

OCTOBER 2009

A review and preview of events, research and publications

The Global Financial Crisis: GEG responds

The global financial crisis is increasing poverty and eroding education, health and good governance across the developing world. The IMF and World Bank have jointly reported that this 'development emergency' risks reversing a decade of progress towards the millennium development goals. In sub-Saharan Africa, growth is projected to decelerate to its lowest level in almost a decade. The goal to halve world poverty by 2015 (which looked attainable before the crisis) is fast slipping out of sight. It has been estimated that the crisis will plunge up to a further 90 million people into poverty. GEG's research has acquired new importance in this development crisis. Across our five principal research strands – the governance of global finance, trade, aid, health and migration – we have addressed the key questions facing policy-makers by engaging top scholars and practitioners from around the world.

Advice to Global Leaders

With rich countries focused on crisis in their own economies, GEG worked to keep the needs of people in developing countries on the global agenda. In the lead-up to the G20 London Summit in April 2009, GEG released *Averting a Crisis in Global Health*, a policy brief compiled by Rajaie Batniji which recommends three urgent steps to ensure that the financial crisis does not overwhelm fragile health systems in developing countries. The edited volume *Rebuilding Global Trade* collected proposals from leading experts around the world on the immediate priorities for trade in the context of crisis, and for a forward-looking agenda of global trade governance.

The UK, Japanese and Canadian governments sought specific advice from GEG on the implications for the global institutions, and we hosted a meeting led by the Hon. Trevor Manuel (Finance Minister of South Africa), head of the Committee of Experts who have reported on necessary reforms for the IMF. At other forums, Ngaire Woods presented her analysis of IMF and World Bank reforms directly to the UK Prime Minister Gordon Brown, and to the EU Parliament. She has also analysed the crisis and formulated a series of policy recommendations in articles for leading newspapers and think tanks, in BBC radio documentaries, and in blogs and policy briefs.



Annual Lecture

The GEG Lecture is given each year by a senior developing country official, who is invited to reflect on the process of managing globalization in their own country. GEG was honoured this year to host Dr Tarisa Watanagase, Governor of the Bank of Thailand. As the global financial crisis unfolded, Dr Watanagase's lecture on *Financial Crisis Management: Key Lessons and Future Regulatory Challenges* provided a timely contribution to the global debate. She highlighted the challenges of financial globalization and the consequences for developing countries who embraced new financial instruments.

"These very financial instruments which had been earlier used to diversify risks turned out to be the very means for spreading contagion"

Global Regulation After the Crisis

This one-day workshop, co-sponsored by GEG with the Saïd Business School and the James Martin 21st Century School, brought Oxford's leading scholars together with global policymakers to consider the future of global regulation. After discussions among top academics and policy-makers, the day ended with a public panel featuring Mark Carney (Governor of the Bank of Canada), Philipp Hildebrand (Deputy Governor of the Swiss National Bank), Fred Hu (Chairman Greater China, Goldman Sachs), Tarisa Watanagase (Governor of the Bank of Thailand), and chaired by Colin Mayer and Ngaire Woods. In 2009-10, Ngaire Woods, Walter Mattli and Daniel Hemel are investigating what political conditions and institutions will be necessary for better, more robust regulation and enforcement in the future. Their work applies the lessons of the GEG project published this year: Walter Mattli and Ngaire Woods, *The Politics of Global Regulation* (Princeton 2009).



*researching how global markets and institutions can
better serve the needs of people in developing countries*

Small States in International Trade Negotiations: Manoeuvring at the Margins

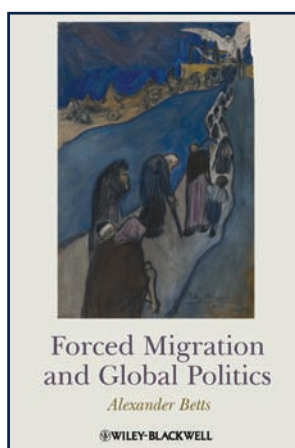
GEG has been conducting research into how small states could better achieve their goals in trade negotiations, in collaboration with the Commonwealth Secretariat. Emily Jones has been lead researcher in a project overseen by Ngiare Woods and Carolyn Deere-Birkbeck, producing a report which was described by one Ambassador to the WTO as 'the most important report about small states that the Commonwealth Secretariat has produced in decades'. Its unique approach analysed the views of representatives from a large number of small states to identify the key constraints preventing them from maximising their influence in trade negotiations.

