Reforming public-sector organizations, their structures, policies, processes and practices—is notoriously difficult, in rich and poor countries alike (Grindle and Thomas 1991; World Bank 2012). Even in the most favorable of circumstances, the scale and complexity of the tasks to be undertaken are enormous, requiring levels of coordination and collaboration that may be without precedent for those involved. Entirely new skills—for example, learning to use sophisticated software, may need to be acquired by tens of thousands of people. Such reforms are often premised on the need to “modernize” prevailing administrative systems, with the long-run payoff being enhanced efficiency and effectiveness in the collection, management and allocation of public resources, all in pursuit of top-priority national strategy objectives. But these payoffs may take many years to fully materialize, requiring sustained commitments from senior officials as setbacks, delays and confusion threaten to sap morale and momentum. High turnover, competing distractions and inherent uncertainty can compromise the necessary focus. As such, a central focus of the processes discussed in the cases is to highlight innovative decision-making and implementation strategies on the part of those responsible for leading the reforms—certainly in the country context itself, where the political and bureaucratic space for deviating from standard approaches is often considerably constrained. In such circumstance, being ‘innovative’ means by definition, not holding unwaveringly to predetermined plans and not insistently using standard techniques in standard ways. As such, the primary purpose in presenting these cases is to document how the space (more formally, the authorizing environment) for innovative reform strategies was created and sustained, how and through whom such space was implemented, and how emergent implementation challenges were addressed. Importantly, the approaches deployed in these cases, and the conclusions authors derive from them, are not presented as a new list of universal ‘best practices’ that those undertaking similar reforms should now adopt, but rather as ideas and inspiration that they might consider. In other words, they are cases of how ‘best fit’ strategies in combination with ‘best practice’ approaches were crafted and implemented, of how general principles became specific applications in particular places in response to idiosyncratic problems.

Much popular belief — and public policy — rests on the idea that those born into poverty have it in their power to escape. But the persistence of poverty and ever-growing economic inequality around
the world have led many economists to seriously question the model of individual economic self-determination when it comes to the poor. In Poverty Traps, Samuel Bowles, Steven Durlauf, Karla Hoff, and the book’s other contributors argue that there are many conditions that may trap individuals, groups, and whole economies in intractable poverty. For the first time the editors have brought together the perspectives of economics, economic history, and sociology to assess what we know — and don’t know — about such traps.

Among the sources of the poverty of nations, the authors assign a primary role to social and political institutions, ranging from corruption to seemingly benign social customs such as kin systems. Many of the institutions that keep nations poor have deep roots in colonial history and persist long after their initial causes are gone. Neighborhood effects — influences such as networks, role models, and aspirations — can create hard-to-escape pockets of poverty even in rich countries. Similar individuals in dissimilar socioeconomic environments develop different preferences and beliefs that can transmit poverty or affluence from generation to generation. The book presents evidence of harmful neighborhood effects and discusses policies to overcome them, with attention to the uncertainty that exists in evaluating such policies.

The Future of Large, Internationally Active Banks

The Great Financial Crisis of 2007–2010 has had a major impact on large cross-border banks, which are widely blamed for the start and severity of the crisis. As a result, much public policy, both in the United States and elsewhere, has been directed at making these banks safer and less influential by reducing their size and permissible powers through increased government regulation.

At the Federal Reserve Bank of Chicago’s 18th annual International Banking Conference, held in November 2015, the status of these large cross-border banks was critically evaluated. In collaboration with the World Bank, the conference held discussions on the current regulatory landscape for large and internationally active financial institutions; the impact of regulation on bank permissible activities and international trade; improvements in risk management; necessary repairs to the bank safety net; the resolution of insolvent banks operating across national borders; corporate governance for banks in the new environment; implications for market and government discipline; and, progress in achieving international cooperation.

Contributors include international policymakers, practitioners, researchers, and academics from more than 30 countries. The papers from the conference are collected in this volume.

2015
Deliberation and Development: Rethinking the Role of Voice and Collective Action in Unequal Societies
This book brings together two fields that rarely converse with one another: deliberative democracy and development studies. The study of deliberation— which explores normative and practical questions around group-based decision making via discussion or debate, particularly as an alternate or supplement to voting or bargaining—has emerged as a critical part of the debate on democracy over the last two decades. Concurrently, the field of development has seen a spurt of interest in community-led development and participation premised on the ability of groups to arrive at decisions and manage resources via a process of discussion and debate. Despite the growing interest in both fields, they have rarely engaged with one another. Studying the intersection between deliberation and development can provide valuable insights into how to incorporate participation into development across a variety of arenas. Moving beyond broad theoretical claims, close examination of specific cases of deliberation and development allows scholars and practitioners to evaluate actual processes and to pose the question of how deliberation can work in the twin conditions of extreme inequality and low educational levels that characterize the developing world.

2014

The Impacts of Biofuels on the Economy, Environment, and Poverty: A Global Perspective

Interest in biofuels began with oil shocks in the 1970’s, but the more rapid development and consumption of biofuel industry in recent years has been primarily driven by mandates, subsidies, climate change concerns, emissions targets and energy security. From 2004 to 2006, fuel ethanol grew by 26% and biodiesel grew by 172%. As biofuel production continues to expand, investments in capacity expansion and research and development have been made. The 2008 food crisis emphasized the need to re-examine biofuel consequences. Biofuels remain an important renewable energy resource to substitute for fossil fuels, particularly in the transportation sector, yet biofuels’ success is still uncertain. The future of biofuels in the energy supply mix relies on mitigating potential and improving the environmental gains. This book brings together leading authorities on biofuel from the World Bank to examine all of the impacts of biofuel (economic, social, environmental) within a unified framework and in a global perspective, making it of interest to academics in agricultural and environmental economics as well as industry and policy-makers.

Losing Your Land: Dispossession in the Great Lakes

Examines a new aspect of one of the highest profile issues facing Africa today— land-grabbing—and shows the widespread impact of small-scale dispossession. Dispossession of land on a small scale can have as great an impact on living conditions as large-scale land-grabs. With the increasing commodification of land, new forms of dispossession, in urban as well as rural districts, are also gaining in importance.

This book looks at this largely uninvestigated issue through case studies in the Eastern DRC, Rwanda, Burundi and Uganda: here the loss of land often represents the loss of people’s livelihoods in these areas of extreme land scarcity in highly populated regions. In the post-conflict states of the Great Lakes, governance challenges increase the risk of dispossession of the already poor and vulnerable:
formal institutions are weak or biased; customary authorities have lost some of their moral authority. The cases in this book show in particular how local power dynamics, often rooted in history, bear upon the processes of land competition, dispossession and land grabbing. This timely volume will be important not only for those in African Studies, but for those in development studies, as well as practitioners and policy-makers worldwide.

2013

**An African Green Revolution: Finding Ways to Boost Productivity on Small Farms**

This volume explores the usefulness of the Asian model of agricultural development for Africa, where, even before the recent world food crisis, half the population lived on less than one dollar a day, and a staggering one in three people and one third of all children were undernourished. Africa has abundant natural resources; agriculture provides most of its jobs, a third of national income and a larger portion of total export earnings. However, the levels of land and labor productivity rank among the worst in the world. The book explains Africa's productivity gap and proposes ways to close it, by examining recent experience in Africa and by drawing on lessons from Asia.

**Emerging Issues in Financial Development: Lessons from Latin America**

Since the 1990s, financial systems around the world, and especially those in developing countries, have gained in soundness, depth, and diversity, prompted in part by a series of financial sector and macroeconomic reforms aimed at fostering a market-driven economy in which finance plays a central role. Latin America and the Caribbean (LAC) has been one of the regions at the forefront of these changes, and it serves as a good laboratory for seeing where the challenges in financial development lie. The progress in financial development in LAC no doubt reflects governments' substantial efforts to provide an enabling environment. This includes lower macroeconomic volatility, more independent and better anchored currencies, increased financial liberalization, lower currency mismatches and foreign debt exposures, enhanced effectiveness of regulation and supervision, and notable improvements in the underlying market infrastructure. This book studies the recent history of financial sector development and reforms in the LAC region and compares it to other developing and developed countries to shed light on the key obstacles to financial development, both past and future. This study is particularly timely in the wake of the global financial crisis that began in 2008, as assumptions about the underpinnings of efficient and well-functioning markets undergo close scrutiny. This book builds on and complements several overview studies on financial development both in LAC and in the developing world more broadly that have been published in the past decade, including those by the World Bank. It covers additional aspects of the financial development process and focuses on the broader set of LAC countries. The chapters in this book cover different issues related to financial development in LAC. Chapters one through five attempt to ascertain where the region's financial development lies, analyzing in detail some of the reasons and policy implications underlying its gaps in banking depth and equity liquidity, as well as the links between financial development and financial globalization. Chapters six and seven consider
two themes that are central to the region's financial development: long-term finance and the role of
the state in risk bearing. Chapters eight through eleven deal with regulation and supervision, first
taking stock of the progress in the region and then analyzing the challenges LAC faces on three main
facets of systemic oversight: macro prudential policy, micro systemic regulation, and systemic
supervision.

**Popular Representations of Development: Insights from Novels, Films, Television and Social Media**

Although the academic study of development is well established, as is also its policy implementation,
less considered are the broader, more popular understandings of development that often shape
agendas and priorities, particularly in representative democracies.

Through its accessible and provocative chapters, Popular Representations of Development
introduces the idea that while the issue of ‘development’ – defined broadly as problems of poverty
and social deprivation, and the various agencies and processes seeking to address these – is normally
one that is discussed by social scientists and policy makers, it also has a wider ‘popular’ dimension.
Development is something that can be understood through studying literature, films, and other non-
conventional forms of representation. It is also a public issue, one that has historically been
associated with musical movements such as Live Aid and increasingly features in newer media such
as blogs and social networking. The book connects the effort to build a more holistic understanding
of development issues with an exploration of the diverse public sphere in which popular
engagement with development takes place.

This book gives students of development studies, media studies and geography as well as students in
the humanities engaging with global development issues a variety of perspectives from different
disciplines to open up this new field for discussion.

