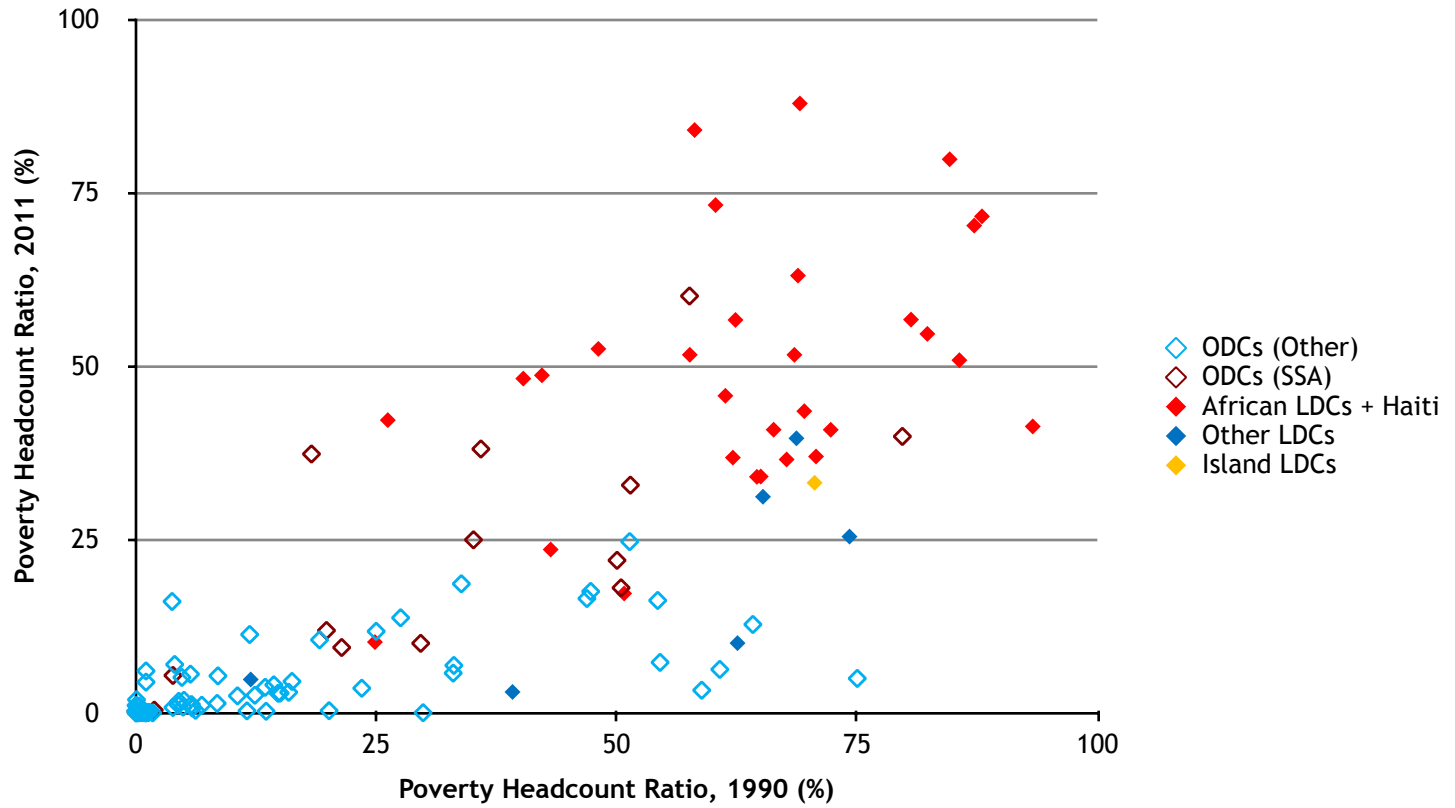


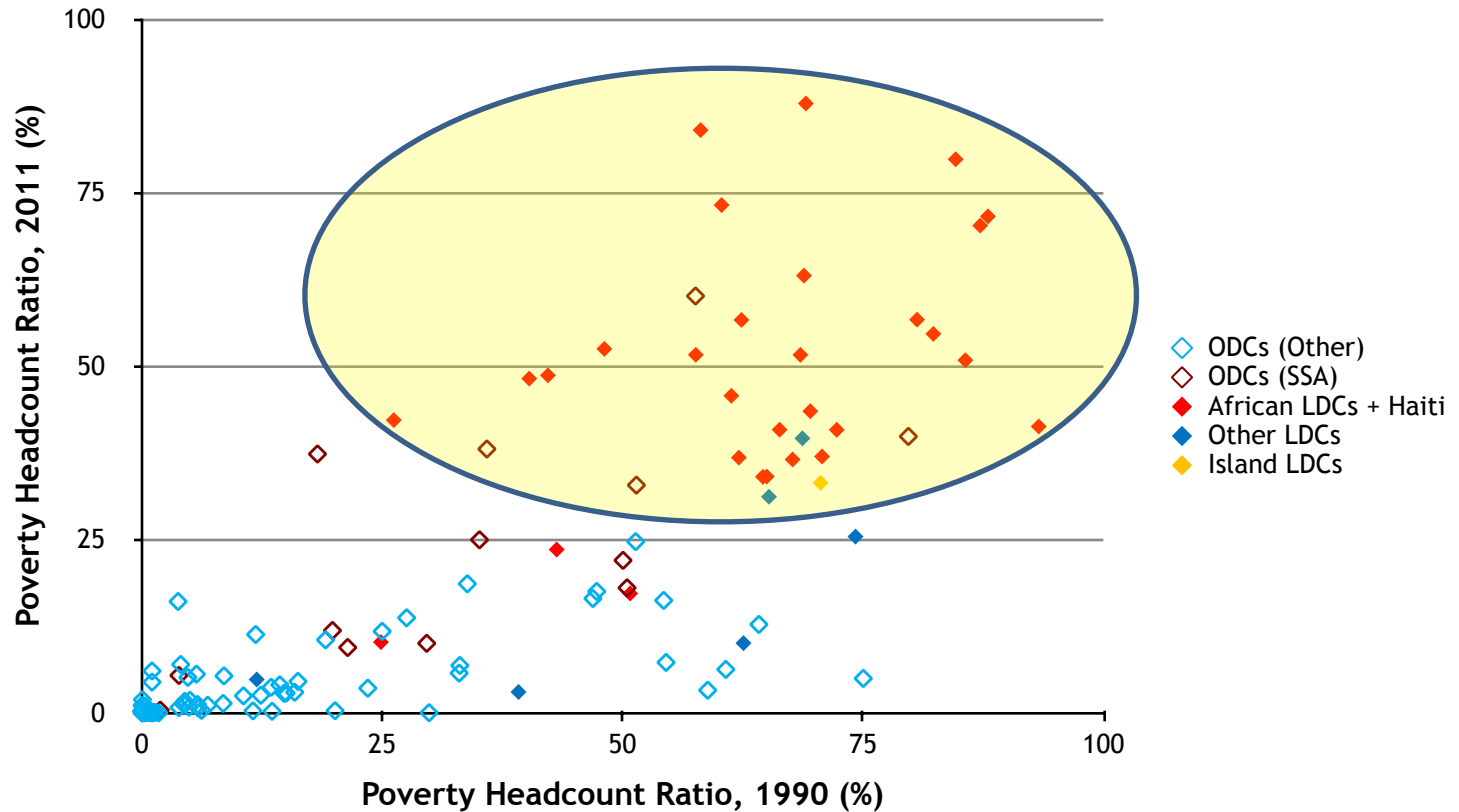
Harnessing structural transformation for human development: the importance of rural development

*David Woodward
ALDC, UNCTAD
17 March 2015*

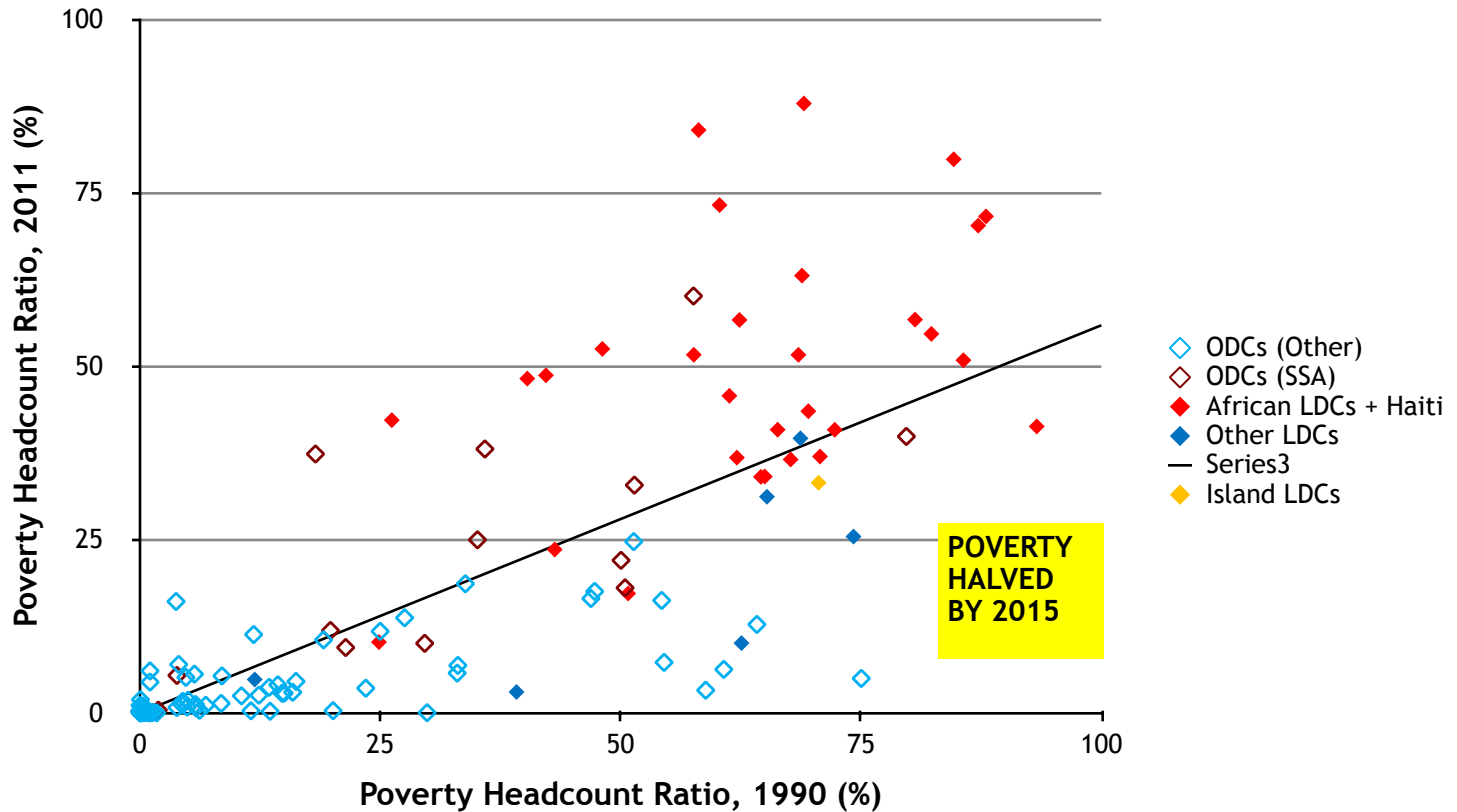
Poverty Headcount Ratio, 1990 and 2011 (%)



