

2 GOBIND NANKANI Writes on the development challenges for our time



6 THE OPENING session had Michael Spence, Ernesto Zedillo and Graeme Wheeler



1 7 ALBINA RUIZ
the winner of the award for 'The Most Innovative Development Project' in 2007



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# **Growth and Global Security are Connected**

"We may be entering a period in which natural disasters and very large shifts in the configuration of the global economy are the main sources of security challenges," announced Michael Spence, Nobel Laureate and Chair of the Commission on Growth and Development.



THE NINTH ANNUAL GLOBAL DEVELOPMENT CONFERENCE

Security for Development: Confronting threats to Survival and Safety

27 January to 2 February 2008 BRISBANE, AUSTRALIA

"The world economy has hit a rocky patch and we have to be careful that this does not derail the potential for economic growth in the countries where the poorest people – the 'bottom billion' – live," said Graeme Wheeler, Managing Director of Operations at the World Bank.

They were addressing the audience at the inaugural session of the ninth Global Development Conference, entitled, *Security for Development: Confronting Threats to Survival and Safety,* held in Brisbane, Australia from the 27 to 31 January 2008.

The 2008 conference drew attention to the devastating impact of insecurity and violence on potential development and long-term growth, a theme that is at the top of the international development agenda.

The plenaries and workshops brought over 450 researchers and policy makers from developing countries together with world-renowned experts. During the week-long event they tackled some of the most troubling and controversial questions on global poverty and security today.

The six key themes of the event were: physical security is a precondition of human security; controlling contagious diseases cannot be done unilaterally; tackling natural disasters and climate change is a development issue; that the rule of law can often be implemented through a series of small confidence-building measures; poverty is not necessarily the main cause of conflict and weak institutions also play a key role; and allocating resources for prevention is essential before disaster or conflicts occur.

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What independent

researchers say about GDN

# **Development Success in Times of Insecurity**

GDN's President Gobind Nankani says "hope for better development outcomes in the future comes from our willingness to build on research at a local, regional and global level"



Why does the world remain divided between societies where peace prevails and those where violence is commonplace? Is poverty the main cause of civil wars and violence? If aid

is being used to support economic development in some of the poorest countries, does aid contribute to climate change? How does disaster resilience become a part of development strategies rather than an add-on? Whose job is it to prevent the global spread of diseases like HIV/AIDS and SARS when individuals and even governments lack the means to do so? In the debate on prevention versus emergency responses to threats on security, where should international agencies and governments put their dollars?

In this debate on threats to individuals, households and nations, if we can answer questions like these, we can make a huge difference in the practical, everyday lives of millions around the globe.

#### **Civil War, Institutions and Aid**

What causes civil wars? The general assumption has been that poverty leads to conflict. Per capita income growth, or its absence, does have an important explanatory role here. But the evidence is not overwhelming. Weak political and economic institutions are a more primary cause. An unfair distribution of resources is often a more potent source of conflict than the amount of resources. The result-

ing development costs of conflict are enormous. While it is true that the number of conflicts in Sub-Saharan Africa (SSA) has fallen from 14 to 4 in the last seven years, it is also true that recent wars in SSA have resulted in over four million deaths and have cost countries more than \$138 billion (at 1995 prices). Civil conflict in Colombia, by reducing life expectancy at birth by 2.2 years, produced a 9.7% loss in GDP in the 1990s. A modest estimate of the costs of the Sudanese civil war is about \$23 billion (2000 prices), which is comparable to the country's stock of external debt. The risk of civil war is estimated to have accounted for more than 22% of the income gap between SSA and East Asia.

The role of institutions is emphasized in recent empirical research which suggests that ethnic fractionalization, in both richer and poorer countries, has a negative and direct effect on growth. It also suggests that democratic systems based on ethnic groupings are only marginally better than authoritarian regimes. For some countries in Africa, for example, to break free of their conflict/ under-development trap, there is a need to manage their ethnic diversity better by developing non-factional democracies. These are democracies that do not promote parochial or ethnic-based agendas that favor group members to the detriment of common, secular and cross-cutting agendas. In their effects on growth there is very little difference between an authoritarian regime and a factional democracy. Development strategies thus need to account for ethnic diversity by building institutions that favor inclusion, cross-cutting identities and that recognize that the "rule of law" is a state of affairs dependent

upon the balanced contribution of a multiplicity of disparate elements held together by participation and ownership.

Does aid help post-conflict countries to develop? Researchers have taken a magnifying glass to this question and concluded that aid is highly effective in raising growth in post-conflict situations, but more so in the middle of the decade following peace, than in the initial years. This suggests that aid should, in Paul Collier's words, "taper in during the first few years post conflict, whereas it actually tapers out". Indeed, the pay-off for providing technical expertise and support in the immediate aftermath of conflict is immense. Furthermore, in the longer term, unless aid is provided with a watchful eye on exchange rates and inflation, it will contribute little to growth. Overall, a weakening of vested interests and the strong desire to promote the well being of the nation foster a unity of purpose in the immediate post-conflict period. This facilitates the introduction of major and needed reforms, without the usual tug of war between winners and losers. The post conflict experience of countries such as Mozambique, Rwanda and Uganda provide fine examples of this phenomenon at work. The World Economic Forum's 2006 Global Risks Report ranked natural disasters and pandemics among the highest in the list of risks currently confronting the international community. Thus the violence that challenges us in 2008 comes not just from civil wars and conflict. The number of recorded natural disasters has increased, from around fifty each year in the early 1970s, to almost 400 each year in 2005. 2008 shows no signs of a decrease. The costs of natural disasters between 1996 and 2005 reached over \$650 billion in material losses, more than fifteen times the cost from 1950 to 1959. Much emphasis is placed on visible catastrophic events, whether we talk of floods, earthquakes or tsunamis. Yet, more often than not, disasters are the gradual buildup of human pressures on natural resources. Disasters may be both the product of under development and ,importantly, a by product of development strategies

that rely on a notion of natural resource endowment which is no longer realistic.

The "tragedy of the commons" syndrome is believed to underlie the desertification crisis in the Sahelian region of West Africa. More recently, local attempts to grapple with the mitigation and adaptation challenges of climate change are examples of the pressure on a global level. Is the increase in the frequency of natural disasters, especially floods and wind storms, a manifestation of climate change? How closely linked are disasters, resource management and conflicts? How can global and regional financing mechanisms better respond to disasters and how can the role of more market-based financing be increased?

#### The Threat of Cross Border Infection

The threat of infectious and contagious diseases today means that the borders of countries are no longer as secure as we had thought. The estimated impact of pandemics runs into the billions. Taiwan guarantined more than 150,000 people for between 10 - 14 days during the SARS's epidemic. The costs in terms of losses of income and increased healthcare costs were also very high. Response rates are governed by economic considerations. As the example of Indonesia revealed, H5N1 enforcement measures which called for the culling and vaccination of poultry met with resistance owing to the government's inability to suitably compensate farmers for their losses.

Researchers and policy makers agree that contagious diseases cannot be controlled unilaterally. Internationally and regionally coordinated responses to support global public goods, like the spread of diseases, is our only chance of success. But it can still be done badly. An information campaign on HIV and AIDS that scares people into believing any risky behavior will result in

infection may convince people their situation is hopeless and perversely lead them to think they might as well engage in risky behavior. These campaigns can make the problem worse. A more nuanced approach, as an example, informed Kenyan teenagers that HIV infection rates were higher among adult men than among teenage boys. This led to a 65% decrease in pregnancies as a result of sex between adult men and teenage girls. This in turn suggests a significant decrease in unsafe sexual activity. Individuals take most of the immediate decisions related to health, but governments can try to ensure that these decisions come close to approximating social benefits and costs.

