How can productive work and a good quality of life be provided for the 2.5–3 billion people now living on less than $2 a day (and the 3 billion people likely to be added to developing countries by 2050) in an environmentally and socially sustainable way? World Development Report 2003 asks where problems and opportunities are likely to arise, why they arise, and how the problems can be solved—in different settings (on fragile lands, on relatively favored agricultural lands, and in urban areas) and at different scales (local, national, and global).

World Development Report 2003 examines the relationship among competing policy objectives—reducing poverty, maintaining growth, improving social cohesion, and protecting the environment—over a 50-year horizon. The report notes that many good policies have been identified but not adopted or implemented. It traces this problem to distributional issues and institutional barriers. It then reviews institutional innovations that might help overcome these barriers. World Development Report 2003 argues that polarized societies have difficulties coordinating actions to eliminate externalities and provide public goods. It stresses that ensuring economic growth and improved management of the planet's ecosystem requires a reduction in poverty and inequality at all levels.