**Risking Your Health: Causes, Consequences, and Interventions to Prevent Risky Behaviors**
Damien de Walque, ed. Human Development Perspectives. Washington, DC: World Bank, November
2013.

A growing share of the burden of disease across the world is associated with risky behaviors by
individuals. Drug use, smoking, alcohol, unhealthy eating causing obesity, and unsafe sex are highly
prevalent in low-income countries, even though they are traditionally associated with richer
countries. Understanding the factors driving those behaviors represents a priority not only from a
public health perspective but from a broader development one. This report summarizes the existing
evidence about the causes and consequences of those behaviors, as well as about interventions
aimed at preventing them from a broad range of sources. The opening chapter, by Damien de
Walque and Sébastien Piguet, presents an epidemiological overview, illustrated by tables, figures,
and maps, of the global prevalence and distribution of the risky behaviors that are the focus of this
book. The second chapter, by Mattias Lundberg and Gil Shapira, covers the determinants of health-
related risky behaviors in the developing world. Chapter 3, by Alaka Holla, explores the
consequences of risky behaviors, focusing on their direct impact on the individual engaging in them,
the spillovers to peers, and the costs that society must bear. Chapters 4 and 5, by Aakanksha Pande,
discuss interventions to reduce the prevalence of risky behaviors. The findings show that information and regulation interventions can be successful in changing risky behaviors. An important lesson that emerges from this review is that even when interventions are effective, externalities often emerge that need to be considered.

**Trade in Value Added: Developing New Measures of Cross-Border Trade**


This volume includes papers that were first presented and discussed at a workshop on 'The Fragmentation of Global Production and Trade in Value-Added: Developing New Measures of Cross Border Trade', held at the World Bank in Washington, DC, on 9 to 10 June, 2011. This publication is structured as follows: chapter one gives and overview of measuring trade in value added when production is fragmented across countries. Chapter two discusses policy rationale and methodological challenges towards the measurement of trade in value-added terms. Chapter three highlights the importance of measuring trade in value added. Chapter four computes and analyses the value-added content of trade. Chapter five proposes an accounting framework for estimating the domestic and foreign content share in a country's exports when processing trade is prevalent. Chapter six provides estimates of foreign and domestic content in Mexico's manufacturing exports that take into account the import content in production under the maquiladora and Programa de Importacion Temporal para Producir Articulos de Exportacion (PITEX) programmes. Chapter seven gives empirical evidence that the standard gravity equation performs poorly by some measures when it is applied to bilateral flows where parts and components trade is important. It also provides a simple theoretical foundation for a modified gravity equation that is suited to explain trade where international supply chains are important. Chapter eight provides methodological guidelines on how to compute import coefficients at the level of the firm and shows how trade micro-data, can refine the aggregate nature of the indicators in input-output (IO) tables, by increasing their granularity. Chapter nine reviews the availability of underlying source data, summarizes the assumptions and describes the harmonization techniques used. Chapter ten gives three-stage reconciliation method to construct a time series international IO database. Chapter eleven gives direct measurement for collecting product- and firm-level statistics on value added and business function outsourcing and offshoring. Chapter twelve focuses on statistics and measures that are developed and used for defining and monitoring trade policy and economic development. Each chapter gives references at the end.

**The WTO Case Law of 2011: Part of The American Law Institute Reporters Studies on WTO Law**

Chad P. Bown and Petros C. Mavroidis, eds. Cambridge University Press, July 2013.

This book brings together the 2011 output of the American Law Institute (ALI) project on World Trade Organization law. Each chapter focuses on a different dispute from the adjudicating bodies of the WTO. Each case is jointly evaluated by well-known experts in trade law and international economics. ALI reporters critically review the jurisprudence of WTO adjudicating bodies and evaluate whether the ruling 'makes sense' from an economic as well as a legal point of view and, if not, whether the problem lies in the interpretation of the law or the law itself. The studies do not always cover all issues discussed in a case, but they seek to discuss both the procedural and the substantive
issues that form, in the reporters' views, the 'core' of the dispute. This paperback will be an invaluable resource for students, lecturers and practitioners of international trade law.

2012

Globalization and Inequality: The Globalization of the World Economy

This volume brings together the most significant modern contributions to the literature on globalization and inequality. The editor’s selection, set in context by an authoritative introduction, uses broad analyses and important case studies to illustrate the impact on levels of inequality of previous periods of globalization and of the current era of globalization. The collection further focuses on the issues of openness and inequality and concludes with several benchmark papers that examine global levels of inequality. This timely book will be an invaluable resource for anyone concerned with this vital relationship, including teachers, doctoral students and researchers.

Legal Pluralism and Development: Scholars and Practitioners in Dialogue

Previous efforts at legal development have focused almost exclusively on state legal systems, many of which have shown little improvement over time. Recently, organizations engaged in legal development activities have begun to pay greater attention to the implications of local, informal, indigenous, religious and village courts or tribunals, which often are more efficacious than state legal institutions, especially in rural communities. Legal pluralism is the term applied to these situations because these institutions exist alongside official state legal systems, usually in a complex or uncertain relationship. Although academics, especially legal anthropologists and sociologists, have discussed legal pluralism for decades, their work has not been consulted in the development context. This book brings together, in a single volume, contributions from academics and practitioners to explore the implications of legal pluralism for legal development.

The Evidence and Impact of Financial Globalization

The sharp realities of financial globalization become clear during crises, when winners and losers emerge. Crises usher in short- and long-term changes to the status quo, and everyone agrees that learning from crises is a top priority. The Evidence and Impact of Financial Globalization devotes separate articles to specific crises, the conditions that cause them, and the longstanding arrangements devised to address them. While other books and journal articles treat these subjects in isolation, this volume presents a wide-ranging, consistent, yet varied specificity. Substantial, authoritative, and useful, these articles provide material unavailable elsewhere.

Banking the World: Empirical Foundations of Financial Inclusion
Experts report on the latest research on extending access to financial services to the 2.5 billion adults around the world who lack it. About 2.5 billion adults, just over half the world’s adult population, lack bank accounts. If we are to realize the goal of extending banking and other financial services to this vast “unbanked” population, we need to consider not only such product innovations as microfinance and mobile banking but also issues of data accuracy, impact assessment, risk mitigation, technology adaptation, financial literacy, and local context. In Banking the World, experts take up these topics, reporting on new research that will guide both policy makers and scholars in a broader push to extend financial markets.

The contributors consider such topics as the complexity of surveying people about their use of financial services; evidence of the impact of financial services on income; the occasional negative effects of financial services on poor households, including disincentives to work and overindebtedness; and tools for improving access such as nontraditional credit scores, financial incentives for banking, and identification technologies that can dramatically reduce loan default rates.

2011

Exporting Services: A Developing Country Perspective

The book builds on previous research, including that by the World Bank, on trade in services. Such research includes analyses of the effect of liberalizing services in developing countries and sectoral studies on financial, transportation, telecommunication, and professional services, as well as on international negotiations. The conceptual framework for this book is based on the existing literature on the service sector (Francois and Hoekman 2010; Hoekman and Mattoo 2008). Recognizing the heterogeneity in both, economic structure of developing countries and their service exports, this book takes an eclectic approach to identifying successful strategies. Chapter two surveys the literature on determinants of service exports and presents an illustrative empirical model that synthesizes the available models on trade in services. Because trade data on services are scarce and have a number of weaknesses, rigorous econometric analysis has serious limits. The subsequent chapters of the book examine the determinants of trade in services through case studies of the experiences of countries with varying degrees of success. The book analyzes service export performance for the following countries: Brazil, Chile, the Arab Republic of Egypt, India, Kenya, Malaysia, and the Philippines. The countries were selected on the basis of their performance in global trade (especially trade in services), their regional role, and the availability of data and because they have consciously pursued policies to promote service exports.

History, Historians and Development Policy: A Necessary Dialogue
If history matters for understanding key development outcomes then surely historians should be active contributors to the debates informing these understandings. This volume integrates, for the first time, contributions from ten leading historians and seven policy advisors around the central development issues of social protection, public health, public education and natural resource management. How did certain ideas, and not others, gain traction in shaping particular policy responses? How did the content and effectiveness of these responses vary across different countries, and indeed within them? Achieving this is not merely a matter of seeking to 'know more' about specific times, places and issues, but recognising the distinctive ways in which historians rigorously assemble, analyse and interpret diverse forms of evidence.

This book will appeal to students and scholars in development studies, history, international relations, politics and geography as well as policy makers and those working for or studying NGOs.

*International Financial Crisis: Have the Rules of Finance Changed*

The recent global financial crisis has caused massive upheavals worldwide. The papers in this volume analyze whether financial principles seem to have shifted in recent years, and what that may mean for international financial markets and regulation. What “broke” in the current crisis? Is there no “playbook” on how to respond to systemic crises? What is the optimal role of the state in dealing with crises? How should asset bubbles be addressed in the future? Do we need a major overhaul of governance in the industry? What means exist to address systemic crises? What reforms are needed? These and related issues are discussed by an impressive list of well-known scholars, policymakers and practitioners, with an emphasis on the implications for public policy.

*Managing Openness: Trade and Outward-Oriented Growth after the Crisis*

The global financial crisis is stimulating a broad reassessment of economic integration policies in developed and developing countries alike. The crisis was associated with a great trade collapse, the sharpest in recorded history and the deepest since Second World War (Baldwin 2009). The trade collapse affected all countries and products, although to different extents. While signs of recovery are starting to solidify, deeper questioning of the causes of the crisis and the merits of globalization has surfaced. The emergence of China and the imbalances of its trade with the United States are shaking the stability of the global system. Are these imbalances sustainable, or do they need to be adjusted to avoid another global crisis? What impact will these adjustments have on the trade of developing countries if they mean that China consumes more and the United States saves more? Openness has helped support growth in many countries, to unprecedented levels in Brazil, China, Indonesia, Malaysia, and others. Yet today many are concerned that openness is creating vulnerability, and vulnerability can hurt growth. No one believes that inward orientation is the solution or that domestic consumption alone can boost growth, even in large countries. The longer-
term benefits of openness more than compensate for the short-term negative impacts of trade shocks. The question is not whether to remain open but rather what kind of safety and insurance systems, at the micro and macro levels, to put in place to better hedge against shocks from globalization. As developing countries try to find answers to these questions, they also face a drastically changed trade environment. The crisis proved that protectionism is no longer the name of the game; it remained largely under control thanks to a solid multilateral regime as well as to a new system of production sharing across countries, which does not lend itself naturally to broad-based protectionism. Moreover, the role of South-South trade is growing, giving developing countries new opportunities to export and new opportunities to import cheaper capital goods, now produced in countries like China or India, that allow them to industrialize faster. Thus, while outward-oriented growth is here to stay, it needs to be put in a different perspective and packaged with additional policies. As the world emerges from the crisis, the author expect to see the development of an 'export-led growth version 2.0' model that reflects these new dynamics.