The report found three types of constraint on small states' negotiating power:

- 1) difficulty building an effective negotiating team, including gaps in human resources, information and expertise, institutional coordination and communication;
- 2) inadequately harnessing the support of civil society and the private sector including limitations in political leadership and private sector and civil society engagement in the trade policy process; and
- 3) limited bargaining power including weaknesses in the negotiating strategies and tactics employed by small states, in the accountability and incentives facing negotiators, and limitations arising from psychological factors, leadership and personalities. The report is due out in late-2009.

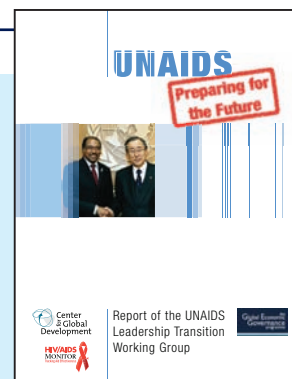
Global Migration Governance

Last year, GEG began a new project on the global governance of migration, led by Alexander Betts. Funded by the MacArthur Foundation, the project aims to address a gap in international relations scholarship on international migration, and to develop a vision for politically-feasible human rights-based global migration governance. In its prolific first year, the project conducted field research in Sub-Saharan Africa on the emergence of regional cooperation, and on the institutional responses to survival migration from Zimbabwe, Somalia and the DRC, some preliminary findings of which have been published in a report for UNHCR. The project has made significant contributions to the conceptual study of migration governance, bringing together top scholars from around the world for a workshop on global migration governance, and convening a well-attended lecture series which invited leading international relations theorists to engage with issues of forced migration. The result will be two edited books - *Global Migration Governance* and *Refugees in International Relations* – both of which will be published by Oxford University Press in 2010.



Other project publications:

- Alexander Betts, *Protection by Persuasion: International Cooperation in the Refugee Regime*, Cornell University Press, 2009
- Betts, *Forced Migration and Global Politics*, Wiley-Blackwell, 2009
- Betts and Gil Loescher (eds), *Refugees in International Relations*, Oxford University Press, forthcoming, 2010
- Betts, 'Institutional Proliferation and the Refugee Regime', *Perspectives on Politics*, Vol. 7.1, January 2009.
- Betts and Esra Kaytaz 'National and International Responses to The Zimbabwean Exodus: Implications For The Refugee Protection Regime', UNHCR Working Paper No. 175, July 2009
- Betts 'Development Assistance And Refugees: Towards A North-South Grand Bargain?', RSC Policy Brief No. 2, June 2009
- Betts 'Towards a "Soft Law" Framework for the Protection of Vulnerable Migrants', UNHCR Working Paper No. 162, August 2008



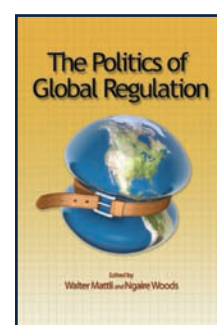
The Future of UNAIDS

The incoming UNAIDS Executive Director described this report as 'extremely important and useful' when he convened his senior staff to hear it presented by Ruth Levine (CGD), Devi Sridhar (GEG) and Ngiare Woods (GEG). Under the research leadership of Devi Sridhar, Director of the Global Health Governance project, the report formulated a set of recommendations for the future of the organisation. In collaboration with the Center for Global Development, GEG convened an independent expert Working Group of senior experts on global health and HIV/AIDS from the donor, academic, civil society, and official government communities to offer strategic advice to the UNAIDS Secretariat. Research participants provided valuable and broad-reaching insights and ideas that spanned from Capitol Hill to the front lines of the HIV/AIDS pandemic in sub-Saharan Africa.

The incoming UNAIDS Executive Director described this report as 'extremely important and useful'

The Politics of Global Regulation

Edited by Walter Mattli and Ngiare Woods, Princeton University Press, 2009



Just as our project on *The Politics of Global Regulation* (Princeton University Press) was nearing its conclusion, a global financial crisis erupted. As the fallout of crisis unfolds, governments are compiling long lists of measures they pledge to implement for a better global financial regulatory system. This book analyses global regulation across several different areas, from human rights to global finance. It highlights the pre-requisites for ensuring effective global rule-making, monitoring and enforcement, and the conditions under which regulatory capture is likely to occur when regulation has a global dimension.



