

The first ever LDC Future Forum was held from 5-7 October 2021 virtually and online from Helsinki, Finland.

The forum was convened to contribute to the Fifth United Nations Conference on the Least Developed Countries (LDC5), which was due to take place in Doha, Qatar in January 2021 (but has since been postponed to March, 2023).

It sought to provide evidence-based policy recommendations that can support LDCs in achieving the SDGs, build their ability to compete in the global economy, and eventually move towards convergence with other more developed economies.



[UN.ORG/LDC5/FUTUREFORUM](https://un.org/ldc5/futureforum)

CONTENTS

INTRODUCTION	1
SOCIAL PROTECTION SPENDING IS AN INVESTMENT, NOT A COST	2
HIGHER EDUCATION AND EXPOSURE TO STEM SUBJECTS	2
ENHANCING WELLBEING IN LDCS	3
ENHANCING PEACE AND BUILDING INCLUSIVE SOCIETIES	4
PROTECTING INFANT INDUSTRIES IN LDCS	4
A BIGGER ROLE FOR DEVELOPMENT BANKS	4
CHANGING THE DEVELOPMENT MODEL IN LDCS	5
WTO REFORM	6
AN INCREASED ROLE FOR THE UN IN TAX AGREEMENTS	6
INNOVATIVE SOURCES OF FINANCING	7
TAPPING INTO CAPITAL MARKETS	7
TAXING THE MEGA RICH	8
A RULE OF LAW APPROACH TO DEBT	8
STRONGER MULTILATERAL SUPPORT FOR THE LDCS	8

FURTHER INFORMATION

Additional information on the programme of the forum, including all the papers mentioned here and full video streams of the event are available at the following link:

un.org/ldc5/futureforum



SOCIAL PROTECTION SPENDING IS AN INVESTMENT, NOT A COST

Participants such as Lawrence Haddad, Olivier De Schutter and Mansour Ndiaye emphasised that social protection should not be considered a cost, except in purely accounting terms.

Rather, it is an investment for more inclusive types of growth that will reduce inequalities. The social protection safety net also allows entrepreneurs to take more risks. Mr. De Schutter presented an idea of the Global Fund for social protection, which would provide greater predictability in funding for LDCs.

Prof. Haddad noted that doubling expenditure from \$33 billion to \$66 billion a year will effectively reduce the number of people facing hunger from about 700 million to less than 200 million by 2030.

HIGHER EDUCATION AND EXPOSURE TO STEM SUBJECTS

In his [research on Mozambique](#), Ricardo Santos emphasised the need to promote higher education. Based on empirical research in twelve low- and middle-income countries (seven of which were LDCs), Eva-Maria Egger, Aslihan Arslan and Emanuele Zucchini [found that](#) secondary education improves access to off-farm employment.

Using an experiential education program focused on STEM subjects in Tanzania, So Yoon Ahn, Youjin Hahn and Semee Yoon [found that](#) even short-term exposure of girls to STEM education can reshape gender attitudes for Girls. The intervention also increased girls' weekly study hours and boosted their interests in STEM-related subjects and occupations.

Furthermore, in his paper, Shahid Yusuf [argued that](#) improvement of human capital with technical, digital, and soft skills would lead to better adoption and assimilation of digital and other technologies. This would better prepare LDCs in the era of digital economy and also, enhance productive capacity. (See also the work of Francesco Carbonero, Jeremy Davies, Ekkehard Ernst, Frank M. Fossen, Daniel Samaan and Alina Sorgner [who show that](#) female workers are slightly more affected by labor-displacing Artificial Intelligence technologies in Lao PDR, presumably because female workers are less likely to have completed higher levels of education compared to their male counterparts.) In her research, Ms. Kamwanja found that the expansion of digital payments and savings promotions may be achievable through financial-literacy interventions in Malawi.

In addition, the experts emphasised the need to focus on the whole continuum of education, from early childhood learning to higher education. For example, [in his research in Ethiopia](#), Mekdim D Regassa found that offering education opportunities is the most powerful tool to improve the effectiveness of Agricultural Extension Agents (EAs). EAs are very critical for improving the productivity of the agricultural sector. Using the LDC criteria defined by the Committee for Development Policy (CDP) and their components on structural transformation, Alassane Drabo [found that](#) adult literacy rate is the most important component of the Human Asset Index and has a positive impact on economic structural transformation in LDCs.

Eva-Maria Egger, Aslihan Arslan and Emanuele Zucchini [argued that](#) increased childcare opportunities, skills training or apprenticeship programs targeted at women or youth would help improve their access to off-farm jobs.