No Small Matter: The Impact of Poverty, Shocks, and Human Capital Investments in Early Childhood

The relative lack of attention to early childhood development in many developing countries remains a puzzle, and an opportunity. There is increasing evidence that investments in the nutritional, cognitive, and socio-emotional development of young children have high payoffs. Researchers and development practitioners are building on this evidence to raise the topic’s profile and bring it to the attention of decision makers. This volume is an important contribution to these efforts. It thoroughly and carefully reviews the most recent empirical literature linking early childhood development outcomes, poverty, and shocks. In doing so, it brings an added perspective to the debate and makes the case that investments in the first years of life have the potential to be a critical component of poverty reduction strategies. The volume also goes beyond simply documenting the consequences of insufficient or inadequate focus on early childhood and identifies the range of policy options available to policy makers. The Human Development Perspectives series seeks to present thorough research findings on issues of critical strategic importance for developing countries. At its core is the perspective that investments in human capital are an essential aspect of efforts to promote global development and eradicate poverty. This volume makes it convincingly clear that investing in and protecting the human capital of young children is no small matter.

The Great Recession and Import Protection: The Role of Temporary Trade Barriers

The great recession of 2008-9 caused a negative shock to the global economy that is comparable with the great depression of the 1930s. The major advanced nations experienced painful economic contraction, severe dislocation to industrial production and sharp spikes in unemployment. Trade flows collapsed across all the regions of the world. The rest of this introductory chapter proceeds as follows. Next, the report provide a more detailed timeline and summary of events in the great recession, including its macroeconomic and trade impacts, the uncertainty over trade policy in 2008-9, and the response to calls for additional monitoring of trade policy. In particular, section one highlight the real time monitoring efforts of the World Bank's global antidumping database and
subsequent temporary trade barriers (TTBs) database. These contributions have addressed some of the immediate concern about the unknown scale of protectionism taking place in 2008-9, but they have also revealed a lack of informational preparedness that has ultimately spurred this volume’s research. In section two, the author introduce a relatively simple methodological framework to improve intertemporal assessment of the scope of TTB use, an approach that many of the volume’s chapters adopt or modify to construct better measures of the ‘stock’ and ‘flow’ of imported products that countries subject to TTBs. (A more technical description of the methodology is provided in the Appendix (section six), along with details of the many common data sources used across the subsequent chapters.) What are the empirical results? Section three provides a simple application of this methodology and finds that, during the crisis, these economies collectively increased by 25 percent the imported products that they subjected to TTB import protection. Nevertheless, it turns out this collective expansion in TTB coverage during 2008-9 was dominated by emerging economies. Developing countries used TTBs to cover 39 percent more imported products by the end of 2009 compared with 2007, whereas recession-ravaged high-income economies surprisingly increased their coverage by only 4 percent. However, it is also clear from the data that understanding these crisis changes demands recognition of longer-term trends. Thus, given these high-level results, Section 4 turns to a number of common questions that the subsequent chapters investigate, on an economy-by-economy basis, in more detail. This section provides a short preview of how the volume’s authors subsequently address these questions by placing the trade policy changes of 2008-9 into historical context. Section five then concludes.

**Trade Costs and Facilitation: Open Trade and Economic Development**


The need for countries to facilitate trade and to reduce the transactions costs plaguing trade is receiving a lot of interest in policy circles, and in particular in the WTO, where trade facilitation has been one of the few good stories in recent multilateral negotiations. Is this interest justified? What have economic theory and empirical findings to contribute to our understanding of the value of free trade? This authoritative two-volume set, edited by two leading scholars in the field, offers a collection of seminal articles that have led our economic thinking on these issues and encouraged a new and growing literature. This important work, along with an original introduction by the editors, is of immense value to scholars and practitioners interested in the topic of trade costs and facilitation.

**Unfinished Business? The WTO’s Doha Agenda**


This book examines the state and the fate of the Doha Development Agenda (DDA). The volume has three key objectives: to provide qualitative and quantitative information about the implications of what is currently on the table; to examine controversial areas where further progress might be made; and to identify lessons that might be of use for future negotiations. The analysis provides some suggestions for future negotiations, whether they involve comprehensive renegotiation of issues covered under the Doha Agenda, or entirely new negotiations. Conclusions include: there is much in the proposals already on the table; substantially more might be achieved in some key areas;
and there is a case for new approaches in future negotiations. Finally, the volume identifies several critical trade-related matters that lie outside the DDA, such as the trade and trade policy implications of climate change mitigation, exchange rate management, food security, and energy security.

**Where to Spend the Next Million? Applying Impact Evaluation to Trade Assistance**
Olivier Cadot, Ana M. Fernandes, Julien Gourdon, and Aaditya Mattoo, eds. CEPR/ World Bank, 2011.

Trade policy has changed fundamentally since the days of structural adjustment and economy-wide trade reforms. Partly in reaction to the uneven results of trade policy reforms, the focus has shifted to more targeted interventions aimed at reducing trade costs and addressing market failures that inhibit exports. Significant national resources and international assistance are now devoted to trade facilitation and export promotion, and the international development community has galvanized around a new 'aid-for-trade' (AfT) mantra as a means of helping low-income countries integrate into the global economy. The rest of this chapter is organized as follows: in section two the report discusses the changing nature of trade policy. In section three the report reviews the available evidence on the impact of trade assistance. In section four the report considers a detailed menu of trade-related interventions and discusses the challenges to their evaluation. In section five the report addresses the data issues crucial to impact evaluation. Finally, in section six the report look at the future challenges to doing Independent Evaluation (IE) in trade assistance.

**The Political Economy of Agricultural Price Distortions**

Despite numerous policy reforms since the 1980s, farm product prices remain heavily distorted in both high-income and developing countries. This book seeks to improve our understanding of why societies adopted these policies, and why some but not other countries have undertaken reforms. Drawing on recent developments in political economy theories and in the generation of empirical measures of the extent of price distortions, the present volume provides both analytical narratives of the historical origins of agricultural protectionism in various parts of the world and a set of political econometric analyses aimed at explaining the patterns of distortions that have emerged over the past five decades. These new studies shed much light on the forces affecting incentives and those facing farmers in the course of national and global economic and political development. They also show how those distortions might change in the future.

**The International Financial Crisis: Have the Rules of Finance Changed?**

The recent global financial crisis has caused massive upheavals worldwide. The papers in this volume analyze whether financial principles seem to have shifted in recent years, and what that may mean for international financial markets and regulation. What “broke” in the current crisis? Is there no “playbook” on how to respond to systemic crises? What is the optimal role of the state in dealing with crises? How should asset bubbles be addressed in the future? Do we need a major overhaul of governance in the industry? What means exist to address systemic crises? What reforms are
needed? These and related issues are discussed by an impressive list of well-known scholars, policymakers and practitioners, with an emphasis on the implications for public policy.

2010

**Food Prices and Rural Poverty**


Economic development theorists and practitioners have long focused attention on the question of the impact of food prices on poverty in developing countries. The interest of policymakers in this issue has fluctuated over time, depending on the volatility of world prices and the state of the global business cycle. In the early 2000s, the poverty impacts of agricultural trade reforms became an important element of trade debates, reflecting the fact that the 2001 Doha round of World Trade Organization (WTO) negotiations had as one objective making the trading system more supportive of the economic development needs of poor countries and poor households in all countries. Many developing countries are net importers of food and were concerned that trade policy reforms may raise food prices, adversely affecting the terms of trade and the welfare of poor households, for whom food accounts for a significant share of total spending. The chapters in this volume review trends in international prices of key food commodities and agricultural trade patterns and balances at the country level, and assess the evidence concerning the sources of income and consumption patterns of poor households in developing countries. The design of appropriate policies at the national or international (World Trade Organization) level is not the major object of the analysis; instead the focus is more narrowly on assessing the potential effects of food price changes on poor households in a selection of developing countries for which household survey data are available. Our focus is on rural households, because these tend to be poorer than urban households, because it is already well known that the policies required to address the adverse impacts of higher food prices on the urban poor are short-term targeted transfers (Wodon and Zaman 2008), and because most of the second-round effects of agricultural price increases take place in rural areas. While there are agricultural households who live in urban areas, the bulk of food production originates in rural areas.

**Agricultural Price Distortions, Inequality, and Poverty**


For decades, the earnings from farming in many developing countries have been depressed because of a pro-urban, anti-agricultural bias in own-country policies and because governments in more well off countries are favoring their farmers by imposing import barriers and providing subsidies. These policies have reduced national and global economic welfare, inhibited economic growth, and added to inequality and poverty because no less than three-quarters of the billion poorest people in the world have been dependent directly or indirectly on farming for their livelihoods (World Bank 2007). The purpose of the rest of this chapter is to outline the analytical framework and the common empirical methodology adopted in the global and national case studies reported in subsequent chapters, to summarize and compare the modeling results from the global and national models, and to draw some general policy implications. The findings are based on three chapters (part two) that each use a global model to examine the effects of farm and nonfarm price and trade policies on...
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**Agricultural Price Distortions, Inequality and Poverty**  

For decades, the earnings from farming in many developing countries have been depressed because of a pro-urban, anti-agricultural bias in own-country policies and because governments in more well-off countries are favoring their farmers by imposing import barriers and providing subsidies. These policies have reduced national and global economic welfare, inhibited economic growth, and added to inequality and poverty because no less than three-quarters of the billion poorest people in the world have been dependent directly or indirectly on farming for their livelihoods (World Bank 2007). The purpose of the rest of this chapter is to outline the analytical framework and the common empirical methodology adopted in the global and national case studies reported in subsequent chapters, to summarize and compare the modeling results from the global and national models, and to draw some general policy implications. The findings are based on three chapters (part two) that each use a global model to examine the effects of farm and nonfarm price and trade policies on global poverty and the distribution of poverty within and across many of the countries identified, plus ten individual developing-country studies (parts three-five) spanning the three key regions: Asia (where nearly two-thirds of the world’s poor live), Sub-Saharan Africa, and Latin America.

