

Prince Saud Al-Faisal Institute for Diplomatic Studies

Beyond the Headlines of “Soft Landing” and Uneven Growth:
Challenges of Progress and Sustainable Development in a Fragmented World

April 28th, 2024
Riyadh, Kingdom of Saudi Arabia



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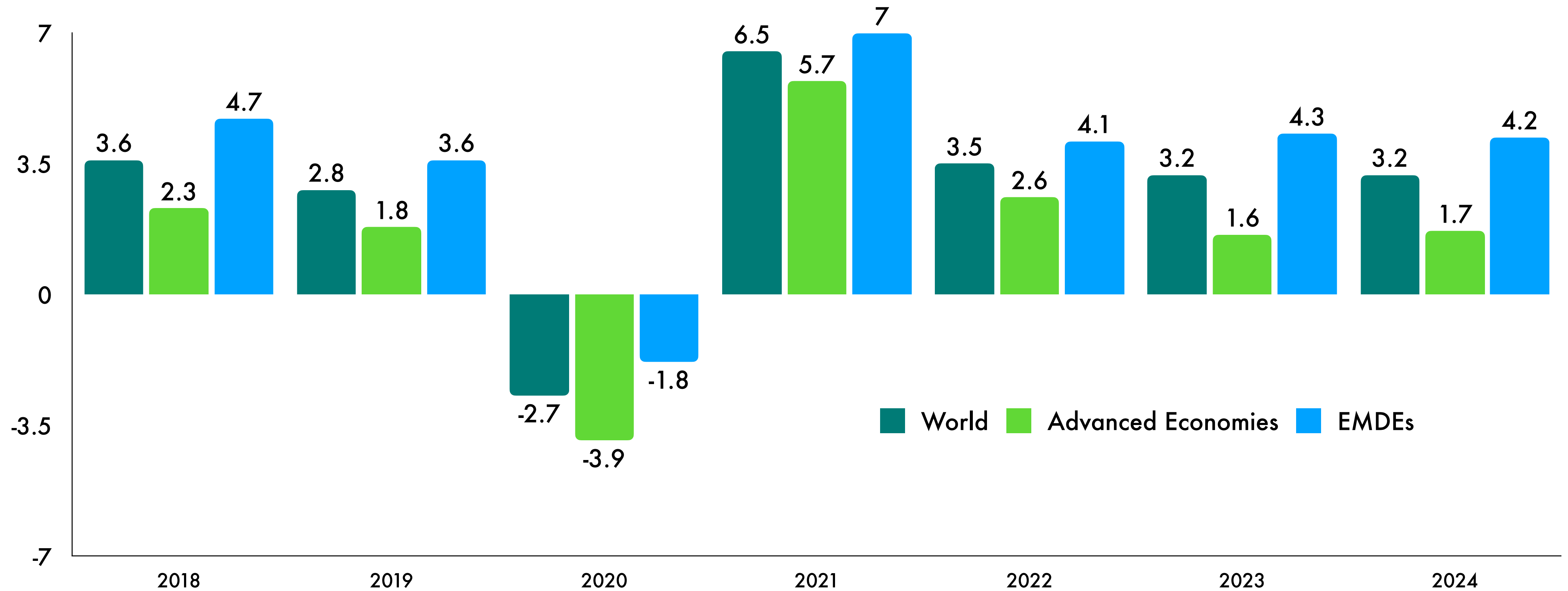


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The Development Paradox: Sluggish Growth

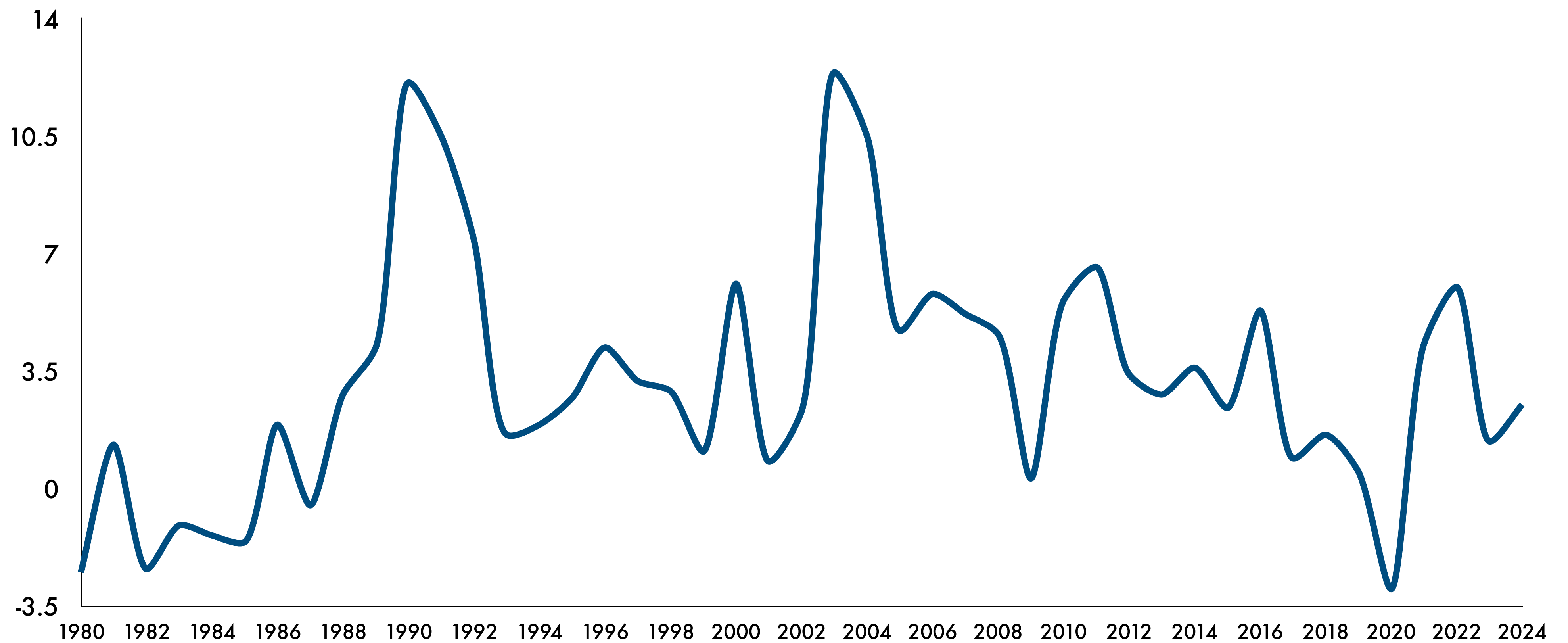
GDP Growth Rates (1980 - 2024), World Average, Advanced Economies, Emerging Markets and Developing Economies





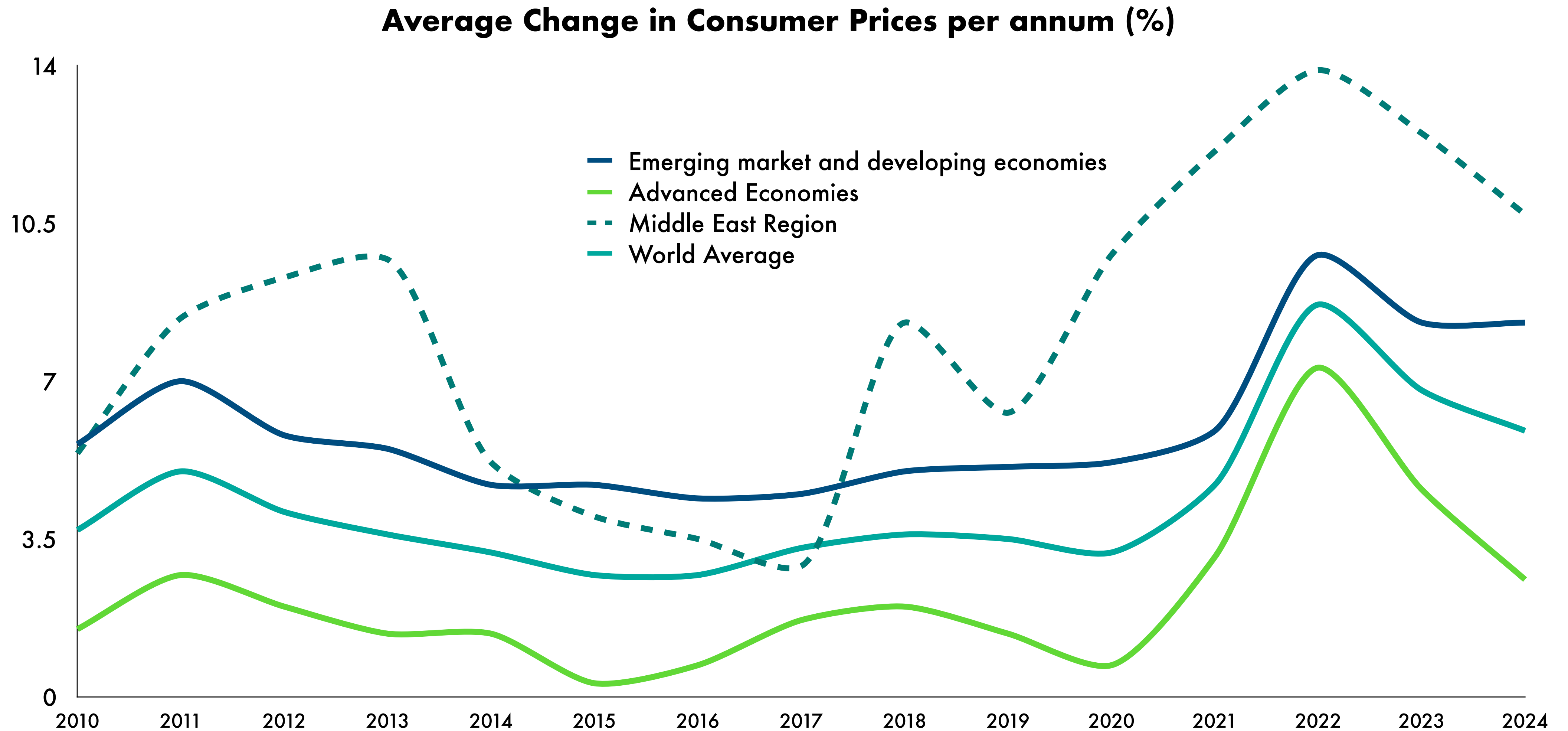
The Development Paradox: Growth in the Middle East