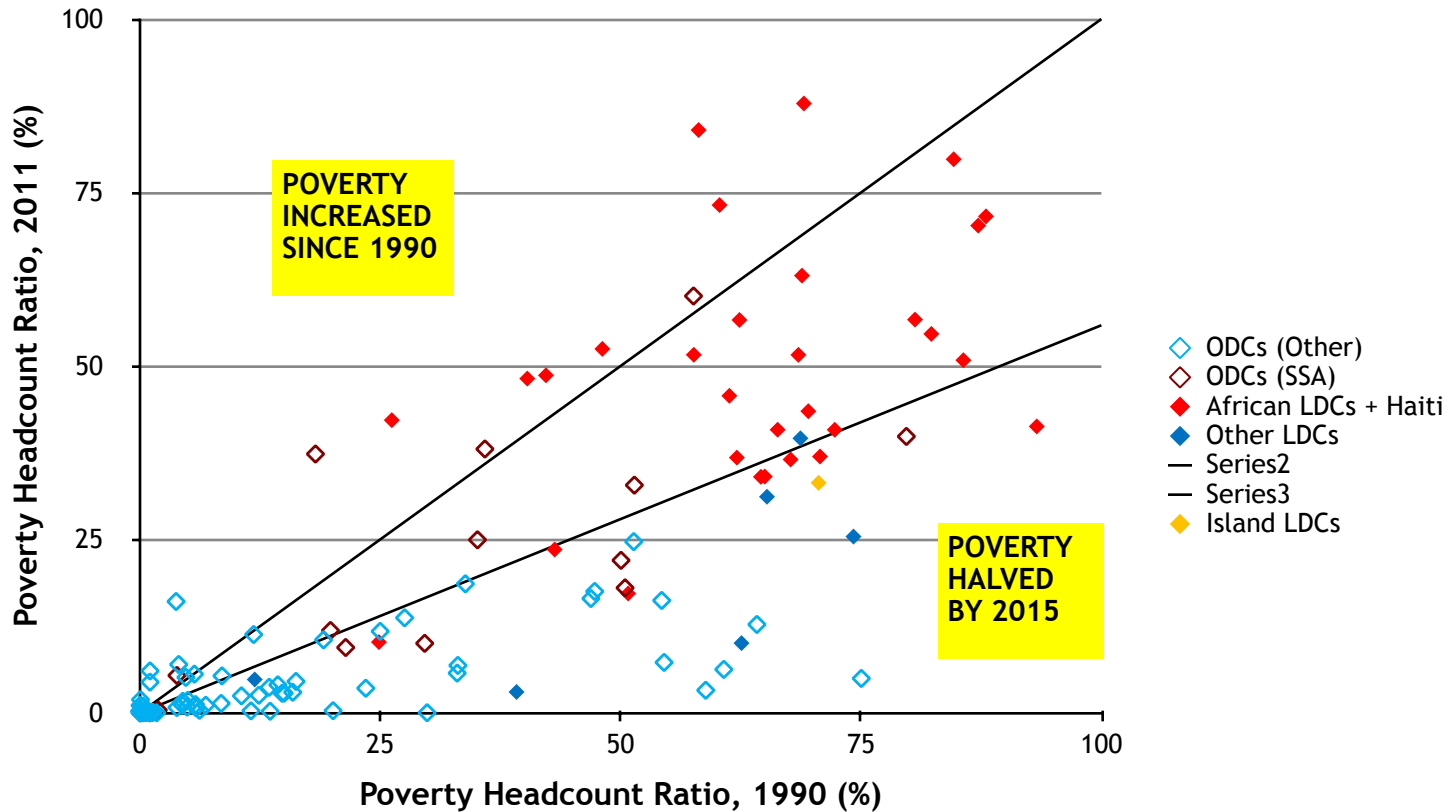
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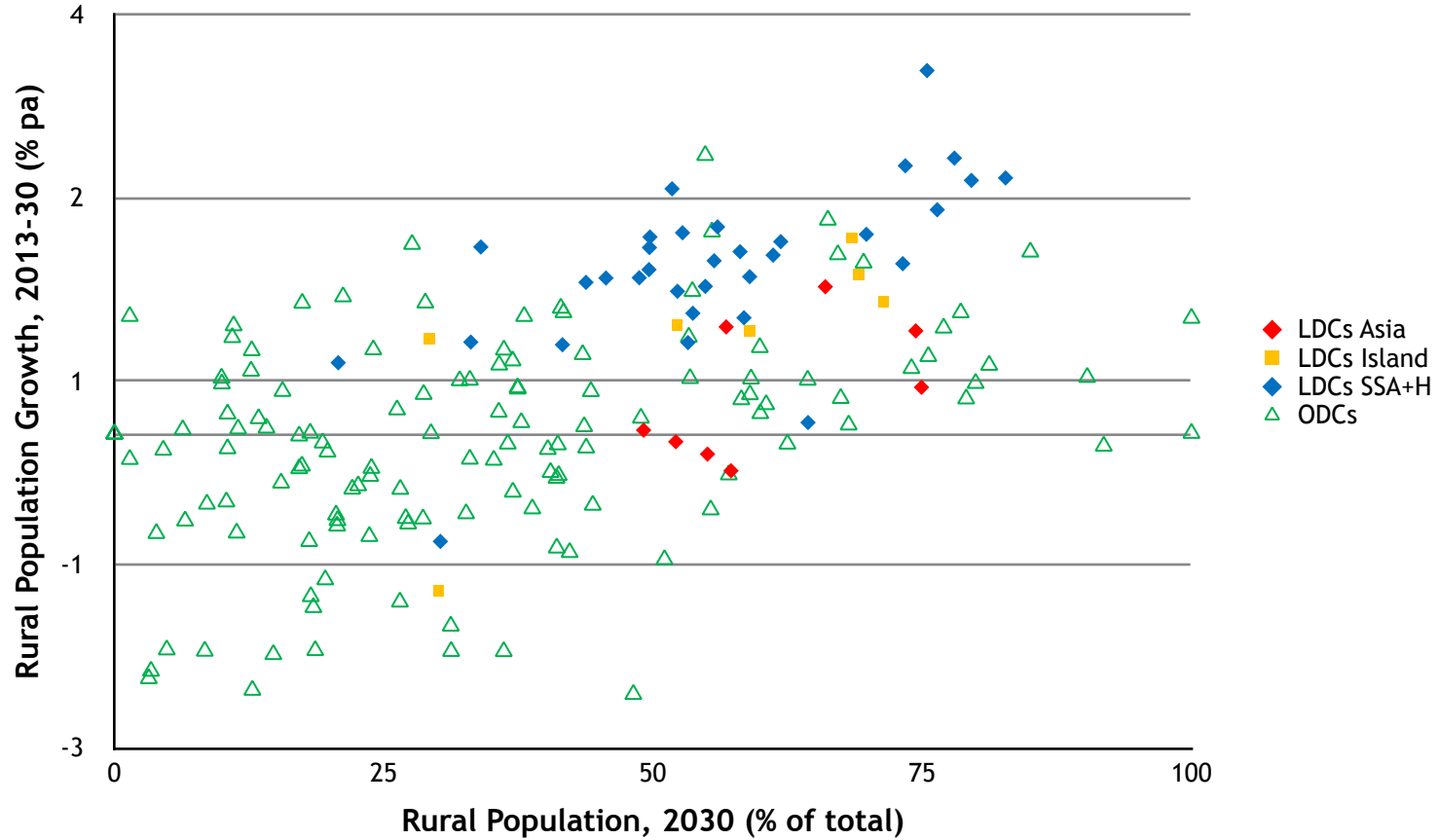
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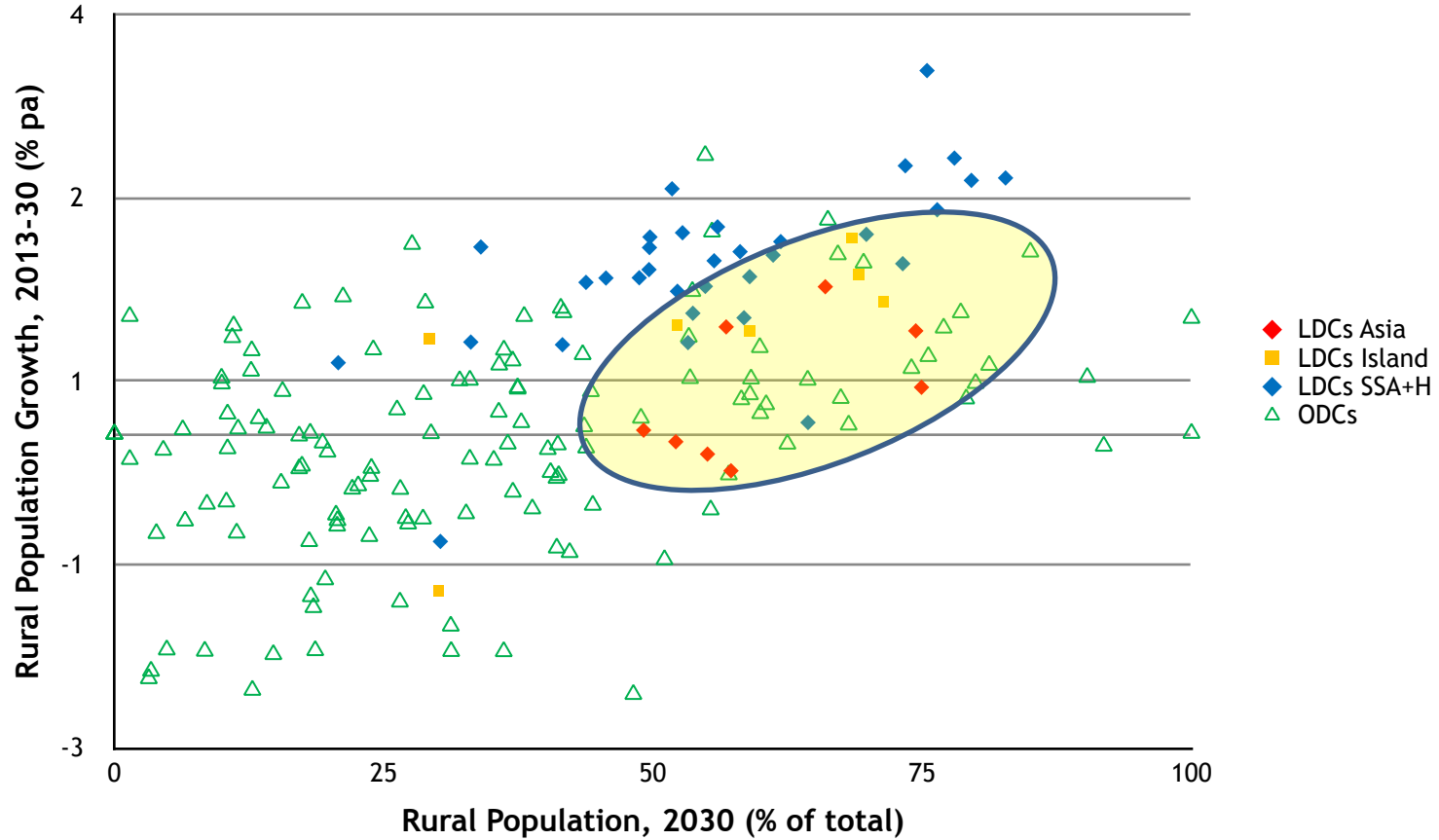
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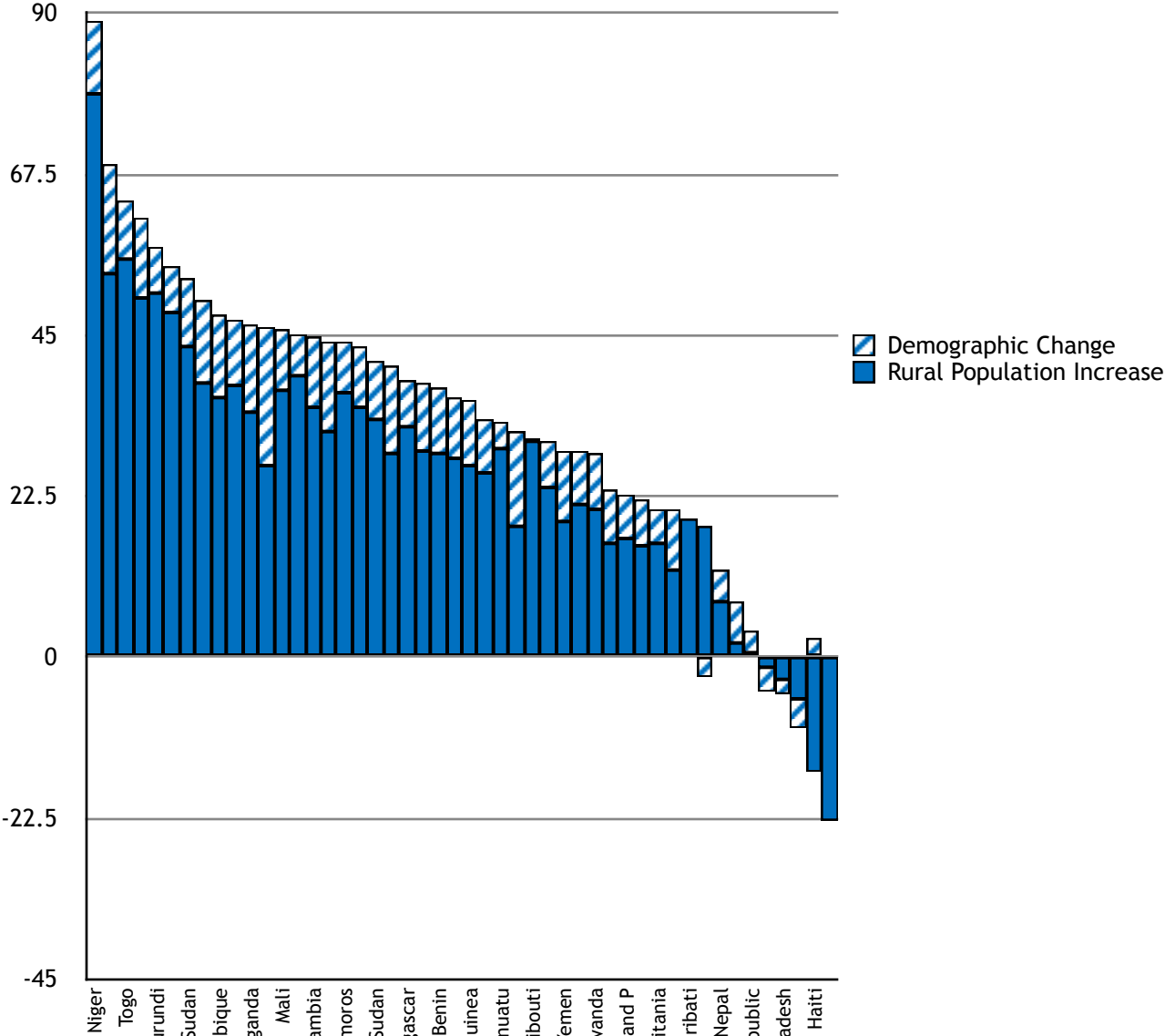
Projected Rural Population % (2030) and Rural Population Growth % pa (2013-30)