“Increasing agricultural productivity through adoption and diffusion of modern agricultural technologies is recognized as one of the key pathways for economic and agricultural transformation in developing countries.”

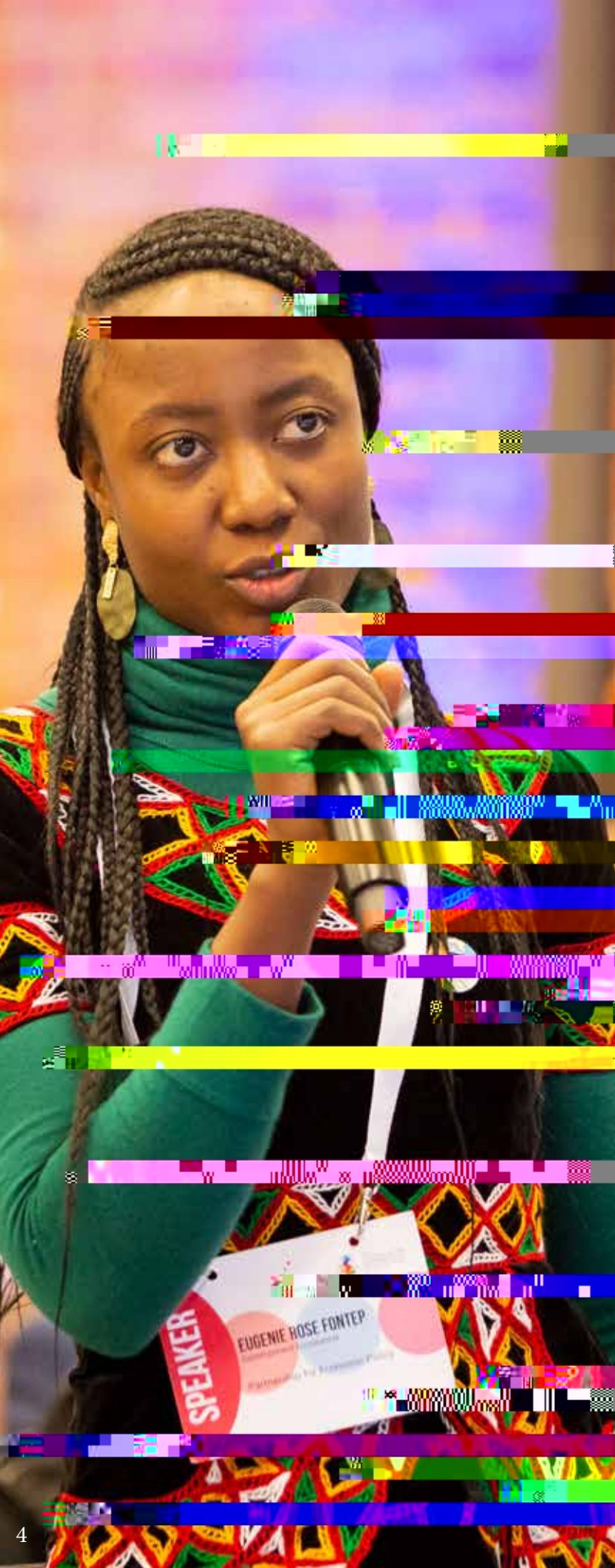
Awitode, et al.
Do Sahelian Smallholder Farmers Benefit from Adoption of Climate-Smart Agricultural Technologies: An Instrumental Variable Quantile Average Treatment Approach

ENHANCING WELLBEING IN LDCS

Using data from Malawi, Martin Limbikane Mwale [found that](#) integrating food (farm input subsidy voucher) and healthcare policy leads to improved long-term child nutrition. Based on their household research in Mali, Bola Amoke Awotide, Kehinde Oluseyi Olagunju, Adebayo Ogunniyi, Alexander Nimo Wiredu, Amadou Youssouf Coulibaly, Paul Marin Dontsop Nguetzet and Tahirou Abdoulaye [found that](#) adoption of Climate-Smart Agricultural Technologies (CSAT) improves farm households' welfare. It was recommended that CSAT interventions should be scaled up towards the resource poor farm households that are currently facing the adverse effects of climate change in Mali.

Using data from 38 Sub-Saharan African countries, Durizzo Kathrin, Isabel Günther and Kenneth Harttgen [applied machine learning approaches](#) and found that being enrolled in health insurance is highly associated with take-up of health services, with the exception of provision of maternal support programs, which she argued should not be based on health insurance status.

