Global Crises, Global Solutions

A unique publication exploring the opportunities for addressing ten of the most serious challenges facing the world today: climate change, communicable diseases, conflicts, access to education, financial instability, governance and corruption, malnutrition and hunger, migration, sanitation and access to clean water, and subsidies and trade barriers. In a world fraught with problems and challenges, we need to gauge how to achieve the greatest good with our money. *Global Crises, Global Solutions* provides a rich set of arguments and data for prioritising our response most effectively. Each problem is introduced by a world-renowned expert who defines the scale of the problem and describes the costs and benefits of a range of policy options to improve the situation. Debate is encouraged through the addition of two sets of ‘alternative perspectives’ for each proposal, each also written by an internationally recognised expert. The complete set of policy proposals is evaluated by eight of the world’s top economists – including three Nobel Laureates – from North America, Europe and China, who attempt a ranking of the most promising options. Whether you agree or disagree with the analysis or conclusions, *Global Crises, Global Solutions* provides a serious, yet accessible, springboard for debate and discussion.

Global Crises, Global Solutions

Edited by

BJØRN LOMBORG
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The Copenhagen Consensus started as a simple but untested idea of prioritising global opportunities, and ended with a successful list, compiled by some of the world’s top economists, attracting attention from all over the world. Making this project happen, both the Copenhagen Consensus and this book, has been possible only through a very dedicated effort by a large number of people. Now it is time to say ‘thank you’.

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From planning the Copenhagen Consensus to making sure the participants reached the venue, the Copenhagen Consensus team deserves special acknowledgement for their enthusiastic commitment. With a surprisingly small staff, the Copenhagen Consensus Secretariat managed to meet virtually impossible deadlines and make the entire event run surprisingly smooth, an astounding achievement that was amply confirmed by the praise that they received from everyone during the week. The Copenhagen Consensus Secretariat consisted of: Project Manager, Henrik Meyer; Project Officer, Anders Kristoffersen, Administrative Officers, Tommy Petersen and Maria Jakobsen; Communications Manager, Anita Furu; Communications Officer, David Young.

The eight personal assistants who supported the eight experts during the week proved to have an indispensable role. Thanks go to Rico Jensen Busk, Jonas West Eilersen, Linda Harrison, Bjørn Juncker, Maria Skotte, Sonja Thomsen, Dorte Vigsø and Kasper Wrang.

Two other events during the Copenhagen Consensus week were indispensable in achieving the impact of the total project. The Copenhagen Consensus Youth Forum (see the section at the end of the volume), brought together young university...
students from all over the world to make essentially the same prioritisations as the economic experts. That this project also worked so well was due to the committed work of many people. The Copenhagen Consensus Youth Forum Secretariat consisted of: Project Manager, Clemens Rasmussen, Dorte Vigsø, Rasmus Brandt Lassen, Morten Kohl, Susanne Thomesen, Anni Bach, Annette Ludvigsen and Monica Hansen as well as Martin Livermore and Martin Ågerup. Finally, in getting the public involved, a presentation on the main street in Copenhagen was aptly overseen by Anja Skjoldborg Hansen and six student helpers.

Thanks also go to our external partners. 3. Dimension with Director Claus Sneppen and Project Managers Vita Clausen and Helle Rimmer made the Copenhagen Consensus run both smoothly and efficiently. Our web page looked eye-catching due to the work of No Zebra Director Jesper Holm Joensen and his team. The designers from Co & Co made the CC-logo and many of the other necessary materials – many thanks to Lars Toft and Anne-Marie Mortensen for their unwavering work when we made unreasonable changes even after deadlines had passed.

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A lot of people put their lifeblood into this project – and that is the reason the Copenhagen Consensus did so well. This book is dedicated to all of them. Thank you.