Projected Rural Population % (2030) and Rural Population Growth % pa (2013-30)

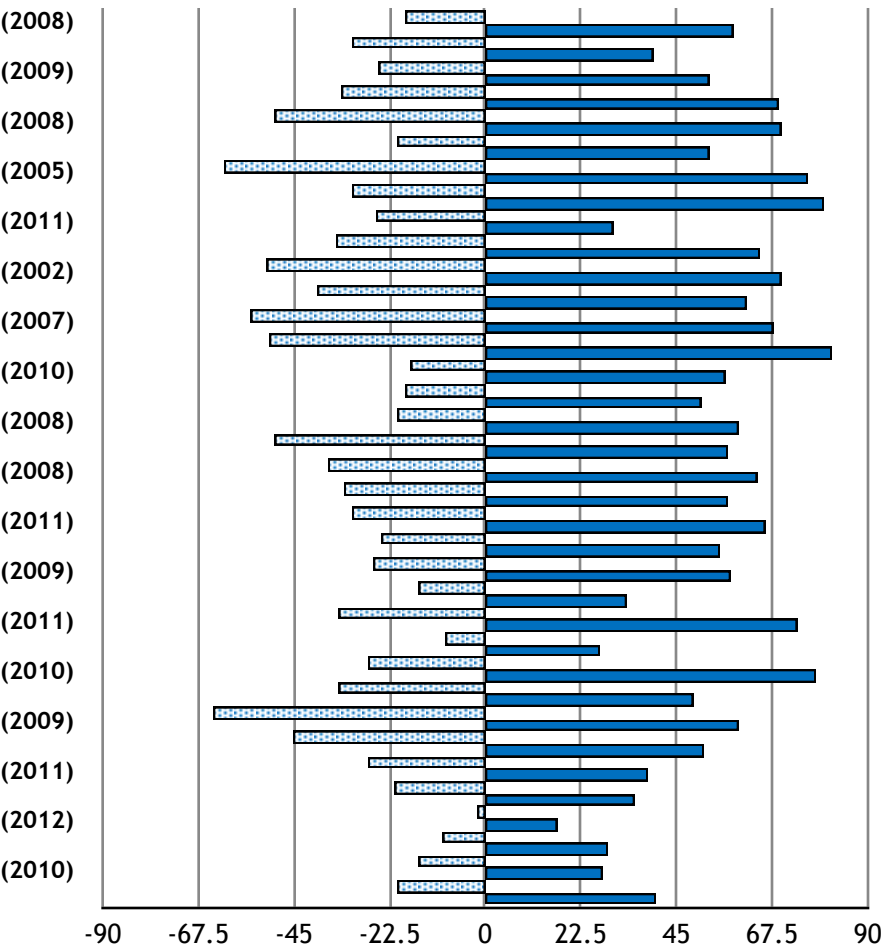


Projected Increase in Rural Working-Age Population in LDCs, 2013-2030 (%)



