

'Lost Decade' if austerity dominates winning policy space: UNCTAD

By TIOL News Service

ENEVA, SEPT 23, 2020: THE UNCTAD'S <u>Trade and Development Report 2020</u>, launched yesterday, has stressed that in the face of a deep bal recession arm a still up thecked pandemic, the world needs a global recovery plan that can return even the most vulnerable countries a stronger position than they were in before COVID-19.

Recording to the report key to success will be tackling a series of pre-existing conditions that were threatening the health of the global economy even before the pandemic hit.

They include hyper-inequality, unsustainable levels of debt, weak investment, wage stagnation in the developed world and insufficient formal sector jobs in the developing world.

UNCTAD Secretary-General Mukhisa Kituyi said:

"Building a better world require smart actions now. The lives of future generations, indeed of the planet itself, will depend on the choices we all take over the coming months."

Drawing lessons from the global financial crisis, the report argues that recovery and reform, at both the national and international levels, must go hand in hand if building back better is to move beyond sloganeering and become the lodestar of a more resilient future.

It shows that a big public investment push with effective international support and coordination could all but double the global growth rate over the next decade along with improved debt sustainability and a fairer distribution of income.