Contents

Foreword xi
Acknowledgments xiii
Abbreviations xv
Overview 1

Chapter 1 Prospects for the Global Economy 15
  Financial markets 19
  Outlook for high-income OECD countries 24
  Outlook for the developing countries 27
  World trade 36
  Commodity markets 39
  Key risks and uncertainties 45
  Long-term prospects and poverty forecast 46

Chapter 2 The Commodity Boom: Longer-Term Prospects 51
  Characteristics of the current commodity price boom 53
  The roots of the boom in commodity prices 57
  Long-term demand prospects 64
  Long-term supply prospects 74
  Projections 85
  Conclusions 89

Chapter 3 Dealing with Changing Commodity Prices 95
  Commodity dependence and growth 98
  Managing primary commodity booms 102
  Poverty impacts of higher commodity prices 113
  Dealing with high food and fuel prices 121
  The international response to high commodity prices 127
  Conclusions 131
  Technical Annex: Sensitivity Analysis 132
Appendix: Regional Economic Prospects 141
East Asia and the Pacific 141
Europe and Central Asia 147
Latin America and the Caribbean 153
Middle East and North Africa 159
South Asia 166
Sub-Saharan Africa 171