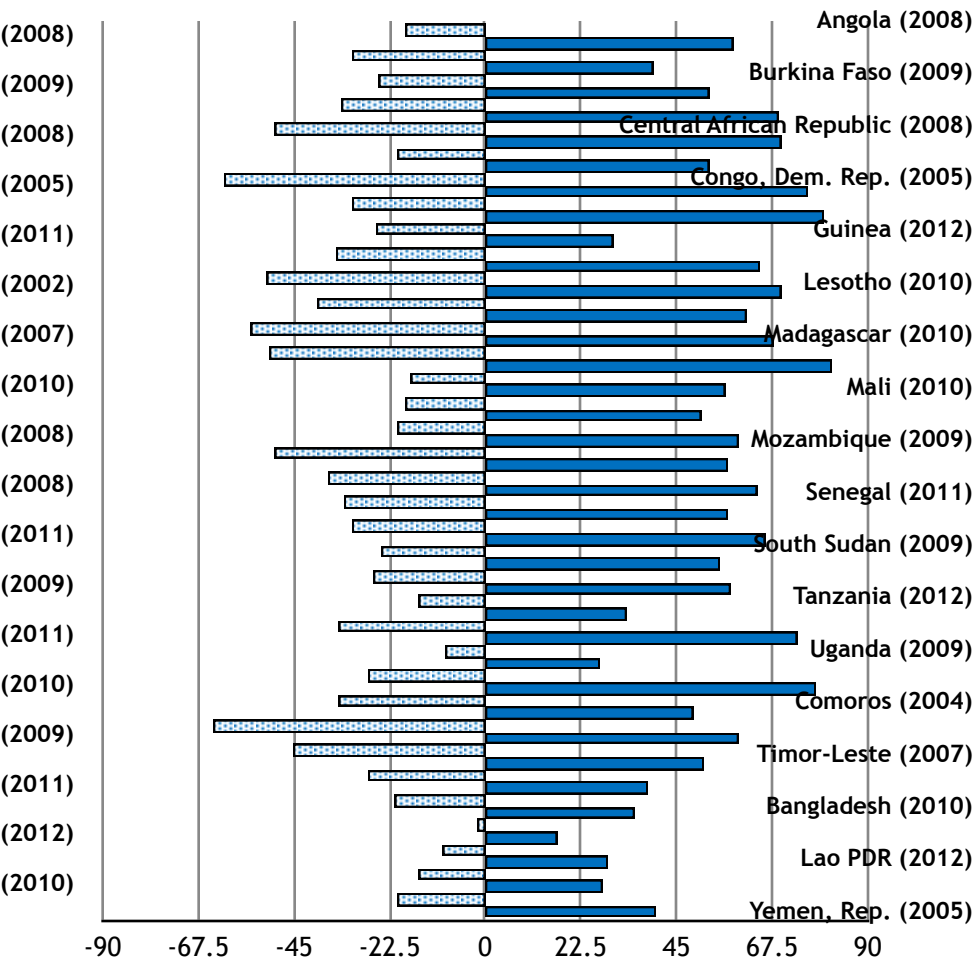
Rural-Urban Differences in Poverty, LDCs