**Vulnerable Places, Vulnerable People: Trade Liberalization, Rural Poverty and the Environment**  

While some argue that trade liberalization has raised incomes and led to environmental protection in developing countries, others claim that it generates neither poverty reduction nor sustainability. The detailed case studies in this book demonstrate that neither interpretation is universally correct, given how much depends on specific policies and institutions that determine ‘on-the-ground’ outcomes. Drawing on research from six countries around the developing world, the book also presents the unique perspectives of researchers at both the world’s largest development organization (The World Bank) and the world’s largest conservation organization (World Wildlife Fund) on the debate over trade liberalization and its effects on poverty and the environment.

**Migration, Transfers and Economic Decision Making among Agricultural Households**  

The increasing volume of remittances and public transfers in rural areas of the developing world has raised hopes that these inflows may serve as an effective mechanism for reducing poverty in the long term by facilitating investments and raising productivity, particularly in agriculture where market failures are most manifest. The seven papers in this special issue systematically test the relationship between transfers and productive spending amongst rural households in six different countries. Overall, the studies embrace a less optimistic view of the role of migration and public and
private transfers on agriculture, with migration as facilitating a transition away from agriculture or to models of less labour intensive agriculture.

**Innovations in Land Rights Recognition, Administration, and Governance**


The eight Millennium Development Goals (MDGs) form a blueprint that is agreed upon by all the world’s countries and its leading development institutions. The first seven goals are mutually reinforcing and are directed at reducing poverty in all its forms. The last goal, global partnership for development, concerns the means to achieve the first seven. To track the progress in achieving the MDGs a framework of targets and indicators has been developed. This framework includes 18 targets and 48 indicators enabling the ongoing monitoring of the progress that is reported annually (United Nations, or UN 2000). The contribution of land professionals to achieving the MDGs is central and vital. The provision of relevant geographic information in terms of mapping and databases of the built and natural environments, as well as providing secure tenure systems, systems for land valuation, land use management and land development are all key components of the MDGs. Land professionals have an important role in directing land administration systems in support of secure property rights, in particular for those who have traditionally been disadvantaged, of efficient land markets, and of effective land use management. These functions underpin development and innovation and support social justice, economic growth, and environmental sustainability. Simply no development will take place without having a spatial dimension, and no development will happen without the footprint of the land professionals.

**Innocent Bystanders: Developing Countries and the War on Drugs**


Drug use and abuse is one of the most difficult challenges facing the contemporary world. If it is true that there has always been consumption of different types of drugs in different societies, although not in all of them, it is no less true that it generally took place in restricted, socially regulated realms, especially in ritualistic ceremonies. This is not the case today. Drug use has spread to all segments of society, with hedonistic motivations; although it is often not socially sanctioned, users are at times, depending on the drug, treated with leniency. It is well-established that all drugs are harmful to the health, even the legal ones, such as alcohol and tobacco, and that some drugs are more harmful, such as heroin and crack. The discussion of ‘gateway drugs’ is a medical issue on which there is no consensus. For the purposes of public policy design, the important thing to keep in mind is that drugs produce negative consequences for both users and societies in general, and that minimizing their consumption should be the main goal. The salient discussion, therefore, is about choosing among different strategies to achieve the same goal. Most of all, this book contributes to the debate by shedding light on the understanding of the economics and logistics of the drug market.

**Business Regulation and Economic Performance**

The objective of this volume is to document the patterns of business regulation across the world and review their impact on aggregate economic performance. The volume adopts a comparative cross-regional perspective, with particular attention to Latin America. The research reported here focuses on establishing the analytical and empirical links between microeconomic regulatory policies on the one hand, and aggregate productivity, growth, and volatility on the other. Thus, the volume adds to a novel but increasingly influential line of policy-relevant research that seeks to understand macroeconomic phenomena from a microeconomic perspective. Such literature is still fairly scarce in the case of industrial countries, and virtually in its infancy for developing countries. To achieve this end, the volume combines a variety of methodological approaches-analytical and empirical, micro and macroeconomic, single- and cross-country-to an extent limited mainly by the availability of suitable data. Following this overview, the volume comprises six chapters that address the subject from different but complementary perspectives, providing a comprehensive exploration of the various channels through which business regulation affects growth, stability, and other key macroeconomic dimensions.

2009

**Policy and Strategic Behavior in Water Resource Management**  
Ariel Dinar and Jose Albiac, eds. Earthscan, 2009.

Water resource management throughout the world is a very complicated issue, involving various aspects and dimensions and a well-coordinated set of policies. A well-designed water policy is a multi-faceted concerted intervention, which could be specific to just one set of political and physical socio-economic conditions. A framework to analyse the interaction between policy design and implementation can assist in improving both of these in various physical, economic and political situations. This book focuses on the interaction between policy making and strategic behaviour of policy makers, water users and other stakeholders, and how policy analysis and other analytical tools from the field of game theory and negotiation can improve policy design. The book presents analysis by high-level policy makers and policy analysts from various countries, to share experience regarding specific policy issues that are relevant to almost any country in the world, but may have been addressed differently in each country.

**Distortions to Agricultural Incentives: A Global Perspective, 1955-2007**  

This book provides an overview of the evolution of distortions to agricultural incentives caused by price, trade, and exchange rate policies in a large sample of countries spanning the world. This chapter begins with a brief summary of the long history of national distortions to agricultural markets. It then outlines the methodology used to generate annual indicators of the extent of government interventions in markets, details of which are provided in Anderson et al. (2008a, 2008b) and appendix A of this volume. A description of the economies being examined and their economic growth and structural changes over recent decades is then briefly presented as a preface to the main section of the chapter, in which the nominal rate of assistance (NRA) and consumer tax equivalent (CTE) estimates are summarized across regions and over the decades since the 1950s. These estimates are discussed in far more detail in the regional studies that follow, chapters two-ten. A summary of an additional set of indicators of agricultural price distortions, presented in
chapter eleven, is based on the trade restrictiveness index first developed by Anderson and Neary (2005). In chapter twelve, the focus shifts from countries to commodities, and various distortion indicators are used to provide a sense of how distorted each of the key farm commodity markets is globally. Chapter thirteen uses the study’s NRA and CTE estimates to provide a new set of results from a global economy-wide model. It quantifies the impacts of reforms undertaken since the early 1980s, and of the policies still in place as of 2004, on global markets, net farm incomes, and welfare. Finally, that chapter concludes by drawing on the lessons learned to speculate on the prospects for further reducing the disarray in world agricultural markets.

**Distortions to Agricultural Incentives in Asia**  

This study is part of a global research project seeking to understand the changing scope and impact of the policy bias against agriculture and the reasons behind agricultural policy reforms in Africa, Europe’s transition economies, Latin America and the Caribbean, and Asia. One purpose of the project is to obtain quantitative indicators of the effects of recent policy interventions. A second objective is to gain a deeper understanding of the political economy of trends in the distortions in agricultural incentives in various national settings. The third goal is to use this deeper understanding to explore the prospects for reducing the distortions in agricultural incentives and discover the likely implications for agricultural competitiveness, equality, and poverty reduction in many countries, large and small. This book provides an overview of the evolution of the distortions to agricultural incentives caused by price and trade policies in the World Bank-defined regions of East Asia and South Asia. The volume includes an introduction and summary chapter and commissioned studies of three Northeast Asian, five Southeast Asian, and four South Asian economies. The chapters are followed by two appendixes. The first appendix describes the methodology the authors have used to measure the nominal and relative rates of assistance for farmers and the taxes and subsidies on food consumption. The second appendix provides summaries of the author’s annual estimates of these rates of assistance across the focus economies. Together, the 12 economies the authors study account for no less than 95 percent of the region’s agricultural value added, farm households, total population, and total gross domestic product.

**Distortions to Agricultural Incentives in Africa**  

One of every two people in Sub-Saharan Africa survives on less than $1.25 a day. That proportion has changed little over the past three decades, unlike in Asia and elsewhere, so the region’s share of global poverty has risen from one-tenth to almost one-third since 1980. About 70 percent of today’s 400 million poor Africans live in rural areas and depend directly or indirectly on farming for their livelihoods. While that rural share was even higher in the past, it means policies affecting the incentives for farmers to produce and sell farm products remain a major influence on the extent of Africa’s poverty. The case studies help address questions such as the following: where is there still a policy bias against agricultural production? To what extent are some farmers now being protected from import competition? What are the political economic forces behind the more-successful reformers, and how do they compare with those in less-successful countries where major distortions in agricultural incentives remain? How important have domestic political forces been in bringing
about reform, as compared with international forces? What explains the cross commodity pattern of distortions within the agricultural sector of each country? What policy lessons and trade implications can be drawn from these differing experiences with a view to ensuring better growth-enhancing and poverty-reducing outcomes in the study's focus countries and in the region's other economies?

**Game Theory and Policymaking in Natural Resources and the Environment**

Ariel Dinar, Jose Albiac, and Joaquin Sanchez-Soriano, eds. Routledge, September 2009.

Game Theory has become one of the main analytical tools for addressing strategic issues in the field of economics and is increasing its influence in other fields of social sciences. With the increased level of extraction of natural resources and pollution of environments, game theory gains its place in the literature and it is more and more seen as a tool for policy makers and not only for theoreticians.

The book is structured into four parts dealing with the management of natural resources, the negotiation aspects of water management, water allocation through pricing and markets, and how conflicts and regulation shape the management of the environment. The first part explores game theory concepts applied to fisheries and grazing lands, which are two important natural resources. In the next two parts, several game theory methodologies are considered in the negotiation approach to water management and approaches to water pricing and markets. The last section looks at environmental protection as the end process of the interplay between conflict and regulation.

