Diversified Development: Making the Most of Natural Resources in Eurasia

with

Ivailo Izvorski
The World Bank

Economic development discussions in Eurasia often become debates about diversification. For a region that is resource-rich, this is to be expected. Eurasian economies have in many ways become less diversified over the past two decades. At the same time, people are much better off today than they were in the 1990s: poverty has been cut in half; incomes have increased fivefold; and education and health have improved. Eurasia’s economies have also become more integrated with the global economy and more productive at home. The region has also become better at efficiently converting natural wealth into productive capital: since the mid-2000s it has built more in assets than the mineral wealth it has used up. But most countries in Eurasia have yet to learn the main lesson from the experience of resource rich countries in other parts of the world. In brief, what distinguishes success from failure are the institutions used to manage economic volatility, ensure high quality education, and provide a competition regime that levels the playing field for enterprise. Development success in resource-rich economies comes from more diversified asset portfolios – a better balance between natural resources, built capital, and economic institutions. “Diversified Development” elaborates on these lessons and provides practical recommendations for twelve countries in the former Soviet Union.

Wednesday, April 2, 2014
4:00 p.m. – 5:30 p.m.
Voesar Conference Room
1957 E Street NW, Suite 412
Please RSVP at http://go.gwu.edu/Izvorski.