In Brisbane, researchers and policy makers pooled their ideas, and their latest analyses, to grapple with the insecurity challenges for development posed by conflict, violence, health and natural disasters. GDN's conferences continue to show support for researchers in developing and transitional countries to undertake world class research. Our goal is to foster closer links between research from the developed and developing world, policy makers and our regional network partners spanning the globe. Hope for better development outcomes in the future comes from our willingness to build on research at a local, global and regional level. It provides us with an opportunity to examine strategies for the future through multiple lenses - cultural, economic, political and legal. This effort demands our total commitment. The survival of communities across the world depends on it. •

 Extract from an opinion piece written by GDN's President Gobind Nankani

In Brisbane, researchers and policy makers pooled their ideas, and their latest analyses to grapple with the insecurity challenges for development posed by conflict, violence, health and natural disasters.

**GOBIND NANKANI, PRESIDENT OF GDN** 

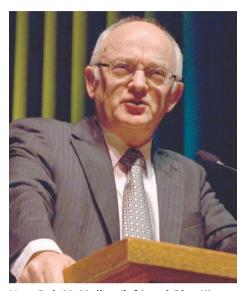
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#### **Conference Brief**

# Capacity Building at the Core of Development





Hon. Bob McMullan (left) and Olav Kjorven speaking at the opening dinner

THE CONFERENCE BEGAN WITH A WEL-COMING DINNER held in Brisbane City Council's City Hall. The opening address was given by Hon. Bob McMullan MP, Parliamentary Secretary for International Development Assistance, Australia. The second speaker was Olav Kjorven, Assistant Secretary-General and Director of the Bureau for Development Policy, United Nations Development Program, and a member of the GDN Board.

Olav Kjorven's address discussed two core development issues - the rule of law as a fundamental condition for security and climate change.

Law, he argued, is central for security. "The exclusion of high numbers living outside of legal structures...(means)... some states are failing. They are unable to deliver services such as clean water (and) sanitation...much less provide protection from violence and exploitation."

"Climate change, affects the poor outside of legal protection the most." It "forces people into a downward spiral of disadvantage...making it harder for people to grow, buy food and find safe drinking water".

"In an environmentally constrained world where protection of essential ecosystems and environmental services becomes essential for human survival everywhere, environmentally defined financing mechanisms...will need to shape the development path"

In Closing, Mr Kjorven offered his support for GDN's conference as "providing an opportunity to rethink the structure, logic and potential for global development."

# Opening Plenary: Securing Development: A Framework for Assessing Costs and Exploring Solutions

Michael Spence- Nobel Laureate and Stanford University professor, and Graeme Wheeler - Managing Director of Operations at The World Bank, delivered the opening plenary. They began by sharing their outlook on the conference theme, indicating the rationale for focusing on the analysis of pervasive, physical threats and illustrating their costs for development. The presentations analyzed the impact of

such threats on individuals, communities and enterprises. The speakers offered a framework for assessing the costs and feasibility of both coping with insecurity and implementing emergency response strategies locally, nationally, or internationally.

#### Contagious Diseases: Responses to the Security Threat without Borders

This paper by Mark Gersovitz demonstrated that contagious diseases have serious consequences for individuals and communities, by destroying human capital and undermining labor productivity through increased illnesses and mortality. Participants discussed how community-based, national, and regional public health systems can be effectively integrated into a coherent global system of monitoring and control of contagious diseases.

# Interpersonal Violence: the Rule of Law and its Enforcement

Considering the many forms of interpersonal violence (criminal brutality and murder, violence authorized by a predatory state, domestic abuse) and their connection to development, the paper by Martin Krygier and Whitney Mason explored how the rule of law works to both punish and prevent violence. Specific examples of both successes and failures, and the appropriate balance between penalty-based and preventive strategies, both at the community level and beyond were provided.

#### National Security: Deterring and Surviving Civil Conflicts

Civil conflict causes numerous deaths and injuries among civilians as well as combatants, destroys infrastructure, devastates health systems and often results in massive displacement through forced expulsion or voluntary flight. In her paper, Marta Reynal Querol discussed the main determinants of conflict, the role of institutions in conflict-prone societies and the relationship >

◆ between democracy and conflict. She concluded by proposing an agenda to prevent civil wars.

# Natural Disasters: Anticipating and Coping with Catastrophes

Natural disasters (droughts, earthquakes, floods and fires) cause enormous strain on the development process through illness and death, the destruction of infrastructure, and the erosion of livelihoods. This renders returns to investment and the availability of human capital more uncertain. The paper authored by Ajay Chhibber and Rachid Laajaj made the case for better global and regional financing mechanisms to respond to disasters, more market based financing mechanisms and an emphasis on forecasting research.

# Closing Plenary: Prevention of Threats and Emergency Response: Challenges for Policy Making

This special session was chaired by the Prime Minister of Mozambique, H.E. Luisa Dias Diogo. Drawing from the examples of successful and failed responses to the various threats examined during the conference, Oxford professor Paul Collier highlighted the policy implications of enhancing security for development. The paper provided clear guidelines for policy makers. The recommendations emerged from the analysis of the relative economic, political and social costs and benefits of allocating resources for prevention versus emergency response.

# PARALLEL SESSIONS: A REGION SPECIFIC LOOK AT SECURITY AND DEVELOPMENT

Four sets of parallel sessions focused on a range of topics from security and development in transition China, crime and security in Latin America, preventing conflict in

Africa to transborder security threats in East and South Asia and the Pacific Islands. As in the previous years, two sets of parallels focused on presentations by finalists of the 2007 Global Development Awards and Medals Competition.



Participants at the 'Fragile States' Workshop

#### **WORKSHOPS**

This year's event included pre and post conference workshops. Organized by a range of partners, the 2008 GDN conference provided the venue for workshops on a variety of research themes including inequality, public finance and development; interdisciplinary research for development; education and development; acceleration of economic growth in Africa; understanding fragile states; migration and development; promoting innovative health programs; and changing investment patterns in Asia.

#### **GDN BUSINESS MEETINGS**

The GDN Board of Directors met during the annual conference to discuss progress in GDN activities in the last year and provide strategic direction for future activities. GDN also held meetings with its Regional Network Partners and the Donor Advisory Committee. •

The Conference went beyond the recognition and identification of threats by highlighting responses to them in various parts of the world

NINTH GLOBAL DEVELOPMENT CONFERENCE

# Regions Represented

The regions represented at the conference included:

#### Latin America

As countries in Latin America continue their fight against crime, speakers from the region provided unique perspectives on the relationship between crime and productivity. As a finalist in the category for the 'Most Innovative Development Project', the Executive Director of Peru's Ciudad Saludable, Albina Ruiz presented her institution's new approach to 'Sustainable Solid Waste Management in the Rural Cities of Peru'. A full session was dedicated to examining 'Crime and Security in Latin America.'

#### **Africa**

Mozambique's first female Prime Minister, H.E. Luisa Dias Diogo chaired the concluding plenary session where policy makers discussed the feasibility of various options for improving security. Participants from Kenya, Ethiopia, Burkina Faso, Nigeria, Tunisia and Ghana offered perspectives.

