



## Improving Institutions for Pro-Poor Growth

**An inter-disciplinary research programme exploring how growth can be made pro-poor.**

### Why institutions matter: the rules of the game

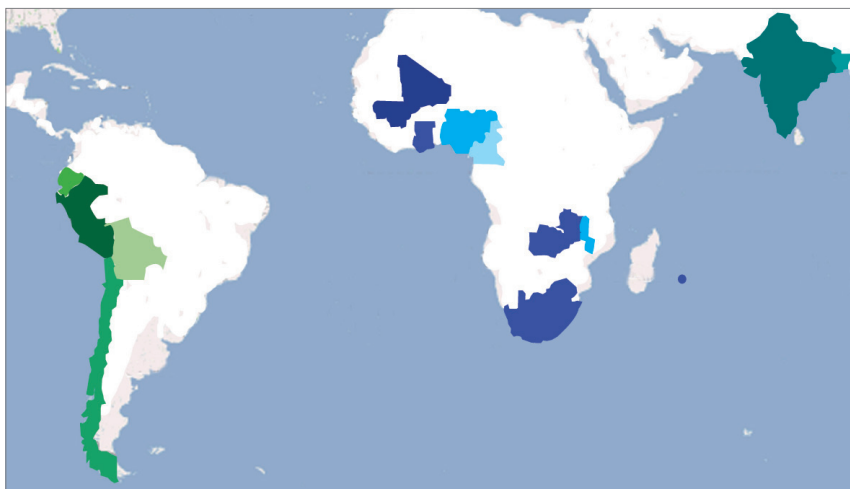
Institutions shape human behaviour in all spheres of life. They can be formal (eg laws, constitutions) or informal (customs, traditions, norms), and are best understood as the *rules of the game*.

The work of IPPG (Research Programme Consortium on Improving Institutions for Pro-Poor Growth) goes well beyond the widely accepted view that 'institutions matter'. We explore IPPG's 'big idea' – that political and social institutions and practices have a profound effect on economic institutions, influencing growth outcomes decisively.

Although economic growth is necessary for the sustainable reduction of poverty, it is not enough. If the UN Millennium Development Goals (MDGs) are to be achieved, we must think of ways in which growth can be made pro-poor. IPPG supports innovative scholarly research, and seeks to influence development policy and practice that contributes to achievement of the MDGs.

### IPPG's research

Economists, political scientists and anthropologists all contribute to IPPG's research. Our partners are based in South Asia, Sub-Saharan Africa and Latin America (see map). We fund research projects across all these regions. We also aim to help build the capacity of others for undertaking research, influencing and advocacy work on institutional questions.



We have just begun a new programme of research, with studies on:

- State-business relations (SBR) (Africa and India)
- Institutions and industrial growth (Ghana)
- Territorial dynamics (Latin America).

## Current research

**State-business relations (Africa and India)** lies at the heart of IPPG research, exploring:

- the nature of formal and informal interactions between the state and business, and how the institutions governing these have evolved over time
- the effects of different types of SBRs on measures of economic performance
- the conditioning factors affecting this relationship.

Research projects are under way in Africa (Ghana, Zambia, South Africa, and Mauritius, with work in Malawi also making a contribution) and in India. By bringing together economists and political scientists to undertake this work, IPPG is contributing directly to the practical study and promotion of positive state-business relations, and important findings are already emerging.

**Institutions and industrial growth** looks at the role of political factors and financial institutions in investment choice and allocation, especially on the choices made by firms in the private sector. The focus is sub-Saharan Africa, specifically Ghana.

**Rural territorial dynamics (Latin America)** explores what kind of institutional architecture explains 'successful' territorial developments – that is, developmental dynamics that lead to economic growth, social inclusion and environmental sustainability.

## IPPG people and partners

Joint Directors:

- Dr Adrian Leftwich, Senior Lecturer, Department of Politics, University of York
- Professor Kunal Sen, Institute for Development Policy and Management (IDPM), University of Manchester.

IPPG Partners:

- African Economic Research Consortium (AERC), Kenya
- Consumer Unity and Trust Society (CUTS), India
- Latin American Centre for Rural Development (RIMISP), Chile
- University of Manchester, UK
- Natural Resources Institute (NRI), UK
- Overseas Development Institute (ODI), UK
- University of York, UK.

IPPG Advisory Group:

- Professor Pranab Bardhan (Chair), Professor of Economics at the University of California, Berkeley
- Professor Leonard Wantchekon, Professor of Politics, Economics at New York University
- Professor Mick Moore, Research Fellow, Governance Team, Institute of Development Studies.

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