

MENA Commission on Stabilization and Growth: Embarking of a Renewal Path

Report led by Ishac Diwan
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IDRC • CRDI

International Development Research Centre
Centre de recherches pour le développement international

The Commission and its TORs

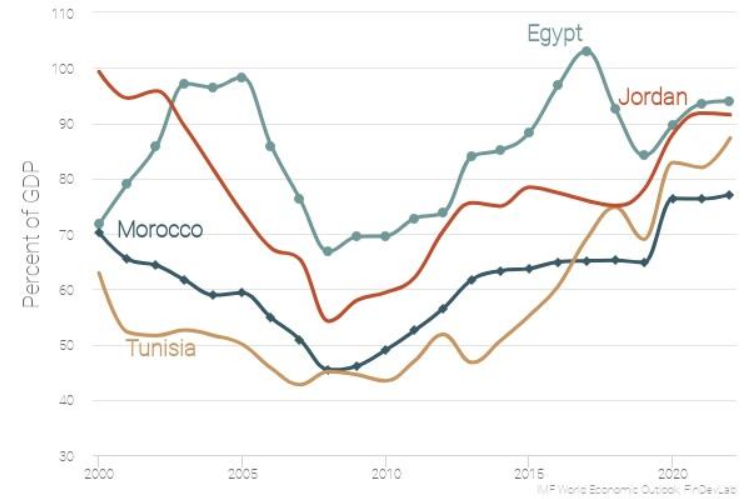
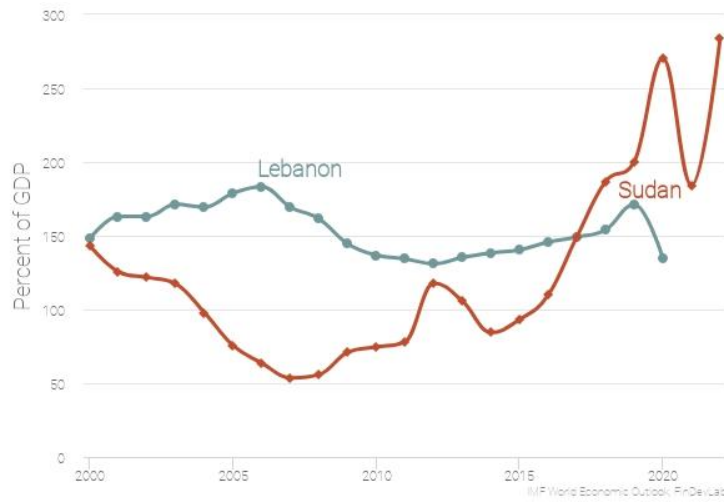
How risky is the current development path in MENA, and especially in highly indebted Egypt, Jordan, Morocco and Tunisia?

How to avoid financial crises and recessions, and initiate and sustain inclusive and more sustainable growth?

What reforms are needed: (i) debt workouts and stabilization measures; (ii) innovative economic, social and climate-related structural reforms; and (iii) improvement in governance and state capacity

Responsibility of the Commission not shy away from the very political choices that confront MENA societies

Report to be followed by country studies



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FDL/ERF sponsored Commission

Key Messages of the Commission

1

Current path leads to financial crisis.

But austerity-only adjustment leads to social crisis

2

IMF program and debt workout are not sufficient –

need a national renewal plan credible enough to ignite growth

3

Considerable growth potential:

pro-growth macro
modern state
democratic market
high-tech
global warming
de-globalization
regionalism

4

Economic reforms are eminently political.

Need to entice opposition, mobilize support, to generate trust and confidence in the future