Poverty by Headcount Ratio

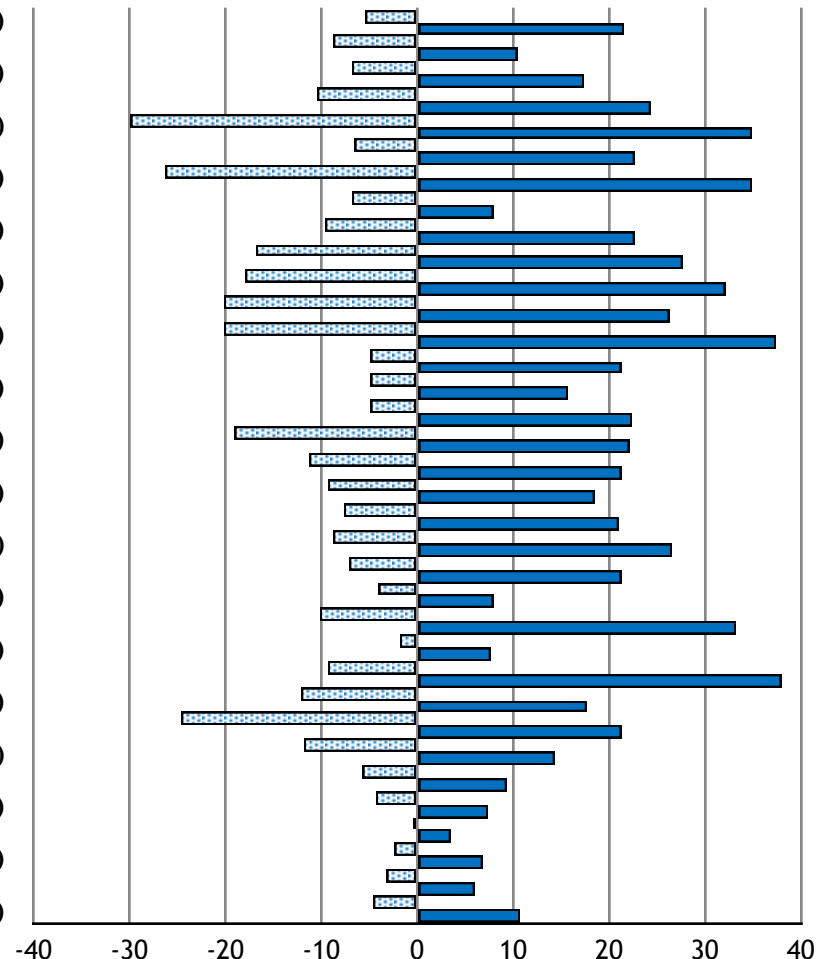


Rural-Urban Differences in Poverty, LDCs

Poverty by Headcount Ratio

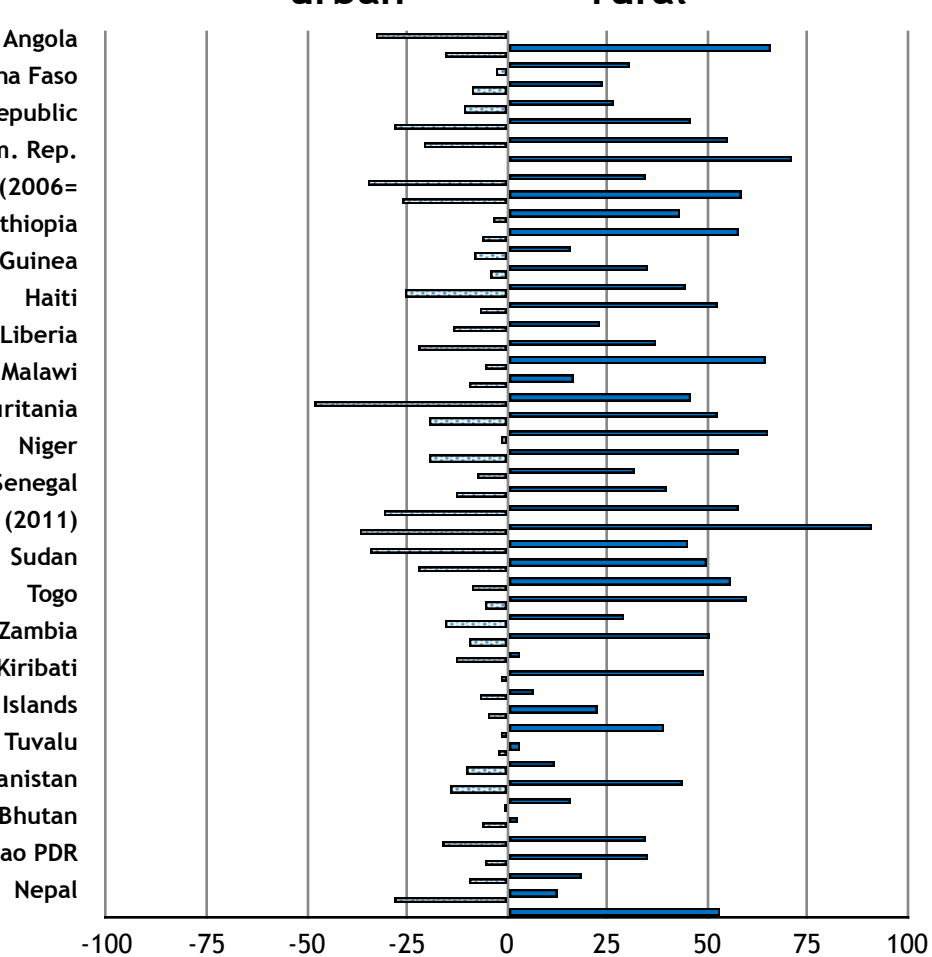


urban Poverty Gap



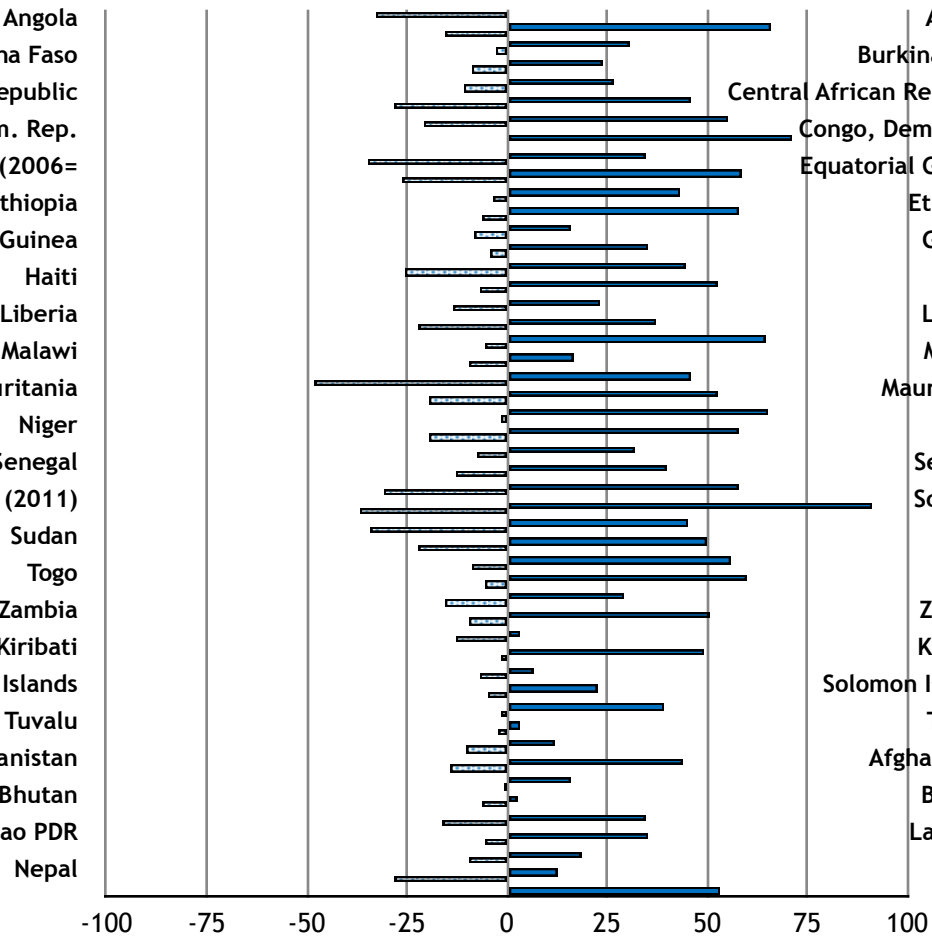
Rural-Urban Infrastructure Gaps, LDCs

Population without Access to Water

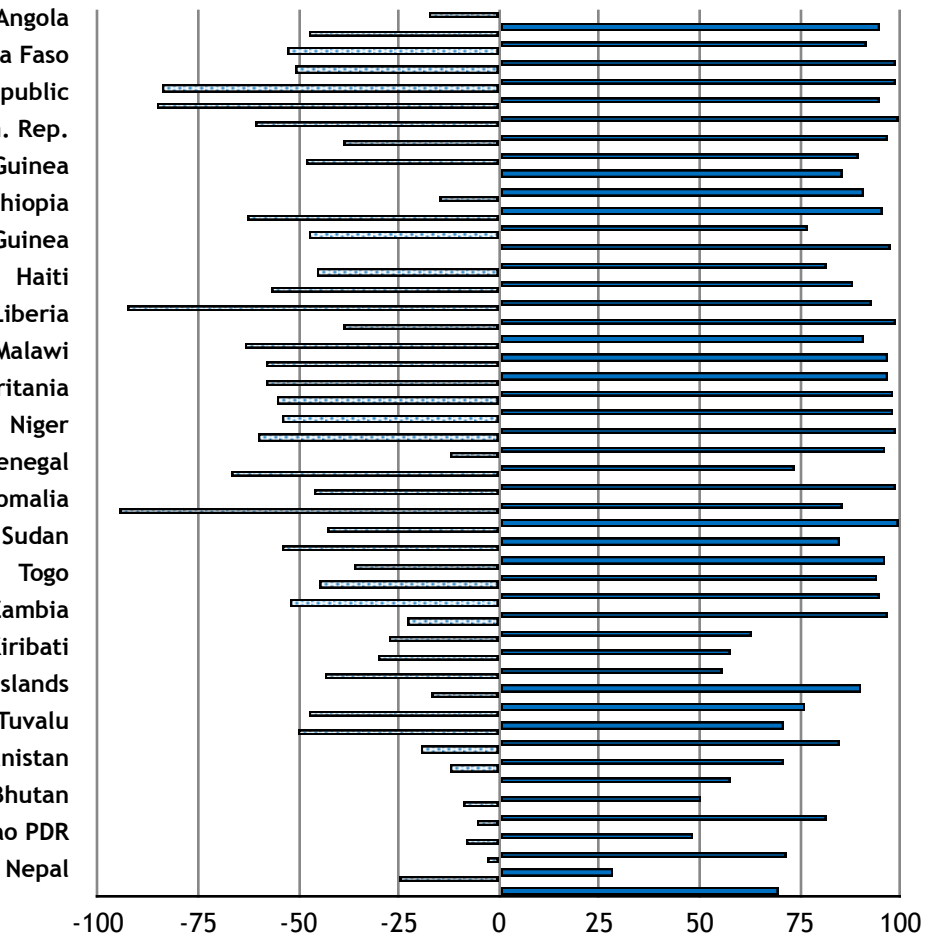


Rural-Urban Infrastructure Gaps, LDCs

Population without Access to Water



Population without Access to Electricity



So....

- The SDGs imply a stronger focus on LDCs...
- ...and on rural areas within LDCs.
- This is where the needs are greatest, in terms of
 - employment creation
 - infrastructure investment
- ...and where the impact of efforts to achieve the SDGs will be greatest.

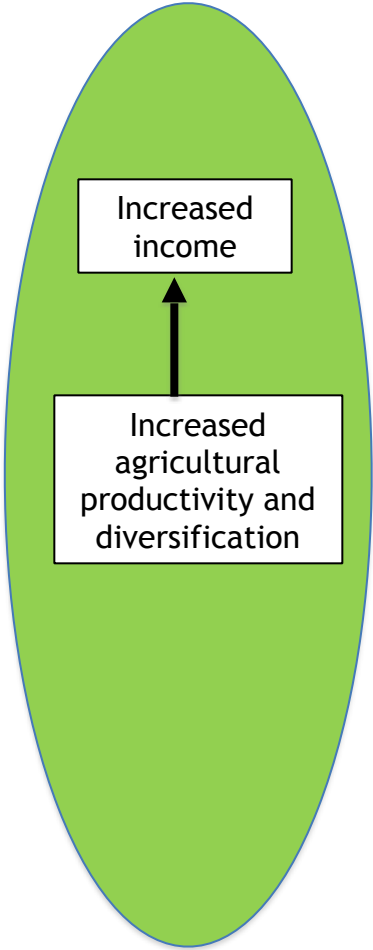
Poverty Eradication: What Would it Take?

- Need incomes for all above the poverty line
 - *But income transfers are logistically infeasible and financially sustainable, so...*
- Need **employment for all**, at incomes above the poverty line
 - *But only sustainable if matched by productivity, so...*
- Need employment for all **with productivity above the poverty line...**
- **...ie structural transformation plus full employment**

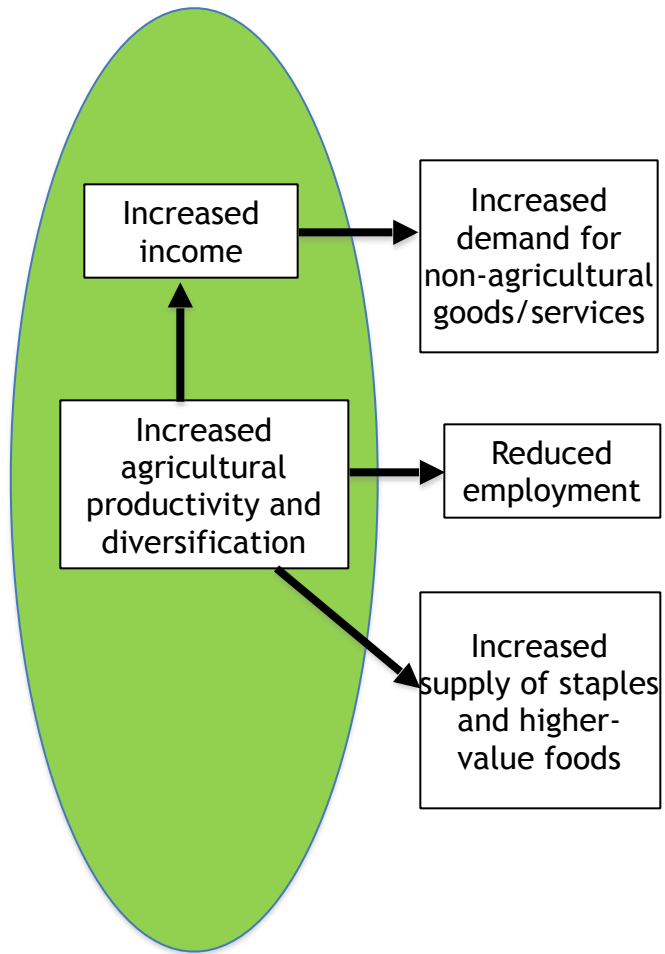
Structural Transformation of the Rural Economy

- Increasing labour productivity within sectors
 - agriculture
 - non-agricultural goods and services
- Shifting resources from lower- to higher-productivity sectors
 - from lower to higher-value crops in agriculture
 - from agriculture to non-farm production: rural economic diversification
- Not either/or: harness the synergies