GDP Growth Rates (1980 - 2024), Middle East Region





The Development Paradox: Stubborn Inflation

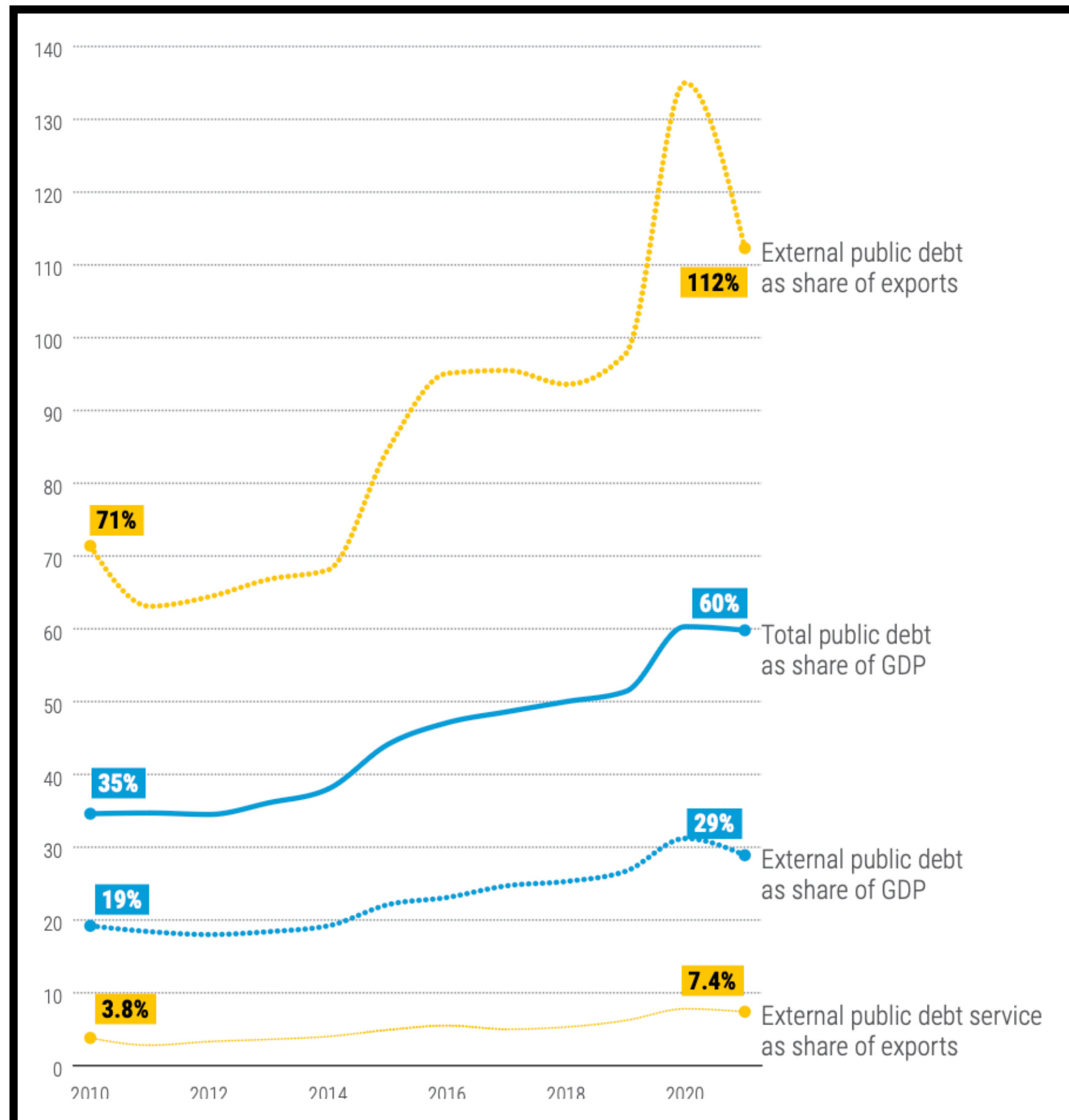


Source: IMF Datamapper based on April 2024 World Economic Outlook Update

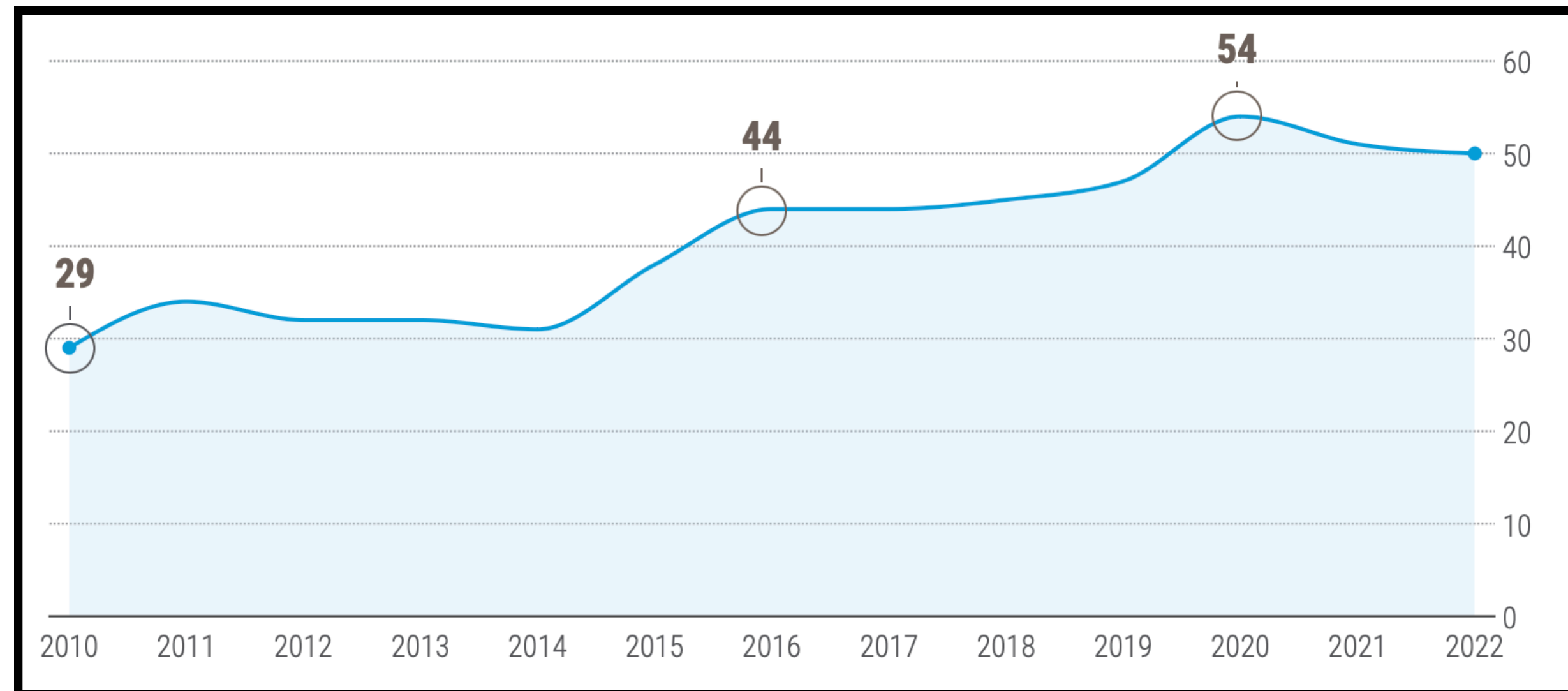


The Development Paradox: Debt Hindering Development

Median values for different debt metrics for developing economies



Number of developing countries with interest expenditures exceeding 10% of revenues

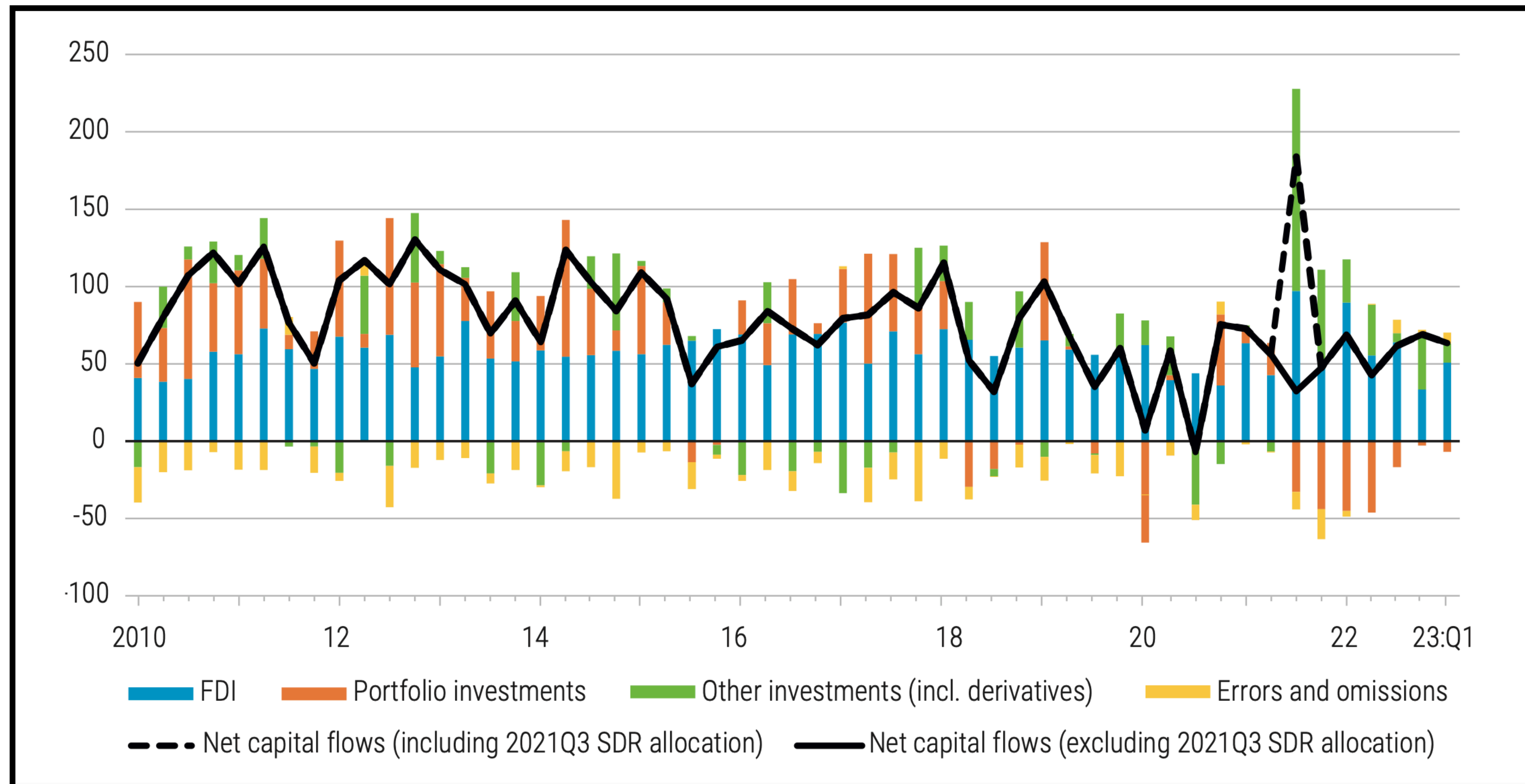


Source: UNCTAD (2024): A World of Debt



The Development Paradox: Declining Capital Flows

Capital Flows into Developing Economies (USD Billion)

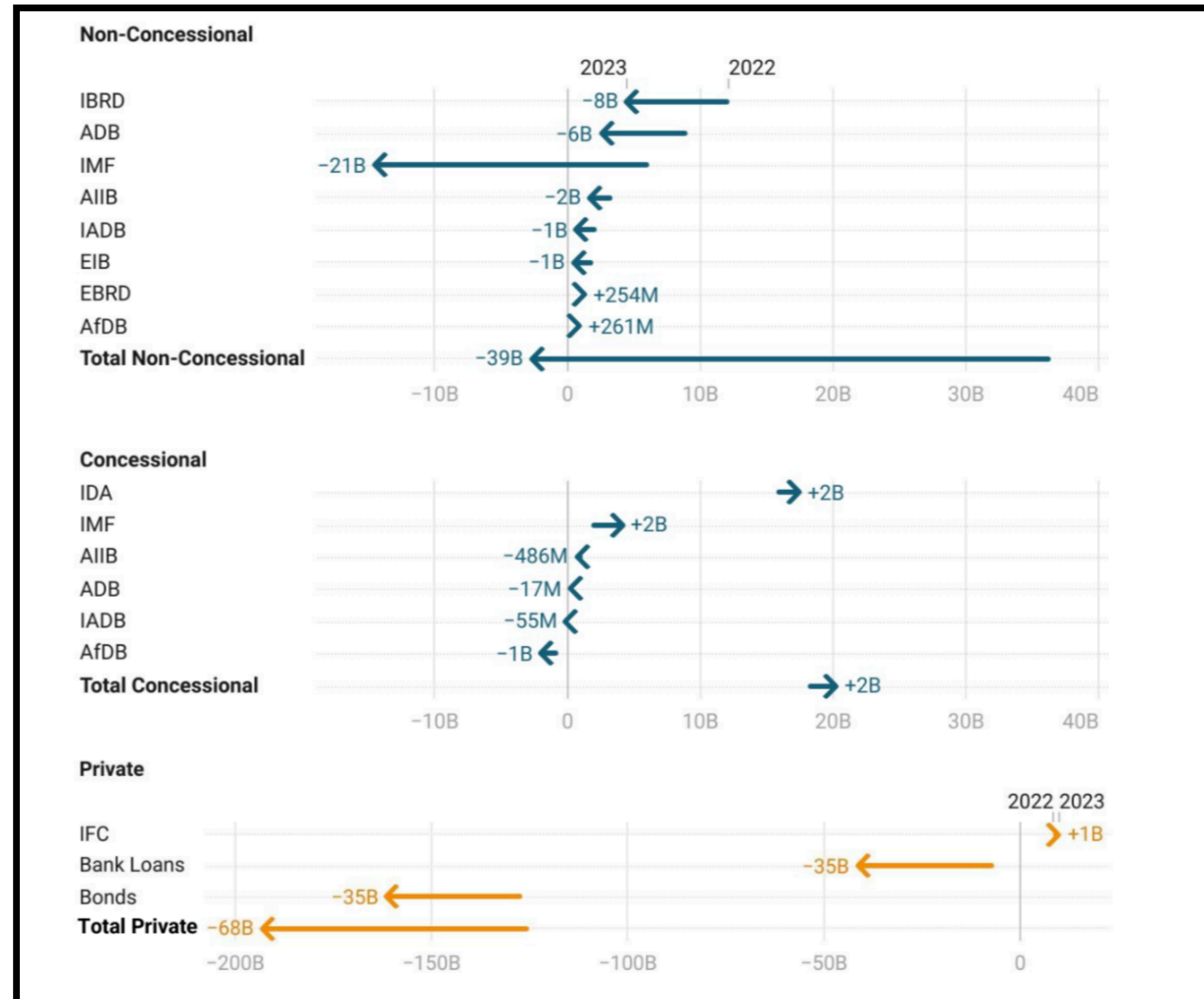


Source: UNCTAD (2023): Trade and Development Report 2023



The Development Paradox: Negative Net Transfers in 2023

Decline in net transfer to EMDEs (ex - China) between 2022 - 2023, net transfers by IFIs

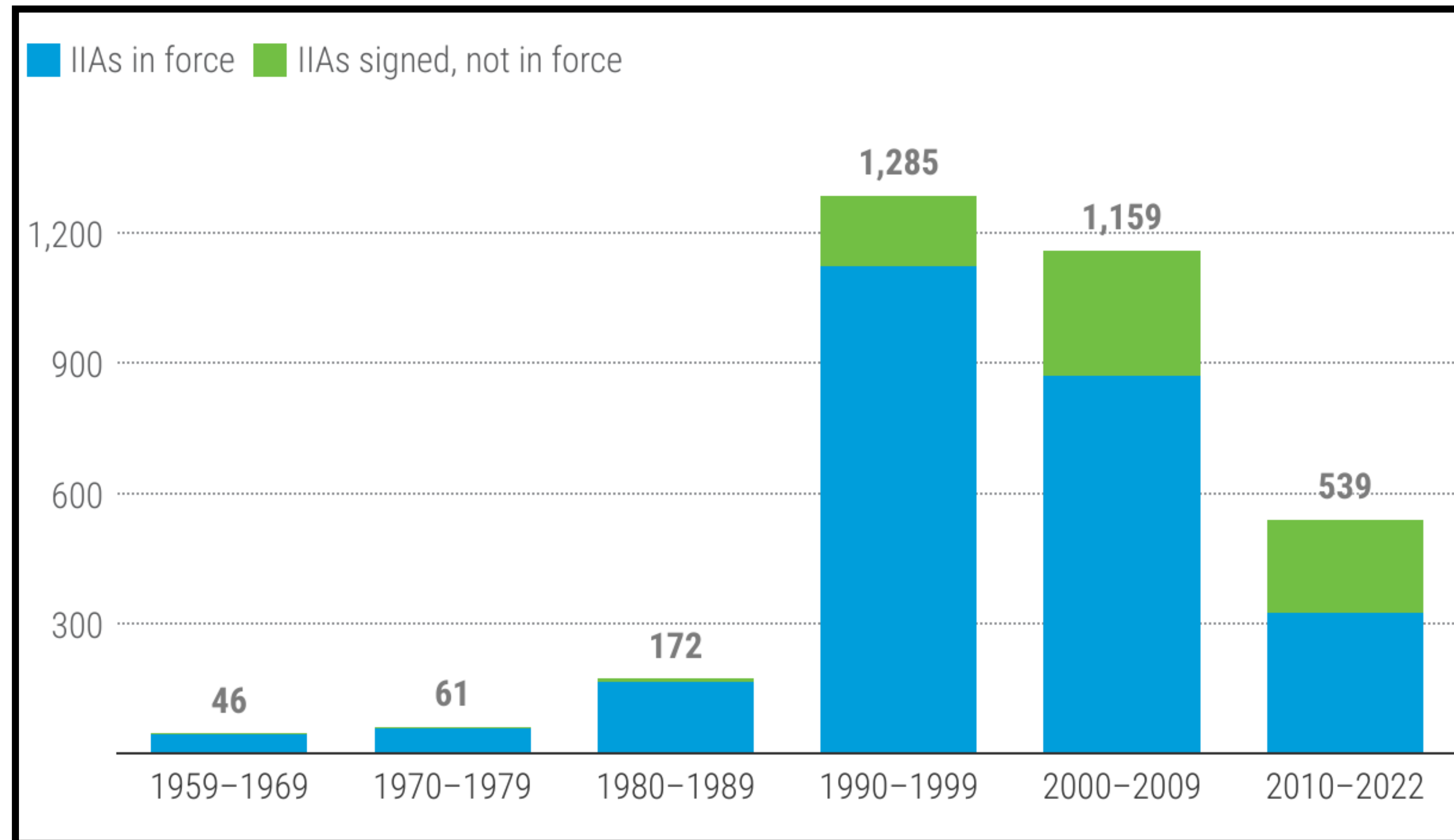


Source: Brookings (2024), Swimming Against the Tide on Financing for Development, Homi Kharas and Charlotte Rivard



The Development Paradox: Weaker Global Cooperation?

