

January 2009

GEG Annual Lecture, 2008: The Challenges of Globalisation for Indonesia

H.E. Dr Sri Mulyani Indrawati, Finance Minister of Indonesia

Each year, GEG invites a developing country Finance Minister to give its Annual Lecture and reflect on how their country is managing the challenges of globalization. This year, GEG was delighted to host Dr Sri Mulyani Indrawati, Indonesia's Finance Minister, to reflect on the progress of Indonesia since the financial crisis ten years ago.

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 Programme works to achieve this goal by:

- Producing agenda-setting and paradigm-shifting research on the institutions, effects and improvement of global economic governance;
- Actively engaging policy-makers, business leaders and scholars in agenda-setting dialogue;
- Influencing debate and policy in both the public and private sectors in developed and developing countries.

The Programme is directed by Professor 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 scholars from 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 MacArthur Foundation (Chicago), the International Development Research Centre (Ottawa) and the Ford Foundation (New York).



Dr Indrawati was honoured as the Best Finance Minister in Asia by the Emerging Market Forum, and was given the title "Finance Minister of the Year" by the magazine Euromoney. She is the Governor for Indonesia in the Asian Development Bank, the Islamic Development Bank, and the World Bank. She was Executive Director of the International Monetary Fund for the South East Asia group constituency from 2002 to 2004, and Minister of State for National Development Planning and Chairperson of the National Development Planning Agency from 2004 to 2005

Geneva Lectures on Global Economic Governance

Pascal Lamy, Director-General of the WTO, delivered a Special Address as part of the Geneva Lectures on Global Economic Governance, jointly sponsored by GEG and the Graduate Institute of International and Development Studies.

Lamy: 'a just and balanced global trading system will lay sustainable foundations for development in the 21st century'

Reflecting on 60 years of the multilateral trading system, Lamy said that the global trading system has underpinned an unprecedented period of economic growth and development, in which we have seen an amazing reduction in poverty. But formidable challenges remain, he cautioned, if the global trading system is to deliver its ambitious development objectives.

Engaging Developing Country Perspectives in Global Economic Governance



High-Level Working Group of Developing Country Health Officials, May 2008

Global Health Governance

Setting a Developing Country Agenda for Global Health

Donors are too responsive to 'fashions' in health assistance, rather than directing aid to where it's most needed: supporting the healthcare infrastructure in recipient countries. This was one finding of the groundbreaking High-Level Working Group of Developing Country Health Officials, convened by GEG in May 2008 and coordinated by Rajaie Batniji. In the absence of donor agencies, twelve current and former health ministers from Africa, Asia and South America engaged in candid discussion about their priorities for global health governance. As donors seek to carve out their niche contribution in global health financing, more pressing needs are being overlooked and national initiatives undermined by aid agencies who talk a lot about transparency and accountability, but rarely practice what they preach. Donor reform is urgently needed. But participants also recognised the responsibilities of developing countries themselves for asserting their own national agendas for health development.

(www.globaleconomicgovernance.org/health/news.php)

Financial Regulation

Regional Perspectives on Monetary Cooperation

Over the past year, a series of regional conferences – in sub-Saharan Africa, the Middle East, Asia, and Latin America – have enabled developing countries to articulate their needs and priorities for future services from the International Monetary Fund (IMF).

Jointly sponsored by GEG, CIGI and New Rules for Global Finance, these are an important counter-balance to the prevailing debate about IMF reform, conducted largely within and among OECD countries and orthodox or mainstream economists.

Global Trade Governance

South Asia Regional Dialogue on Global Trade Governance

GEG's Global Trade Governance Project cohosted a research-policy dialogue with the *Indian Council for Research on International Economic Relations*, the *Graduate Institute for International Studies in Geneva* and the *Emerging Dynamic Global Economies Network*. The conference was one of several dialogues among research and policy officials in key developing countries to aid in the identification of their strategic interests in current and upcoming debates on governance in the multilateral trading system.



Oxford-Princeton Global Leaders Fellowship Programme

GEG is delighted to welcome the inaugural group of post-doctoral fellows who join us as part of the Oxford-Princeton Global Leaders Fellowship Programme. The Fellows, all nationals of developing countries, spend a year at both Oxford and Princeton, conducting research on the role and perspectives of developing countries in the global economy. The Programme aims to support top scholar-practitioners from developing countries as they work to devise innovative strategies to make global institutions work better for people in the developing world. We believe that for global institutions to fulfil their potential, they must be better-aligned with the interests of people in developing countries, and that only nationals of the developing countries have the in-depth local knowledge to be able to devise culturally appropriate and politically adept strategies to accomplish this goal. The 2008 Oxford-Princeton Global Leaders Fellows are: Ana Arroio (Brazil); Arunabha Ghosh (India); George Gray Molina (Bolivia); Bo Qu (China); and Pooja Sharma (India).

Global Health Governance

The global health governance project, led by Dr. Devi Sridhar, focuses on financing, priority-setting, coordination and ownership in global health. Over the past year, the project convened a developing country ministerial meeting to identify gaps in the field and key areas of research. In the 2008-2009 academic year, the project will undertake research on whether project-based aid for health works, the process by which priorities in global health are established, and how the emerging powers influence the health architecture. In addition, the project is working with the Center for Global Development in Washington DC, hosting a working group on the future of UNAIDS which will report in January 2009. This work will inform a new research stream on strengthening institutional leadership in global health and the global health governance architecture.