Global Leaders Fellows

GEG is committed to creating and collaborating with a network of scholars across the developing world. To this end, we have begun the **Oxford-Princeton Global Leaders Fellowship Programme**, which selects up to 6 developing country scholars each year to conduct two years of post-doctoral research on global economic governance. Fellows spend their first year at Oxford (at GEG) and their second year at Princeton. GEG welcomed the first cohort of Oxford-Princeton Global Leaders Fellows in 2008-09, enriching our expertise across a diverse range of geographies and thematic issues. The GLFs are scholar-practitioners working at the forefront of the world's most pressing public policy challenges. The inaugural group included Ana Arroio (Brazil), Arunabha Ghosh (India), George Gray Molina (Bolivia), Bo Qu (China) and Pooja Sharma (India), researching technology transfer, climate change, small pockets of growth, monetary governance and regional trade.

In May 2009, the first Annual GLF Colloquium saw these scholars present their work to an audience which included leading academics from Oxford and Princeton, as well as the 2009-10 GLF group. The Colloquium demonstrated that the GLF program has already begun to build a powerful, distinctive new approach to global economic governance. In 2009-10, we welcome the second group of GLFs to GEG. They are: Le Thanh Forsberg, Vietnam (public health institutions); Rahmane Idrissa, Niger (regional trade agreements); Leany Lemos, Brazil (executive-legislative relations in Latin America); Ren Hongsheng, China (multinational enterprises and developing countries); and Dima Sarbo, Ethiopia (African regional organisations).

Global Trade Governance

With continued support from the Ford Foundation, GEG concluded the third in its series of regional seminars on developing country priorities for global trade governance. Led by Carolyn Deere-Birkbeck, in 2009-10 the trade project will continue to host the Geneva Lectures on Global Economic Governance, featuring leading scholars and policymakers from developing countries, and to advance its research on how to make global trade governance work for developing countries.

Drawing on the networks built through regional seminars conducted from 2007-09, Deere-Birkbeck has begun editing a volume of views from developing country scholars and policymakers on the priorities for global trade governance, for publication in 2010. The trade project also released a report in advance of the G20's London Summit entitled *Rebuilding Global Trade: Proposals for a Fairer, More Sustainable Future*, which gathered a diversity of perspectives from expert practitioners and scholars on reform proposals. Continuing the collaboration with ICTSD, the trade project will release a further publication in advance of the WTO's 2009 Ministerial Conference, entitled *Strengthening Multilateralism: A Mapping of Proposals on WTO Reform and Global Trade Governance*.

Intellectual Property Governance

In 2009-10, GEG will convene an independent Expert Taskforce to address the challenges facing the global governance of knowledge and to formulate a set of proposals for the reform of institutional arrangements, including for the UN World Intellectual Property Organization (WIPO).

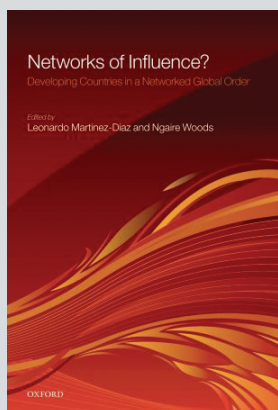
The Taskforce will be led by a core team of five experts participating in a personal capacity and on a voluntary basis. Its work will include interviews with academics, policy experts, and stakeholder communities around the world on the future of the global intellectual property system, global trends in innovation and creativity, global governance, development, and the activities of international organisations active on intellectual property.

The Taskforce will present its findings in September 2010 in a report addressed to governments, relevant UN Agencies and other international organisations active on intellectual property, such as the WTO. GEG is grateful to the Ford Foundation for their financial support of this project.

Global Health Governance

Led by Devi Sridhar, this project focuses on how the global health system can work better for those living in developing countries. Over the past year, the project has produced papers relating to the global governance of health and trade, innovations in global health in the new political era, lessons for education from vertical funds in health, and the impact of the financial crisis on global health.

In 2009-10, the project will strengthen collaboration across the university and undertake research on: whether project-based aid for health works; the interactions of global and domestic actors in health; the governance challenges of preventing road traffic injuries; and the conditions and drivers for international cooperation on health.



