets of the country's economy. These papers contribute to the global discourse on economic inequality, social protection, and the nuanced relationship between government policies and economic outcomes. They additionally reflect the broader collaboration with partners in Ecuador that resulted in <u>ECUAMOD</u> in 2016, a tax-benefit microsimulation model for Ecuador, part of the larger family of similar models in the <u>SOUTHMOD project</u>.



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UNU-WIDER's research related to Ecuador's economic problems includes studies on inequality, the labour market effects of conditional cash transfers, poverty and informality, the role of universal pensions, tax-benefit microsimulation, and potential redistributive effects of various policies, gender disparities in top incomes, the impact of COVID-19 on the income distribution, tax avoidance, and challenges in the informal sector. These studies provide insights for addressing structural economic issues, enhancing social protection, and formulating policies

for equitable growth and expanded formal employment.

Amid Ecuador's economic tribulations and the pandemic, UNU-WIDER's research has been pivotal in providing clarity and evidence to policymakers. Crucial to this research output is ECUAMOD, our tax-benefit microsimulation model which aids policy decisions on tax reforms and new benefits. With this tool, our research in Ecuador explored income redistribution, the formal employment dilemma, and the dynamics of social protection during the COVID-19 pandemic. When Ecuador grappled with economic issues exacerbated by efforts to contain the COVID-19 pandemic, UNU-WIDER researchers provided support. With ECUAMOD, they forecast the potential impact policies and benefits would have on household incomes, state revenue, and economic output, among other outcomes.

For instance, a study by Jara and Varela (2019) harnessed microsimulation techniques to evaluate direct taxes, shedding light on their distinct advantages in assessing potential tax and benefit reforms. Their research underscored the pressing need to bolster fiscal capacity, a key element in strengthening social protection programmes and addressing the socioeconomic challenges worsened by the pandemic.

Bargain et al. (2023) utilize administrative data to examine top earners during the pandemic, <u>suggesting social protection policies were</u> <u>inadequate in mitigating income disparities and</u> <u>inequality</u>. Jara and Rodriguez (2019) measure the financial hurdles to formal employment, shedding light on Ecuador's enduring battle with labour market informality—a situation aggravated by the pandemic—and <u>highlighted the difficult balance</u> <u>between enhancing tax revenue and fostering</u> formal employment incentives.

Jara and Rattenhuber (2022) focus on the female labour supply within informal employment, using microsimulation techniques on household survey data to analyse the how women choose between formal and informal work, <u>revealing nuanced</u>

UNU-WIDER's contributions and research initiatives play an indispensable role in Ecuador's journey towards addressing the economic repercussions of the pandemic while striving to reduce inequality and enhance social protection measures. responses to tax-benefit policies. Oliva et al. (2021) explores the gender gap in top incomes, emphasizing the need to understand inequalities in the formal labour market even at the top of the income distribution, and assess the role of taxes and benefits in reducing gender income disparities.

In this context, UNU-WIDER's contributions and research initiatives play an indispensable role in Ecuador's journey towards addressing the economic repercussions of the pandemic while striving to reduce inequality and enhance social protection measures. These studies demonstrate the utility of microsimulation techniques for policy evaluation and highlight the need for tax and benefit reforms to enhance social protection and improve fiscal capacity.

Overcoming hurdles

Conducting research in Ecuador poses challenges, particularly in data collection during the COVID-19 pandemic. According to Xavier Jara, who is UNU-WIDER's primary research collaborator for all Latin American SOUTHMOD models, these difficulties arose during the study by Jara et al. (2022), '<u>The</u> <u>role of automatic stabilizers and emergency tax-</u> benefit policies during the COVID-19 Pandemic':

Analysing the living conditions of households during the pandemic was extremely challenging as data collection of official surveys was disrupted and phone surveys replaced face-to-face interviews. This study was the first to apply nowcasting



techniques [econometric methods used to identify changes in socioeconomic indicators] combined with microsimulation techniques to assess the distributional effects of the COVID-19 pandemic in the Global South.