#### <u>Asia</u>

Sri Lanka's Minister of Disaster
Management, H.E. Mahinda Samarasinghe was a panelist in the final session and provided first-hand experience from Sri Lanka in handling post-tsunami recovery. H.E. Masoom Stanekzai, Government of Afghanistan shared his country's experience in handling conflict and reconstruction. Varughese Jacob from the Byrraju Foundation in India presented an innovative development project, 'Safe Water for Everyone using Effective Technology' (SWEET) now underway in India.

#### Eastern Europe

Almost two decades after the fall of communism, societies in Central and Eastern Europe are actively engaged in the process of reforming institutions to enable integration with Western Europe. Speakers discussed support for European Union accession, educational reform, the development of financial institutions and ethnic conflict and crime among societies in transition.

#### **PLENARY 1**

# Securing Development: A Framework for Assessing Costs and Exploring Solutions



(From left) Michael Spence, Ernesto Zedillo and Graeme Wheeler at the opening plenary

THE OPENING PLENARY SESSION explored the connections between development and security by discussing the rationale for focusing on pervasive physical threats to security and illustrating their costs for development. The links between economic security, development and growth are crucial. The absence of security limits girl's educational opportunities and reduces performance on multiple fronts - health, growth and education of the future generation. Insecurity frequently associated with inequality of opportunity tends to produce conflict, while security threats increase personal and investment risk and directly truncate domestic and foreign investment that hamper growth. External interventions or attacks divert public sector resources away from investments and services that support growth. The speakers analyzed the impact of such threats on individuals, communities and enterprises. The speakers offered a framework for assessing the costs and feasibility of both coping with insecurity and implementing emergency response strategies locally, nationally, or internationally.

#### **Key Ingredients of Growth**

Michael Spence discussed the characteristics of economies that have sustained high growth in the post war period. Key common characteristics include engagement with the global economy and taking advantage of its stock of knowledge and its demand. Exports are an important driver of growth particularly in the first decades of sustained high growth. Key components also include rapid structural diversification of the economy, high rates of incremental productive employment creation and high levels of saving and investment including public sector investment in education and infrastructure. All known cases use market mechanisms for resource allocation. Rapid urbanization and the movement of people supports the structural diversification and the creation of new productive employment. In all cases, poverty reduction was rapid and substantial.

The government's role in creating these outcomes is crucial. Leadership in deciding on strategy, building a consensus, communicating a vision and ensuring inclusive-

#### CHAIR

#### **Ernesto Zedillo**

Director, Yale Center for the Study of Globalization, United States and Chair, GDN Board of Directors

#### **SPEAKERS**

#### **Michael Spence**

Nobel Laureate and Professor Emeritus, Stanford University, United States

#### **Graeme Wheeler**

Managing Director of Operations, The World Bank

ness is important in starting and sustaining growth. Government's approach needs to be persistent, pragmatic and somewhat experimental in creating conditions and an environment in which the domestic and foreign private sectors will invest and lead to the diversification of the economy.

Security is an important goal for individuals and societies quite independent of its impact on growth. That said, security in all its dimensions is an important determinant of whether growth can be sustained.

On the output side, growth enhances security through a variety of channels. These include reduced vulnerability to economic shocks, capacity for adaptation in the case of global warming, movement away from the zero sum game and the political economy and conflict prone incentives that go with it. Reduced dependence on some outside influences can give independence in determining economy trajectories, growing influence in global decision-making with local consequences, affordability of social safety nets and protections, investment in health, and enhanced capacity for self-insurance at the national level. Finally it can reduce youth unemployment and related adverse consequences in terms of crime, disaffection and political instability and conflict.

On the input side, the impacts are numerous, many of them occuring in the quantity or efficiency of investment. The absence of food security and deficiencies in early

childhood nutrition have large and very long-term adverse effects on cognitive and non-cognitive skills agenda. Threats to physical security or an unstable macro economic environment creates risks to investment. Dramatic reductions in longevity reduce incentives and investment in human capital and other assets where the payback period is long. Economic security, equality of opportunity and outcomes, and protection against the downside risks of exposure to the global economy, are key ingredients of successful growth strategies.

#### The Power of Globalization

Graeme Wheeler shared his views on the power of globalization, its impact on developing countries, and the key risks to sustaining its benefits.

A global productivity shock has helped generate the strongest and most broadly based global growth for 40 years. Investment ratios and profit shares are at historic highs. Hundreds of millions of workers in emerging market economies are joining the global work force, and information technology is transforming lives. Fueling these developments are record volumes of private net cross border capital flows and private remittances. These combined annual flows total around US\$1 trillion - about 10 times annual official development assistance. Developing country foreign exchange reserves now total US\$4.6 trillion – an increase of 90 percent in SDR terms over the past 3 years.

#### **Economic Growth**

There are risks of these development prospects being derailed by slowing economic growth in OECD countries, high food and energy prices, and persistent global payments imbalances. Economic activity in the industrial world is slowing as credit conditions tighten.

Over the last three years, developing coun-

tries have grown at over 7 percent. The next two decades will continue to see major shifts in global economic influence. a process which will ultimately see China, India, Russia, and Brazil become key members of an expanded G7.

#### **Cycles of Poverty**

Over the past decade, three times as many countries have witnessed widening inequality. The poorest - those consuming less than \$1 per day – are politically and socially disenfranchised. They often live in fragile states, in landlocked countries with major infrastructure problems, and in countries with massive governance challenges.

For them, cycles of poverty are self-reinforcing. They have fewer opportunities to escape poverty and, with low-quality or no public services, lag others in health care and education. A world where a large proportion of the population remains trapped in extreme poverty carries unacceptable costs in terms of human suffering, economic losses, political tensions, and has important potential implications for security.

Climate change is the second major threat to long-term prosperity. Low income countries are the most vulnerable to the impact of climate change, and the extreme poor are the most seriously affected.

Some of the investment requirements are enormous, but often, real incomes and welfare can be improved by providing targeted assistance. However, these initiatives can easily be undermined by other interventions, such as agricultural subsidies which total around US\$350 billion annually for OECD countries. This amount equals the entire agricultural exports of developing countries. >

Extreme poverty carries unacceptable costs in terms of human suffering, economic losses and political tensions, and has important political implications for security.

# 'Focus on tools of sustainable development'

Jeffrey D. Sachs, Director, Earth Institute, Columbia University, said the links between the lack of broadly shared economic development and state failure were often very clear. When a country was too poor to provide its people with basic necessities such as health care and nutrition, and when the underlying ecology makes food production difficult, any change can push a society off the edge and into outright desperation. Something as simple as bad rains can trigger internal conflict when a society is living on the edge of survival. A "youth bulge," meaning that young people (notably young men) constitute a large proportion of the population, also raises the likelihood of civil conflict. When economic activity is weak and lawful income earning activities are scarce, young men become more likely to join armed groups and engage in violence.

Therefore, at the core of many failed states and violent conflicts were the problems of poverty, a youth bulge, high unemployment, and environmental degradation, all of which require sustainable development as the only real long-term solution. None of these problems can be adequately addressed by military approaches.

Dr Sachs asserted that tools such as well-targeted foreign aid to promote health, development, and environmental sustainability, were much more likely to be effective. They helped to relieve desperation, foster economic activity, and reduce the likelihood of conflict.. "We must focus on the tools of sustainable development, and work cooperatively as a global community, if we are to achieve true national and global security on our very crowded planet."