Number of International Investment Agreements signed and in force, by date and signature status

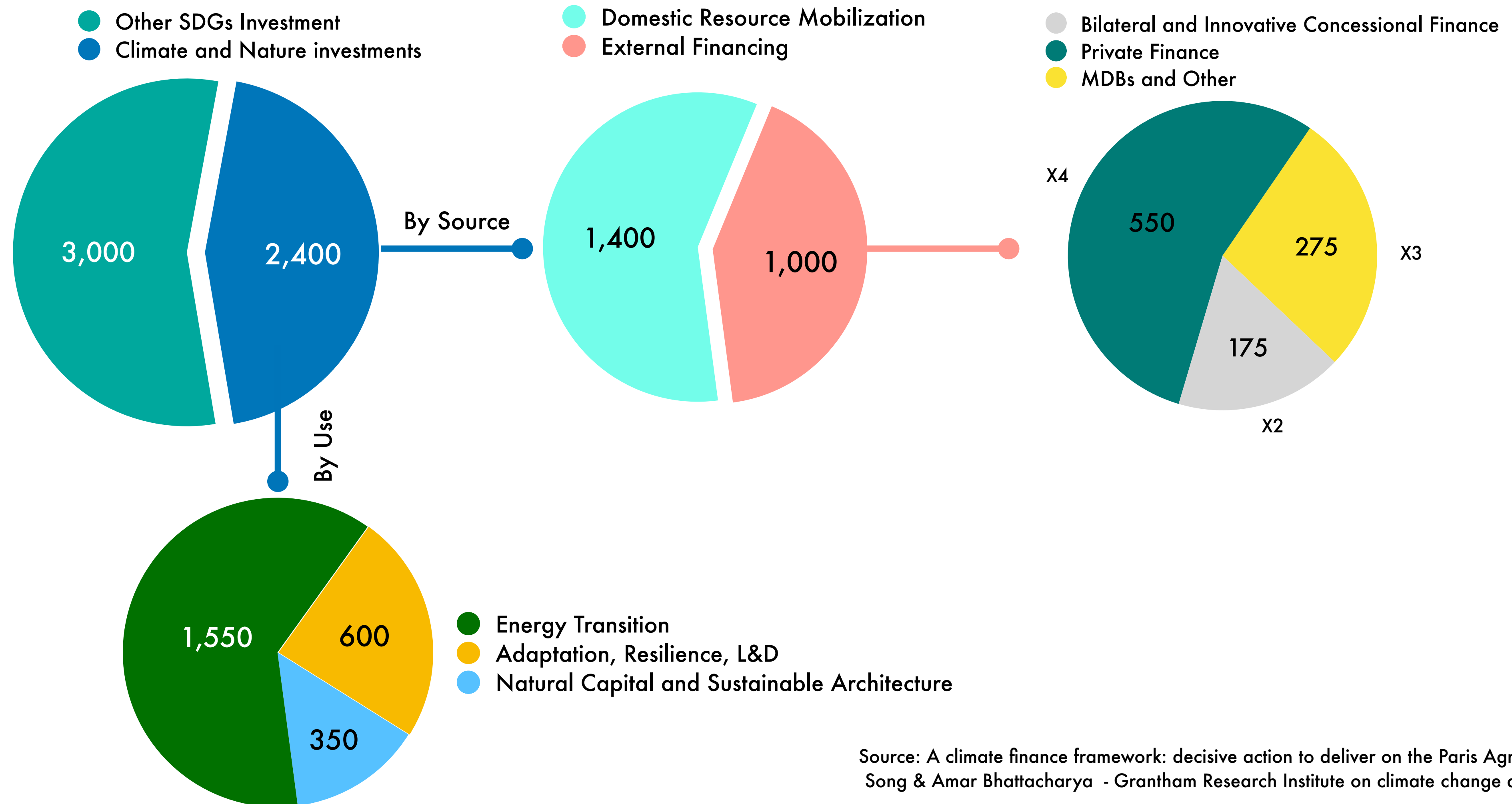


Source: UNCTAD (2023): World Investment Report 2023



The Development Paradox: Financing Needs for EMDEs

Investments needed by year until 2030 for EMDCs - China (USD Billion)

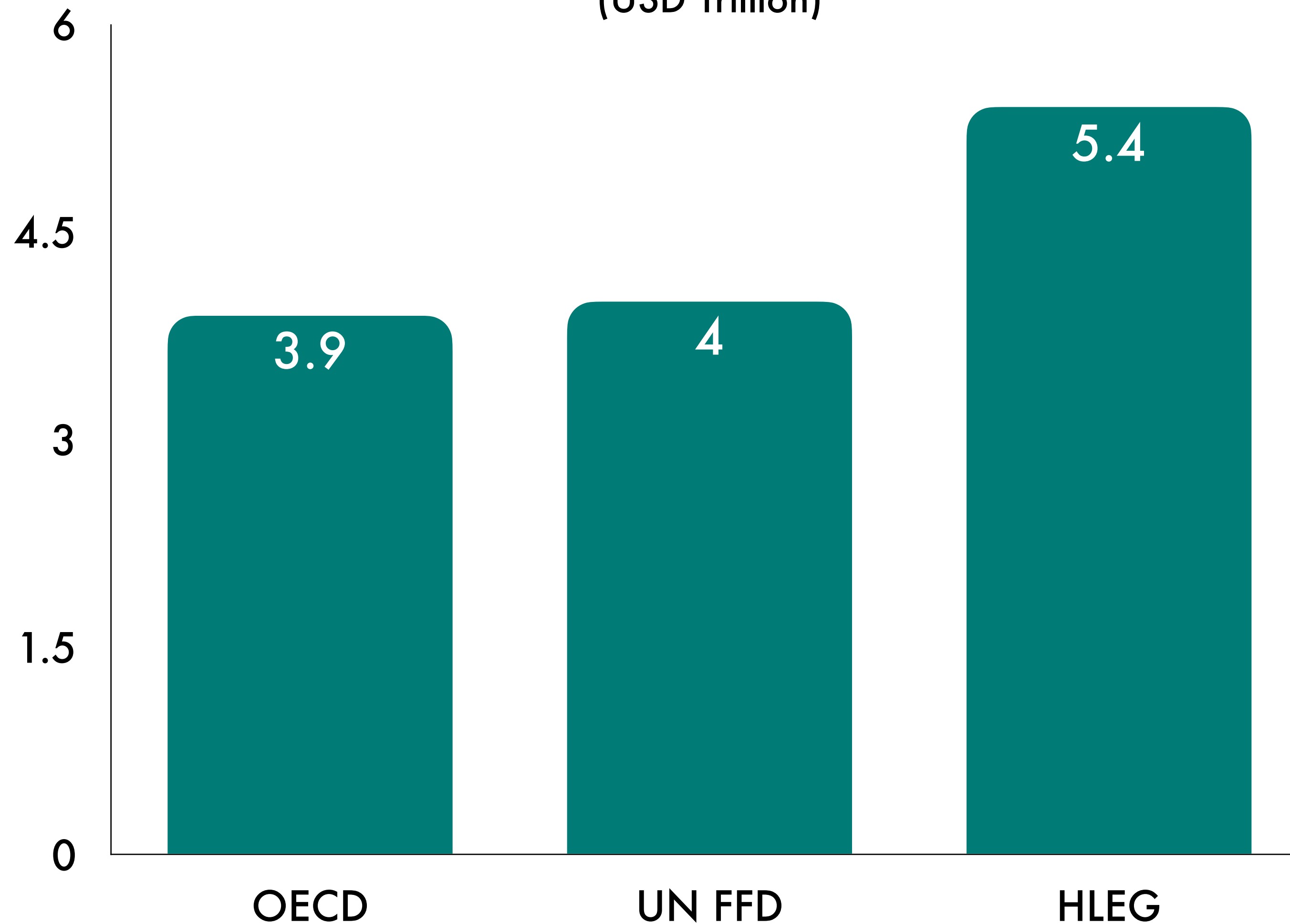


Source: A climate finance framework: decisive action to deliver on the Paris Agreement (2023), Vera Song & Amar Bhattacharya - Grantham Research Institute on climate change and the environment.



The Development Paradox: Disparities in Financing Gaps

Annual SDG Financing Gap based on different estimates.
(USD Trillion)



OECD: Based on Figures from "Bottlenecks to Access SDG Finance for Developing Countries"

UN FFD: Based on Figures from the United Nations Financing for Development Report 2024

HLEG: Based on figures from the High Level Expert Group report by Vera Songwe and Amar Battacharya



