

## Foreword

**D**eveloping economies continue to grow faster than more advanced countries. In 2010, non-OECD countries' share in world GDP surpassed that of OECD countries. Since its initiation in 2010, the series of publications *Perspectives on Global Development* has investigated the trends in the “shifting wealth” process, following the increasing economic weight of developing countries in the world economy. “Shifting wealth” has received a particular boost through the rise of People’s Republic of China, which has also led to positive spillover effects on other developing economies that could supply China’s emerging demand for resource-based products and intermediates. However, assuming that trend growth remains the same in the coming decades, the recently accelerated convergence process of developing with developed country incomes is not sufficient for many countries (including many middle-income countries) to reach OECD average incomes by 2050.

The 2014 edition of *Perspectives on Global Development* therefore investigates whether convergence will continue. It argues that for sustained convergence developing countries need to boost competitiveness and narrow their significant productivity gap with advanced economies. The report identifies ways through which countries can boost productivity and sustain development. These are not mutually exclusive so countries can make improvements in different areas at the same time, and they are often interlinked. Moreover, some countries have greater opportunities and possibilities than others in some areas depending on their specific conditions and capabilities.

Whether there will continue to be a trend towards convergence between OECD and non-OECD countries depends to a large extent on the performance of the BRIICS (Brazil, the Russian Federation, India, Indonesia, China and South Africa) – given the size and growth performance of their economies, the size of their populations and the spillover effects their development may induce on other developing and developed countries. Therefore, the report also provides a broader overview of their challenges as well as their prospects to sustainably move beyond the middle-income level. Moreover, the report places emphasis on the increasingly important role of services to foster growth and to boost competitiveness. It also shows the potential for regional development policies as a further means of enhancing competitiveness.

The report examines productivity at the macro level to identify its contribution to overall economic growth, but also at a more detailed level for up to 18 manufacturing and 16 service sectors in 40 countries. A special feature of the report is that it also studies productivity, technical efficiency and mark-ups at the firm level for nine countries – the BRIICS plus Columbia, Cameroon and Senegal.



## Acknowledgements

The 2014 edition of OECD's *Perspectives on Global Development* was prepared by the OECD Development Centre under the direction of Mario Pezzini, Director of the OECD Development Centre. The team was led by Margit Molnar, Head of Competitiveness and Structural Analysis Unit, under the supervision of Carl Dahlman, Head of Global Research and Thematic Division. The report was drafted by Margit Molnar, Martin Wermelinger, Derek Carnegie, and Edouard Turkisch. Significant inputs into the chapters were provided by Alexa Tiemann, Martha Baxter, and Flora Vever. Significant inputs to the analytical work were provided by Jingjing Xia, Miklos Farkas and Jerry Weng. Statistical assistance was provided by Vararat Atisophon and administrative support by Myriam Andrieux. Ken Kincaid, Charles Pigott, Roberta Bensity and Martha Baxter edited the publication and the OECD Development Centre's publication team, in particular Elizabeth Nash and Gemma Nellies, turned the draft into a publication.

The authors are grateful for insightful comments by the participants in the experts meeting, in alphabetical order, Rudiger Ahrend (Head of Unit, OECD), Christophe Destais (Deputy Director, CEPPII, France), Peter Jarrett (Head of Division, OECD), Alexander Klein (Senior Development Economist, Deutsche Investitions- und Entwicklungsgesellschaft mbH), Henk L.M. Kox (Partner, KVL Economic Policy Research, Den Bosch, Netherlands), Sebastian Miroudot (Senior Trade Policy Analyst, OECD), Fernanda De Negri (Director, IPEA, Brazil), Joaquim Oliveira-Martins (Head of Division, OECD), Patrick Salez (former European Commission Officer), Prof. Carlos E. Sepulveda (Universidad del Rosario, Bogota, Colombia), Alain de Serres (Head of Division, OECD), Wang Wei (Vice Director, Development Research Center of the State Council, China), Nimrod Zalk (Industrial Development Policy and Strategy Advisor, Department of Trade and Industry, South Africa).

Moreover, the report benefitted from helpful comments on later drafts from Sonia Araujo (Economist, OECD), Jorge Arbache (BNDES), Jens Arnold (Senior Economist, OECD), Lilas Demmou (Economist, OECD), Richard Dutu (Economist, OECD), Simon Evenett (University of St. Gallen and CEPR), Jose Augusto Fernandes (CNI), Joao Carlos Ferraz (BNDES), Peter Gal (Economist, OECD), Jens Høj (Senior Economist, OECD), Anna Jankowska (Economist, OECD), Vincent Koen (Head of Division, OECD), Alexandre Kolev (Senior Economist, OECD), Yevgeny Kuznetsov (Migration Policy Institute), Sebastian Nieto Parra (Economist, OECD), Jose Ramon Perea (Economist, OECD), Charles Pigott (former Senior Economist, OECD), Dirk Pilat (Deputy Director, OECD), Annalisa Primi (Senior Economist, OECD), Artur Radziwill (Senior Economist, OECD), Jan Rieländer (Senior Economist, OECD), Vicente Ruiz (Economist, OECD), Petar Vujanovic (Senior Economist, OECD) and Andreas Wörgötter (Head of Division, OECD).

Special thanks go to Fernanda De Negri and Alexandre Messa Peixoto da Silva from IPEA, Brazil, Prof. Carlos E. Sepulveda and Juan Miguel Gallego from the Universidad del Rosario, Bogota, Colombia for their co-operation in terms of information sharing and support to run estimation programmes on non-publically available firm-level datasets in their countries.

The Development Centre gratefully acknowledges financial support from its members and additional contributions from the Government of Switzerland for this report.



**From:**

## **Perspectives on Global Development 2014** Boosting Productivity to Meet the Middle-Income Challenge

**Access the complete publication at:**

[https://doi.org/10.1787/persp\\_glob\\_dev-2014-en](https://doi.org/10.1787/persp_glob_dev-2014-en)

### **Please cite this chapter as:**

OECD (2014), "Foreword and Acknowledgements", in *Perspectives on Global Development 2014: Boosting Productivity to Meet the Middle-Income Challenge*, OECD Publishing, Paris.

DOI: [https://doi.org/10.1787/persp\\_glob\\_dev-2014-1-en](https://doi.org/10.1787/persp_glob_dev-2014-1-en)

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).