He adds that the study had both methodological innovation and implications for policy reforms, explaining that the study recommends rethinking social protection strategies, noting that many benefits in low- and middle-income countries do not effectively act as automatic stabilizers.

There are many reasons that contribute to this lack of efficacy of social protection measures to help stabilize economies in the Global South, including the limited fiscal capacity of these countries, the prevalence of informal employment (preventing adequate coverage for workers), and an overall weaker social protection system.

The study analyses changes in household income, poverty, and inequality, revealing significant increases in poverty and inequality due to the pandemic. The findings advocate for enhancing social protection and rethinking fiscal strategies to better support vulnerable populations during crises, pointing out the importance of building fiscal capacity for sustainable social policies.

Linking research to development challenges

The research questions in Ecuador were intricately linked to the country's development challenges, including high levels of income inequality and poverty, and the prevalence of informal employment. The studies contributed to an improved understanding of equity and efficiency in the design of tax-benefit policies, providing valuable insights for policymakers aiming to achieve redistribution and poverty reduction in Ecuador.



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Indonesia – navigating sustainable development

Southeast Asia

Economic context and challenges

According to the World Bank, Indonesia's economic outlook is marked by <u>significant growth and</u> <u>poverty reduction achievements since the late</u> <u>1990s</u>. It has become the largest economy in Southeast Asia and has made strides in reducing poverty and stunting rates—<u>defined by the World</u> <u>Health Organization</u> as 'the impaired growth and development that children experience from poor nutrition, repeated infection, and inadequate psychosocial stimulation'.

The COVID-19 pandemic has, however, impacted its economy and reversed some gains in poverty reduction, necessitating a focus on recovery and sustainable growth. Challenges include adapting to changing global conditions, enhancing human capital, and addressing climate vulnerabilities.

UNU-WIDER's impact through specialization and focus

UNU-WIDER's research in Indonesia spans 14 studies and 30 authors. These papers contribute to a nuanced sketch of Indonesia's economic and social landscape, but, according to Maria C. Lo Bue, author of several of UNU-WIDER's Indonesia papers, this work largely operates from two central questions regarding Indonesia's development challenges:

- 1. To what extent has economic growth benefited the poor?
- 2. How can we address the challenge of improving Indonesia's human capital?

This specialization is just one strategy that UNU-WIDER utilizes to ensure that our research outputs can contribute to bettering our economic understanding in each context. Our research in Indonesia covers topics like deindustrialization, poverty dynamics, educational quality, labour migration, informal work, structural transformation, pro-poor growth, and the role of state capitalism, providing insights into policies for inclusive growth and development.

Economic growth and its impact on the poor

How can we ensure that economic growth lifts an entire society rather than only those at the top? While this issue has been debated for decades, dating back to Kuznets, a comparative study by Lo Bue and Palmisano (2020) on growth spells in Indonesia reveals a nuanced reality. While the 1990s witnessed significant poverty reduction among the initially poorer population, in subsequent periods, growth was less pro-poor—defined as <u>economic</u> growth that leads to significant benefits for the **poor**. This suggests that the benefits of growth have not been evenly distributed, with certain segments of society reaping more rewards than others.

The role of state capitalism, as explored by Kim and Sumner, <u>offers insights into how government-</u> <u>owned enterprises have influenced this unequal</u> <u>distribution</u>. Their findings suggest that while these entities can play a role in stimulating structural transformation, their impact on reducing inequality and ensuring inclusive growth is complex and multifaceted.

Furthermore, the labour market dynamics, including the livelihood of informal workers as studied by Rizky, Suryadarma, and Suryahadi, <u>highlight the</u> <u>challenges faced by those in low-tier informal</u> <u>employment</u>. These individuals often find it difficult to transition to more stable, formal jobs, suggesting a need for policy interventions that facilitate this shift, thereby enhancing economic security for the poor.