Dimensions of Cooperation

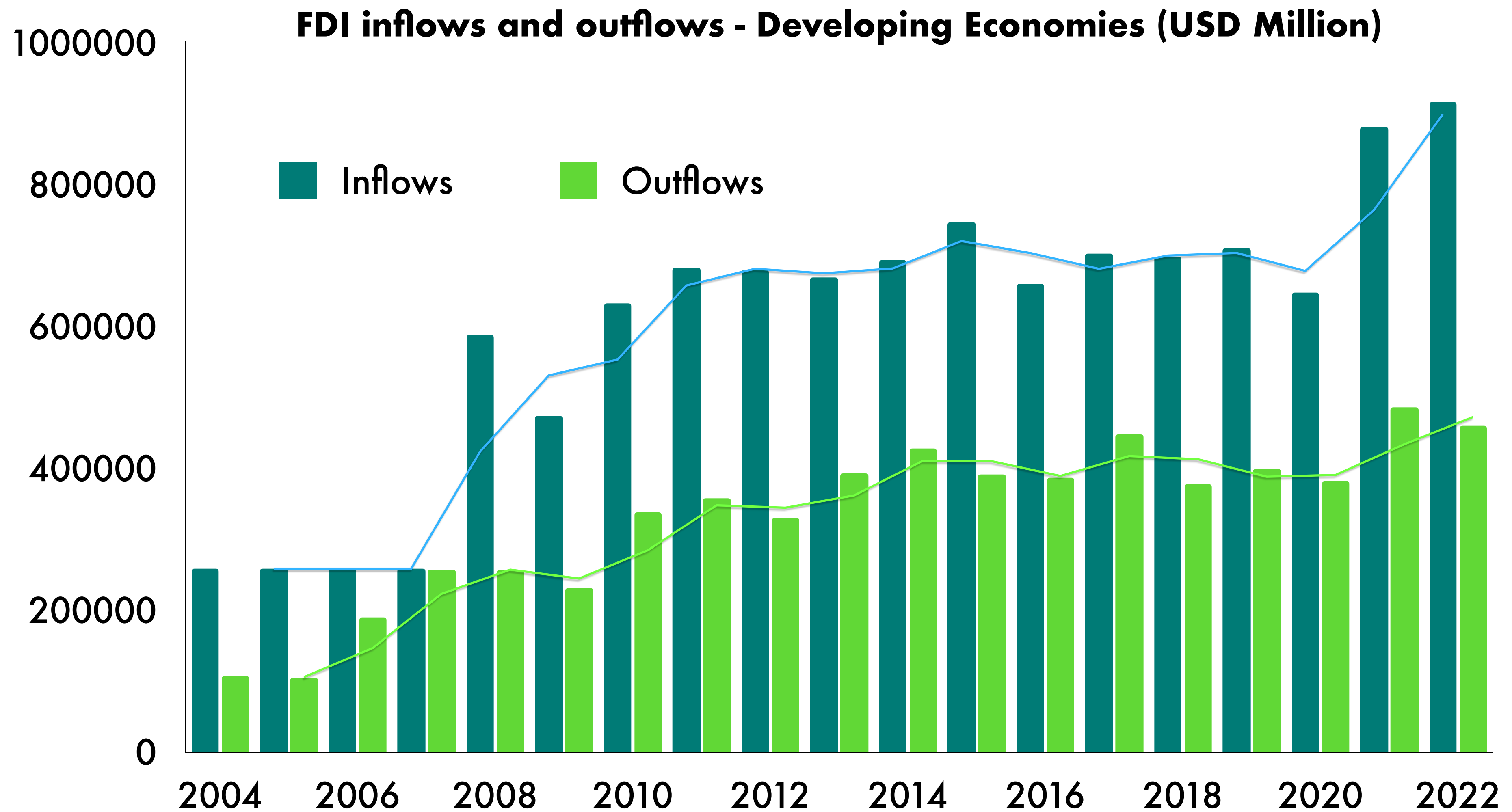
Investment

Trade

Labor Movement



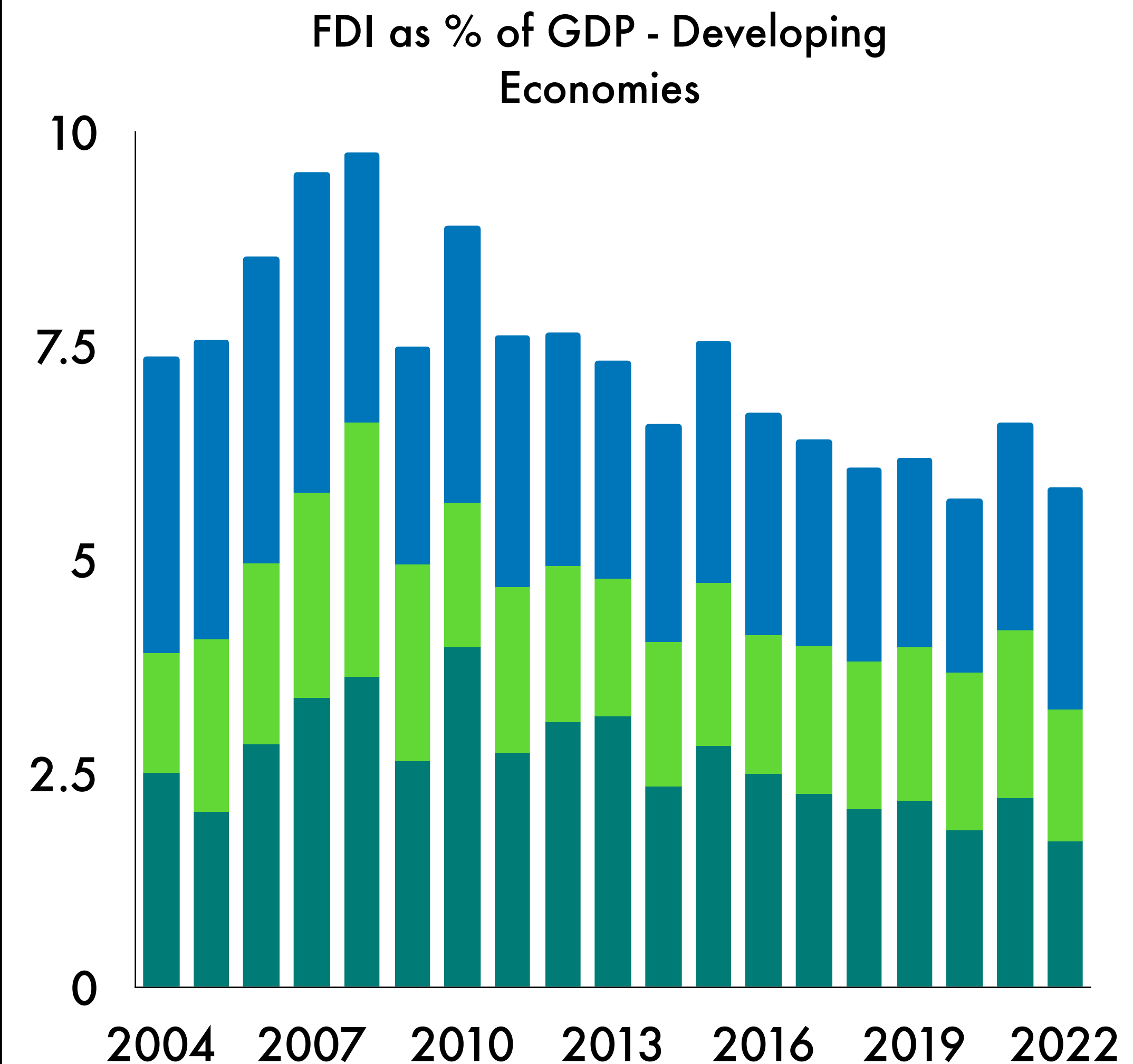
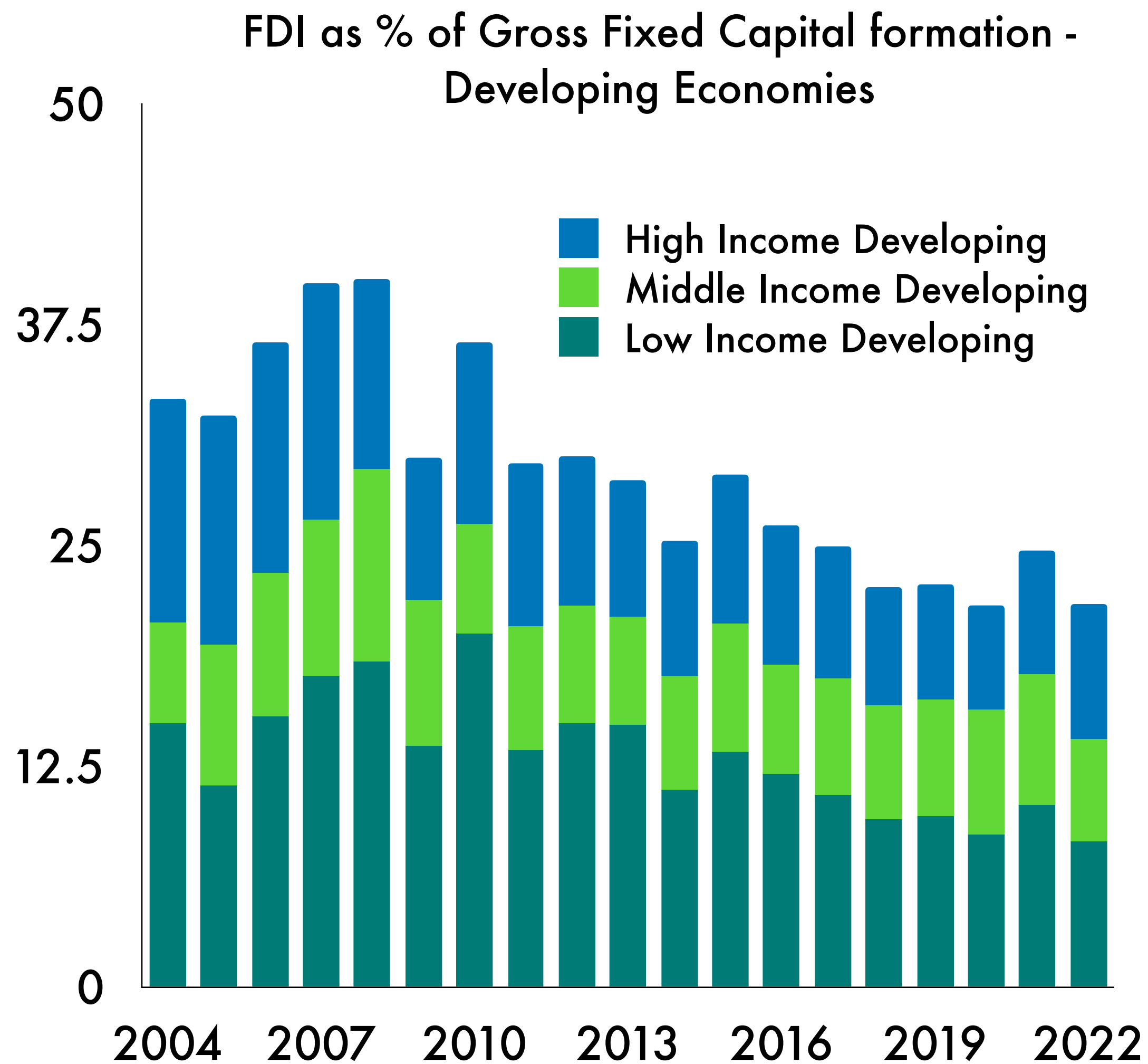
Dimensions of Cooperation: Investment



Source: UNCTADStat - World Investment Report Data



Investment: FDI Inflows to Developing Economies

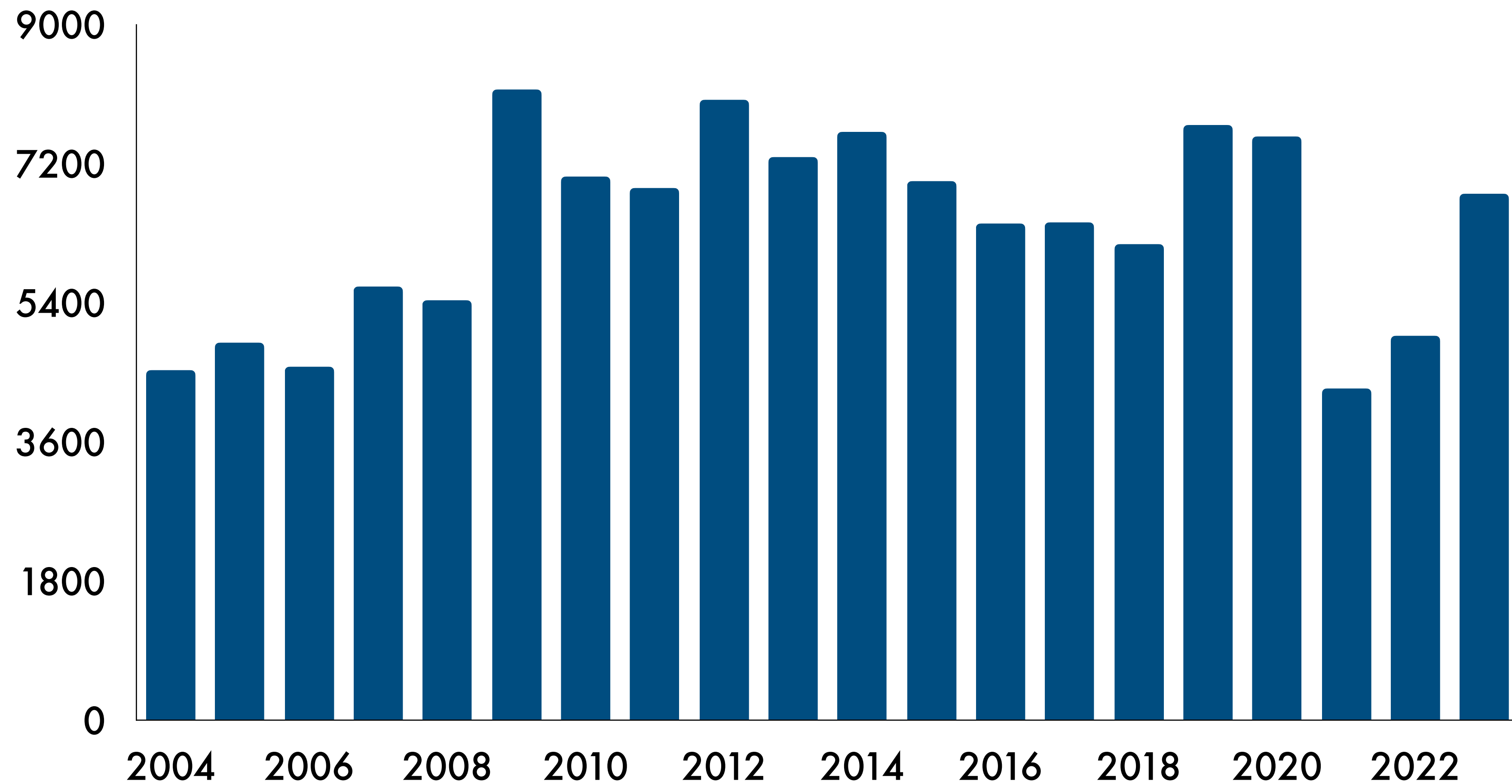


Source: UNCTADStat - World Investment Report Data



Investment: Greenfield Projects

Number of New Greenfield Projects in Developing Economies

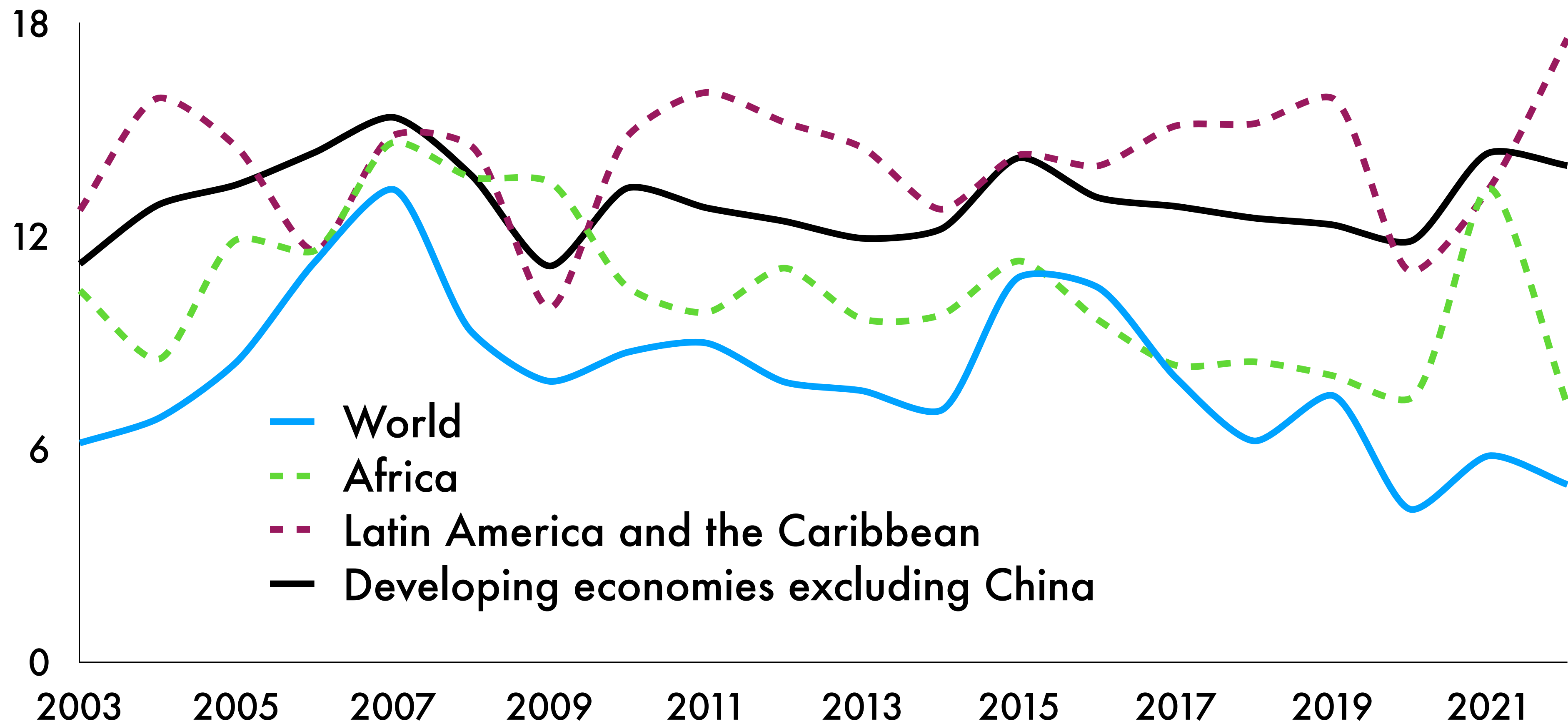


Source: UNCTADStat - World Investment Report Data



Investment: Regional Breakdown of FDI Inflows

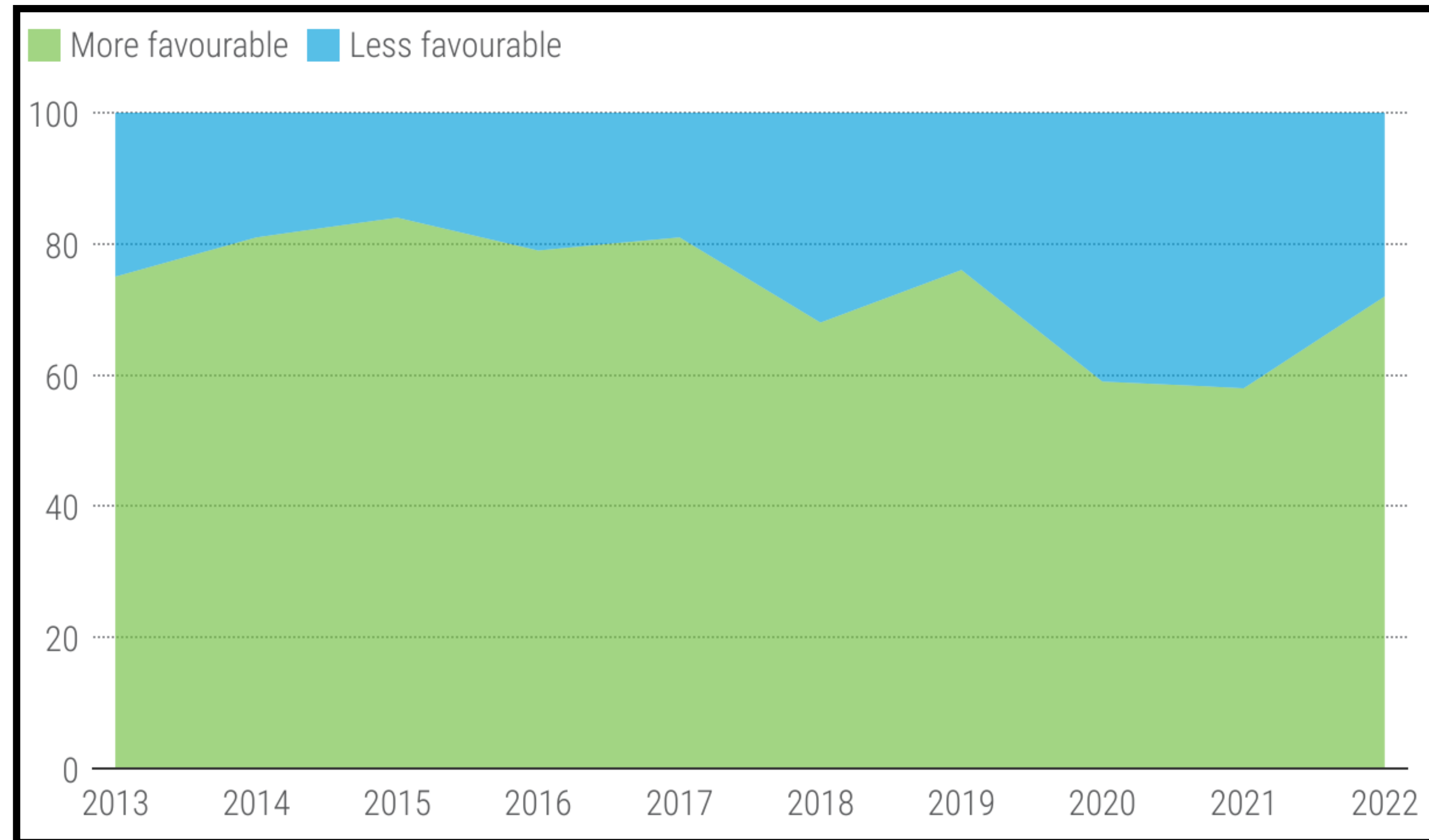
FDI as % of Gross Fixed Capital formation - Select Regions