Bjørn Lomborg
Copenhagen, 9 August 2004
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACP</td>
<td>Africa, the Caribbean and the Pacific</td>
</tr>
<tr>
<td>ACT</td>
<td>artemisinin-based combination therapy</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>ADR</td>
<td>American Depository Receipts</td>
</tr>
<tr>
<td>ANB</td>
<td>annualised net benefits</td>
</tr>
<tr>
<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
</tr>
<tr>
<td>ARV</td>
<td>anti-retroviral therapy</td>
</tr>
<tr>
<td>ATC</td>
<td>Agreement on Textiles and Clothing (WTO)</td>
</tr>
<tr>
<td>BCR</td>
<td>benefit-cost ratio</td>
</tr>
<tr>
<td>CAP</td>
<td>Common Agricultural Policy (EU)</td>
</tr>
<tr>
<td>CBA</td>
<td>cost-benefit analysis</td>
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<tr>
<td>CEA</td>
<td>cost-effectiveness analysis</td>
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<tr>
<td>COI</td>
<td>cost of illness</td>
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<tr>
<td>CPI</td>
<td>consumer price index</td>
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<tr>
<td>CPI</td>
<td>Corruption Perceptions Index</td>
</tr>
<tr>
<td>CPIA</td>
<td>Country Policy and Institutional Assessment (World Bank)</td>
</tr>
<tr>
<td>DALY</td>
<td>disability adjusted life year</td>
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<tr>
<td>DPT</td>
<td>diphtheria, pertussis, tetanus (vaccine)</td>
</tr>
<tr>
<td>DSP</td>
<td>Dispute Settlement Procedure (WTO)</td>
</tr>
<tr>
<td>EBA</td>
<td>‘everything but arms’</td>
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<tr>
<td>EBRD</td>
<td>European Bank for Reconstruction and Development</td>
</tr>
<tr>
<td>ECB</td>
<td>European Central Bank</td>
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<tr>
<td>EIA</td>
<td>Energy Information Administration</td>
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<tr>
<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
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<tr>
<td>FAO</td>
<td>Food and Agriculture Organisation (United Nations)</td>
</tr>
<tr>
<td>FDI</td>
<td>foreign direct investment</td>
</tr>
<tr>
<td>FFE</td>
<td>Food for Education</td>
</tr>
<tr>
<td>FTA</td>
<td>free trade agreement</td>
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<tr>
<td>FTAA</td>
<td>Free Trade Area of the Americas</td>
</tr>
<tr>
<td>GATS</td>
<td>General Agreement on Trade in Services</td>
</tr>
<tr>
<td>GATT</td>
<td>General Agreement on Tariffs and Trade</td>
</tr>
<tr>
<td>ghgs</td>
<td>greenhouse gas emissions</td>
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<tr>
<td>GDP</td>
<td>gross domestic product</td>
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<tr>
<td>GM</td>
<td>genetically modified</td>
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<tr>
<td>GMO</td>
<td>genetically modified organism</td>
</tr>
<tr>
<td>GNI</td>
<td>Gross National Income</td>
</tr>
<tr>
<td>GSP</td>
<td>Generalised System of (tariff) Preferences</td>
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<tr>
<td>GTAP</td>
<td>Global Trade Analysis Project</td>
</tr>
<tr>
<td>GWP</td>
<td>gross world product</td>
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<tr>
<td>HDI</td>
<td>Human Development Index (United Nations)</td>
</tr>
<tr>
<td>HEFP</td>
<td>Health Economics and Financing Programme (UK)</td>
</tr>
<tr>
<td>HIPC</td>
<td>Heavily Indebted Poorest Countries</td>
</tr>
</tbody>
</table>
Abbreviations and Acronyms

HMO health maintenance organisation
IAG International Advisory Group (World Bank)
IBRD International Bank of Reconstruction and Development (World Bank)
IDA International Development Agency (World Bank)
IFC International Finance Corporation
IFIs international financial institutions
IICR Institutional Investor Credit Rating
ILO International Labour Organisation
IMF International Monetary Fund
IOM International Organisation for Migration
IPCC Intergovernmental Panel on Climate Change
IPR intellectual property rights
IPTp intermittent presumptive treatment of pregnant women
IRR internal rate of return
IT information technology
ITNs insecticide treated (bed)nets
ITO International Trade Organisation
IUGR inter-uterine growth retardation
IWMI International Water Management Institute
KP Kyoto Protocol
LBW low birth weight
LDCs least-developed countries
MDG Millennium Development Goals (UN)
MENA Middle East and North Africa
MERGE Model for Evaluating Regional and Global Effects (of ghgs reduction)
MFN most favoured nation
MIGA Multilateral Investment Guarantee Agency
NAEP National Assessment of Economic Progress
NAFTA North American Free Trade Agreement
NBFIs non-bank financial intermediaries/ institutions
NGO non-governmental organisation
NIEO New International Economic Order
NTB non-tariff barrier
OAS Organisation of American States
ODA Official Development Assistance
OECD Organisation for Economic Cooperation and Development
PHC primary health care
PPP purchasing power parity
PRGF Poverty Reduction and Growth Facility (IMF)
PSE producer support equivalent
PTA preferential trade areas
R&D research and development
RDB regional development bank
RBM Roll Back Malaria (WHO, UNICEF)
SDRs special drawing rights
SFE-IV school fixed effects with instrumental variables
SGA small for gestational age
SME small and medium-sized enterprise
STD sexually transmitted disease
STI sexually transmitted infection
SSA sub-Saharan Africa
TRIPS Trade-Related Aspects of Intellectual Property Rights (WTO)
### Abbreviations and Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>TRS</td>
<td>Temporary Resident Status (USA)</td>
</tr>
<tr>
<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Program</td>
</tr>
<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organisation</td>
</tr>
<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
</tr>
<tr>
<td>UNGASS</td>
<td>United Nations General Assembly Special Session</td>
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<td>UNHCR</td>
<td>United Nations High Commission on Refugees</td>
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<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<tr>
<td>UNWWDR</td>
<td>United Nations World Water Development Report</td>
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<tr>
<td>VLBW</td>
<td>very low birth weight</td>
</tr>
<tr>
<td>VSL</td>
<td>value of a statistical life</td>
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<tr>
<td>WBES</td>
<td>World Business Environment Survey</td>
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<tr>
<td>WHO</td>
<td>World Health Organisation</td>
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<tr>
<td>WHOPES</td>
<td>WHO Pesticides Evaluation Scheme</td>
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<tr>
<td>WMO</td>
<td>World Migration Organisation</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
</tr>
<tr>
<td>WTP</td>
<td>willingness to pay</td>
</tr>
<tr>
<td>YLL</td>
<td>year of life lost</td>
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</table>