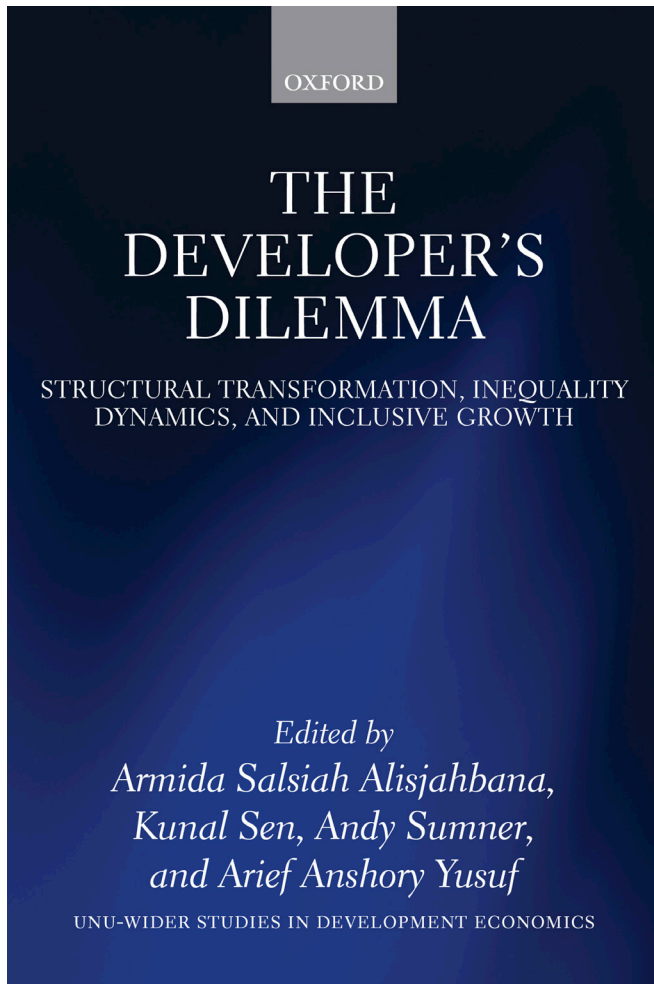


The Developer's Dilemma

Structural transformation, inequality dynamics, and inclusive growth

Edited by Armida Salsiah Alisjahbana, Kunal Sen, Andy Sumner, and Arief Yusuf



Development has multiple objectives — pro-poor growth and equality top the list. Finding balance between growth and equality in economic transformation is necessary. Policy makers face difficult choices navigating long-term development objectives with limited resources and political support. This book explores countries' experiences dealing with these dynamic objectives. The Kuznetsian dilemma between transforming the economy and inequality reiterates the need to complement structural transformation with redistributive policy instruments in social protection, health, education, and employment.

Sri Mulyani Indrawati, Minister of Finance of the Republic of Indonesia

The developer's dilemma and challenge is how to achieve structural transformation towards a productive economy, ensuring equitable distribution of benefits from this transformation. The challenge has been posed by the greats of development economics from Simon Kuznets and Arthur Lewis onwards. This excellent volume presents detailed, country- and context-specific explorations of the dilemma and the challenge, concluding that government policies are essential to address the dilemma and to meet the challenge. The volume will be a great resource for researchers and policy analysts alike.

Ravi Kanbur, Cornell University

This is an important book which challenges simplistic views about development trade-offs, giving a fascinating answer to a critical question facing development planners: does structural transformation inevitably increase inequality? Nine country studies explore relevant experience. No simple answers emerge, with many combinations of structural transformation and inequality. The book emphasises the critical importance of redistributive public policy if rising inequality is to be avoided. It should be read by every policy maker striving to control inequality and reduce poverty while promoting structural transformation.

Frances Stewart, University of Oxford

- Explores the tension between structural transformation and inequality in a range of low- and middle- income countries worldwide
- Provides an understanding of the possibilities offered by different paths to structural transformation
- Brings together empirical research and analysis from leading international scholars
- An open access title available under the terms of a CC BY-NC-SA 3.0 IGO licence



**UNITED NATIONS
UNIVERSITY
UNU-WIDER**