Investment: Favorable Investment Policies

Changes in national investment policies towards more or less favorable, 2013 - 2022

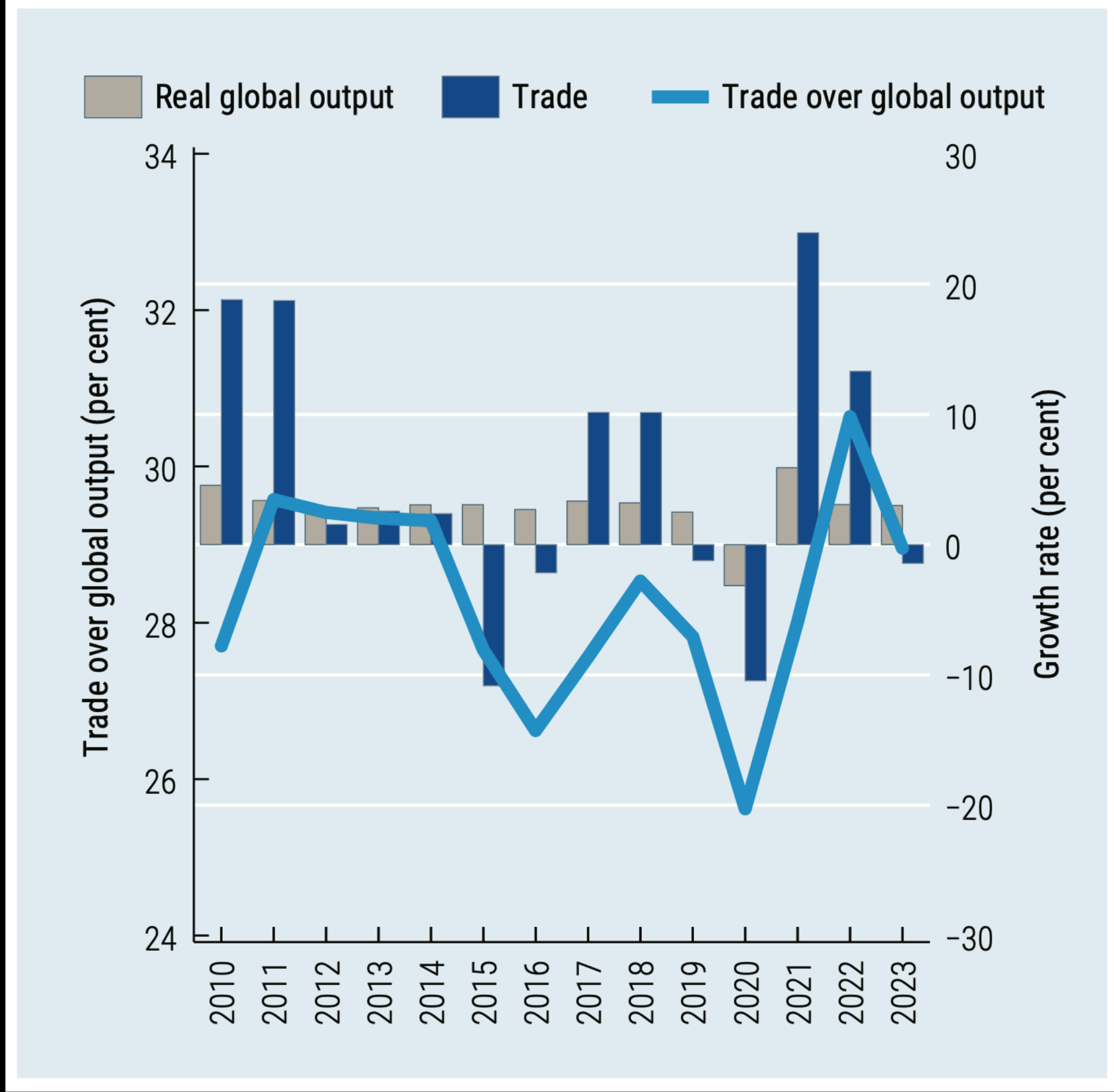


Source: UNCTAD (2023): World Investment Report 2023

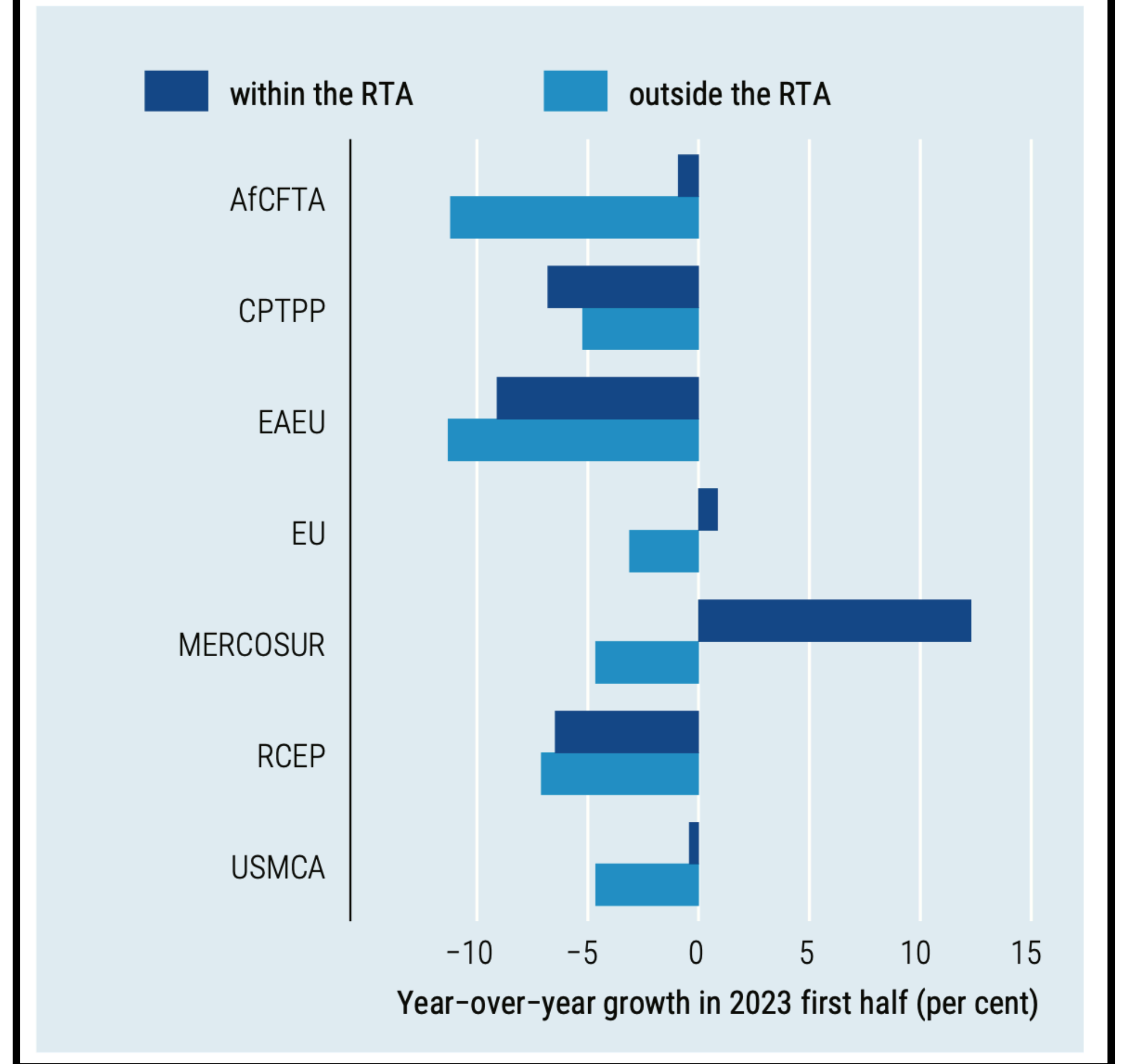


Dimensions of Cooperation: Trade

Trade and GDP Growth



Trade within and outside major RTAs



Source: UNCTAD (2024): Key Statistics and Trends in Trade Policy 2023

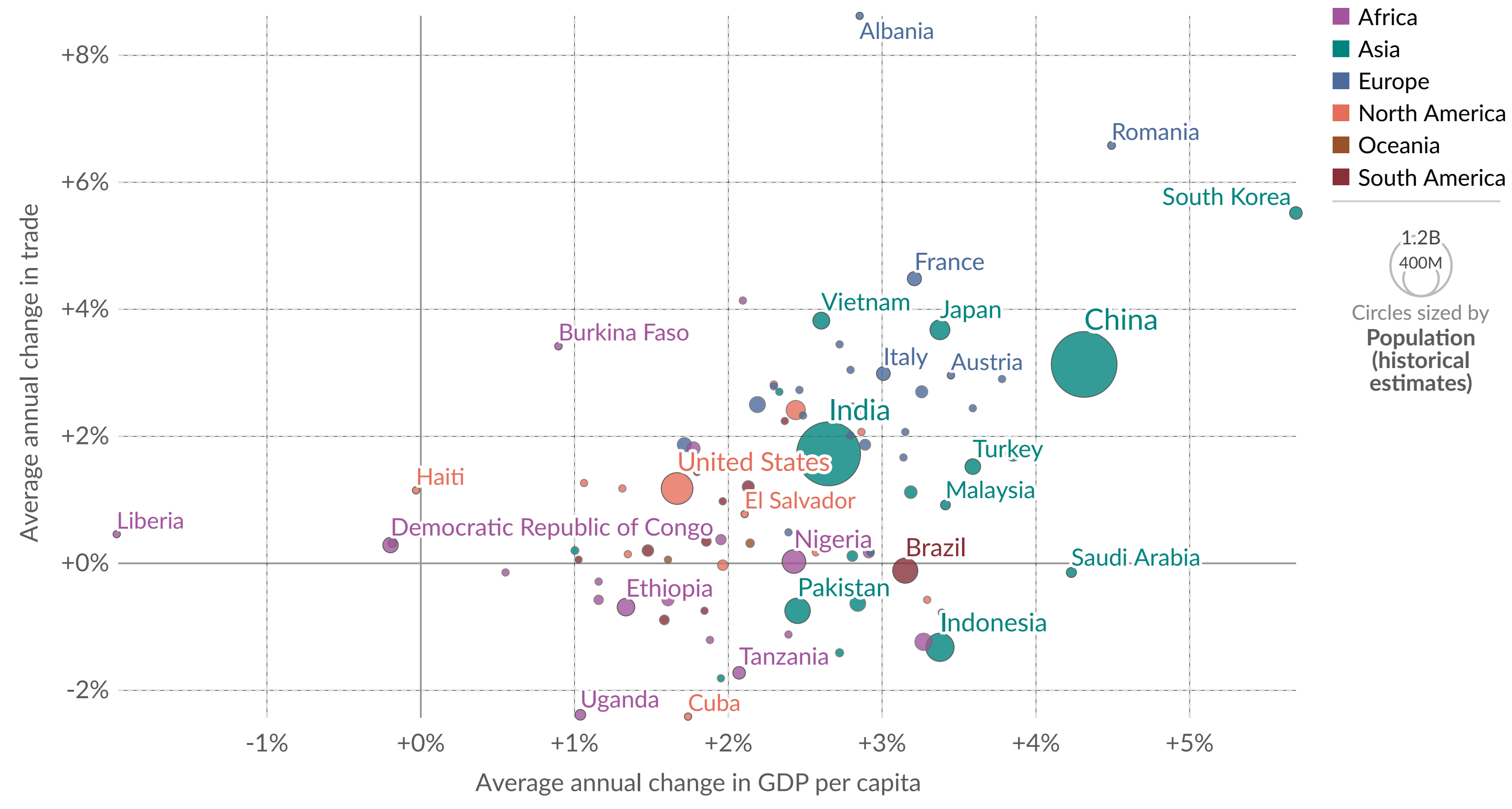


Trade and Growth

Annual average growth of trade vs. GDP per capita, 1945 to 2014

Trade is expressed in exports as a share of GDP. GDP per capita is adjusted for inflation and differences in the cost of living between countries.