This book includes chapters by experts from developing and developed countries that apply game theory to actual issues in natural resources and the environment. As such the book is extremely useful for graduate students and technical experts interested in the sustainable management of natural resource and the environment. It is also relevant to all Game Theory and Environmental Economics students.

**Financial Globalisation, Risk Analysis and Risk Management**


**2008**

**A Symposium on Post-Conflict Transitions**


Transitioning from civil war to sustainable peace is complex. Success starts with basic transitions: from warfare to peacekeeping to ensure the security of a country and its communities; from large armies to public agencies of law and order to ensure the security of individuals and their property rights; from military- to civilian-dominated state institutions. These transitions are necessary to effectively manage aid and establish the policies and institutions needed for sustained and widely shared growth.

The five articles of this symposium deal with postconflict transition. The articles address UN peacekeeping operations and the prospects for sustainable peace, the role of policy credibility in
preventing war and promoting peace, country performance in the aftermath of civil war, and the consequences of aid for macrostability and growth. All of the articles analyze panel data of global samples of conflict and nonconflict countries covering at least 30 years, drawing on extensive new evidence on postconflict economies.


This book is a five-country empirical study of the causes and consequences of social and economic rights litigation. Detailed studies of Brazil, India, Indonesia, Nigeria, and South Africa present systematic and nuanced accounts of court activity on social and economic rights in each country. The book develops new methodologies for analyzing the sources of and variation in social and economic rights litigation, explains why actors are now turning to the courts to enforce social and economic rights, measures the aggregate impact of litigation in each country, and assesses the relevance of the empirical findings for legal theory. This book argues that courts can advance social and economic rights under the right conditions precisely because they are never fully independent of political pressures.

Access to Finance

Recent data compilations show that many poor and nonpoor people in many developing countries face a high degree of financial exclusion and high barriers in access to finance. Theory and empirical evidence point to the critical role that improved access to finance has in promoting growth and reducing income inequality. An extensive literature shows the channels through which finance promotes enterprise growth and improves aggregate resource allocation. There is less evidence at the household level, however, and on the effectiveness of policies to overcome financial exclusion. The article summarizes recent efforts to measure and analyze the impact of access to finance and discusses the unfinished research agenda.

Data Against Natural Disasters: Establishing Effective Systems for Relief, Recovery, and Reconstruction

Data against natural disasters makes a valuable contribution to our understanding of the conditions and actions necessary for establishing effective disaster management information systems. The volume's introductory chapters outline the data needs that arise at different stages in disaster response and explore the humanitarian community's efforts to discover more effective mechanisms. These overviews are preceded by an introduction that summarizes some of the key lessons one may derive from the six country (Guatemala, Haiti, Indonesia, Mozambique, Pakistan, and Sri Lanka) case studies that constitute the rest of the volume. These six case studies examine country-level efforts to establish information management systems to coordinate disaster response. Not all of the attempts proved successful, but they included important technical and institutional innovations that are worthy of study. Collectively, they
yield important lessons both for forward-thinking countries seeking ex ante disaster preparedness and for humanitarian responders hoping to implement good systems quickly after calamities have struck.

**Distortions to Agricultural Incentives in Europe’s Transition Economies**  

The main purpose of this study is to assess the changing landscape of agricultural protection and taxation patterns in the region. The study is based on the EU-10 sample, plus Turkey, as well as seven countries in the Commonwealth of Independent States (CIS): Kazakhstan, the Kyrgyz Republic, the Russian Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan (the CIS-7). In 2000-04, these countries accounted for 89 percent of the region’s agricultural value added, 91 percent of the population, and 95 percent of total gross domestic product (GDP). In agricultural subsidy and trade policy, analyses of politically feasible reforms or policy options for coping with structural changes (such as the current boom in energy raw material prices that has intersectoral Dutch disease effects) need to be based on a clear understanding of the recent and current extent of policy interventions and the political and economic forces behind the evolution of these interventions. The second purpose of this study is thus to improve our understanding of the political economy of distortions in agricultural incentives in countries in the region. Based on this better understanding, the study's third purpose is to explore the prospects for additional reductions in the distortions in agricultural incentives and their implications for the agricultural competitiveness and trade of countries in the region.

**A Symposium on Access to Finance**  
This issue summarizes recent efforts to measure and analyze the impact of access to finance and discusses the unfinished research agenda.

**Deposit Insurance around the World: Issues of Design and Implementation**  

Drawing on an original cross-country dataset on deposit insurance systems, an assessment of the impact of deposit insurance on banking outcomes and the policy implications for developing countries. Explicit deposit insurance (DI) is widely held to be a crucial element of modern financial safety nets. For this reason, establishing a DI system is frequently recommended by outside experts to countries undergoing reform. Predictably, DI systems have proliferated in the developing world. The number of countries offering explicit deposit guarantees rose from twenty in 1980 to eighty-seven by the end of 2003. This book challenges the wisdom of encouraging countries to adopt DI without first repairing observable weaknesses in their institutional environment. The evidence and analysis presented confirm that many countries would do well to delay the installation of a DI system. Analysis shows that many existing DI systems are not adequately designed to control possible DI-induced risk taking by financial institutions, and the book provides advice on principles of good design for those countries in the process of adopting or reforming their DI systems. Empirical evidence on the efficiency of real-world DI systems has been scarce, and analysis has focused on the experience of developed
countries. The contributors to this book draw on an original cross-country dataset on DI systems and design features to examine the impact of DI on banking behavior and assess the policy complications that emerge in developing countries. Chapters covers decisions about DI adoption, design, and pricing, and review individual country experiences with DI—including issues raised by the EU's DI directive, banking reform in Russia, and policy efforts to protect depositors in China. Recent bank runs on loss-making banks in Germany and the U.K. have pushed the issues of DI systems back to the center of debates on regulatory policy in both developing and industrialized countries. The guiding principles identified in this book can contribute powerfully to that debate.

**Climate Change and Agriculture in Africa: Impact Assessment and Adaptation Strategies**  
*Ariel Dinar*, Rashid Hassan, Robert Mendelsohn, and James Benhin, eds.  

This landmark book encompasses a comprehensive assessment of the potential economic impacts of future climate change, and the value of adaptation measures in Africa for different zones, regions, countries and farm types. Researchers developed and applied multiple analytical procedures to assess quantitatively how climate affects current agricultural systems in Africa, enabling them to predict how these systems may be affected in the future by climate change under various global warming scenarios, and suggesting what role adaptation could play.

The study is the first to combine spatially referenced household survey data with climatic data at both national and international levels. This book provides vital knowledge about the impacts of climate change on Africa, serving as a guide to policy intervention strategies and investment in adaptation measures. It makes a major contribution to the analysis of climate change impacts and developing adaptation strategies, especially in the highly vulnerable farming communities in the developing world.

**A Symposium on Post-Conflict Transitions**  

**Terrorism, Political Openness and Economic Development**  

Eight papers examine the economic fiscal costs of terrorism and the response to terrorism. Papers discuss economic consequences of terrorism in developed and developing countries—an overview; the costs of responding to the terrorist threats—the U.S. case; understanding the economic role in transnational terrorism; globalization, democratization, and terrorism; a cross-country study of the origins and targets of terrorism; terrorism and civil war; the political, economic, and organizational sources of terrorism; and economics and terrorism—what we know, what we should know, and the data we need. Keefer and Loayza are Lead Research Economists in the Development Research Group of the World Bank. Index.

**Development in Karnataka: Challenges of Equity, Governance and Empowerment**  
Bringing together contributions from leading scholars, this volume examines the singularly innovative strategy that has been dubbed the ""Karnataka Model"" of development - one fueled by technological growth and local government reform. Founded 50 years ago, the Indian state of Karnataka has come to embody the challenges and contradictions inherent in a country where gender inequality and regional disparities abound. This collection of astute observations and perspectives provides researchers and policy makers worldwide with invaluable lessons on the trials all rapidly growing nations would be wise to study.

**Public Finance in China: Reform and Growth for a Harmonious Society**  

This publication focuses on public finance, development economics, and the Chinese economy. The government will focus on the public good aspects of education and training—compulsory education and some aspects of higher education and training. The publication encourages seven reforms including raising government expenditure on education to four percent of gross domestic product (GDP), and ensuring that all children actually receive nine years of basic education. Improving and widening access to medical care, especially for the rural population. The target is to extend the cooperative medical scheme to 80 percent of the rural population from the current coverage rate of just over 20 percent. China has sufficient fiscal resources to afford the level and type of spending commensurate with a harmonious society. This reallocation of resources can be done only gradually. It must go hand in hand with a better specification of roles and functions of the various levels of China and stronger mechanisms for accountability, to ensure that poorer local governments use the resources given to them.

**Social Exclusion and Mobility in Brazil**  

This book examines issues related to reducing inequality in Brazil. As the volume's editors assert with authority, the current national political climate in Brazil provides an unprecedented space for discussing this topic. Among the several investigations that have looked at exclusion and social mobility in Brazil, very few have presented as much empirical evidence as the studies included in this volume. In addition to reviewing the pertinent literature, Social Exclusion and Mobility in Brazil examines the changing income dynamics among homogeneous groups over a 20-year period. The analysis points to factors—such as ethnicity, education, gender, occupation, and location—that affect the probability that a group will remain in the situation of poverty. The volume also examines Brazilians' perceptions of these circumstances and the cultural values that make coexistence possible given very high levels of inequality and low levels of mobility. It reveals that Brazilians expect the state—and only the state—to create mechanisms capable of transforming this situation. This volume presents a set of recommendations for discussion by citizens, academics, and policy makers. These topics include improving labor market equality and increasing access to assets; improving the social security system; supporting the formation of human capital, particularly among youth; reducing discrimination based on characteristics such as race and gender; and strengthening citizenship and participation.
Accelerating Catch-up: Tertiary Education for Growth in Sub-Saharan Africa

This report argues that if a growth surge is to evolve into a virtuous spiral that stimulates even higher and sustained growth rates in a substantial number of African countries, a significant increase in investment in physical and human capital is needed over an extended period. This report stresses that there is an urgent need for countries in Sub-Saharan Africa to acquire the capabilities that will spawn new industries that create more productive jobs, multiple linkages, and a wider range of exports. This volume lucidly spells out the case for more knowledge-intensive growth, which demands increasing attention to secondary and, most important, postsecondary education. Despite rising enrollment in tertiary-level institutions, the numbers of students graduating are pitifully small. And despite reform efforts, the quality remains well below par. However, change for the better is in the air, and improved economic prospects provide both the resources and the opportunity to forge ahead. The need for urgency, the pathways to skills-based development, and the policies that African countries can marshal in order to generate tertiary-level skills are all given their due in this thoughtful and timely book. Against a backdrop of changed circumstances, the World Bank recognizes the need to update its understanding of tertiary education in Africa, defines its current views on this matter, and offers technical support on this topic to its collaborating governments and development partners. The present study seeks to fulfill this purpose. It provides a justification for African and donor investments in tertiary education within the context of a globally competitive knowledge economy, and suggests likely focus areas for this financing. But it does not pretend to offer a comprehensive assessment of tertiary education in Africa, an overall agenda for its reform, or a new policy statement by the Bank itself. Rather, the study strives to share contemporary insights and experience regarding the relationship between human resource development and economic growth.