Challenges and strategies for human capital development

Turning to human capital, the research underscores the critical role of education and health in achieving sustainable development. A study by Idzalika and Lo Bue on educational opportunities reveals <u>the</u> <u>persistent influence of socioeconomic conditions</u> <u>on educational outcomes</u>, highlighting the limited impact of local education budget policies in leveling the playing field. The positive effects of maternal employment on children's health and education, <u>as shown</u> <u>by Dervisevic, Lo Bue, and Perova</u>, point to the importance of supporting women's labour market participation. Such policies not only benefit children's development but also contribute to broader economic and social goals.

Additionally, research on intergenerational mobility by Bargain, Lo Bue, and Palmisano reveals both progress and challenges in creating equitable opportunities for all Indonesians. Despite improvements in literacy and education due to large-scale reforms, educational mobility remains a challenge, particularly in terms of creating equal opportunities regardless of family background.

Linking research to development challenges

The studies analyse the impact of economic growth on poverty reduction, highlighting that while progress has been made, challenges in reducing vulnerability to poverty persist, particularly in the early 2010s.

The papers provide policy insights on addressing poverty, educational inequality, and the impact of maternal employment in Indonesia. They suggest that growth has been less pro-poor in recent years, highlighting the need for policies targeting poverty vulnerability. Education policy needs better targeting to



improve quality and access, especially after crises like the 1997 Asian Financial Crisis. Promoting maternal employment emerges as a powerful policy for improving children's outcomes, advocating for investments in institutional childcare and broader social protection mechanisms to support families and enhance women's labour market participation.

Collectively, these findings contribute to a nuanced understanding of Indonesia's developmental challenges, providing actionable insights for policymakers, researchers, and the global community to address and overcome these challenges. UNU-WIDER's research in Indonesia provides valuable insights into the complex dynamics of economic growth, poverty reduction, and human capital development.

Rethinking change

- three stories of real-world impact



UNU-WIDER operates at the intersection of research, capacity development, and policy engagement, with a mission to improve the lives of the world's poorest people. Each year, we publish hundreds of papers, open access books, journal articles, convene dozens of events and capacity development activities, host open access data and tools, facilitate meetings for exchanging expert knowledge, and more. However, identifying the impact our work has made in the world is often a complex task.

Impact often unfolds gradually over years or even decades, making it challenging to measure, particularly considering external factors at play. Expanding our perspective reveals that the journey towards it is marked by numerous smaller, yet significant, events, interactions, and changes. Recognizing and sharing these 'change stories' helps us document the critical steps on our path to tangible impact.

Changing perceptions of democracy aid

In 2020, UNU-WIDER researchers conducted <u>a comprehensive evaluation</u> of Swedish and international democracy aid commissioned by the Swedish Expert Group for Aid Studies (EBA). The report by Niño-Zarazua, Gisselquist, Horigoshi, Samarin, and Sen, is the most extensive examination on democracy aid to date. The report provides an evidence base to challenge common criticisms of democracy aid and supports more informed debates on the role of democracy aid in international development.

The findings reveal that democracy aid positively influences democratization processes in recipient countries. Contrary to common criticism, no evidence suggests a negative overall impact on democratic governance. Targeting civil society, free and fair elections, media freedom, and human rights proves most effective.



The findings of the report were shared widely, including in the media, online, and in numerous seminar and conference sessions. Through these efforts, the report findings have brought valuable insights to discussions on democratic backsliding worldwide, supporting greater understanding on the role and benefits of targeted democracy aid. Whereas previous research suggested that aid impact was at best unclear or mixed, our report helped to establish that democracy aid works, and offered a guide for how the aid could be more effective.

Enhancing poverty reduction policies in Zambia

Zambia faces persistent poverty and inequality, with over 50% of citizens surviving on less than USD 1.9 a day. UNU-WIDER's SOUTHMOD team, in collaboration with local partners, supported the Zambian government with different reform scenarios and policy recommendations to reduce poverty.