◀ In the face of these powerful forces and enormous challenges, the World Bank Group has a modest financing role. It currently commits around US\$35 billion annually in lending to governments and businesses. But the Bank Group is much more than a financial intermediary. It has important strategic assets in terms of convening power, developing databases and expertise, and drawing upon them to deliver strategic advice, transfer knowledge, induce learning, and build capacity. ◆

#### **PLENARY 2**

### Contagious Diseases: Responses to the Security Threat Without Borders

**CHAIR** 

#### **Margret Thalwitz**

Director, Global Programs and Partnerships, The World Bank, United States

**SPEAKER** 

#### **Mark Gersovitz**

Professor of Economics, Johns Hopkins University, United States

**DISCUSSANTS** 

#### **Mely-Caballero Anthony**

Associate Professor, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore and Secretary-General, Consortium of Non-Traditional Security Studies in Asia

#### **Pamela Thomas**

Director, Development Studies Network, Australian National University, Australia

MARK GERSOVITZ SPOKE ABOUT THE concept of externalities in the design of policy for the control of contagious diseases in a world without borders. People's decisions to take risks that expose them to infections have implications for other people whom they may infect. But it is unlikely people



Speakers at Plenary 2

consider all the costs of their becoming infectious for others, certainly not for people outside national borders. Thus externalities arise with respect to both prevention and therapy. Local and national governments have a too narrow view, concerning themselves with the well-being of people within their borders rather than of the world-wide community.

In principle, subsidies would encourage people to avoid infecting others or taxes would penalize them if they did so. In practice, these behaviors are difficult to subsidize or tax because they are difficult to monitor. The plenary provided examples from specific diseases. The classic conception of an externality presumes that interventions must be sustained. To a first approximation, the discrepancy between the social and private net benefits of prevention and therapy are ongoing. Therefore, public actions must somehow induce individuals on an ongoing basis to take into account, in their decisions, the social benefits and costs that they would otherwise ignore.

Gersovitz showed how this informal and qualitative discussion can be formalized and quantified. This can be done by using mathematical modeling that marries an economic understanding of behavior with

epidemiological models of contagion to design co-ordinated packages of interventions.

Contagions can move across borders, but local or national goverments have no real motivation to communicate the worldwide social costs of contagion to their citizens. Furthermore, some expenditures have the characteristics of worldwide public goods. Once an investment in a response or medication has been made, benefits are available throughout the world, but there is no way for the funders to get reimbursed by the beneficiaries. Hence the need for multinational and supranational policies to deal with the externalities of contagion.

Less attention has been given to the world-wide public good of knowledge about contagions from the social sciences, including epidemiology. The extent of contagion is fundamentally determined by human behavior as well as by biology. Research findings on behavior are potentially just as much public goods as findings from the bio-physical sciences. Facilitation of such research needs resources and, in particular, the generation of systematic data. Unfortunately, the record is not good. •



Plenary 3 under way via live video conference

#### **PLENARY 3**

### Natural Disasters: Anticipating and Coping with Catastrophes

IN HIS PRESENTATION, AJAY CHHIBBER highlighted three major themes. First, that natural disasters are largely man-made and the increasing frequency of disasters is linked to human activity and the nature of development. Second, that the short-term costs of large visible disasters are high, but that the long-term costs can be much higher even in countries with short term disasters which recur with high frequency. Third, that we need better response mechanisms, but more fundamentally we need better institutionalized preparedness, at the local, country, regional and global level

Chhibber summarized the evidence on disasters, which shows, an eight fold increase in frequency since the 1960's and a fifteen fold increase in the costs due to natural

#### CHAIR

#### **Michael Renner**

Director, Global Security Project, Worldwatch Institute, United States

#### **SPEAKER**

#### **Ajay Chhibber**

Country Director for Vietnam, The World Bank, United States

#### **DISCUSSANTS**

#### **Debarati Guha-Sapir**

Director WHO Collaborating Centre for Research on the Epidemiology of Diseases, University of Louvain School of Public Health, Belgium

#### **Buddy Resosudarmo**

Fellow, Division of Economics, Research School of Pacific and Asian Studies, Australian National University, Australia

disasters. Some 2 billion people have been affected by disasters in the last decade. Among the various types of disasters, the big increase was in hydro-meteorological disasters such as floods, wind storms, typhoons and hurricanes. This is most likely linked to climate change as well as to human actions such as indiscriminate deforestation, unplanned peri-urban settlement and coastal development.

The short-term costs of disasters are high, averaging 2-15% of GDP. In many countries that are prone to disasters, this figure is often bigger than their aid inflows and sometimes even bigger than their investment levels. However, the long-term impact of disasters can be even more devastating. Chhibber summarized evidence based on farm and house-hold surveys. ▶

# Bridging Research and Policy Program Development Consultation Meeting

As part of the final phase of the global research project 'Bridging Research and Policy', GDN, in partnership with the Dubai School of Government held a development consultation meeting on May 26 -27, 2008 in Dubai, UAE.

This meeting drew on the expertise of selected policy and research leaders to examine ideas on actions that GDN can take for more effective research to policy relationships in different regional and international contexts. The meeting highlighted that overcoming challenges to effective bridging between research and policy is an important development concern.

The following are some key ideas that gained broad consensus:

- ◆There is a need to tailor GDN activities to suit the needs of each region.
- •GDN's comparative adavantage as a network should be best used. Some activities are best carried out by GDN at the global level, while others should be carried out at the regional level through RNPs and associated institutions.
- ◆There was a clear consensus on the desirability of increasing the policy relevance of GDN's activities.

People's decisions to take risks that expose them to infections have implications for other people whom they may infect ◀ These showed that the long-term impact of disasters can be permanent and inter-generational through lower food intake leading to stunting, school dropouts and other health related impacts. In addition they may induce more risk averse behavior, and thereby lower permanently the long-run rate of investment.

The macro-evidence is more mixed. Under some scenarios disasters can also improve prospects for long-run growth by destroying old capital and encouraging investment in new capital embedded with better technology. This is sometimes the case after earthquakes, especially if the international response to the disasters leads to sufficient assistance and reconstruction. Under such circumstances a one-time large disaster has high short-term costs but may end up improving long-run growth prospects, whereas a series of repeated small disasters may end up lowering permanently the long-run growth prospects of a country.

#### **PLENARY 4**

#### Interpersonal Violence: The Rule of Law and its Enforcement

MARTIN KRYGIER AND WHITNEY MASON BEGAN their presentation by stating "the world affords no starker contrast than that between societies where peace generally prevails and those where violence is commonplace." The former are generally blessed with the rule of law; the latter cursed by its absence. Societies where the rule of law prevails offer an open field for the pursuit of dreams, while those where the law of the jungle rules are crowded with continual nightmares. Anyone who has spent time in both kinds of places can describe her own feelings in a way that will capture much of what is important about the differences between them. And yet, when it comes to accounting for these dif-



Plenary 4 panelists in discussion

#### **CHAIR**

#### **Carolina Hernandez**

Board of Directors, Institute for Strategic and Development Studies, Philippines

#### **SPEAKERS**

#### **Martin Krygier**

Professor of Law, University of New South Wales, Australia

#### **Whitney Mason**

Managing Director, Political Risk Analysis, Australia (Co-author with Krygier)

#### **DISCUSSANTS**

#### Alejandro Gaviria

Professor of Economics, University of the Andes, Colombia

#### M. Anne Brown

Research Fellow, Australia Centre for Peace and Conflict Studies, University of Queensland, Australia

ferences, or even doing something more about them, our ignorance is quite astounding.