In their research on Ethiopia, Anita Staneva, Muhammed A. Usman and Fabrizio Carmignani [found that](#) lack of improved water within school vicinity reduces children's maths and English test performance. They argued that the provision of improved water supply and sanitation services in schools as well as in communities where access is inadequate, should be accelerated.



ENHANCING PEACE AND BUILDING INCLUSIVE SOCIETIES

Eugenie Rose Fontep and Armand Mboutchouang K. [conducted research](#) on peacebuilding and women's employment in Boko Haram affected countries. They found that policies aiming to speed up the transition of women from unemployment to at least part-time employment are likely to have a greater impact on their resilience to peacebuilding.

In her research on East Africa, Victoria Melkisedeck Lihiru [found that](#) proportional representation is a better electoral system than first-past-the-post (FPTP). She argued that FPTP leads to more antagonistic and violent politics, it discourages females from running for election, and it discourages voter participation.

PROTECTING INFANT INDUSTRIES IN LDCS

In his [keynote address](#), Professor Ha-Joon Chang argued that LDCs need to initially provide protection and nurturing to young industries, even if those industries already exist abroad, especially if they cannot compete. He noted that similar to the East Asian Tigers, LDCs can initially focus on the low value added, very labor intensive manufacturing. After which, more sophisticated manufacturing (e.g. high-tech) can be attempted.