In evaluating Zambia's Social Cash Transfer (SCT) programme, designed to offer cash payments to impoverished households as a 'floor benefit', and the 2019 Cash Plus reform, UNU-WIDER, alongside Southern African Social Policy Research Insights (SASPRI) and the Zambia Institute for Policy Analysis and Research (ZIPAR), utilized the MicroZAMOD simulation tool for scenario exploration. The analysis revealed that the current social protection system supports 76% of the extremely poor, reducing overall poverty by 4 percentage points. However, only 34% of the extremely poor receive the SCT floor benefit, indicating a gap in policy efficacy.

To achieve Zambia's ambitious poverty reduction targets, the <u>working paper</u> and <u>policy brief</u>, wellreceived by policymakers and highlighted in local media, recommended expanding both Cash Plus and SCT benefits. ZIPAR's continued engagement with the government influenced the Eighth National Development Plan, now incorporating enhanced access to different social support for the poor, expanded beneficiary allowances and support levels, and made targeting and payment systems more efficient.

Unveiling The Job Ladder

Early in 2023, UNU-WIDER published <u>The Job</u> <u>Ladder</u>, an open access book edited by Fields, Gindling, Sen, Danquah, and Schotte. This book examines informal work patterns worldwide and introduces a new conceptual framework for categorizing work statuses in developing economies. The categories include formal wage employees, upper-tier informal wage employees, lower-tier informal wage employees, and formal and upper-tier informal self-employed individuals. It explores the drivers of low-income, low-productivity informal work through a series of country studies covering Asia, Latin America, the Middle East and North Africa, and sub-Saharan Africa.

Through presentations, engagement with policymakers, media promotion, and academic discussions, the book reached the global development community. Its impact is evident in applications by government officials in the Global South, inspiring the World Bank, UN, and development finance institutions. The volume's influence led to additional funding, propelling the project to further develop the framework and its potential policy applications.

This book shows us that the path out of poverty is more like a ladder, where progress onto the next rung is not always possible, and where some groups are especially disadvantaged in terms of upward mobility. It encourages development finance institutions to think about how our investment can get people moving up the ladder.

- Paddy Carter

Director of Research and Policy, British International Investment (BII)



2023 highlights

FEB

PRESENTATION: The

measurement and elimination of global poverty and inequalities Rachel M. Gisselquist, Senior Research Fellow, represented UNU-WIDER at a workshop on promoting and protecting economic, social, and cultural rights to address inequalities in the COVID-19 pandemic recovery. Organized by the OHCHR from 6-8 February, it aligns with Human Rights Council resolution 49/19.

COLLABORATION: Unpacking

the developer's dilemma – an ISID policy roundtable event On 24 February, the ISID hosted a policy roundtable to launch *The developer's dilemma*—an open access UNU-WIDER book. Co-edited by Armida Salsiah Alisjahbana, Andy Sumner, and Arief Anshory Yusuf, it discusses industrialization, inequalities, and inclusive development based on global experiences.



MARCH

PRESENTATION: Kunal Sen delivers Valedictory address on Informal employment in the Global South UNU-WIDER Director Kunal Sen delivered the Valedictory address at the ISLE's 63rd Annual Conference in Rajiv Gandhi University, Itanagar, Arunachal Pradesh, from 1-3 March, focusing on informal employment in the Global South.

PRESENTATION: UNU-WIDER at the LDC5 Conference

From 5–9 March in Doha, Qatar, the LDC5 Conference brought

together leaders to discuss aiding LDCs to achieve the SDGs. UNU-WIDER contributed through an exhibition and a side event, in collaboration with the OECD Development Centre and FERDI.

BOOK: The Job Ladder

This book analyses informal work dynamics in the Global South using panel data to explore worker transitions between formal and informal sectors, applying a uniform framework and methodology across different countries.

BOOK: Great Gatsby and

the Global South This book, part of the Cambridge Elements in Development Economics series, provides a new estimate for intergenerational mobility in Indonesia, explores the 'Great Gatsby Curve,' and discusses mobility and inequality, offering a theoretical framework for understanding these dynamics.