Most efforts to foster the rule of law – on which billions of dollars have been spent in recent years – focus exclusively on improving the technical capacities of judicial and associated legal institutions. Such efforts have proceeded on the implicit and wholly unwarranted assumption that where

there's a way (in the form of institutions), the will to use them will emerge spontaneously. With regard to a society's inclination to be ruled by law or by raw might, the old adage is right: where there's a will, a way will be found. The opposite, however, does not hold true. The question, then, is how to create conditions in which consistently acting in accordance with the law makes sense for both the relatively powerful and relatively powerless groups.

"Interveners must focus on creating the will to behave civilly and in support of the legal order. This will, in turn, arises where people see that by supporting the law and behaving civilly, they can survive, and ideally not merely survive but flourish. Many things have gone right in societies that today enjoy that state of affairs, characterized by sets of institutions appropriately empowered and so balanced as to prevent predatory behavior by any one centre of power, that we call the rule of law. The wisest interveners in the world cannot create all these conditions. But by listening to the people affected and trying to look at changes through their eyes, they can understand what's required for respecting the law and behaving civilly." •

#### **PLENARY 5**

# National Security: Deterring and Surviving Civil Conflicts

MARTA REYNAL-QUEROL AGREED with the findings of Copenhagen Consensus project and identified civil conflicts as one of the basic global challenges for development. The experts on the panel noted that, "measures to reduce the number, duration or severity of civil war would stand very high in the ranking of priorities for development, if they could be expected with any confidence to succeed".

"But," asked Marta Reynal-Querol, "what are the fundamental causes of civil wars, and how can conflicts be prevented?



#### Panelists speaking during Plenary 5

Although there is little consensus to answer these questions, differences in per capita income have received considerable attention. The idea that poverty increases the risk of conflict is clearly evident in the UN Millennium Project, Investing in Development: Practical Plans to Achieve the Millennium Development Goals (2005) . . ."

"However, the idea that poverty is the main determinant of conflict is based on weak empirical grounds. In this study we show how fragile are the results that support the idea that poverty is the main cause of conflict..."

"We believe that the study of institutions is fundamental if we want to understand how to prevent, or reduce, conflict in potentially conflictive societies... We find evidence that measures of the quantity and strength of institutions seems to have an effect on understanding conflict."

"Our findings undermine the emphasis on poverty as a determinant of civil war and indicate that research should concentrate more on institutions than on economic development if we wish to understand the causes of civil war." •

#### **CHAIR**

#### **Ernest Aryeetey**

Director, Institute of Statistical, Social and Economic Research, University of Ghana, Ghana

#### **SPEAKER**

#### **Marta Reynal Querol**

Professor of Economics and Business, Pompeu Fabra University, Spain

#### **DISCUSSANTS**

#### **Peter Wallensteen**

Dag Hammarskjold, Professor of Peace and Conflict Resolution, Uppsala University, Sweden

#### **Sultan Abou-Ali**

Professor of Economics, Zagazig University and former Minister of Economy and Trade, Egypt

#### Jesús A. Núñez

Co-director, Institute for Studies in Conflicts and Humanitarian Action, Spain

Any attempt to move from circumstances pervaded by internal violence to a political and social order characterized by the rule of law, civility and peace requires mutually supporting perceptions, norms and power balances

# Development on the Move: Measuring and Optimizing Migration's Economic and Social Impacts

The main phase of the joint Global Research Project of Global Development Network (GDN) and Institute for Public Policy Research (IPPR) - "Development on the Move: Measuring and Optimizing Migration's Economic and Social Impacts" - commenced with the commissioning of five country studies, completed in June 2008, in Colombia, Fiji, Georgia, Macedonia, and Vietnam. These workshops brought together stakeholders, policy makers and researchers from these countries to discuss the overall management and provide direction to the study based on relevant research, key literature and data analysis.

The project takes a holistic approach to the study of migration and development by examining the effects of international migration – both immigration and emigration – on development in a country. Close attention is paid to the wide range of migration's developmental impacts. Each of the five country studies has been conducted using a comparable methodology which included literature reviews, household surveys and stakeholder interviews.

A sixth study, in Ghana, is scheduled to begin in July 2008. The findings of each study will then be brought together to explore similarities and differences across countries.

#### **PLENARY 6**

### Prevention of Threats and Emergency Response: Challenges to Policy-making

DRAWING FROM THE EXAMPLES OF successful and failed responses to various threats to security examined during the conference, the last plenary highlighted policy recommendations which enhance security for development.

Professor Collier stated "We need to shift the debate away from aid, to a focus on other instruments that have been completely neglected and which are probably much more powerful. A set of voluntary international standards, for example, governments could sign up to – or not – would give reformers in these countries something to rally around,"

"Perhaps the overarching implication for post-conflict governments is that economic recovery is vital for security and so it should receive serious and sustained attention. Typically, post-conflict governments spend most of their time fussing about issues of political design and the domestic military. While this is understandable, I think that it is misplaced. There is no magic political formula which will secure peace and a high level of military spending is counterproductive. The military budget should be slashed, as it was in Mozambique, one of the most successful post-conflict recoveries."

Mozambique's first lady Prime Minister, H.E. Luisa Dias Diogo agreed, "Economic recovery is vital for security. In order to keep the peace it was necessary to prioritize. You cannot do everything at the same time. We made a decision that the military budget should be slashed and we used that money to invest in health and education."

Collier said, "I think that there is one sector that is critical to the pace of recovery and yet typically receives no policy attention:



The panelists of the sixth and concluding plenary session

#### **CHAIR**

#### H.E. Luisa Dias Diogo

Prime Minister of Mozambique, Mozambique

#### SPEAKER

#### **Paul Collier**

Professor of Economics and Director, Centre for the Study of African Economies, Oxford University, United Kingdom

#### **PANELISTS**

#### H.E. Mahinda Samarasinghe

Minister of Disaster Management and Human Rights, Sri Lanka

#### H.E. Masoom Stanekzai

Government of Afghanistan

#### **Andres Penate**

Former Head of DAS, Colombian State Security Agency, Colombia

#### **Catherine Walker**

Acting Deputy Director General, Global Programs Division, Australian Agency for International Development, Australia

the construction sector. This sector typically becomes a bottleneck. There are three key reasons why the construction sector matters."

"First, the construction sector supplies the

non-tradable capital goods that are essential for recovery: that is why the recovery phase is referred to as 'reconstruction'... Second, the construction sector uses as one of its inputs a lot of unskilled and semiskilled young men. Creating productive jobs for young men is critical to riskreduction. Recall that the higher the proportion of young men in a society, the higher the risk of conflict . . . Third, during civil war the construction sector contracts far more drastically than other sectors of the economy. This is because during civil war investment collapses for reasons that are self-evident. The society is engaged in destruction rather than construction."

"The implication of these three points is that economic policy should focus on easing the rapid expansion of the construction sector. Otherwise the sharp increase in demand for construction output merely pushes up a steep supply curve, yielding a price boom but not an output boom.

Classic manifestations of what happens when supply expansion fails are severe increases in unit costs, and traffic jams...

Traffic jams in the capital cities of post-conflict countries arise because it is much easier to expand traded capital goods, namely vehicles, than the non-traded capital goods, namely roads."