Growing Industrial Clusters in Asia: Serendipity and Science


Environment for Development: Breakthrough to Mainstream (in Chinese)

2007
Volatility and Growth: A Symposium

Fiscal Policy, Stabilization and Growth: Prudence or Abstinence?
This volume covers the conduct of fiscal policy in Latin America, and its consequences for macroeconomic stability and long-term growth. The volume's chapters examine different aspects of these problems, ranging from the purely economic to the institutional and political economy dimensions. The book is organized as follows. This chapter offers an integrated overview of the themes covered in the rest of the volume. The chapter guides the reader through the rest of the volume, but it has been written as a self-standing essay for the benefit of those readers who may not have the time to indulge in the details of every chapter. The rest of the volume is organized in two parts. The first part deals with the pro-cyclical bias of fiscal policy, and the second part with the anti-investment bias of fiscal discipline -- popularly (albeit somewhat confusingly) known as the fiscal space problem. The rest of this introductory chapter consists of four sections. Section II examines recent trends in fiscal policy in the region and introduces the two main themes of the book. Sections III and IV present an overview of the topics covered in the two parts of the book, as well as the conclusions of the corresponding chapters. Section V summarizes the implications for future fiscal analysis and policy management.

Distortions to Agricultural Incentives in Latin America
This study is part of a global research project seeking to understand the extent and effects of the reduction in policy biases, and the reasons behind the reforms in Asia, Africa, and Europe's transition economies as well as in Latin American and the Caribbean. That is, the first main purpose is to obtain quantitative indicators of past and recent policy interventions. The second is to understand better the political economy of distortions to agricultural incentives in different national settings. With that better understanding, the study's third purpose is to explore prospects for further reducing distortions to agricultural incentives and likely implications for agricultural competitiveness and trade of the different Latin American countries. This Latin American study is based on a sample of eight countries, comprising the Dominican Republic as the largest Caribbean economy, Nicaragua as the poorest country in Central America, Colombia and Ecuador as two of the poorest South America tropical countries, and the big four economies of Argentina, Brazil, Chile and Mexico. Together these countries in 2000-04 accounted for 78 percent of the region's population, 80 percent of its agricultural value added, and 84 percent of total gross domestic product (GDP) in Latin America.

This volume provides an overview of a range of tools for measuring service delivery and offers valuable lessons on the opportunities and constraints practitioners face in measuring performance. The authors investigate country cases using data from a range of sources in a variety of contexts. Their experiences yield important insights on how to avoid pitfalls, what practices to improve, and how to learn the most from the data at hand. Taken together, those lessons represent an important step in strengthening accountability and governance so as to enhance service delivery. Empirical investigations of the relationship between particular characteristics of the public provisioning of goods and services at the local level and the characteristics of the localities receiving these goods and services may help us understand the impact of policy and learn to design more effective public interventions. Monitoring data are an integral part of the process of learning about the performance of any social program. Many impact evaluations of social programs assume that the interventions occur at specified launch dates and produce equal and constant changes in conditions among eligible beneficiary groups.

**A Handbook of International Trade in Services**  

This book aims to improve understanding of the economic implications of services trade, liberalization, regulatory reforms, and international negotiations. It discusses the basic economics of services trade, cross-sectoral domestic policy issues, and the international negotiating framework, as well as data sources and measures of services trade barriers. It addresses how services reform — including in banking and the broader financial sector, in health, and in key infrastructure sectors such as telecommunications and transport — can promote efficiency, economic growth, and poverty reduction. The book points out that the benefits of services liberalization may be diminished by flaws in reform programs, such as inadequate efforts to introduce competition; failure to strengthen regulation or institute policies that ensure that the poor have access to services in liberalized markets; inappropriate sequencing of reforms; and inadequate foreign assistance to help implement reforms. The ongoing GATS negotiations in the Doha Development Round could help achieve reciprocal liberalization, lend credibility to reform, and help mobilize external assistance to support reform. There may also be greater scope for achieving deeper integration of particular services sectors, and for greater cooperation on temporary migration (mode 4) under regional or bilateral agreements.

**Services Trade and Development: The Experience of Zambia**  

Some see trade in services as irrelevant to the development agenda for least developed countries (LDCs). Others see few benefits from past market openings by LDCs. This book debunks both views. It finds that serious imperfections in Zambia’s reform of services trade deprived the country of significant benefits and diminished faith in liberalization. What is to be done? Move aggressively and consistently to eliminate barriers to entry and competition. Develop and enforce regulations to deal with market failures. And implement proactive policies to widen the access of firms, farms, and consumers to services of all kinds. These lessons from Zambia are
applicable to all LDCs. In all this, international agreements can help. But to succeed, LDCs must commit to open markets and their trading partners must provide assistance for complementary reforms. Zambia, which leads the LDC group at the World Trade Organization, can show the way.

**International Migration, Economic Development and Policy**

This volume reflects the expansion of the World Bank Research Program on International Migration and Development into new substantive and geographic areas. It presents a new global migration database and includes studies of the determinants and impact of return and circular migration, the impact of the flow of ideas on fertility, host country policies and their impact on immigrants, and the impact of international migration and remittances on poverty and other development indicators. The studies cover countries from Latin America, North Africa, South Asia, the South Pacific, and Western Europe, and show that the impact of migration on education and health tends to benefit girls more than boys, that its impact on labor force participation tends to be stronger for women than men, that return migrants tend to do better than non-migrants, and that fertility has tended to decline in countries whose migration has been to the West and has failed to do so in countries whose migration has been to the Gulf. The purpose of the case studies is to illustrate and clarify many theoretical mechanisms and to advance understanding of the impact of different migration policies, given that introducing policy variables in econometric regressions is generally difficult. Each study in this volume aims to answer a variety of development- and policy-related questions using the most appropriate of these three methodologies. These empirical studies and analyses include exploration of some novel hypotheses; they are also new in terms of the topics selected and the regions/countries examined.

**Global Trade and Poor Nations: The Poverty Impacts and Policy Implications of Liberalization**

This thoughtful volume assesses the likely impact of reformed trade policies on the poorest of the poor—those on the bottom economic rungs in developing nations. The focus on a spectrum of poor nations across different regions provides some helpful and hopeful guidelines regarding the likely impacts of a global trade reform, agreed upon under the auspices of the World Trade Organization, as well as the impact of such reforms on economic development. In order to facilitate lesson-drawing across different regions, each country study utilizes a similar methodology. They combine information on trade policy at the product level with income and consumption data at the household level, thus capturing effects both on the macro level and in individual households where development policies ideally should improve day-to-day life. This uniformity of research approach across the country studies allows for a deeper and more robust comparison of results.
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Dancing with Giants: China, India and the Global Economy
Document also available in: Vietnamese, Spanish

This report takes a dispassionate and critical look at the rise of China and India, and asks questions about this growth: Where is it occurring? Who is benefiting most? Is it sustainable? And what are the implications for the rest of the world? The book considers whether the giants’ growth will be seriously constrained by weaknesses in governance, growing inequality, and environmental stresses, and it concludes that this need not occur. However, it does suggest that the Chinese and Indian authorities face important challenges in keeping their investment climates favorable, their inequalities at levels that do not undermine growth, and their air and water quality at acceptable levels. The authors also consider China’s and India’s interactions with the global trading and financial systems and their impact on the global commons, particularly with regard to climate. The book finds that the giants’ growth and trade offer most countries opportunities to gain economically. However, many countries will face strong adjustment pressure in manufacturing, particularly those with competing exports and especially if the giants’ technical progress is strongly export-enhancing. For a few countries, mainly in Asia, these pressures could outweigh the economic benefits of larger markets in, and cheaper imports from, the giants; and the growth of those countries over the next fifteen years will be slightly lower as a result. The giants will contribute to the increase in world commodity and energy prices but they are not the principal cause of higher oil prices. The giants’ emissions of CO2 will grow strongly, especially if economic growth is not accompanied by steps to enhance energy efficiency. At present, a one-time window of opportunity exists for achieving substantial efficiency improvements if ambitious current and future investment plans embody appropriate standards. Moreover, doing so will not be too costly or curtail growth significantly. From their relatively small positions at present, the giants will emerge as significant players in the world financial system as they grow and liberalize. Rates of reserve asset accumulation likely will slow, and emerging pressures will encourage China to reduce its current account surplus.
Women now account for nearly half of all international migration. Theoretical and empirical models that omit gendered determinants and impacts of migration are missing key elements of the story. Women’s roles in destination labor markets and in remittance flows—to cite just two examples—are crucial to understanding the development impacts of international migration. This volume surveys the state of our knowledge and provides new research on the gendered determinants and impacts of migration and remittances as well as on the patterns of labor market participation of women migrants. It also sketches a road map for future research on gender and international migration. This research on women and international migration illustrates the type of analytical work that can shape policies to economically empower women migrants as well as women left behind by male migration. It is authors’ hope that such analysis will lead to policies that boost productivity, raise incomes, and improve welfare in both sending and receiving countries. This volume addresses several issues. The introductory chapter provides an overview of the volume; it includes a description of methodology, data, main results, and conclusions from the six remaining chapters. The second chapter reviews the existing research on gender and international migration and can be considered a starting point for the remaining chapters. The third chapter focuses on the gendered determinants of migration and remittances in rural Mexico, an important sending country. The following two chapters (chapters 4 and 5) address the impact of migration and remittances on sending countries and provide analysis of household-level data from Ghana and Mexico. Chapter 6 turns to the labor market participation and performance of female migrants in a major destination country, the United States. The volume concludes with a forward-looking chapter that summarizes the major findings, links those to migration policy, and outlines some of the important research and policy issues that need to be addressed in the future.

