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Lessons Learned in Developing Productive Capacity: Fourteen Case Studies

Committee for Development Policy (CDP) secretariat

ABSTRACT

Least developed countries (LDCs) are characterized by limited productive capacities, which constrains their efforts towards structural transformation and sustainable development. At the same time, the actual policy choices countries that have graduated or have made significant progress towards graduation from the LDC category provide a wide range of lessons other LDCs and the international community can learn from. Whereas countries can be on different pathways towards graduation, a diverse set of social, macroeconomic, financial, agricultural and industrial policies can be effective. However, good development governance is the key factor for successfully expanding productive capacity.

Keywords: Least developed countries, productive capacity, development governance, Angola, Bangladesh, Bhutan, Botswana, Cabo Verde, Equatorial Guinea, Ethiopia, Ghana, Maldives, Rwanda, Samoa, Solomon Islands, Vanuatu, Viet Nam

JEL Classification: F63, O1, O2, O57

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Typesetter: *Nancy Settecasti*

UNITED NATIONS
Committee for Development Policy
United Nations Secretariat, 405 East 42nd Street
New York, N.Y. 10017, USA
e-mail: cdp@un.org
<http://cdp.un.org>

I Introduction

II Case Studies

A. Pa a l: Ra d a a e ce e a
(A a d E a a G ea)

1. *Introduction*



B. Pa a ll: Ec c ec a a a d e e a ca a
(B a a, B a , Cab Ve de, Ma d e , Sa a, Va a a d
S a l a d)

1. *Introduction*

Bhutan

Samoa

2. *Development governance*

-

-

Cabo Verde

Botswana

-

Bhutan - Avoiding instabilities caused by extreme but predictable volatility

Solomon Islands - Pitfalls of austerity

C. Part III: Gender equality, climate change, and
the Sustainable Development Goals (Bamade, E.
and Rada)

1. Introduction

3. Social policy

Bangladesh

Rwanda

5. Industrial and sectoral policies

Bangladesh

6. *International support measures*

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21

22

²⁰ Data is from United Nations Comtrade, downloaded 20/11/2016. Clothing is understood as covering HS codes 61 and 62.

²¹ Most of the following observations are also based on Rahman (2014).

²² The notable exception is the US, where garments are excluded from LDC preferences and where many non-LDCs have access to other preferential rates.



References