#### **LUNCH SESSIONS**

# Macroeconomic Policy and Performance in Post-Conflict

CIVIL WAR IS AMONG THE MOST destructive social phenomena. Direct costs include the loss of life in battle and the allocation of resources to military activities. Research shows that wars are followed by diseases, poor growth, social fractionalization, environmental damage (such as illicit logging and landmine contamination), and a high risk of renewed warfare. This session, sponsored by The World Bank, was based on three papers, produced as part of a recent World Bank research project on 'Post-Conflict Transitions.' In the context of this project, nearly thirty research papers and case studies were produced, which help advance an understanding of post-conflict development by identifying the obstacles to progress and some of the conditions under which post-conflict societies succeed. The following paper serves as an example of this session, which focused on the economic aspects of post-conflict situations.

# Political Violence and Economic Growth by Ibrahim A. Elbadawi

Elbadawi analyzed the economic growth impact of organized political violence. "First, we articulate the theoretical underpinnings of the growth impact of political violence in a popular stochastic growth model... We show that... the overall effects of organized political violence is likely to be much higher than its direct capital destruction impact. Second, using a multinomial model of violence that distinguishes between three levels of political violence (riots/uprising, coups and civil

#### **CHAIR**

#### **Gobind Nankani**

President, Global Development Network, India

#### **SPEAKERS**

#### Klaus Schmidt-Hebbel

Chief of Economic Research, Central Bank of Chile, Chile

#### **Ibrahim Elbadawi**

Lead Economist, Development Economics Research Group, The World Bank

#### DISCUSSANT

#### **Mauricio Cardenas**

Executive Director, Fedesarrollo and President, Latin America and Caribbean Economic Association. Colombia

war), we use predicted probabilities of aggregate violence and its three manifestations to identify their growth effects in an encompassing growth model. The results... suggest that organized political violence, especially civil war, constitutes a significant drag on long-term economic growth. Third, SSA (Sub Saharan Africa) has been more disproportionately impacted by civil war, which explains a substantial share of its economic decline, including the widening income gap relative to East Asia. We also use our empirical framework to estimate the costs of civil war for the Sudan, as an ▶

# News from GDN's Regional Network Partners

# Bureau for Research and Analysis of Development (BREAD)

The Bureau for Research and Economic Analysis of Development (BREAD), GDN's Regional Network Partner in North America, held the 13th BREAD conference on Development Economics on May 1-2, 2008 at Brown University, Providence, Rhode Island, USA. More information is available at http://www.cid.harvard.edu/bread/co

http://www.cid.harvard.edu/bread/co nf 2008.05.htm.

# The African Economic Research Consortium (AERC)

The biannual research workshop of AERC, GDN's Regional Network Partner in Sub-Saharan Africa was held from May 31 to June 6, 2008 in Nairobi, Kenya. More information is available at http://www.aercafrica.org/html/calen dar2.asp?eventid=73.

# The Latin American and Caribbean Economic Association

The Latin American and Caribbean Economic Association (LACEA), GDN's Regional Network Partner in Latin America held a meeting for the Political Economy Group of LACEA on June 12-13, 2008 in Cartagena, Colombia. More information on the meeting is available at http://www.lacea.org/index.htm.

Economic recovery is vital for security. In order to keep the peace it was necessary to prioritize. You cannot do everything at the same time ■ example of a typical large African country experiencing a long term conflict. A modest estimate of the costs of the Sudanese civil war comes to \$23 b (in 2000 fixed prices), which is roughly equal to the country's stock of external debt. Fourth, in drawing the implications of our results for SSA, we suggest that to break free from its conflict-underdevelopment trap, Africa needs to better manage its ethnic diversity and the way to do it is to develop non-factional democracy. Democratic but factional polity will not do the trick and is only marginally better than authoritarian regimes.

#### **PARALLEL SESSIONS**

# Security and Development as Global Phenomena

THE FINALISTS OF THE 2007 Global Development Awards Competition presented their proposals at two of these parallel sessions. Winners of the 2005 Global **Development Awards and Medals** Competition were invited back and presented their final research. Presentations topics included "Innovative mechanisms to alleviate poverty in Argentina and India." The parallel 'Impact of Rich Countries' Policies on Poverty: Perspectives from the Developing World' presented completed research from this GDN Global Research Project. The final parallel examined the complex phenomena of human trafficking and associated development costs.

### Presentations by Medals Finalists for the 2007 Global Development Awards and Medals Competition

MEDALS FOR RESEARCH ON Development carried cash prizes of US\$75 000 and travel to our conference in Brisbane. Two prize medals – one of US \$10,000 plus travel and another of US \$5,000 plus travel were granted. The competition rewards innovative research conducted on one of five research topics based on the conference theme

"Security for Development: Confronting Threats to survival and Safety." This years themes included: addressing vulnerability in fragile states; household exposure to risks; the rule of law; women's rights, security and development, and risk and implications for sustaining development.

### Research on Security and Beyond: GDN and the Regional Network Partners

THESE PARALLEL SESSIONS PRESENTED lessons from research conducted by GDN's Regional Network Partners. Focusing on issues of global interest, the sessions offered a locally researched perspective. The topics for discussion included – "The Trade-offs between Findings from the Intergovernmental Panel on Climate Change and Human Security in the Pacific Island Countries"; "The Interaction between Crime and Productivity Standards in Latin America"; "Managing Post-Conflict Recovery in Africa"; "Transborder Security Threats in East and South Asia"; and "Ethnic Conflict and Crime in Societies in Transition".

# The Human Costs of New Transborder Security Threats

WHILE THERE ARE VARIOUS FORMS OF internally and externally generated security threats to the Pacific Islands, sea level rise is a growing source of concern, threatening the very basis of the culture and identity of the region.

This session offered a cross-regional perspective – panelists from East and South Asia and the South Pacific discussed challenges facing their regions in efforts to develop a holistic approach to analyzing the human costs of transborder security threats.

# Poverty, Security and Sustainable Development

THESE PARALLEL SESSIONS explored different facets of the relationship between

poverty, security and sustainable development. How are conflict prevention strategies reflected in economic, social and governance reform choices as part of larger poverty reduction and development strategy in African countries? What are the reasons for the divergence in growth rates of countries at the bottom of the world economy? In the context of the gendered nature of food insecurity, what is the role of women's empowerment in improving family welfare? What are some of the development related security problems in transition China?

These sessions focused on issues of policy and agency and called for holistic strategies in the quest for a development model that is equitable and sustainable. •

# The Bottom Billion: Why the Poorest Countries are Failing & What Can be Done About It?

#### (Oxford University Press 2007, book launch)

THE BOTTOM BILLION ANALYZES problems of fifty countries stuck at the bottom of the world economy. For forty years these countries, comprising a population of nearly one billion people, have witnessed diverging growth rates from developed countries. In the 1990's, while globalisation has lifted millions out of poverty, the income of the poorest billion actually fell by 5 percent. In his new book, Paul Collier analyzes why this divergence has occurred, highlighting four distinct traps that account for the problem. He proposes four types of international policy interventions which will be jointly needed to replace this divergence, by convergence - trade policies, governance standards, the provision of military security protection, and aid. Collier presents key findings from his latest publication and shares his proposed strategy towards solving one of the great humanitarian crises facing the world.