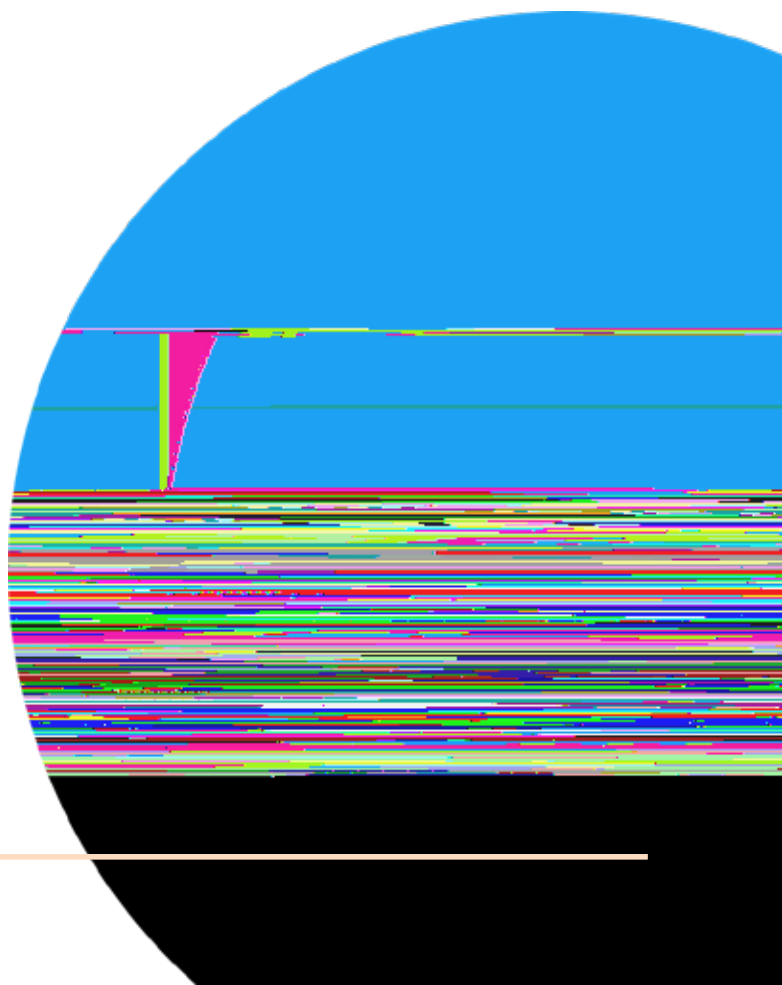
A BIGGER ROLE FOR DEVELOPMENT BANKS

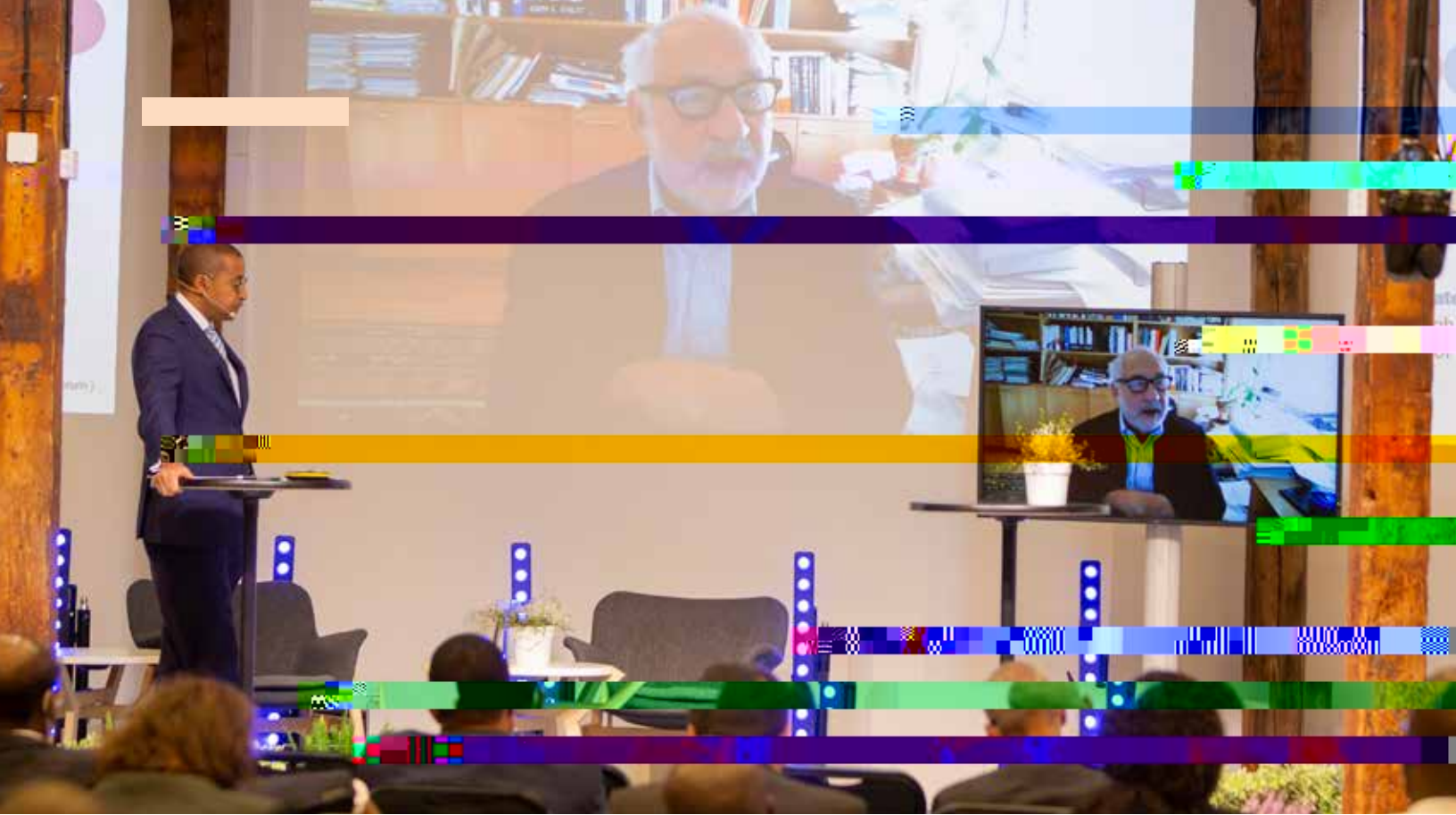
[In a conversation](#) with the High Representative for the Least Developed Countries, Prof. Stiglitz proposed that more development banks should be created. Both Prof. Stiglitz and Prof. Sachs argued that the development banks need more financial support, particularly in relation to initiatives on green transition.

Brahima Coulibaly _____



Pramila Crivelli and Stefano Inama [showed that](#) reforming rules of origin would lead to better use of trade preferences granted to LDCs. They demonstrated that more liberal rules of origin lead to





INNOVATIVE SOURCES OF FINANCING

Given that resources from ODA are limited, experts discussed other innovative ways of meeting development financing needs in LDCs. For example, in his research on LDCs, Daniel Coppard [found that](#) non-country specific ODA has grown by nearly 50% over the last decade due to increased donor spending on other competing global needs, including, refugees within their own borders and funding towards climate change activities.

TAPPING INTO THE CAPITAL MARKETS

High Representative for Least Developed Countries, Landlofw 103eCue to increased donor





“While significant progress has been made by many LDCs towards achieving the Sustainable Development Goals, we have to acknowledge that incremental change is no longer enough.”

**Minister for Development Cooperation and Foreign Trade
Finland**

Ville Skinnari