2006

The WTO’s Core Rules and Disciplines. 2 vols

The development of the modern global trading system has been extremely rapid – and not without controversy. The WTO (and its precursor, the GATT) have provided not only a set of multilateral rules and disciplines but also a forum for negotiation and a legal mechanism to settle trade-related disputes.

This important two-volume collection includes key papers that provide a pertinent historical perspective as well as addressing the current and future issues that confront the trading system. The first volume focuses on the need for and genesis of multilateral trade rules and disciplines, and also examines the core non-discrimination rules. The second volume looks at reciprocity rules; the notification and surveillance of trade policy; the modalities for negotiating market access; and the difficulty in converting non-tariff trade measures into tariffs.
**The WTO and Government Procurement**

This volume is a careful selection of the leading legal and economic papers analysing international discrimination in government purchasing. It also includes the WTO agreement that seeks to curb such discrimination. Studies of individual country experiences are also featured, adding a practical dimension to what often appears to be a narrow technical debate. This authoritative and wide-ranging volume will provide trade negotiators, other government officials including purchasing officers, and scholars with a thorough grounding so as to effectively assess proposals for further international rules on government procurement practices, be they in bilateral, regional, or multilateral arenas.

**Trade Policy and WTO Accession for Development in Russia and the CIS: A Handbook**

This paper is the introduction and summary chapter of the 43 chapter volume entitled Handbook of Trade Policy and WTO Accession for Development in Russia and the CIS. The key policy conclusions of each of the chapters are highlighted in this paper. The Handbook will be published only in Russian in 2005, but an English language version of the majority of the papers described here is available on the website www.worldbank.org/trade/russia-wto. This paper first explains the potential importance of World Trade Organization (WTO) accession as a development tool, and discusses the recent successful development models and the role of trade policy in their development. The paper then summarizes the three parts of the Handbook. The first part treats trade policy (with applications to Russia and the Commonwealth of Independent States [CIS]). The second part treats World Trade Organization institutions and disciplines, again with Russia and CIS applications. And the third part focuses on various aspects of the impact of WTO accession on Russia. The numerous papers that relate trade policy and WTO accession to experience in Russia and the CIS are likely to be of special interest to native English speakers, since these papers are new to the literature. The papers in the Handbook are intended to be non-technical materials accessible to a wide policy audience. The Handbook forms the basis of a World Bank Institute course on trade policy and WTO accession, which has been delivered and will be delivered again on multiple occasions.

**International Migration, Remittances and the Brain Drain**
Caglar Ozden, Maurice Schiff, eds. World Bank and Palgrave Macmillan, January 2006.

Knowledge of the economic effects of migration, especially its impact on economic development, is rather limited. In order to expand knowledge on migration, and identify policies and reforms that would lead to superior development outcomes, this volume presents the results of a first set of studies carried out on the subject. Current demographic trends in both developed and developing countries are pointing toward significant, potential economic gains from migration. The labor forces in many developed countries are expected to peak around 2010, and decline by around 5 percent in the following two decades, accompanied by a rapid increase in dependency ratios. Conversely, the labor forces in many developing countries are
expanding rapidly, resulting in declines in dependency ratios. This imbalance is likely to create strong demand for workers in developed countries' labor markets, especially for numerous service sectors that can only be supplied locally. There are large north-south wage gaps, however, especially for unskilled and semiskilled labor. Part 1 of this book, Migration and Remittances, examines the determinants of migration, and the impact of migration and remittances on various development indicators, and measures of welfare. Among these are poverty and inequality; investments in education, health, housing and other productive activities; entrepreneurship; and child labor and education. It focuses on different source countries, use data collected via different methodologies, and employ different econometric tools. Their results, however, are surprisingly consistent. Part 2, Brain Drain, Brain Gain, Brain Waste, focuses on issues related to the migration of skilled workers, that is, the brain drain. It presents the most extensive database on bilateral skilled migration to date, and also examines a number of issues associated with the brain drain, that have not been emphasized in the literature so far, uncovers a number of interesting and unexpected patterns, and, provides answers to some of the debates. This volume deals essentially with economically motivated south-north migration, whose principal cause is, in most cases, the difference in (the present value of) expected real wages, adjusted for migration costs.

_Natural Resources, Neither Curse nor Destiny_  

This volume studies the role of natural resources in development and economic diversification. It brings together a variety of analytical perspectives, ranging from econometric analyses of economic growth to historical studies of successful development experiences in countries with abundant natural resources. This book addresses two key questions for policy makers in natural resource-rich regions such as Latin America: First, is natural resource wealth an asset or a liability for development and, if potentially the former, how can its contribution be enhanced? And second, can countries rich in natural resources efficiently diversify toward manufacturing or service-sector exports?

_Challenges of CAFTA: Maximizing the Benefits for Central America_  

The report provides a preliminary assessment of DR-CAFTA (the Dominican Republic and Central American Free trade Agreement), with particular attention to three key themes: (1) expected trade and non-trade benefits, (2) actions that Central American countries need to pursue to capitalize optimally on the new opportunities, and (3) identification of the population groups that may require assistance to adapt to a more competitive environment. The Introductory Chapter reviews the main findings of the report. Chapter 2 places DR-CAFTA in the historical context of the economic reforms that Central America has been undertaking since the late 1980s. Chapter 3 provides a summary overview of the recently negotiated DR-CAFTA. Chapter 4 reviews various analyses that assess the potential impacts of DR-CAFTA in Central American countries. Chapter 5 focuses on the identification of potentially affected populations from the
easing of trade restrictions in sensitive agricultural products and analyzes policy options to assist vulnerable groups. Chapter 6 reviews evidence related to key macroeconomic implications of DR-CAFTA, namely the potential revenue losses and effect on the patterns of business-cycle synchronization. Chapter 7 reviews evidence from each Central American country in the areas of trade facilitation, institutional and regulatory reforms, and innovation and education, in order to identify key priorities for the complementary agenda for DR-CAFTA.

A Reader in International Corporate Finance. 2 vols.

The Reader in International Corporate Finance offers an overview of current thinking on six topics: law and finance, corporate governance, banking, capital markets, capital structure and financing constraints, and the political economy of finance. This collection of 23 of the most influential articles published in the period 2000-2006 reflects two new trends: 1) interest in international aspects of corporate finance, particularly specific to emerging markets, and 2) awareness of the importance of institutions in explaining global differences in corporate finance.

Law, Equity and Development

This is the second edition of The World Bank Legal Review, which is a publication for policymakers and their advisers, attorneys, and other professionals engaged in the field of international development. It offers a combination of legal scholarship, lessons from experience, legal developments, and recent research on the many ways in which the application of law and the improvement of justice systems promote poverty reduction, economic development, and the rule of law. In keeping with the theme of the World Development Report 2006: equity and development, and following the success of the World Bank Group's legal forum on 'law, equity, and development' in December 2005, volume two of the World Bank legal review focuses on issues of equity and development. The volume draws together some of the key ideas of the Legal Forum, including articles by many of its distinguished participants, and explores the role of equity in the development process, highlighting how legal and regulatory frameworks and equitable justice systems can do much to level the playing field in the political, economic, and socio-cultural domains, as well as how they can reinforce existing inequalities.

The Search for Empowerment: Social Capital as Idea and Practice at the World Bank

Focusing on debates within the World Bank about the value of social capital concepts for the encouragement of more participatory and empowering forms of development, the contributors to this volume offer both an ethnography of a huge development organization and an insightful look at the nature of bureaucracy and organizational change.

Global Integration and Technology Transfer
Beata Smarzynska Javorcik and Bernard M. Hoekman, eds. Co-publication of World Bank and CEPR, January 2006.
This volume presents a rich set of analyses exploring how trade and foreign direct investment (FDI) can help increase economic growth by allowing firms to tap into and benefit from the global pool of knowledge. The chapters demonstrate that both obtaining access to foreign markets and opening their own economies to trade and FDI are crucial to promoting economic growth in developing countries, because they stimulate international technology diffusion. The volume also identifies government policies that can facilitate technology transfer and its absorption in the developing world.

2005

**Intellectual Property and Development: Lessons from Recent Economic Research**

This book brings together empirical research that assesses the effects of changing intellectual property regimes on various measures of economic and social performance—ranging from international trade, foreign investment and competition to innovation and access to new technologies. The studies presented point to an important development dimension to the protection of intellectual property. But a one-size fits all approach to intellectual property is unlikely to work. There is need to adjust intellectual property norms to domestic needs, taking into account developing countries' capacity to innovate, technological needs, and institutional capabilities. In addition, governments need to consider a range of complementary policies to maximize the benefits and reduce the costs of reformed intellectual property regulations.

**Bank Privatization**

A large and growing literature has shown that state owned enterprises typically are less efficient than privately owned enterprises and that enterprise performance often improves after privatization. However, few of these studies have focused specifically on the banking sector. The papers in this symposium present new evidence on the effect that privatization has on bank performance and on factors that effect the success, or failure, of bank privatization. The papers also discuss the political economy of bank privatization, looking at how political factors affect decisions on whether and how to privatize.

As outlined in the survey article by William Megginson that opens the issue and the synthesis article by George Clarke, Robert Cull, and Mary Shirley that closes the issue, the bulk of bank privatization activity in recent years has taken place in developing countries; state-owned banks were more common in these countries and thus governments had more to privatize. Therefore the focus of this issue is on these countries. Of course, banks headquartered in developed countries often bought the privatized banks and some papers address privatization from that perspective. Our hope is that by assessing the effects of bank privatization in different countries and from different perspectives, this issue will be useful to researchers and policy makers concerned about the ownership transformation in banking in developing countries in recent years, and in privatization more generally.
This special issue grew out of a World Bank research project that directly funded several of the studies in the symposium. A later call for papers in this journal elicited additional cross-country, regional, and individual country studies. All papers were presented at a conference held at the World Bank in Washington DC on 20–21 November 2003.

