



IZA Press Statement – September 7, 2011

British Government Commissions Large Research Project with IZA

Studies to Uncover Employment Opportunities in Low Income Countries
Long-Term Cooperation Concluded

The Institute for the Study of Labor (IZA) has recently received a major commission from the British Government. Over the next five years IZA is to manage research funding in the amount of 10.6 million pounds for the UK Department for International Development (DFID) for research projects on growth and labor markets aimed at improving the living conditions of people in countries with particularly low income levels. Among other topics, focus will be on which strategies are especially helpful for economic growth and job creation under the specific conditions found in the countries under study.

To date there have been hardly any empirically data or studies on the poorest regions of the world upon which policy recommendations can be based. Hence, the efficacy of policies to promote employment and stable economic structures in these countries has so far been very limited.

That is why IZA and the DFID will support up to 30 different research projects in the coming five years. The main objectives are:

- promote research on growth and labor markets in low-income countries
- help policy-makers to translate these findings in policy concepts that
- improve living conditions in the target regions
- improve the transfer of knowledge between North and South, e.g. through research cooperation and the training of scientists from these countries.

The program aims to enable the countries to independently boost their growth in economic capacity. Research in the fields of labor market policy, education and gender will be of particular focus.

Corporate Communications: Mark Fallak

The program will be financed by the DIFD, which has been working at improving living conditions in those particularly affected regions of the world since 1997. At its headquarters in Bonn, Germany, IZA will be responsible for the coordination and, in cooperation with independent, international experts, for the selection of the individual research projects.

Klaus F. Zimmermann, Director of IZA: "Both partners have agreed upon long-term cooperation, as international economics has conducted little research on these countries because of the specific environment and difficulties—countries in which much of the population survives on a dollar a day. However, research findings on labor markets of more developed countries or industrial nations do not apply here. We believe it important to involve the local decision-makers early on in future labor market strategies. Similarly, the individual research projects should be conducted as much as possible with suitable institutions in the countries in question".

The Institute for the Study of Labor (IZA) is the world's largest research network in economics. It cooperates with more than a thousand scientists, including Nobel laureates and top government advisers, such as Alan Krueger, who was recently chosen as chairman of the Council of Economic Advisers to US President Barack Obama.

Media contacts:

Dr. Marco Caliendo
IZA Director of Research
Email: caliendo@iza.org
Tel. +49 (0)228-3894 512

For further information please visit the project webpage:

<http://glm-lic.iza.org>