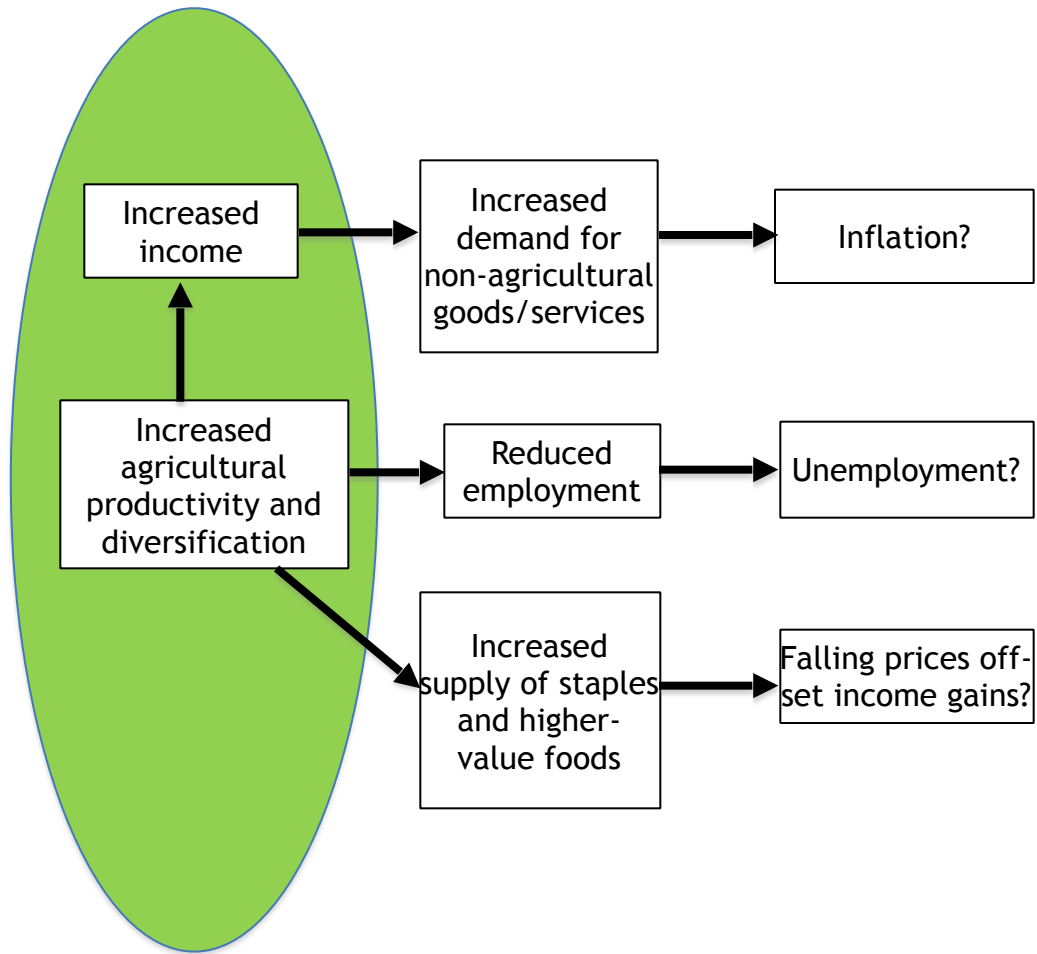
**AGRICULTURAL
UPGRADING**



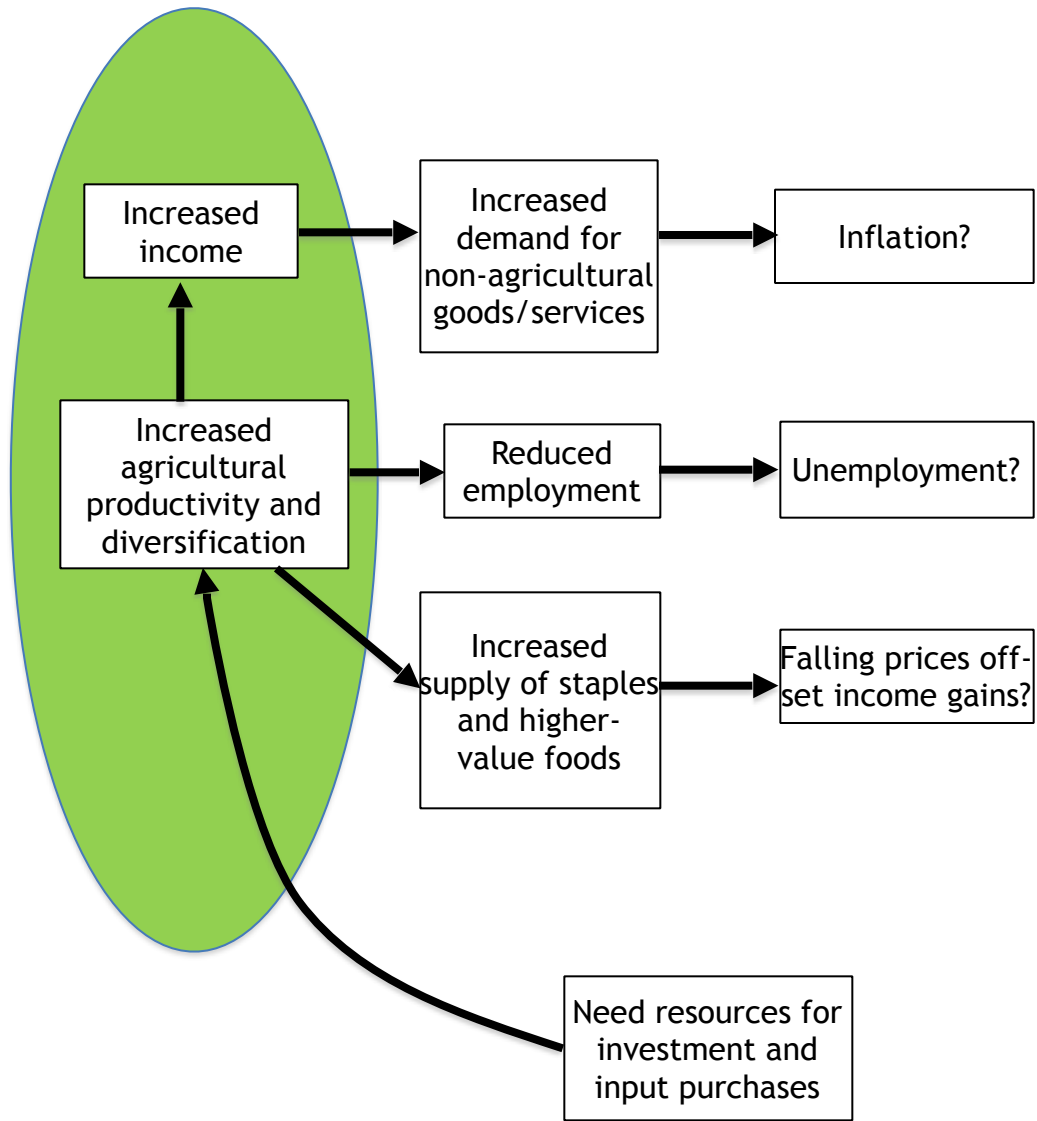
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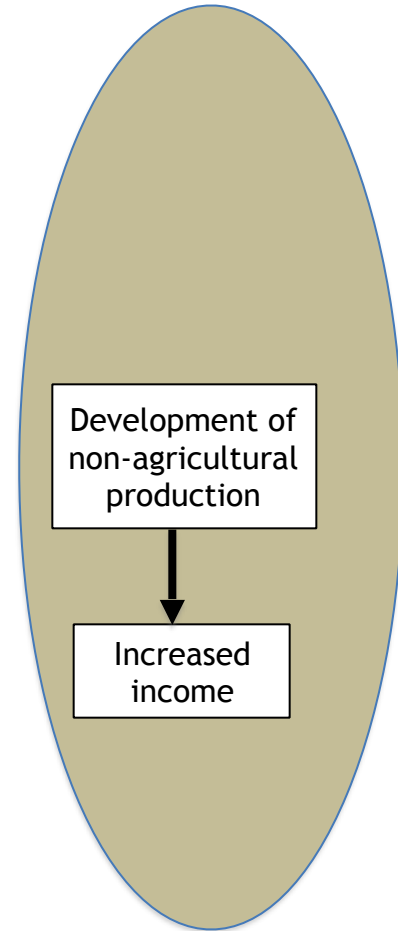
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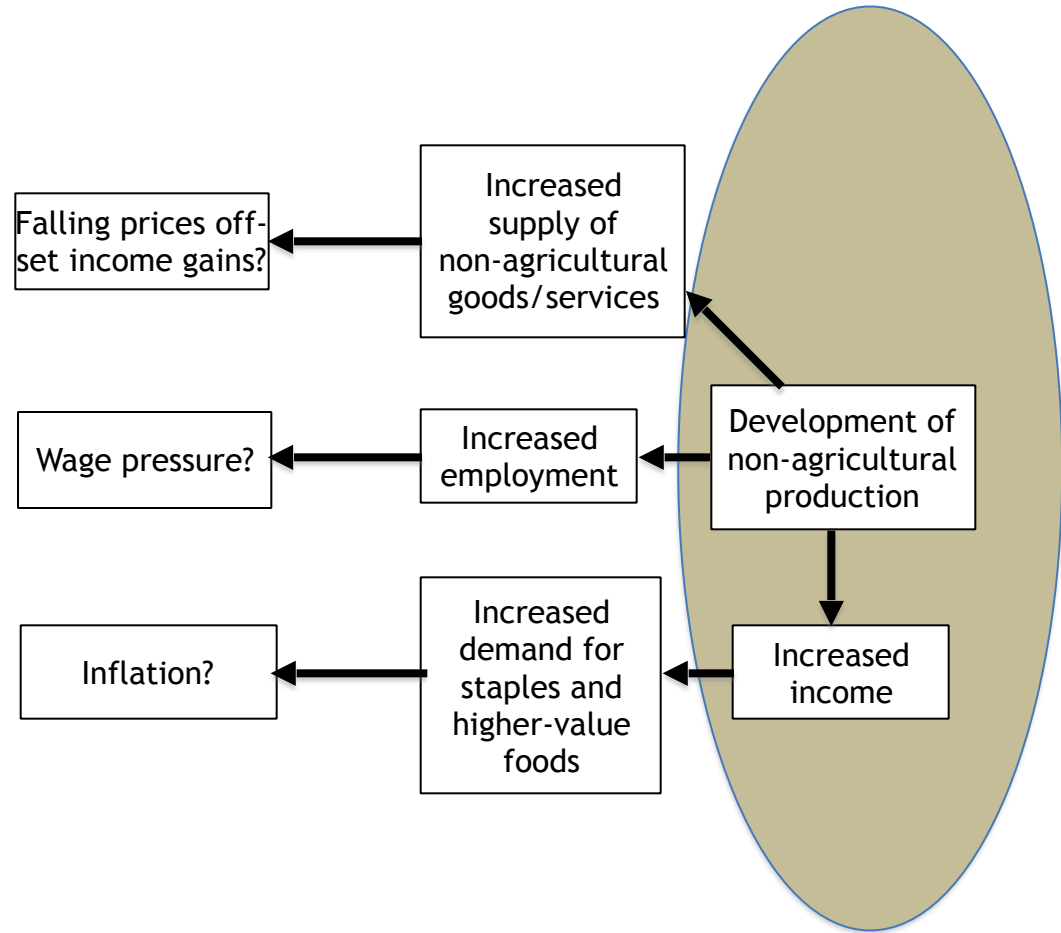
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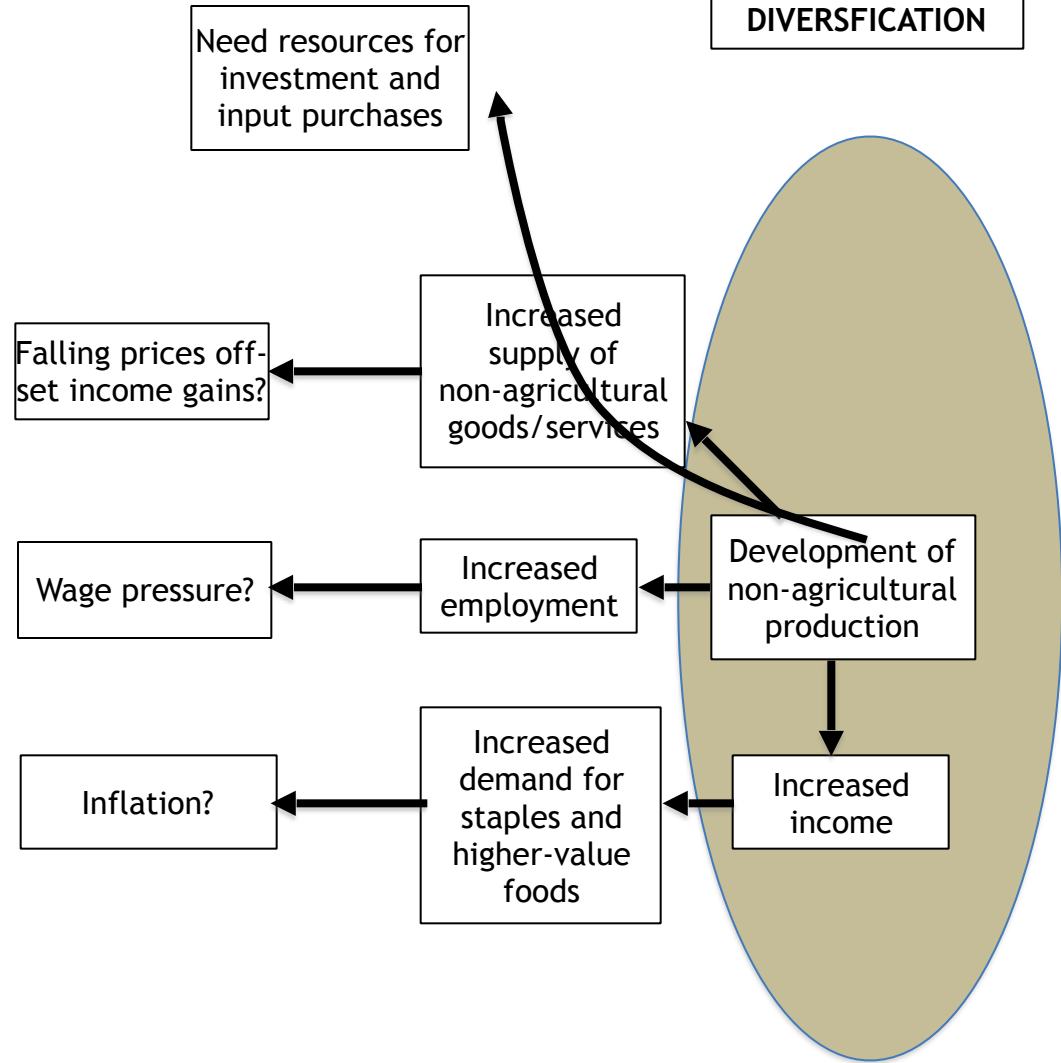
**RURAL ECONOMIC
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RURAL ECONOMIC DIVERSIFICATION