**Poverty and the WTO: Impacts of the Doha Development Agenda**  

This study reports on the findings from a major international research project investigating the poverty impacts of a potential Doha Development Agenda (DDA). It combines in a novel way the results from several strands of research. First, it draws on an intensive analysis of the DDA Framework Agreement, with particularly close attention paid to potential reforms in agriculture. The scenarios are built up using newly available tariff line data, and their implications for world markets are established using a global modeling framework. These world trade impacts form the basis for 12 country case studies of the national poverty impacts of these DDA scenarios. The focus countries are Bangladesh, Brazil (2 studies), Cameroon, China (2 studies), Indonesia, Mexico, Mozambique, the Philippines, the Russian Federation, and Zambia. Although the diversity of approaches taken in these studies limits the ability to draw broader conclusions, an additional study that provides a 15-country cross-section analysis is aimed at this objective. Finally, a global analysis provides estimates for the world as a whole.


Health services can make an important contribution to improved health conditions among disadvantaged groups. Yet as the contents of this volume make clear, the health services supported by governments, and by agencies like ours too often fail to reach these people who need them most. This is not acceptable. Nor need it be accepted. The studies presented here point to numerous strategies that can help health programs reach the poor much more effectively than at present. In doing so, they strongly reinforce the messages of the 2004 World Development Report and other recent publications about the importance and possibility of making services work better for poor people. Different views will be formed about which of the strategies are most promising for a particular setting—whether, for example, one would be best advised to follow Brazil's approach of seeking universal coverage for basic health services, Cambodia's strategy of contracting with non-governmental organizations, Nepal's use of participatory program development, or some other approach. The report provides a discussion on issues like these, in order to build upon the important basic findings presented herewith, i.e., that better performance is possible. In brief, better performance in reaching the poor is both needed and feasible. These are the two messages from this report that will be discussed further.

**The WTO and Agriculture (Two volumes)**  

The WTO and Agriculture discusses the following questions: Why have agricultural markets been noted for relatively high degrees of government intervention and in particular for rising levels of
Protection? How was agricultural trade treated in the GATT and WTO? Has the Uruguay Round Agreement on Agriculture helped to resolve trade conflicts in world markets? What new opportunities and challenges are on the horizon?

_The WTO and technical barriers to trade_

This authoritative volume brings together for the first time the foremost research and commentary on technical barriers to trade. It explores the major theoretical issues associated with analysis of the impact of technical measures on trade in goods and the challenges associated with attempts to quantify impacts on trade flows. Previous empirical analyses of the impact of technical barriers on trade in goods in general are then presented. This is followed by in-depth coverage of the trade effects of sanitary and phytosanitary (SPS) measures, an area where analysis is particularly challenging. Finally, the volume concludes by exploring institutional efforts to overcome the impact of technical barriers, including harmonization of standards and the role of the WTO.

_Agricultural Trade Reform and the Doha Development Agenda_

Agriculture is yet again causing contention in international trade negotiations. It caused long delays to the Uruguay Round in the late 1980s and 1990s, and it is again proving to be the major stumbling block in the World Trade Organization’s (WTO) Doha Round of multilateral trade negotiations (formally known as the Doha Development Agenda, or DDA). It is ironic that agricultural policy is so contentious, given its small and declining importance in the global economy. The question arises on why so much "ado" about agriculture: because policies affecting this declining sector are so politically sensitive, there are always self-interested groups suggesting it be sidelined in trade negotiations— as indeed it has been in numerous sub-global preferential trading agreements, and was in the General Agreement on Tariffs and Trade (GATT) prior to the Uruguay Round. To answer some questions, this book first sets the scene (Part I) for presenting the issues on agriculture, trade reform, and the Doha Agenda, seeking to identify what is it at stake, namely, the relative importance of import barriers, export subsidies, and domestic support, including the special and differential treatment for developing countries. Part II looks at the agricultural market access, examining the impact of agricultural tariffs, and of tariff cuts through alternative formulas, on reducing tariffs vs. expanding tariff rate quotas, to then focus on the serious concern of erosion of tariff preferences. The third part concentrates on export subsidies and the domestic support, prioritizing on the removal of the agricultural export subsidies' exception, while taking a new look at agricultural domestic support under the World Trade Organization, and, at the consequences of reducing limits on aggregate measurement of support. Finally, the book provides (Part IV) the Doha reform scenarios, with an in-depth look at the market and welfare implications of the Doha reform.

_Systemic Financial Distress: Containment and Resolution_
Faced with a systemic financial sector crisis, policymakers need to make difficult choices under pressure. Based on the experience of many countries in recent years, few have been able to achieve a speedy, lasting and low-cost resolution. This volume considers the strengths and weaknesses of the various policy options, covering both microeconomic (including recapitalization of banks, bank closures, subsidies for distressed borrowers, capital adequacy rules and corporate governance and bankruptcy law requirements) and macroeconomic (including monetary and fiscal policy) dimensions. The contributors explore the important but little understood trade-offs that are involved, such as between policies which take effect quickly, those which minimize long-term fiscal and economic costs, and those which create favorable incentives for future stability. Successfully implementing crisis management and crisis resolution policy required attention to detail and a good flow of information.

**Tracking NAFTA’s Shadow 10 Years On**  

The North American Free Trade Agreement (NAFTA) is arguably the first “case study” of what might be expected from the increasing number of preferential trade agreements involving both developed and developing economies. Ten years after the treaty’s inception, it is time to assess how its outcomes compare with initial expectations. The articles in this symposium issue provide insights into the effects of NAFTA on economic geography, trade, wages and migration, and foreign investment from Mexico’s perspective. The contributions paint a complex post-NAFTA reality characterized by persistent intrabloc trade barriers, interregional inequality within Mexico, labor market outcomes that seem closely tied to migration patterns and international trade and investment, and foreign investment flows that appear weakly related to trade agreements. NAFTA seems to be the first trade agreement in history for which the traditional static trade creation or diversion effects are likely negligible—and hard to identify in any case.

**Economic Development and Multilateral Trade Cooperation**  

How can international trade agreements promote development and how can rules be designed to benefit poor countries? Can multilateral trade cooperation in the World Trade Organization (WTO) help developing countries create and strengthen institutions and regulatory regimes that will enhance the gains from trade and integration into the global economy? And should this even be done? These are questions that confront policy makers and citizens in both rich and poor countries, and they are the subject of this publication. It analyzes how the trading system could be made more supportive of economic development, without eroding the core WTO functions.

**Turkey: Economic Reform and Accession to the European Union**  

This volume analyzes the economic challenges confronting Turkey in its quest to accede to the European Union (EU). It focuses on the extent to which Turkey is ready to join the Single Market,
comply with the EU's body of economic regulations and directives, the Acquis Communautaire, and meet the Maastricht criteria for fiscal, monetary, and exchange rate policies. This book also provides an assessment of Turkey's national program to meet the accession requirements. It describes briefly what Turkey needs to achieve on the economic policy front to satisfy the conditions for accession, the progress to date, and the likely consequences of implementing the full body of EU requirements. The book is divided into four parts: 1) An analysis of the macroeconomic policies for EU accession; 2) An analysis of the effects of integration on key sectors: agriculture; manufacturing; services industries, including banking, telecommunications, transportation, and natural gas; and network industries; 3) An exploration of key economic policy challenges, including labor market regulation, foreign direct investment challenges, and the costs and benefits of meeting the EU environmental Acquis; and 4) The quantification of the impact of EU accession and consideration of the welfare effects of integration. While the focus is on the specific situation of Turkey, the subject will be of value to all researchers with an interest in the challenges of deeper integration through regional agreements.

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2004

*Rural Development and Agricultural growth in Indonesia, the Philippines and Thailand*

Understanding economic growth is central to the study of development. Rural economic growth is an important aspect of economic growth. Historically, rural agriculture has employed most people in most countries, and continues to do so today. Nevertheless, the casual relationship between economic growth and growth in agriculture remain poorly understood. This volume focuses on economic growth in the agriculture sectors of Indonesia, the Philippines and Thailand. Starting from similar positions, the agriculture sectors of these economies have diverged considerably over the last 40 years. This volume investigates the ways in which policy, institutions, investments, resource constraints and the reallocation of agricultural labor have driven this divergence. It documents the interplay of endowments, technology, the accumulation of productive factors, policy, and advocacy in the rural sectors of these three countries. It contributes in its own ways to an explanation of the past. Good policy rests on an understanding of successes and failures in the past. This book is a critical contribution to such an understanding.
The Microeconomics of Income Distribution Dynamics in East Asia and Latin America

This volume presents a collection of studies on the dynamics of income inequality based on micro data. Using a simple but powerful empirical methodology, the authors analyze the roles of prices, occupational choice, and educational choice in accounting for household income and its contribution to inequality. It casts doubt on the grand theories of growth and income inequality that have dominated discussions in development economics. It paves the way for a full-blown, micro-based general equilibrium theory of income determination and income inequality.

Culture and Public Action

Fourteen papers, representing different disciplinary perspectives and originally presented at a conference held in June 2002 in Washington, D.C., explore how a cultural lens can help improve public action to alleviate human deprivation. Papers discuss how culture matters; culture and the capacity to aspire; why there is no such thing as traditional culture; cultural theory and development studies; cultural obstacles to economic development; cultural goods; the intellectual history of culture and development institutions; culture, poverty, and external intervention; participatory development; state policies and women’s agency in China, the Republic of Korea, and India, 1950-2000; links between culture and sexual transmission of HIV/AIDS, and the implications for policy; how political culture affects development processes; an anthropological perspective on issues of local knowledge, famine relief, and development theory, focusing on the case of southern Sudan; and the Mayan movement in Guatemala and its implications for Guatemalan national culture, legal reform, and public policy making. Contributors include economists. Rao is in the Development Research Group of the World Bank. Walton is in the Latin America and Caribbean Region of the World Bank. Index.