

Use fiscal stability to bolster inclusive and sustainable development in Asia-Pacific, UN report urges

6 December 2017 – Countries in the Asia-Pacific region should make the most of the prevailing stable economic conditions to orient their economies towards a more socially inclusive and environmentally sustainable path, the United Nations development wing in the region has urged.

“Unless economic growth is accompanied by an expansion of decent jobs and strengthening of social safety nets, the region will continue to see a rise in inequality and little progress in eliminating poverty,” said Shamshad Akhtar, the Executive Secretary of the UN Economic and Social Commission for Asia and the Pacific (ESCAP).

“Without concerted efforts, economic growth will continue to come at a significant, and often irreversible, environmental cost,” she added, unveiling the [year-end update](#) to the Commission’s flagship publication, the [Economic and Social Survey for Asia and the Pacific](#).

The report highlights that fiscal sustainability is not a concern in most countries but overcoming the wide financing gap – the difference between public investments required to effectively pursue sustainable development and the prevailing trends – requires fiscal space to be enlarged, including through the mobilization of resources, broadening private sector participation and strengthening capital markets.

It also states that countries can improve governance and fiscal management through effective leverage of technology.

“Through the use of technology, Governments can improve tax administration and compliance and the implementation of direct benefit transfers while improving public expenditure efficiency,” reads the year-end update.

Regional economic outlook for 2018 ‘broadly stable’ but private investment remains weak

The report also cautions that while the regional economic outlook for 2018 is “broadly stable,” private investment remains weak in most countries, partly as a result of overcapacity and debt overhang in the corporate and banking sectors of some major economies.

To achieve a stable and sustained economic growth momentum, higher wages supported by productivity gains and revival of private investment will be needed, it urges.

The Economic and Social Survey for Asia and the Pacific (published until 1973 as the Economic Survey of Asia and the Far East) has been [issued annually](#) by

ESCAP since 1947. It is one of the longest, continuously running reports in the UN system, monitoring progress on and analysing emerging socioeconomic issues in the region and providing policy advice to the decision makers.