Networks of Influence? Developing Countries in a Networked Global Order

Edited by Ngaire Woods and
Leonardo Martinez-Diaz, OUP,
2009

This edited volume resulted from a five-year research project which examined the role of developing countries in the proliferation of government networks, and the implications for these countries of the shift to a networked world order. Identifying the two critical conditions under which government networks can enhance developing country influence in international relations, the book also highlights the characteristics of effective networks and the key challenges states face in building them.

Rebuilding Global Trade: Proposals For A Fairer, More Sustainable Future

Edited by Carolyn Deere-Birkbeck
and Ricardo Meléndez-Ortiz, 2009

As G20 leaders work to promote effective, coordinated responses to the global economic crisis, the state of global trade and the future of the multilateral trading system must not be neglected. In a timely publication edited by GEG's Carolyn Deere-Birkbeck and Ricardo Meléndez-Ortiz of ICTSD, scholars and experts from around the world identify immediate crisis-management priorities and propose forward-looking agendas for the governance of global trade.

Other GEG publications and outputs

- Alexander Betts 'Institutional Proliferation and the Refugee Regime' *Perspectives on Politics* 7(1), 2009
- Carolyn Deere-Birkbeck 'WTO Leadership Challenges in 2009' *BRIDGES* 12(6), 2009
- Carolyn Deere-Birkbeck 'Reinvigorating Debate on WTO Reform: The Contours of a Functional and Normative Approach to Analyzing the WTO System' *GEG Working Paper* 2009/4, 2009
- Carolyn Deere-Birkbeck 'La mise en application de l'Accord sur les ADPIC en Afrique francophone' *GEG Working Paper* 2009/48, 2009
- Kelley Lee, Devi Sridhar and Mayur Patel 'Bridging the Divide: Global Governance of Trade and Health' *The Lancet* 373(9661): 416-422, 2009
- Hunter Nottage (2009) 'Developing Countries in the WTO Dispute Settlement System,' *GEG Working Paper* 2009/47, 2009
- Devi Sridhar 'Global Health-Who Can Lead?' *The World Today* 65(2), 2009
- Devi Sridhar, David McCoy and Sudeep Chand 'Global health funding: how much, where it comes from and where it goes' in *Health Policy and Planning*, July 2009
- Devi Sridhar, Sanjeev Khangram and Tikki Pang, 'Are Existing Governance Structures Equipped to Deal with Today's Global Health Challenges? Towards Systematic Coherence in Scaling-Up,' special issue of *Global Health Governance* 2(2), 2009
- Matthew Stilwell 'Improving Institutional Coherence: Managing Interplay Between Trade and Climate Change' *GEG Working Paper* 2009/49, 2009
- Ngaire Woods 'The International Response To The Global Crisis And The Reform Of The International Financial And Aid Architecture' *EU Parliament Briefing Paper*, September 2009
- Ngaire Woods 'Analysis: Financial Tsunami' *BBC Radio 4* March 19, 2009
- Ngaire Woods 'The G20 Summit: Saving Globalisation...Again?' *The World Today* 65(4), 2009
- Ngaire Woods 'Analysis: Dollars and Dominance - The Future of the Dollar' *BBC Radio 4*, October 23, 2009

About GEG



The Global Economic Governance Programme was established at University College in 2003 to foster research and debate into how global markets and institutions can better serve the needs of people in developing countries. The three core objectives of the programme are:

- to conduct and foster research into international organisations and markets as well as new public-private governance regimes;
- to create and maintain a network of scholars and policy-makers working on these issues;
- to influence debate and policy in both the public and the private sector in developed and developing countries.

The Programme is directed by Ngaire Woods and is directly linked to Oxford University's Department of Politics and International Relations and Centre for International Studies. It serves as an interdisciplinary umbrella within Oxford drawing together members of the Departments of Economics, Law and Development Studies working on these issues and linking them to an international research network. The Programme has been made possible through the generous support of Old Members of University College. Its research projects are principally funded by the Ford Foundation (New York), the International Development Research Center (Ottawa) and the John D. and Catherine T. MacArthur Foundation (Chicago).

The Global Economic Governance Programme
University College, Oxford OX1 4BH

www.globaleconomicgovernance.org
To contact us email geg@univ.ox.ac.uk

Stay updated at the GEG blog: www.globaleconomicgovernance.org/blog