Our World
in Data

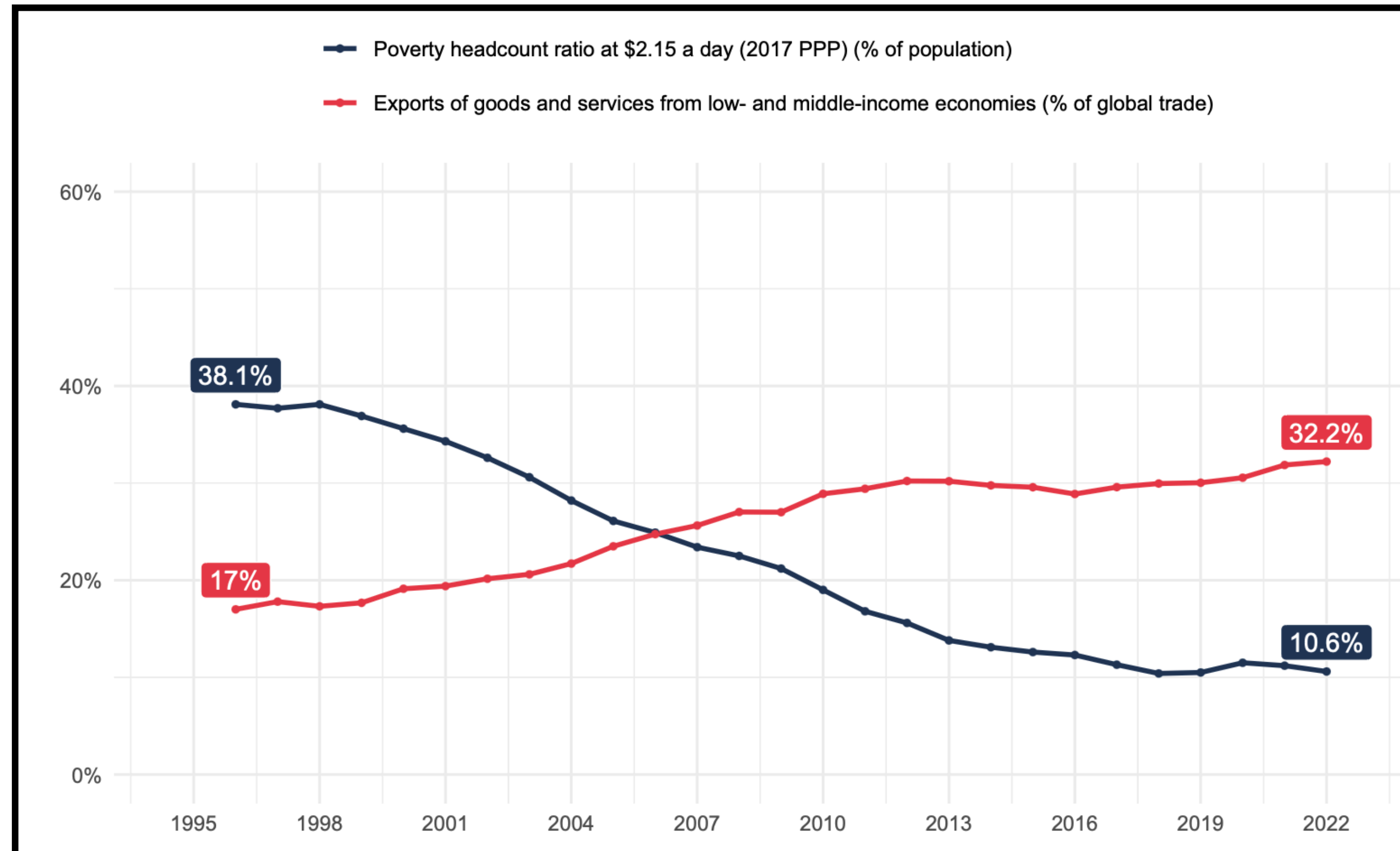


Source: Our World in Data (2014): Trade and Globalization



Trade and Poverty Reduction

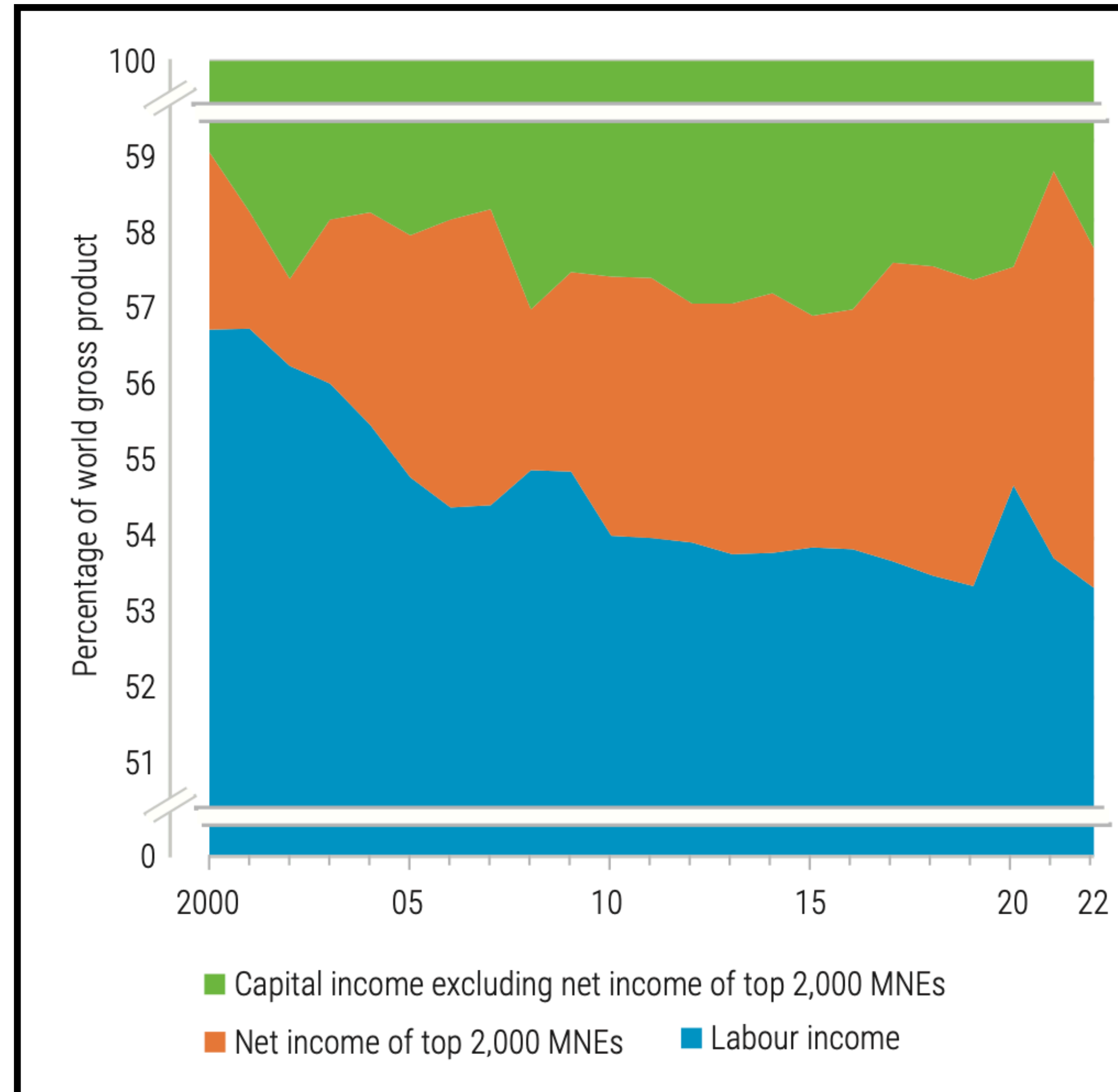
Reduction in poverty and increase in global trade in lower and middle income economies (%)



Source: World Trade Organization (2024): Thirty Years of trade growth and poverty reduction



Disparities Between Profits and Labor Income

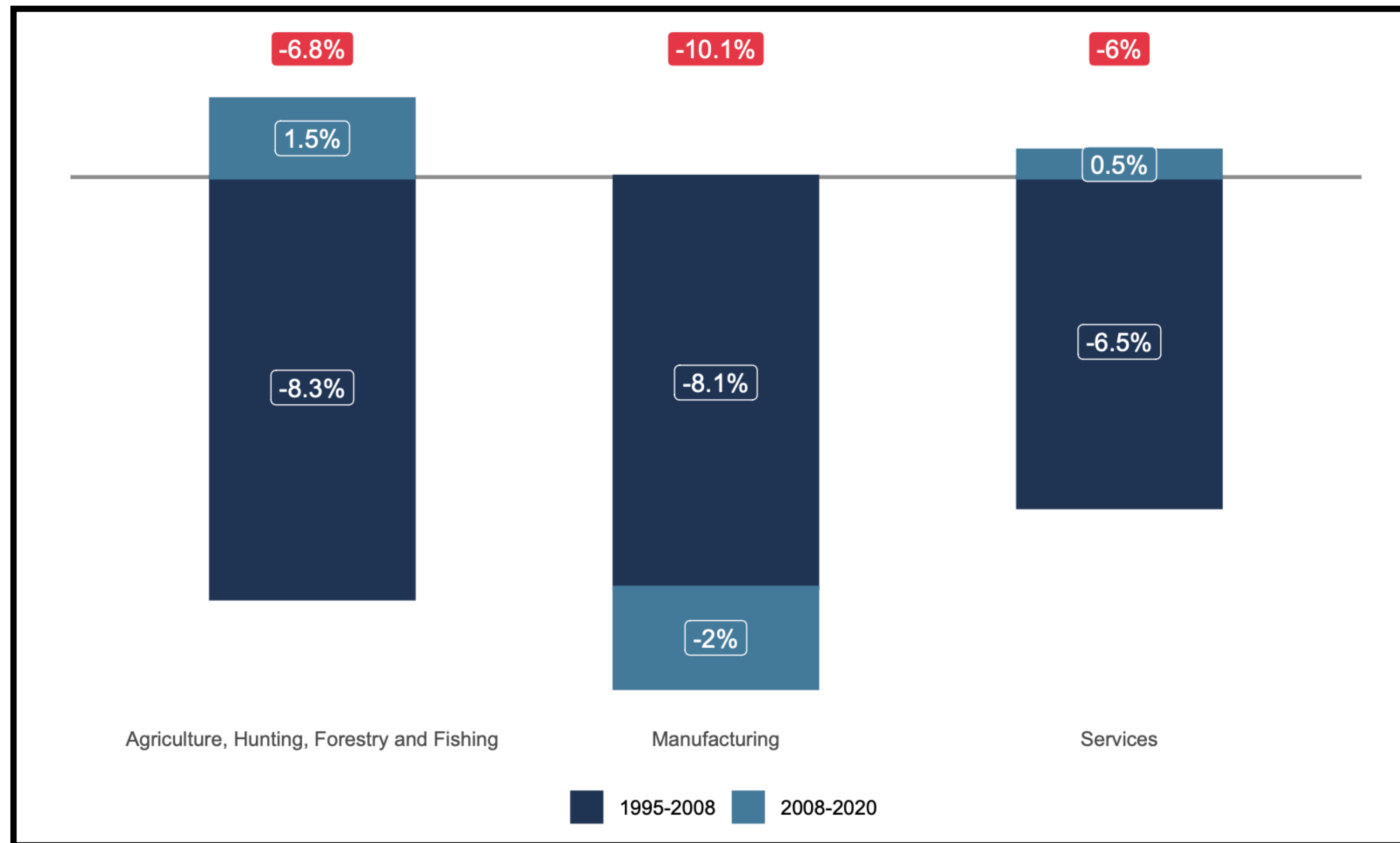


Source: UNCTAD (2023): Trade and Development Report 2023



Decline in Trade Costs

Change in International Trade Costs between 1995, 2008 and 2020

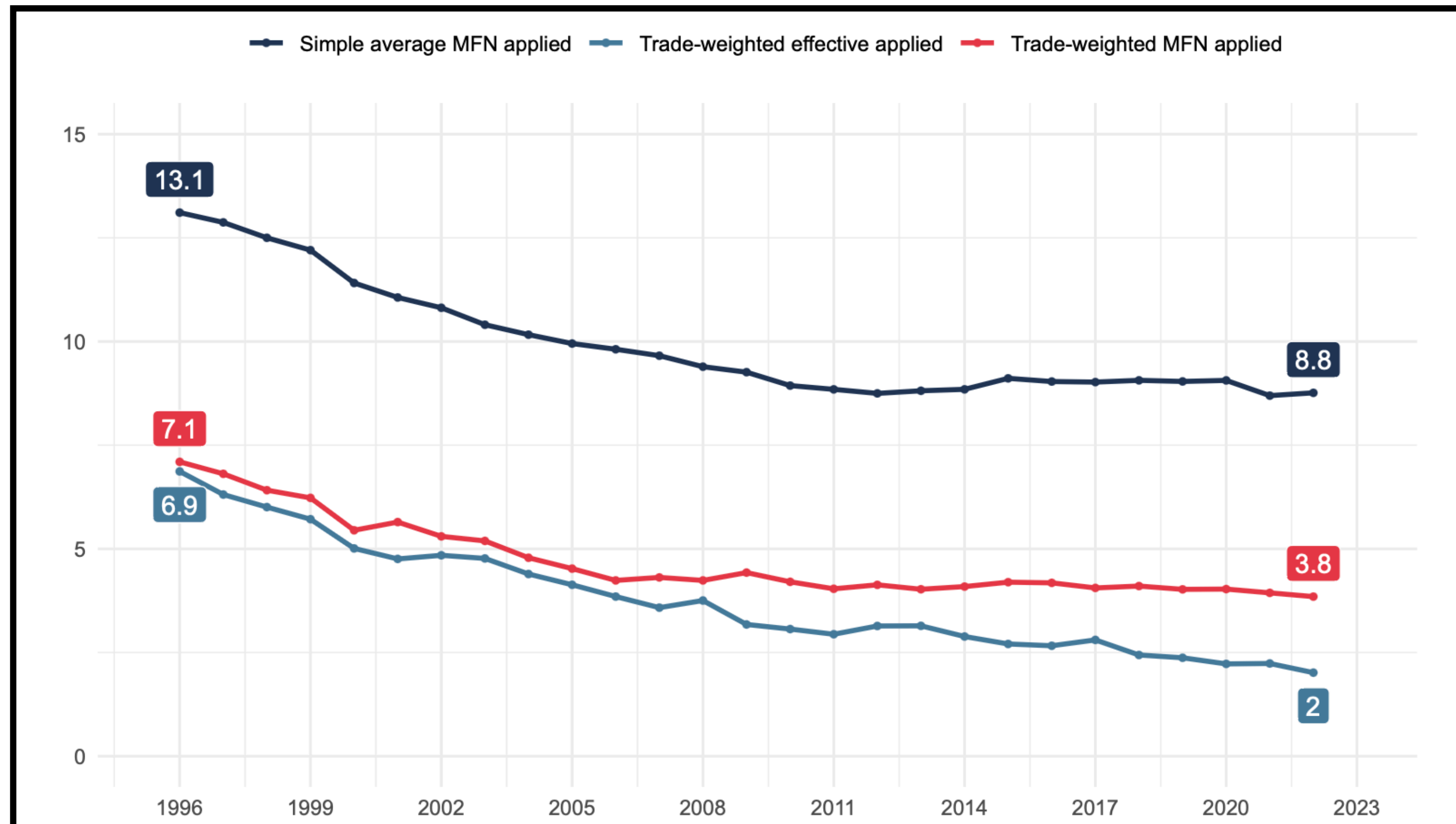


Source: World Trade Organization (2024): Thirty Years of trade growth and poverty reduction



Trade Protectionism: Tariffs

WTO Members Average Applied Tariffs (1996 - 2022) (%)