PRESENTATION: <u>The good</u> jobs challenge in developing

APRIL

countries On 25 April, Kunal Sen outlined the challenges of creating good jobs in the Global South at the ILO in Geneva, discussing policy options for generating productive employment for unskilled and semi-skilled workers.

MAY

PRESENTATION: War and reconstruction in Ukraine UNU-WIDER hosted a discussion on 9 May with international academics and representatives from Finland and Ukraine, focusing on research and policy challenges in Ukraine's stabilization, recovery, and reconstruction.



COLLABORATION: <u>Sustainable</u> <u>Cities Discussion Forum on SDG</u> 13: Climate action

Hosted by Helsinki City and UNU-WIDER, this event was part of the international Sustainability Science Days conference, organized by Aalto University and the University of Helsinki's HELSUS.



JUNE

CAPACITY DEVELOPMENT: Winter School workshop on tax policy research

UNU-WIDER held an online research workshop on 8 June for its Winter School participants to share research updates and hear from both participants and lecturers, aiming to enhance tax policy research skills.

PRESENTATION: <u>SA-TIED policy</u> <u>dialogue – Rethinking traditional</u> <u>approaches to tackling</u> <u>unemployment in South Africa</u> This event marked the first in the Econ3X3 and SA-TIED debate series, discussing grant-based approaches alongside active labour-market policies to address unemployment in South Africa.



BOOK: <u>Tasks</u>, <u>Skills</u>, and Institutions

The book presents findings from UNU-WIDER's project on the changing nature of work and inequality, challenging the uniform assumption about occupations worldwide and exploring the non-routine task content in jobs across different economies.

JULY

REPORT: Launch of the IGM 2022 report

On 6 July, the Inclusive growth in Mozambique (IGM) programme released its Survey of Mozambican Manufacturing Firms 2022 report in Maputo, offering insights into the manufacturing sector's development over the past decade and the overall dynamics of Mozambique's private sector.



PRESENTATION: UNU-WIDER

shares findings at EADI/CESA Conference in Lisbon From 10-13 July, UNU-WIDER shared key findings from its 2019-23 work programme at the Towards New Rhythms of Development conference, organized by the EADI and CESA and hosted by the Lisbon School of Economics and Management.

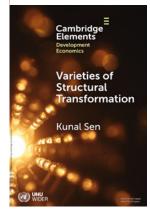
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2023 highlights

AUGUST

BOOK: Varieties of Structural

Transformation This study identifies different paths to structural transformation in the developing world, discussing theoretical, empirical, and policy implications for lowand middle-income countries' transition from agriculture to manufacturing and services.



SEPT

CONFERENCE: Revving up revenue for development - the role of domestic resource mobilization Held in Oslo, Norway, 6-8 September, the WIDER **Development Conference** explored how the Global South can enhance domestic resource mobilization to achieve the 2030 Agenda for Sustainable Development goals.



PUBLICATION: Accelerating progress towards decent work and fairer societies UNU-WIDER partnered with ESCAP to discuss building fairer societies through decent work.

PRESENTATION: SA-TIED hosts special session at ESSA Biennial Conference

SA-TIED's special session at the ESSA's 2023 Biennial Conference in Pretoria from 12-14 September fostered collaboration among economists and provided valuable economic insights through research presentations.

OCT

PUBLICATION: Accelerating progress towards fairer societies On 4 October, UNU-WIDER and UN DESA organized a debate alongside the UN General Assembly's Second and Third Committees to discuss strategies for building fairer societies.

ANNUAL LECTURE: Globalization in crisis – confronting a new

economic reality The 27th WIDER Annual Lecture by Pinelopi Goldberg on 10 October at the University of Oslo, focused on challenges to globalization and was hosted with the Oslo SDG Initiative.

PUBLICATION: Towards peace and decent work in Africa accelerating progress on the SDGs

On 26 October, UNU-WIDER and UNECA held an event in Addis Ababa to discuss achieving peace and decent work in Africa, emphasizing the urgency to meet global goals.

