

EXPERT PANEL RANKING

The Goal of the Project

The goal of the Copenhagen Consensus project was to set priorities among a series of proposals for confronting ten great global challenges. These challenges, selected from a wider set of issues identified by the United Nations, were:

- climate change,
- communicable diseases,
- conflicts and arms proliferation,
- access to education,
- financial instability,
- governance and corruption,
- malnutrition and hunger,
- migration,
- sanitation and access to clean water; and
- subsidies and trade barriers.

A panel of economic experts, comprising eight of the world's most distinguished economists, was invited to consider these issues. The members were;

- Jagdish N. Bhagwati of Columbia University,
- Robert S. Fogel of the University of Chicago (Nobel Laureate),
- Bruno S. Frey of the University of Zurich,
- Justin Yifu Lin of Peking University,
- Douglass C. North of Washington University in St Louis (Nobel Laureate),
- Thomas Schelling of the University of Maryland,
- Vernon L. Smith of George Mason University (Nobel Laureate) and
- Nancy Stokey of the University of Chicago.

The panel was asked to address the ten challenge areas and to answer the question: 'What would be the best ways of advancing global welfare, and particularly the welfare of developing countries, supposing that an additional \$50 bn of resources were at governments' disposal?'

Ten challenge papers (chapters 1-10 in this volume), commissioned from acknowledged authorities in each area of policy, set out more than thirty proposals for the panel's consideration.

During the conference, the panel examined these proposals in detail. Each chapter was discussed at length with its principal author and with two other specialists who had been commissioned to write critical appraisals in the form of Perspective papers, and then the experts met in private session.

The panel then ranked the proposals, in descending order of desirability (see table below).

Ranking the Proposals

In ordering the proposals, the panel was guided predominantly by consideration of *economic costs and benefits*. The panel acknowledged the difficulties that cost-benefit analysis (CBA) must overcome, both in principle and as a practical matter, but agreed that CBA was an indispensable organising method.

In setting priorities, the panel took account of the strengths and weaknesses of the specific cost-benefit appraisals under review and gave weight both to the institutional preconditions for success and to the demands of ethical or humanitarian urgency.

As a general matter, the panel noted that higher standards of governance and improvements in the institutions required to support development in the world's poor countries were of paramount importance.

Some of the proposals (for instance, the lowering of barriers to trade or migration) face political resistance. Overcoming such resistance can be regarded as a 'cost' of implementation. The panel took the view that such political costs should be excluded from their calculations.

They concerned themselves only with those *economic costs of delivery*, including the costs of specific supporting institutional reforms, that would be faced once the political decision to proceed had been taken.

For some of the proposals, the panel found that information was too sparse to permit a judgement to be made. These proposals, some of which may prove after further study to be valuable, were therefore excluded from the ranking.

Final overall ranking

	Challenge	Opportunity
Very Good	1 Communicable diseases	Control of HIV/AIDS
	2 Malnutrition and hunger	Providing micronutrients
	3 Subsidies and trade	Trade liberalisation
	4 Communicable diseases	Control of malaria
Good	5 Malnutrition and hunger	Development of new agricultural technologies
	6 Sanitation and water	Community-managed water supply and sanitation
	7 Sanitation and water	Small-scale water technology for livelihoods
	8 Sanitation and water	Research on water productivity in food production
	9 Governance and corruption	Lowering the cost of starting a new business
Fair	10 Migration	Lowering barriers to migration for skilled workers
	11 Malnutrition and hunger	Improving infant and child nutrition
	12 Communicable diseases	Scaled-up basic health services
	13 Malnutrition and hunger	Reducing the prevalence of LBW
Bad	14 Migration	Guest worker programmes for the unskilled
	15 Climate change	Optimal carbon tax
	16 Climate change	The Kyoto Protocol
	17 Climate change	Value-at-risk carbon tax