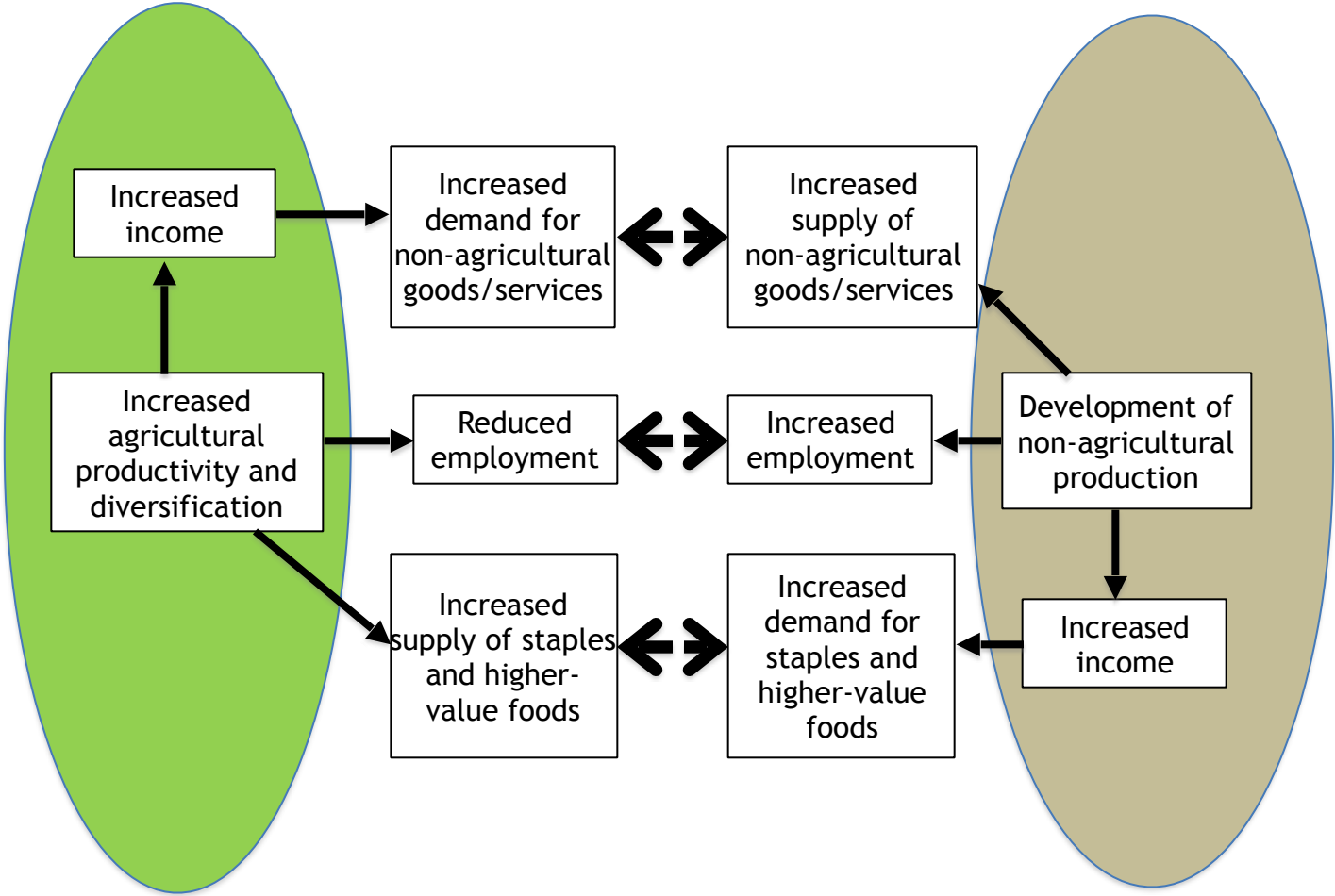


RURAL ECONOMIC DIVERSIFICATION



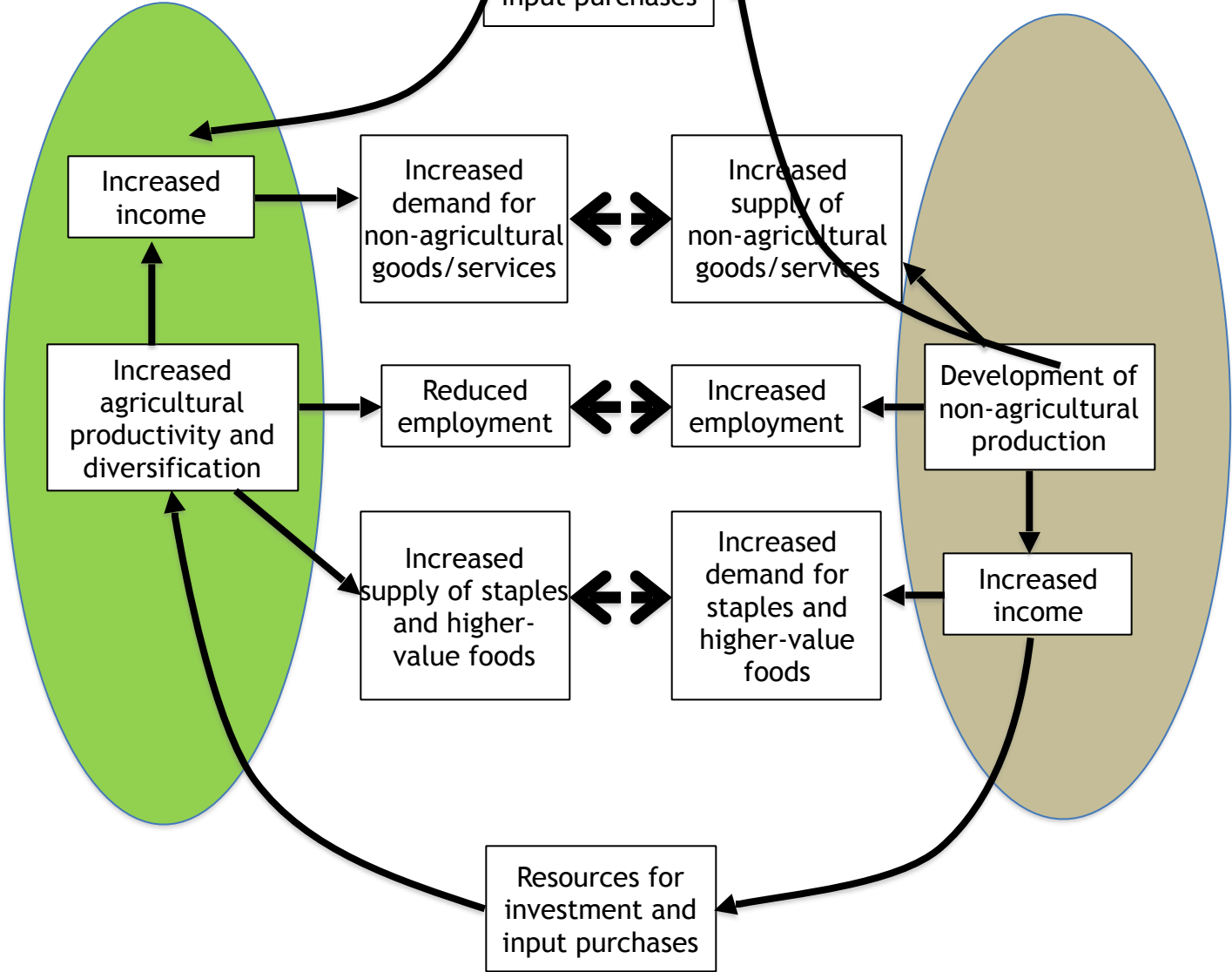
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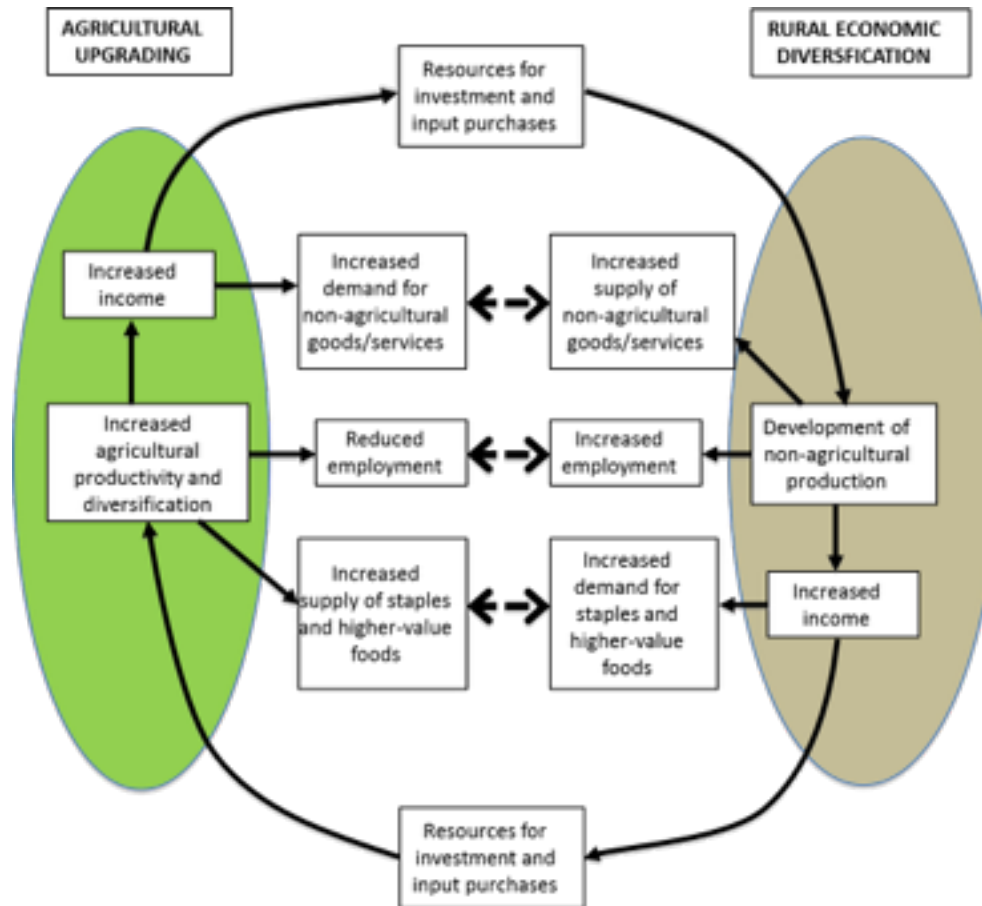
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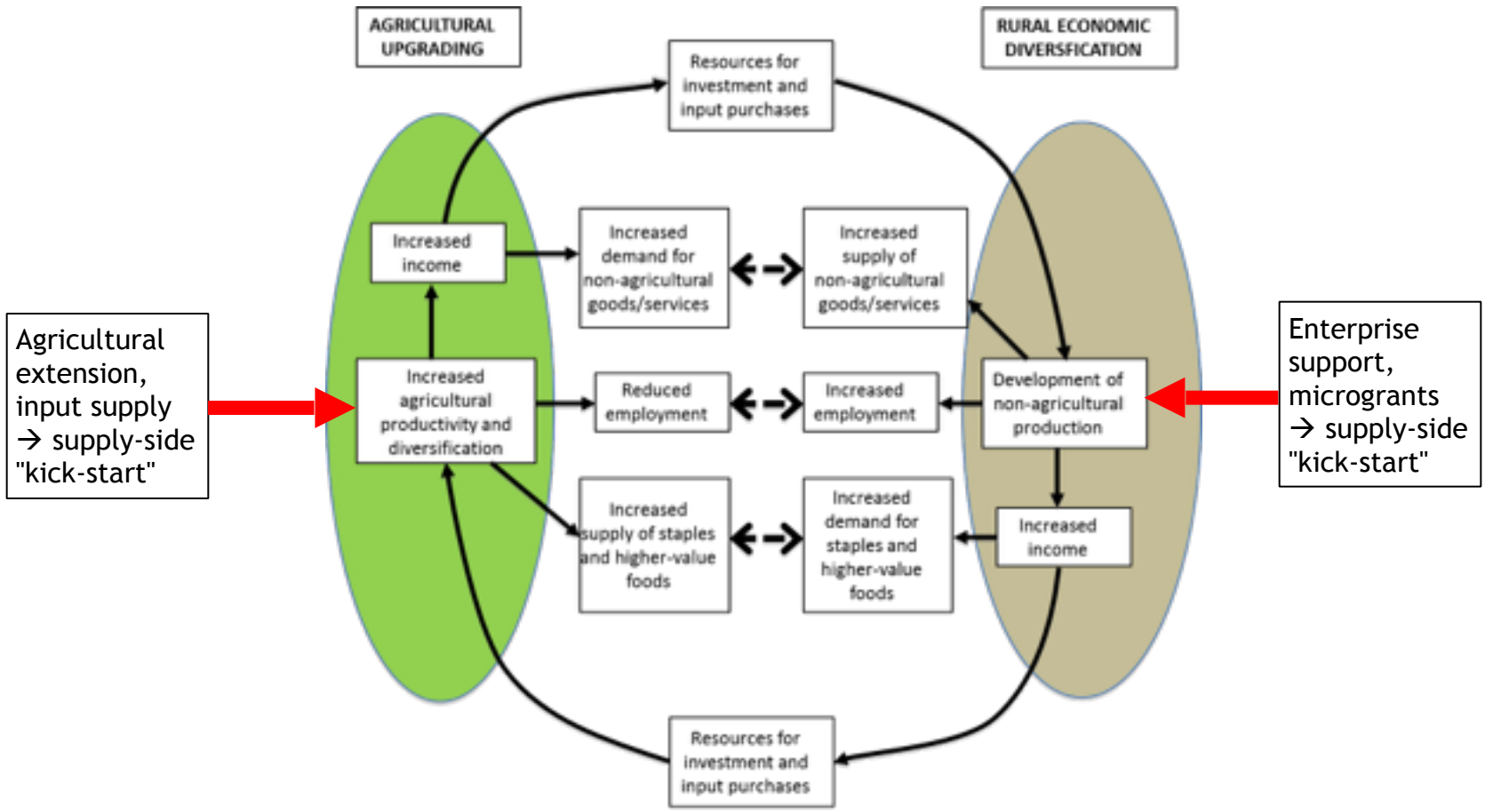


**AGRICULTURAL
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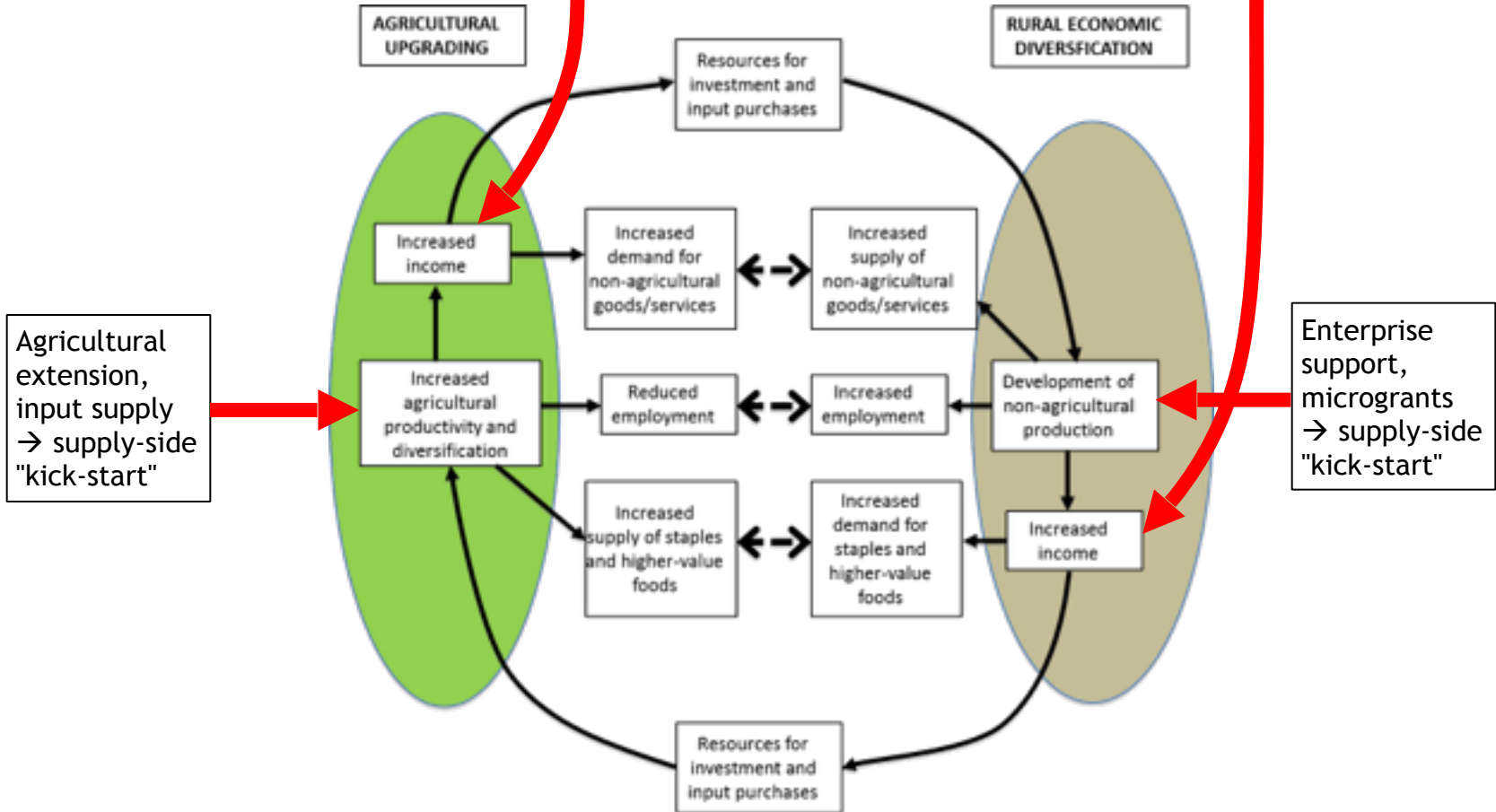






SDGs: Infrastructure investment - labour-intensive construction and local procurement

→ demand-side "kick-start"



Conclusion

- Meeting the SDGs will require structural transformation of rural economies in LDCs
- This will be a major challenge:
 - *low productivity, under-employment, growing workforce, major infrastructure gaps.*
- Success requires harnessing the synergies between agriculture and the non-farm sector to create a virtuous circle...
- ...and harnessing the the Post-2015 Agenda to provide demand-side and supply-side "kick starts"