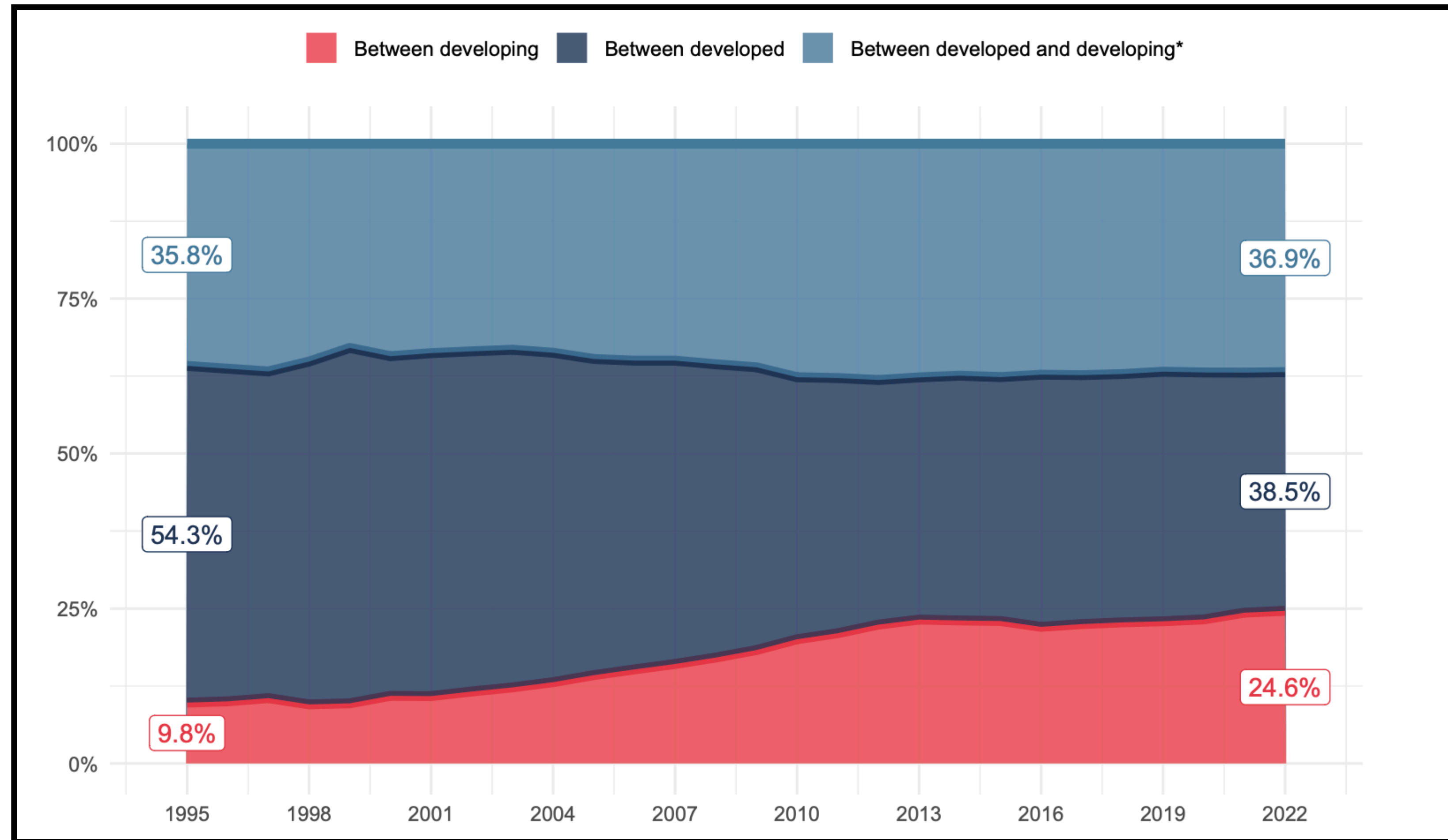


Source: World Trade Organization (2024): Thirty Years of trade growth and poverty reduction



Trade Protectionism: Increasing South - South Trade

World Trade by Development Status of Economies



Source: World Trade Organization (2024): Thirty Years of trade growth and poverty reduction



Trade Protectionism: Regional Variations

Exporting Region

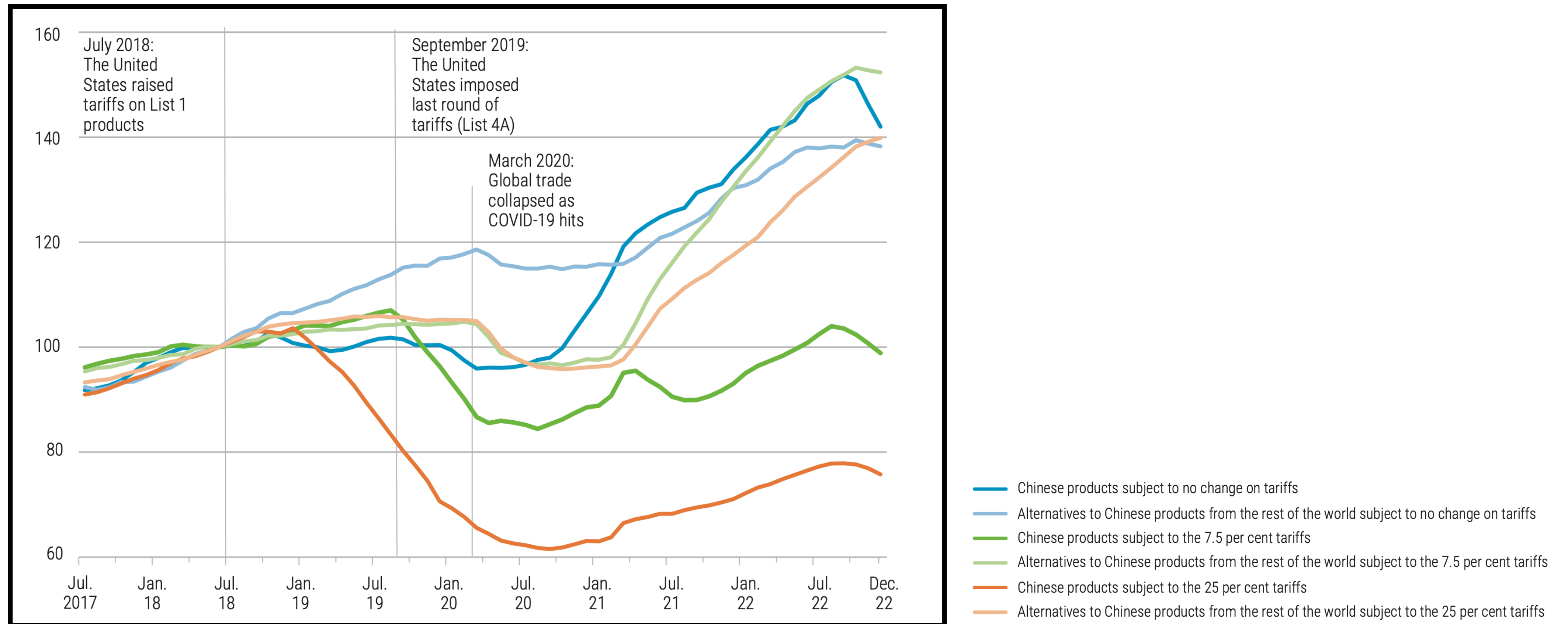
Importing Region	Developed Countries	Africa	Latin America	East Asia	South Asia	Rest of Asia	
	Developed Countries	1.5% (-0.2)	0.6% (0.1)	1% (0.3)	4.5% (2.3)	2.5% (-0.3)	1% (0.3)
	Africa	7.4% (-1.6)	3.6% (0.5)	8.4% (-0.3)	10.4% (-1.5)	7.9% (-1.1)	6.5% (0.9)
	Latin America	2.8% (-0.6)	2.3% (0.3)	1.3% (-0.1)	7.8% (-0.1)	8.8% (0.1)	3.6% (0.1)
	East Asia	4.4% (-1.2)	2% (0.4)	6.5% (1.0)	1.4% (-1.0)	3.1% (-1.7)	1.5% (0)
	South Asia	9.4% (0.6)	4.6% (-1.7)	10.1% (2.4)	8.3% (-0.6)	5.7% (-1.9)	4.7% (-1.9)
	Rest of Asia	3.0% (-0.6)	1.6% (0.2)	5.2% (0.5)	4.5% (0.1)	3.4% (-0.5)	3.3% (1.6)

Average Applied Tariffs by region (%) - Figures between parentheses represent changes in average tariff rates between 2012 - 2022