# Program at a glance

Security for Development: Confronting
Threats to Survival and Safety

#### THE NINTH ANNUAL GLOBAL DEVELOPMENT CONFERENCE

### PRE-CONFERENCE WORKSHOPS AND BUSINESS MEETINGS

#### **SUNDAY JANUARY 27, 2008**

- ▶ Inequality, Public Finance and Development
- ▶ Interdisciplinary Research for Development
- ► GDN Staff Meeting with Regional Network Partner Heads

#### **MONDAY JANUARY 28, 2008**

- ▶ Interdisciplinary Research for Development
- Meeting of the GDN Advisory Committee
- ▶ Education Quality and Development
- ▶ The Impact of Disasters on Household Welfare
- ► Acceleration of Economic Growth in Africa
- Meeting of the GDN Board of Directors with Heads of the Regional Network Partners
- Dinner for Members of the Board and Advisory Committee

#### **MAIN CONFERENCE**

#### **DAY I: TUESDAY JANUARY 29, 2008**

- ▶ Meeting of the GDN Board of Directors
- Plenary 1: Securing Development: A Framework for Assessing Costs and Exploring Solutions
- Parallel 1: Security and Development as Global Phenomena
- Welcoming Dinner supported by the Brisbane City Council

#### **DAY II: WEDNESDAY JANUARY 30, 2008**

- ► Plenary 2: Contagious Diseases: Responses to the Security Threat Without Borders
- Parallel 2: Presentations by Medals Finalists of the 2007 Global Development Awards and Medals Competition
- Lunchtime session: Macroeconomic Policy and Performance in Post-Conflict
- Lunch Meetings of Awards and Medals Selection Committees
- Plenary 3: Natural Disasters: Anticipating and Coping with Catastrophes
- Parallel 3: Research on Security and Beyond:
   GDN and the Regional Network Partners
- ▶ GDN Meeting with the Advisory Committee
- Prize distribution ceremony of the 2007 Global Development Awards and Medals Competition

#### **DAY III: THURSDAY JANUARY 31, 2008**

- ► Plenary 4: Interpersonal Violence: the Rule of Law and its Enforcement
- ► Parallel 4: Poverty, Security and Sustainable
  Development
- ▶ Lunchtime Session: The Think-Tank Initiative
- ► Common Wealth: Economics for a Crowded Planet
- ▶ Plenary 5: National Security: Deterring and Surviving Civil Conflicts
- ► Plenary 6: Prevention of Threats and Emergency Response: Challenges to Policy-making
- ▶ Closing Reception

#### **POST-CONFERENCE WORKSHOPS**

#### **FRIDAY FEBRUARY 1, 2008**

- ► The Resources Sector: Securing Sustainable Livelihoods for Communities
- ► Emerging Trends and Patterns of Trade and Investment in Asia
- Promoting Innovative Programs from the Developing World: Towards Realizing the Health MDGs in Africa and Asia
- ▶ Fragile States: Assessing Vulnerability
- Development on the Move: Measuring and Optimizing Migration's Economic and Social Impacts
- ▶ Bridging Research and Policy

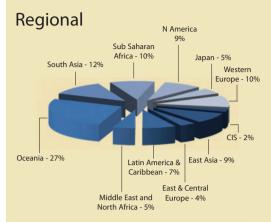
#### **SATURDAY FEBRUARY 2, 2008**

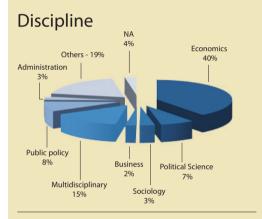
- Emerging Trends and Patterns of Trade and Investment in Asia
- Promoting Innovative Programs from the Developing World: Towards Realizing the Health MDGs in Africa and Asia
- ▶ Fragile States: Assessing Vulnerability
- Development on the Move: Measuring and Optimizing Migration's Economic and Social Impacts

#### **SUNDAY FEBRUARY 3, 2008**

▶ Development on the Move: Measuring and Optimizing Migration's Economic and Social Impacts ◆

# Distribution of participants





#### Organization/Sector



#### Designation





Ernesto Zedillo (yellow tie), Chairperson, GDN Board of Directors with winners of the 2007 GDN Awards and Medals Competition at the 9th Annual Global Development Conference in Brisbane

# Solid Waste Management Project Wins Award

# A project in Peru that turns tonnes of solid waste into income-generating opportunities has won the Most Innovative Development Project (MIDP) Award

The 2008 conference hosted the 2007 GDN Awards and Medals Competition presentation

The winner of the award for 'The Most Innovative Development Project' in 2007 was Executive Director of Ciudad Saludable, Albina Ruiz, for pioneering the 'Healthy City' project in Peru.

The two other finalists for the award were from India and Macedonia. The Byrraju Foundation in India set up the 'Sweet Water' project and developed water purification plants that are technically and economically viable on a small scale. It now

provides 750,000 people with safe water.

'Habitat for Humanity' set up a housing project in Macedonia, the second poorest country in Europe. Impoverished families face an acute need for more and better housing. 'Habitat for Humanity' focuses on repairing and renovating existing substandard housing.

#### **Research Medal Award Winners**

Once again, this years medal recipients formed a multidisciplinary group, with wide-ranging backgrounds affiliated to various academic and professional institutions around the world. Medals were

- awarded for research on the following development topics:
- ◆'Impact of Land Use Regulation: Evidence from Indian Cities.' Kala Seetharam Sridhar. Fellow at the National Institute of Public Finance and Policy, India.
- ◆'Linking Urban Vulnerability, Infra-power and Communal Violence: Extra legal Security and Policing in Nagpada, Mumbai.' Jaideep Gupte, PhD Candidate in the Department of Politics, University of Oxford, United Kingdom.
- ◆ 'Gender Discrimination and HIV/AIDS Epidemic: Evidence from Sub-Saharan Africa.' Chrystelle Tsafack Temah. PhD candidate at the Centre for Studies and Research on International Development, University of Clermont-Ferrand.
- ◆'The Paradox of Groundwater Scarcity



#### A view of the Conference venue

amidst plenty and its Implications for Food Security and Poverty Alleviation in West Bengal India.' Aditi Mukherji. Post-doctoral fellow in Economics, International Water Management Institute, Sri Lanka.

◆ 'What can be done to ameliorate the Crisis? Household Vulnerability to Transient and Chronic Poverty: Evidence from Rural Kenya' Milu Muyanga. Research fellow at Tegeme Institute, Egerton University, Kenya.

# The Global Development Awards and Medals Contest

The Global Development Awards and Medals Competition has the largest number of international applications of any international contest for researchers on development. GDN launched the competition in 2000 with the support of the Government of Japan to reach out to young researchers across the world and support the generation of promising local research with potential policy implications.

GDN also supports development projects on the ground – those with the maximum capacity to benefit their communities receive grants to expand their projects further.

The Awards and Medals are given annually in three categories:

- ► Japanese Award for Outstanding Research on Development: Awarded to promising research with relevant policy implications.
- ➤ Japanese Award for Most Innovative Development Project: Development projects that greatly benefit local communities are allowed to expand their efforts.
- ► Medals for Research on Development: Recognizes excellent work. Prize money is used towards publication, presenting at conferences and expanding on the recognized research. ◆

# One-woman Crusade Towards Providing Permanent Employment



Albina Ruiz: cleaning up waste

Albina Ruiz,
Executive Director
of Ciudad
Saludable, pioneered 'The
Healthy City' project which sustainably manages
solid waste in the
rural cities of
Peru. Twenty
years ago she

became a one woman crusade to clean up the streets of El Cono Norte in Lima and deal with the 600 tonnes of waste dumped daily.

She organized the local community, who were mostly unemployed, to start a garbage collection and recycling program. There are now similar projects across forty cities that provide permanent employment for more than 230 people. 'The Healthy City' model is being considered by several countries in Latin America including Bolivia, Colombia, El Salvador, and Mexico and is in the process of being implemented in Venezuela.