PRESENTATION: UNU-WIDER at the 2023 World Investment Forum UNU-WIDER showcased its initiatives at the 8th World Investment Forum in Abu Dhabi from 16-20 October, attended by thousands,

COLLABORATION: SA-TIED hosts first data lab roadshow at the University of Pretoria

including state leaders, ministers, and CEOs.

On 13 October, SA-TIED's inaugural NTSDF data lab roadshow at the University of Pretoria highlighted the SA-TIED programme and the importance of accessing administrative tax data for research.









NOV

PUBLICATION: Sustainable cities and structural transformation in Africa in the twenty-first century On 9 November, UNU-WIDER and ACRC welcomed Dr. Arkebe Oqubay to present on sustainable cities and structural transformation in Africa at Helsinki City Hall.

CONFERENCE: Agricultural development in Mozambique: trends, challenges and opportunities The IGM 2023 Annual Conference on 8 November in Maputo focused on recent agricultural sector developments in Mozambique and initiatives to boost smallholder farmers' productivity and climate resilience.



BOOK: Mozambique at a Fork in the Road This book delves into Mozambique's economic development challenges, analysing historical, political, and institutional barriers.

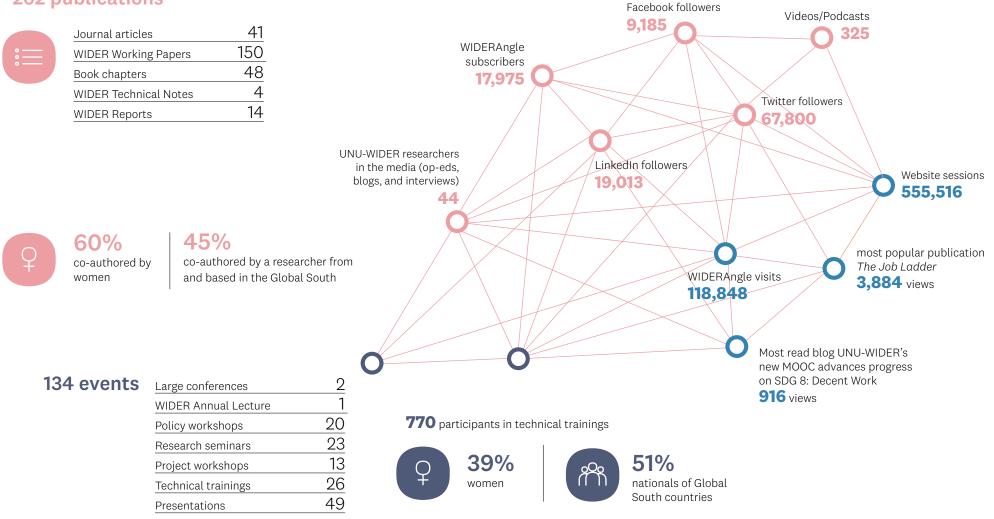
DFC

CAPACITY DEVELOPMENT:

Navigating administrative data access: strategies, reasons, and partner perspectives Facilitated by the UK-ONS, this initiative trained senior government officials from east and southern Africa on handling and protecting administrative data for policy research. It supports UNU-WIDER's SA-TIED and DRM programmes to enhance policymaking through accessible tax data.

2023 in figures

262 publications



2023 in figures

Nationality of the 383 external researchers contributing to UNU-WIDER projects



Financials (in US\$)

Income 13.59 million

5.2%

expenditures:

0.71 million

9.34 million

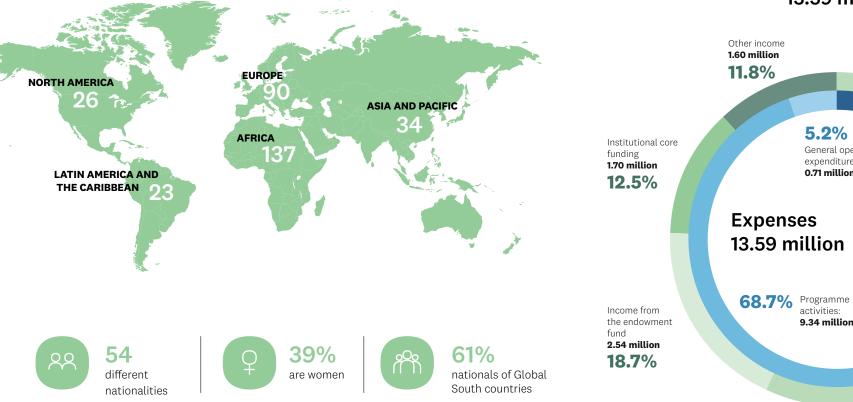
General operating

Staff costs: 3.54 million 26%

Earmarked project funding

7.75 million

57%



Making research accessible worldwide with interactive online courses

Making our research accessible and absorbable to our core audiences in the Global South and North is crucial. We achieve this through various means, such as ensuring open access to research outputs, summarizing key findings in briefs, and translating complex research into blogs and videos for a non-specialist audience. Our latest initiative involves online learning courses, which aim to transform extensive research projects and programmes into interactive, engaging learning experiences for people involved in international and national policy processes and for earlycareer researchers.

Through short videos, case studies, and selected readings and activities, we convert this wealth of research into widely accessible courses. These courses, requiring only a few hours a week, provide participants with a deeper understanding of the research, its policy implications, and practical applications in their work. Additionally, expert insights and case study videos narrate the real impact of policies on people.



'Through short videos, case studies, and selected readings and activities, we convert this wealth of research into widely accessible courses. These courses, requiring only a few hours a week, provide participants with a deeper understanding of the research, its policy implications, and practical applications in their work.'

In 2023, we launched a Massive Open Online Course (MOOC) 'Decent work and economic growth: Achieving SDG 8' on the edX learning platform hosted by the SDG Academy. The 6-week course explores key findings from our 5-year research projects on structural transformation, the developer's dilemma, economic transformation, and transforming informal work and livelihoods, including insights on the impact of the COVID-19 pandemic.

The course features lectures by distinguished researchers which were delivered to policy and academic audiences in Bogota, Cape Town, and London. Additional learning materials include expert explainer videos, captivating case studies with local perspectives, policy practitioner insights, and UNU-WIDER research. The course attracted 1,450 participants from 127 countries.

Building on the success of our first MOOC, 'Industrial policy for the 21st century—the challenge for Africa', launched in 2019, which remains available as a self-paced course, UNU-WIDER is committed to expanding our online learning offerings. Stay tuned for more updates as we plan to launch a specialized course on utilizing our SOUTHMOD microsimulation tool, further extending our efforts to make knowledge accessible to a global audience.

Our work

Although based in Helsinki, Finland, we operate globally through partnerships and a network of experts, and within the United Nations system. The Institute's aim is to produce knowledge that responds to the needs of people affected by poverty, inequality, and vulnerability, and to support better policymaking and implementation at the local, national, regional, and international levels. As a unique blend of think tank, research institute, and UN agency, we are able to create impact across diverse networks and partners.

Our 2019–23 work programme concentrated on a broader concept of development, aimed at overcoming the three challenges of transforming economies, transforming states, and transforming societies. The key messages stemming from this programme, which was implemented through 30 distinct research projects, were synthesized into a single report *Towards peace, decent work, and greater equality*.

Building on this previous work, our current 2024–27 work programme aims to harness research and evidence to address three mega challenges which will define the course of progress towards sustainable development in the decades to come: (i) building sustainable peace in conflict-affected countries, (ii) reducing persistent inequalities across and within countries, and (iii) creating the fiscal space for development. Within each area, we will identify and pursue pertinent research questions that are especially important to policy. The intention is not to be exhaustive but to use the three interconnected challenges as an overall strategic guide, while ensuring that debates around economic policy and development are not isolated from their political and social dimensions. We see these thematic priorities as largely interrelated, and we are specifically interested in examining the interfaces between the three mega challenges.