Source: UNCTAD (2024): Key Statistics and Trends in Trade Policy 2023



Trade Protectionism: US and China Trade Competition

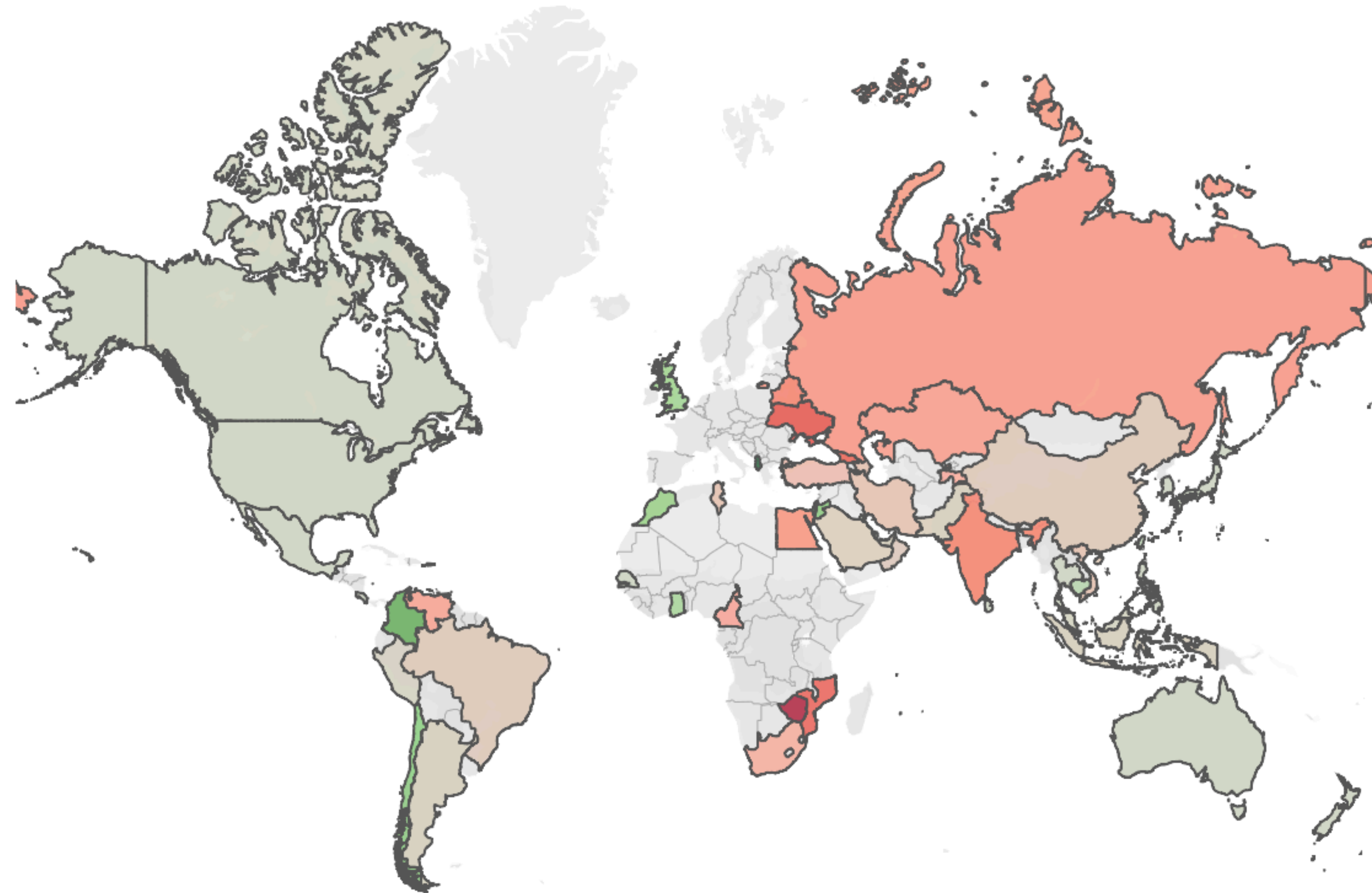


Source: UNCTAD (2023): Trade and Development Report 2023



Trade Protectionism: CBAM

Aggregate Relative CBAM Exposure Index

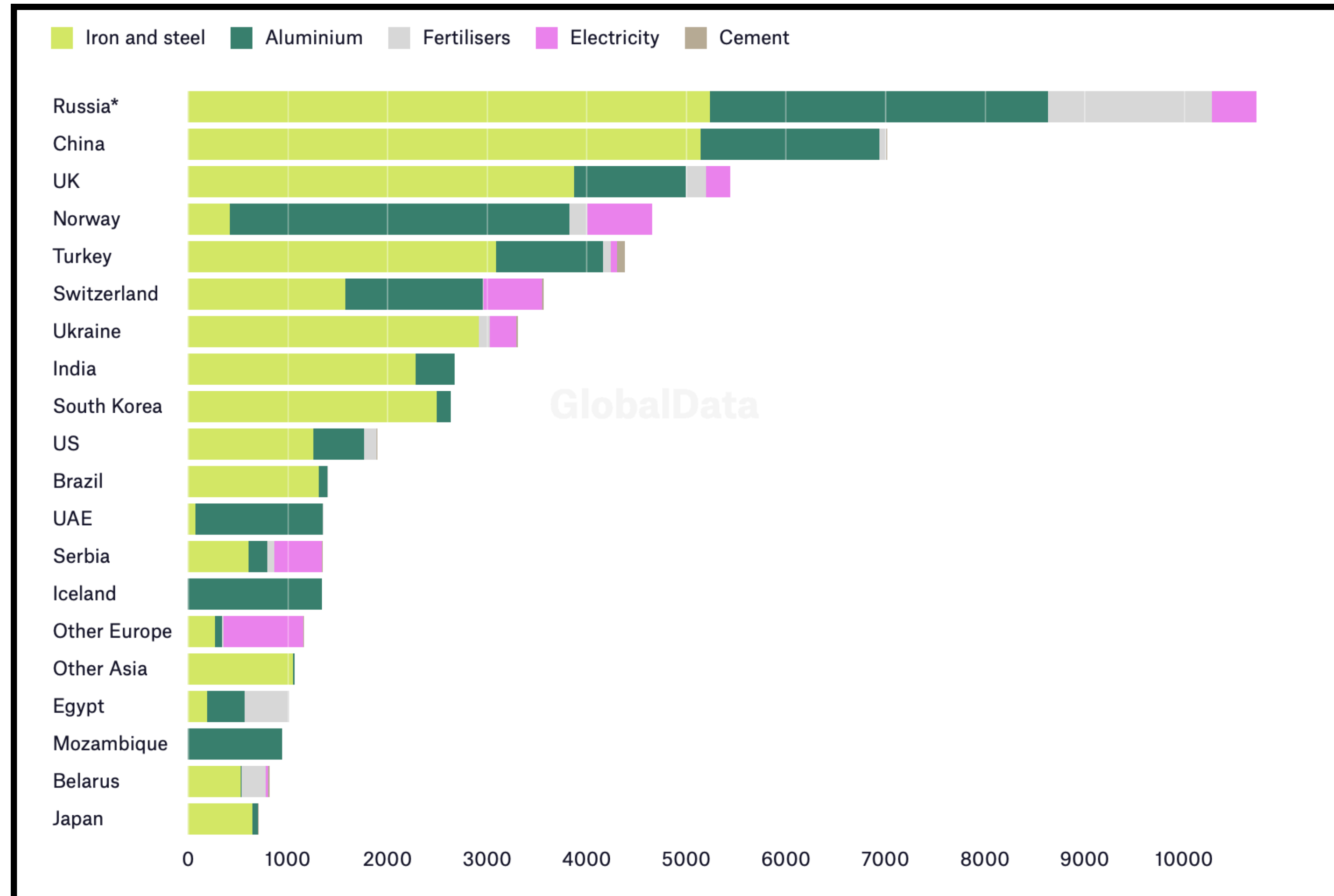


Source: The World Bank



Trade Protectionism: CBAM

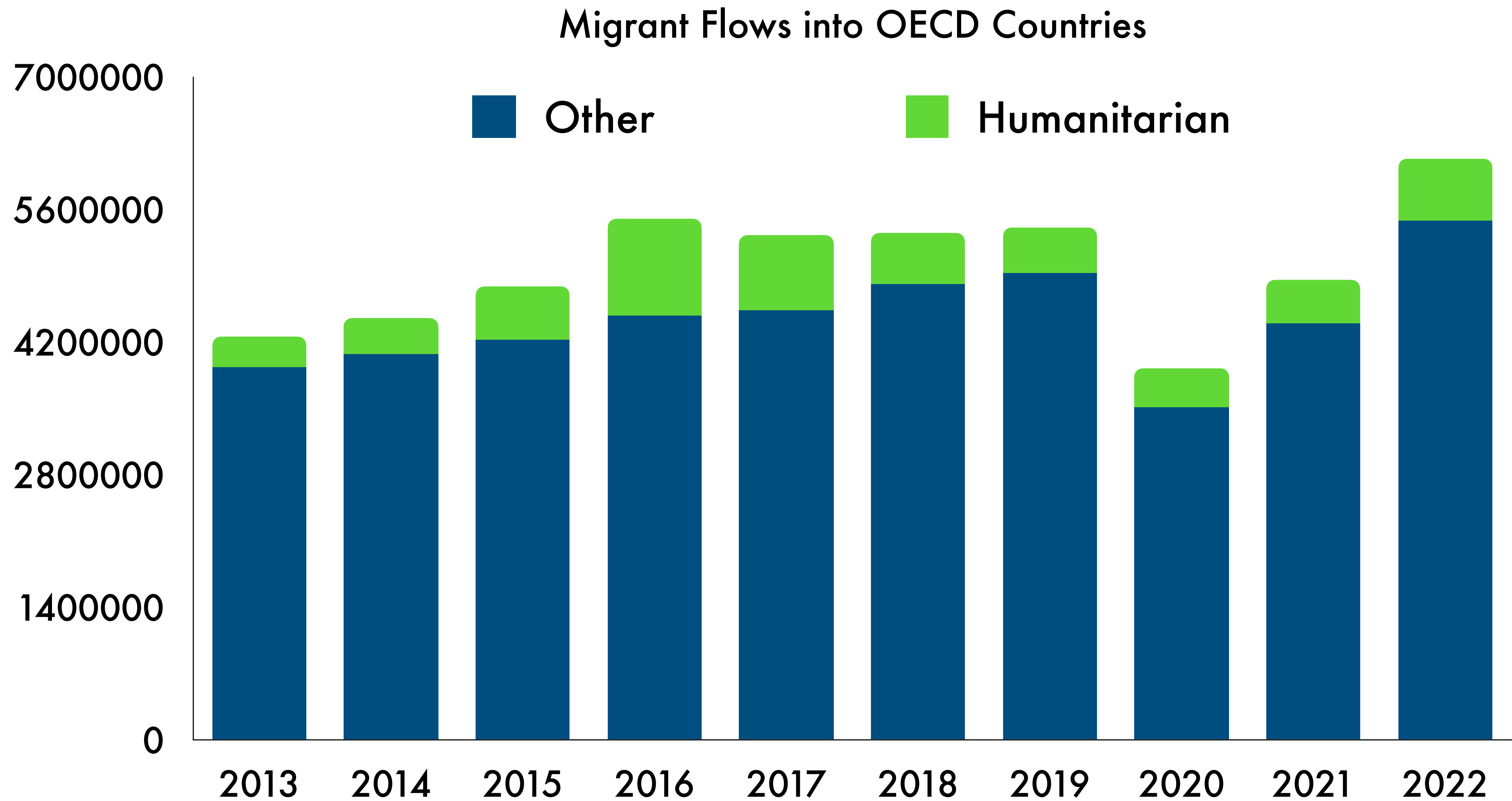
Top 20 Exporting Nations exposed to CBAM (USD Million, Based on 2015 - 2019 Exports)



Source: Energy Monitor (2023): How CBAM Threatens Africa's Sustainable Development



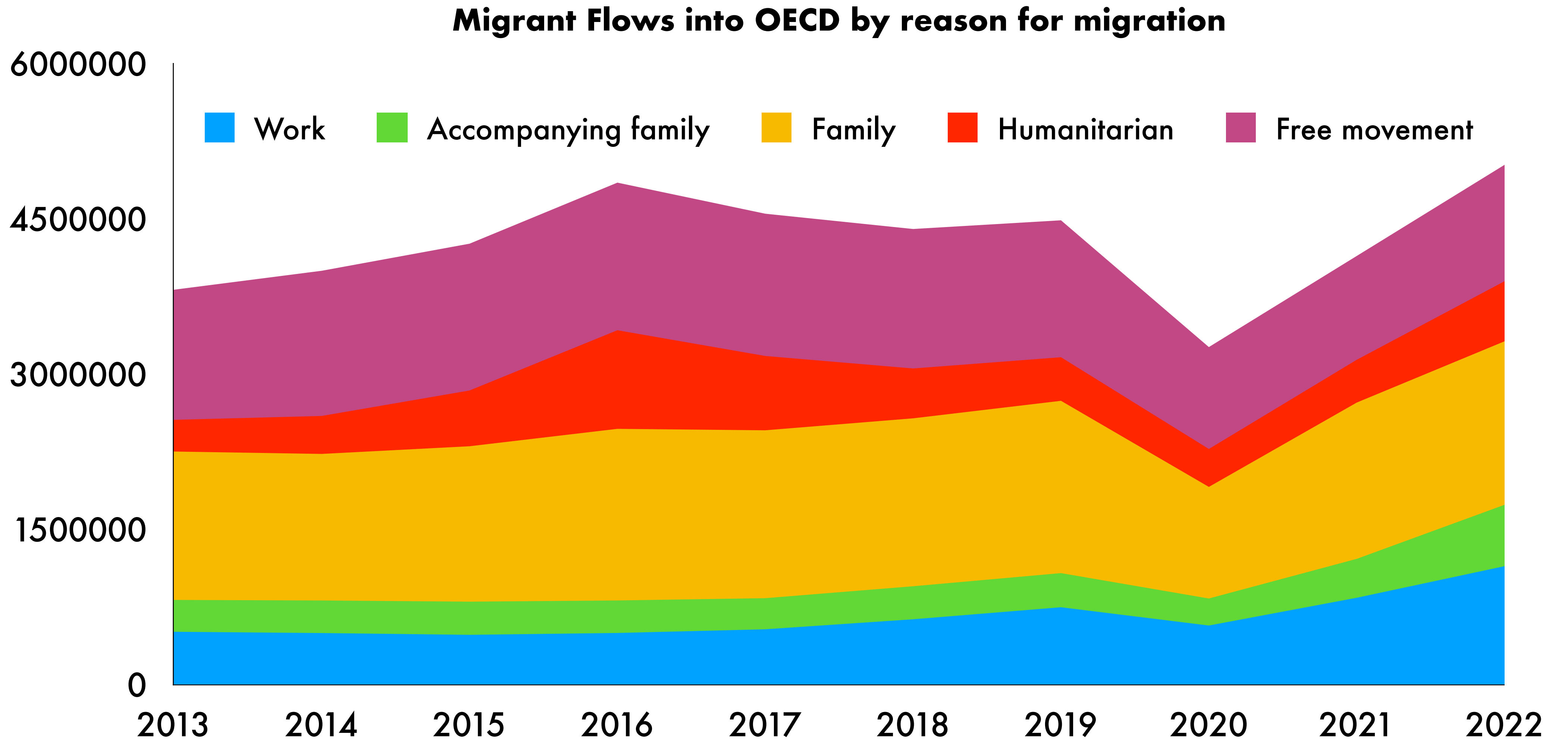
Dimensions of Cooperation: Migration



Source: OECD International Migration Outlook 2023



Migration: Classification of OECD Migrants

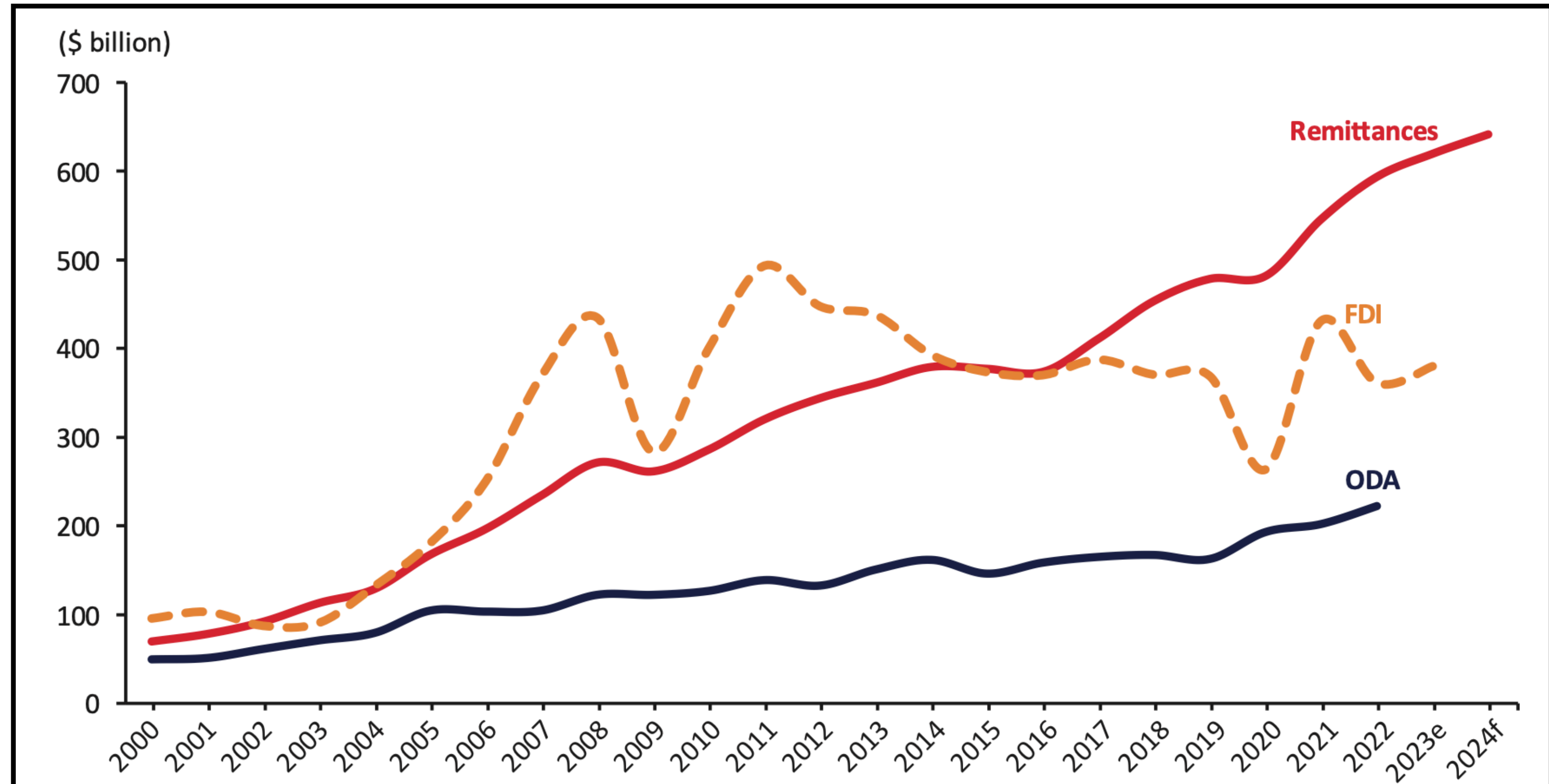


Source: OECD International Migration Outlook 2023



The Increasing Importance of Remittances

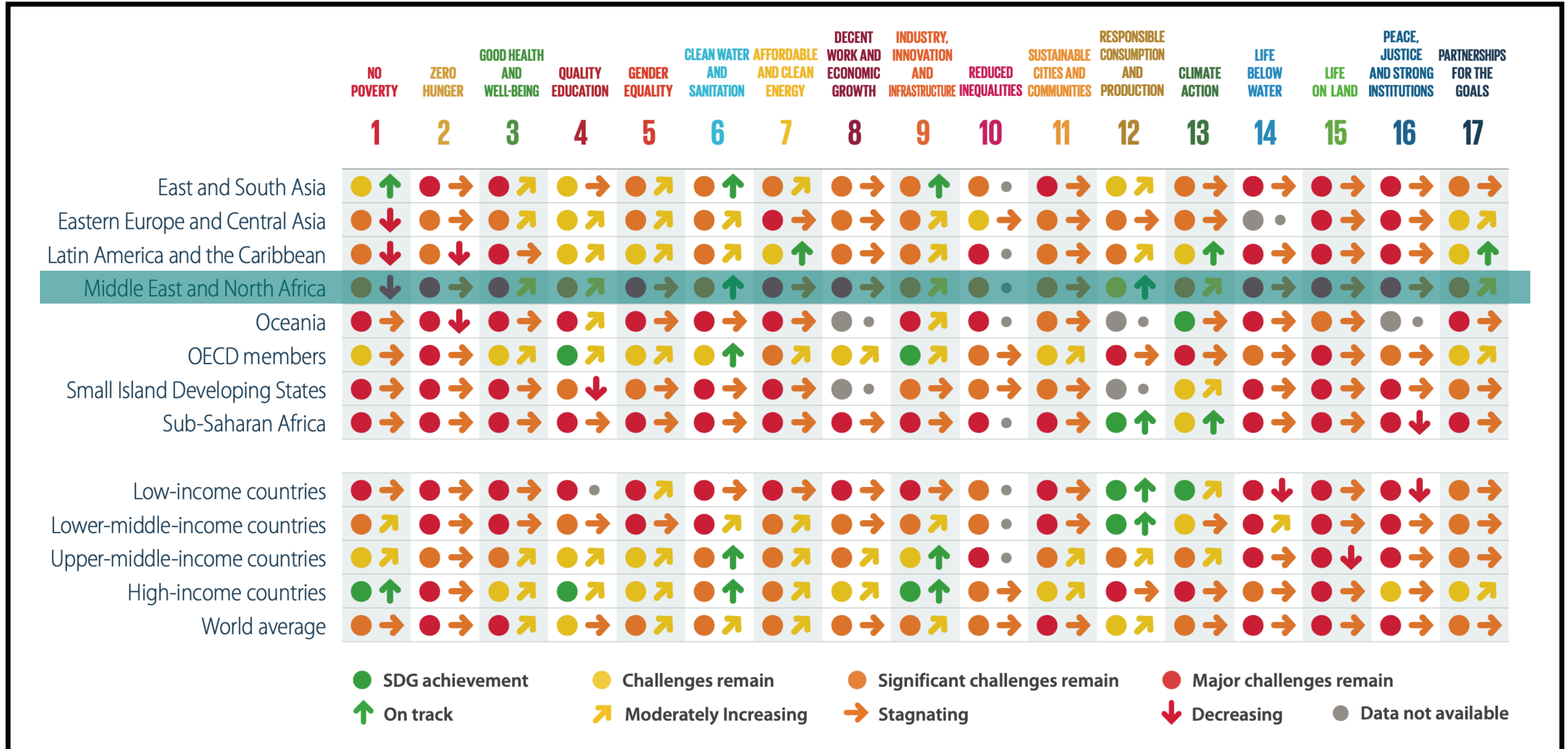
Remittances, FDIs and ODA Flows to Low and Middle Income Countries
Excluding China (2000 - 2024)



Source: World Bank (2023): Migration and Development Brief 39, December 2023



Progress on the SDGs: Regional Comparisons



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