Albina Ruiz will use the prize money of US\$30,000 to help the community of San Franciso near Pucallpa in the Peruvian Amazon basin where 300 families live in extreme poverty and survive by scavenging on nearby dump sites.

Ruiz pioneered 'The Healthy City' project which sustainably manages solid waste in the rural cities of Peru

#### **About Us**

The Global Development Network (GDN), set up in 1999 by the World Bank, is now an **International Organization**. The agreement establishing the Global Development Network entered into force on February 25, 2008. So far, seven countries – Colombia, Senegal, Egypt, Spain, India, Sri Lanka, and Italy – have signed the Agreement.

GDN is an everexpanding global association of research and policy institutes working together to address problems of national and regional development. It was founded on the premise that good policy-relevant research, properly applied, can accelerate development and improve people's lives. GDN works with eight southern (across developing and transition countries) and three northern Regional Network Partners to help researchers:

- Generate new knowledge in the social sciences and build research capacity
- Share research output, data, and experiences across regions
- Apply research to policy and inform policy makers

#### **GDNet**

**www.gdnet.org** is the electronic voice of the Global Development Network. Based out of the Cairo office, the website is fast becoming a depository of social science research from around the world.

GDNet seeks to build the capacity of local researchers in developing and transition countries by:

- ▶ Linking institutes and researchers in developing countries into a global network which enables them to share their work internationally
- Provide access to online services and datasets to support researchers and research institutes
- ► Training in knowledge management to enhance the policy impact of research

# **GDN: A unique concept**

A recent evaluation has concluded that "the GDN concept is unique" because it is:

- Global: GDN spans the research community worldwide.
- Non-hierarchical: GDN is a network of 11 autonomous regional networks.
- Inclusive: GDN is open to all those engaged in policy-oriented research in the social sciences.
- **Independent**: GDN is managed by researchers for researchers.
- Flexible: GDN is responsive to the needs of diverse stakeholders.

No other institution combines these five attributes. It adds value by facilitating

- ▶ Cross fertilization of research generated in various parts of the world.
- ▶ Innovation in promoting and managing research.
- Exchanges going beyond national contexts and beyond academia.
- ▶ Selection of best projects on their merits, based on extensive peer reviews.
- ▶ Mentoring of researchers by world experts.
- ▶ Cost savings by undertaking activities on behalf of all the partner networks.

## **Our Regional Network Partners**

GDN works with Regional Network Partners (RNPs) in almost every region in the world. This ensures that research is generated by those best placed to understand the complexities of the challenges faced by different regions in their efforts to alleviate poverty. Many of our partners are networks in themselves and allow for the flexible and effortless production of knowledge and its translation into policy.

Our network is varied and evolving. Some regional research hubs already existed before the establishment of GDN, such as the African Economic Research Consortium (AERC), the Economic Research Forum (ERF), the Center for Economic Research and Graduate Education-Economics Institution (CERGE-EI) operating in Eastern and Central Europe and the Economics Education and Research Consortium (EERC) operating in the Commonwealth of Independent States. Other networks - the East Asian Development Network (EADN) and the South Asia Network of Economic Research Institutes (SANEI) are more recent. Our network partner in Japan, GDN-Japan, was established in 2000. The Oceania Development Network (ODN), launched in 2002, is a unique network in that it brings together research communities from both developing and industrialized nations through the involvement of the South Pacific countries, Australia and New Zealand. GDN's relationship with the European Development Research Network based in Europe dates back to 1999 when the first GDN conference was organized in Bonn, Germany. •



#### **The Annual Global Development Conferences**

GDN believes that funding research is not enough. Capacity-building in developing countries is at the heart of many of its activities. The annual Global Development Conferences are designed to give researchers in developing and transition countries the opportunity to present their research to a global audience.

The conferences provide the venue for the exchange of ideas on the most pressing development challenges with internationally renowned researchers, heads of government, representatives of national and international organizations and sponsors of research.

The conferences are essential for our understanding of development issues – in the range of issues they discuss, and the regions they represent.

In addition, several workshops scheduled and funded by a range of organizations allow researchers to come together, discuss their research on specific areas of interest and most importantly, decide on how research can be taken further. •

GDN's programs and activities meet a clear demand of a global market for development-relevant knowledge and are designed to build research capacity in those countries where it is most needed. These programs and activities must continue

A RECENT INDEPENDENT EVALUATION OF GDN

# Global Research Projects

GDN's Global Research Projects (GRPs) tap into the ability of its networks to conduct research across regions, and across disciplines on a global theme.

GRPs seek to explain different elements of development through a comprehensive and comparative approach. Building understanding at the country-level and comparing across countries allows impacts to be tracked and outcomes anticipated. This provides a sound basis for policy intervention.

GRPs also encourage networking among researchers from different countries. Key to this effort is the facilitation of high-quality work by local authors in partnership with each other and with development specialists from around the world.

GDN has initiated several GRPs:

- ► Alternative Institutional Approaches to Ensuring Governance for Growth, Poverty Reduction and the Delivery of Public Services
- ► Development on the Move: Measuring and Optimizing Migration's Economic and Social Impacts
- ► Promoting Innovative Programs from the Developing World: Towards Realizing the Health MDGs in Africa and Asia
- ► Impact of Rich Countries' Policies on Poverty: Perspectives from the Developing World
- ▶ Bridging Research and Policy
- ▶ Understanding Reform
- ▶ Explaining Growth

GDN's other programs include:

- ► Institutional Capacity Strengthening of African Public Policy Institutes to Support Inclusive Growth and the MDGs (in partnership with AERC)
- ▶ Moving out of Poverty: Understanding Freedom, Democracy and Growth from the Bottom-Up
- ► Macroeconomic Policy Challenges of Low-Income Countries
- ► Multidisciplinary and Intermediation Research Initiative
- ► New projects: Climate Change Adaptation, Governance

# What independent researchers say about GDN

- ▶ Address the self-reported needs of the research community: "Thanks to GDN my institute can offer policy guidance to the government. And most important, [GDN-sponsored] competitions give us independence that all researchers need very much."
- T. Feridhanusetyawan, Sr. Economist, Center for Strategic and International Studies, Indonesia
- ► Are effective in meeting the needs of the GDN community: "Thanks to the RRCs, young researchers benefit from the research fraternity in the early stages of their career." – Mustafizur Rahman, Research Director, Center for Policy Dialogue, Director, Bangladesh
- ► Have achieved broad, truly global, geographical scope: "It is important that GDN fund not only strong research projects but also promising projects that can be significantly improved, benefiting from the reviewers' feedback. Coming from a provincial city, I need access to competent scholars. [GDN] gave my career a great boost!" Anna Luk'ianova, Senior Lecturer, Ul'ianovsk State University, Ul'ianovsk, Russia

### The 10th Annual Conference January 2009, Kuwait City

The Arab Fund for Economic and Social Development (AFESD), under the direction of Dr Abdelatif Al-Hamad, will host GDN's Tenth Annual Global Development Conference in Kuwait City, Kuwait in January 2009. The proposed theme of the conference is - 'Natural Resources and Development.' More information is available on the GDN website -

www.gdnet.org.

### New Global Research Project

GDN's new Global Research Project on Governance was launched at a meeting, attended by experts in the field, in Washington DC on the 4 and 5 June 2008. The project will examine the Alternative Institutional Approaches to Ensuring Governance for Growth, Poverty Reduction and the Delivery of Public Services. The meeting finalized the design of the project.

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