In our projects, we work together with incountry research and policy teams in the Global South and across the world and create 'public good' research, data, and models, that shape the developmental debate around these three challenges.

Our events serve as a forum for open dialogue, bringing together researchers, national decision-makers, and their international partners to discuss key research and policy insights. Whether in Helsinki or away, or even online, UNU-WIDER events reach across the world to include early-career and established academics alike, encouraging knowledge exchange between different generations, disciplines, and regions.

Vision

The United Nations University World Institute for Development Economics Research (UNU-WIDER) provides economic analysis, evidence, policy advice, and forums for debating the urgent development issues of our day. We provide knowledge to support sustainable and equitable growth for all.

Mission

To undertake research and policy analysis on the most pressing concerns affecting the living conditions of the world's poorest people.

To provide a forum for knowledge sharing, discussion and debate between researchers and development professionals on how to achieve equitable, gender-balanced, and environmentally sustainable policies.

To offer capacity development and training for researchers and decision-makers in economics and social development.

Amplifying voices - charting the path forward with UNU-WIDER

As we embark on the journey outlined in our 2024–27 work programme, I want to emphasize UNU-WIDER's commitment to global impact and local empowerment. At the heart of our mission is the recognition of a dual goal: the importance of conducting impactful research at the global level, while simultaneously fostering change from the international to the local levels. UNU-WIDER remains committed to bridging between research, practice, capacity building and action, recognizing the interconnectedness of global challenges and the need for nuanced, locally informed solutions that shape a strong multilateral framework.



Our commitment extends beyond theoretical analyses, demonstrated in tangible, in-country engagements that build local capacity and amplify local voices in global dialogues.

The specific goals of our new work programme underscore our dedication to addressing the most pressing challenges of our times—be it building sustainable peace and inclusive states, create the fiscal space necessary for inclusive development, or tackling persistent inequalities. UNU-WIDER aims to provide the research foundations essential

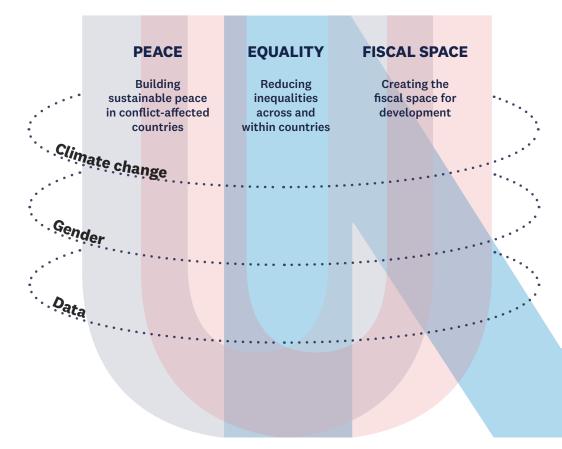
for evidence-based policymaking, by leveraging our extensive network of experts and strategic in-country presence in the Global South.

Our partnerships with researchers and experts in the Global South are not just collaborations; they are vital connections that foster mutual learning, directly impacting policymaking and network-building. In this endeavor, UNU-WIDER's convening power will continue to unite expertise from both the Global North and the Global South, advancing South-South collaboration and reinforcing our commitment to a sustainable and equitable future.

Patricia Justino

Deputy Director, UNU-WIDER

Work programme 2024-27



Thank you for being part of the WIDER journey



Donor acknowledgements

Thank you from everyone in our Helsinki office as well as those working in Maputo, Mozambique, and Pretoria, South Africa.

With much gratitude, we acknowledge the support from the governments of Finland, Norway, Sweden, South Africa, France, Switzerland, and the United Kingdom for our activities in 2023.

UNU-WIDER Katajanokanlaituri 6 B 00160 Helsinki Finland

Tel: +358-(0)9-615 9911

www.wider.unu.edu wider@wider.unu.edu