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Public Lecture
Poverty Reduction and Economic Growth:
a Two-Way Causality
by
Nora Lustig

To reduce poverty rapidly, should countries and international organizations focus entirely on boosting per capita income and productivity? Or should they focus on actions to improve conditions for the poor? In the past few years, a debate has sprung up between those who agree with the former approach and those who support the latter. Those on the side of growth felt that the pendulum in the policy agenda was swinging away from economic principles toward approaches that downplay the importance of development in favor of empowerment as fundamental in the fight against poverty. It is unfortunate that these approaches have ended up as opposing views when in so many cases actions are complementary. Recent research findings demonstrate that pro-growth actions and those directly aimed at benefiting the poor are very often mutually reinforcing. The more this complementarity is tapped the more effective economic growth can be in reducing poverty and vice versa.

The full paper can be downloaded from:

http://www.iadb.org/sds/POV/publication/publication_21_2904_e.htm

Professor Nora Lustig is the President of the Universidad de las Americas-Puebla, Mexico. Previously Dr. Lustig was Senior Advisor and Chief of the Poverty and Inequality Unit at the Inter-American Development Bank. Before that, she was Senior Fellow in the Foreign Policy Studies Program at the Brookings Institution, and Professor of Economics with the Center of Economic Studies at El Colegio de Mexico in Mexico City.

Nora Lustig was co-director and later director of the World Bank's World Development Report 2000/2001 "Attacking Poverty". She was also co-founder and President of the Latin American and Caribbean Economic Association (LACEA) between 1998-9. She is a non-resident Senior Fellow in the Foreign Policy Studies Program at the Brookings Institution and Senior Associated Fellow of the Inter-American Dialogue.

During her career, Dr. Lustig has participated in and directed a wide array of research projects. A sample of her recent publications includes: (ed.) *Shielding the Poor*, (IDB and Brookings Institution, 2000); *Mexico: The Remaking of An Economy*, Second Edition (Brookings Institution, 1998)—the first edition of this book received *Choice* magazine's 1994 Outstanding Book Award.

Detailed information on Professor Nora Lustig is available at <http://www.udlap.mx/mensajerectoria/>

Monday 17 June 2002, 16:00-18:00 hours RSVP: 615 9911 or marja@wider.unu.edu
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