(<http://www.globaleconomicgovernance.org/health>)

Governing Aid

GEG has begun planning a new project entitled *Making Aid Agencies Work Better* which aims to determine how aid agencies can better accomplish their stated development goals. There is now widespread consensus on the need for aid reform, and much of the impetus for change has emanated from aid agencies themselves. Working with scholars based at the LSE and at Georgetown, the project plans to analyse the impact of reforms such as decentralization, greater independence from political control, and a more rule-based approach to allocation.

GEG successfully concluded its *Negotiating Aid* project, with findings published in a new book by Dr Lindsay Whitfield (ed) *The Politics of Aid: African Strategies for Dealing with Donors*, a policy brief, and presented at conferences in Mali, Mozambique, Ghana and Zambia.

Global Trade Governance

The Global Trade Governance Project has been awarded a second grant from the Ford Foundation to support the next three years of its work. Its core component will be an Expert Taskforce, led by the Dr. Carolyn Deere, on the Global Governance of Knowledge and Intellectual Property with a focus on possible reforms to the World Intellectual Property Organization (WIPO). The Taskforce report will be published at the time of the 2009 Annual meetings of WIPO. 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. Foremost among these will be a combined report on a series of regional seminars conducted in 2007-8 on the priorities of developing countries for global trade governance.

GEG has also produced a report on the constraints facing small states in their trade negotiations for the Commonwealth Secretariat. The research team led by Emily Jones, conducted a survey of trade officials from small states, structured interviews, and five case studies to inform the report which will be published in 2009.

Global Migration Governance

This new project is directed by Dr Alexander Betts who has been undertaking primary research in Geneva, New York and Washington D.C. to explore the conditions under which states choose to address migration through different international institutions.

The project overall explores the role and relevance of multilateral institutions in regulating international migration. A workshop was held in Oxford on 3-4 October 2008 addressing international cooperation in different aspects of international migration including: high-skilled, low-skilled, irregular, environmental, lifestyle, travel, asylum and refugee protection, and human trafficking.

A new seminar series on 'Refugees in International Relations' began in October, exploring how cutting-edge international relations theory can help make sense of global cooperation (or the lack thereof) in the governance of migration.

Global Financial Regulation

In their forthcoming book *The Politics of Global Regulation* (Princeton University Press), Walter Mattli and Ngaire Woods present the results of their collaborative research project which explains why some issues are globally regulated while others are not. Their findings are now being applied to the urgent policy imperative of making global financial regulation effective, with op-eds published in the Financial Times and in The Guardian. A high-level meeting on global financial regulation after the crisis is being hosted by GEG (with the Said Business School and the James Martin School) in Oxford on 6th March 2009.

GEG's work on the IMF and World Bank continues. Over the past year, the reform of each institution has been high on the policy agenda. Ngaire Woods presented papers to the Commonwealth Heads of Government meeting and to the Progressive Leaders Summit hosted by Gordon Brown in April 2008. She is also contributing to the High Level Groups charged with proposing reform agendas for each organization.

**Making Global Economic Governance Work Better
for Developing Countries**

Publications

Books



Alexander Betts
UNHCR: The Politics and Practice of Refugee Protection into the Twenty First Century (with Gil Loescher and James Milner) Routledge, 2008



Carolyn Deere
The Implementation Game
Oxford University Press, 2008



Devi Sridhar
The Battle Against Hunger: Choice or Circumstance
Oxford University Press, 2008



Devi Sridhar (ed.)
Anthropologists Inside Organisations: South Asian Case Studies
Sage Publications, 2008



Lindsay Whitfield (ed)
The New Politics of Aid: Barriers to Ownership
Oxford University Press, 2008



Dana Brown and Ngaire Woods (eds)
Making Self-Regulation Effective in Developing Countries
Oxford University Press, 2007

Reports

Paolo de Renzio, Lindsay Whitfield, and Isaline Bergamaschi, *Reforming Foreign Aid Practices: What country ownership is and what donors can do to support it* (2008) (available in English and French)

Lindsay Whitfield and Gervase Maipose, *Managing Aid Dependence: How African governments lost ownership and how they can regain it* (2008) (available in English, French and Portuguese)

Ngaire Woods, *Power Shift: Do We Need Better Global Economic Institutions?*, (IPPR, 2007)

Ngaire Woods, *Governing the Global Economy: Strengthening Multilateral Institutions* (International Peace Institute, 2008)

GEG Working Papers

Isaline Bergamaschi, WP 2008/41 *Mali: Patterns and Limits of Donor-Driven Ownership* (2008)

W. Max Corden, Brett House and David Vines, WP 2008/38 *The International Monetary Fund: Retrospect and Prospect in a Time of Reform* (2008)

Alastair Fraser, WP 2007/30 *Zambia: Back to the Future?* (2007)

Alastair Fraser and Lindsay Whitfield, WP 2008/42 *The Politics of Aid: African Strategies for Dealing with Donors* (2008)

Xavier Furtado and W. James Smith, WP 2007/28 *Ethiopia: Aid, Ownership, and Sovereignty* (2007)

Arunabha Ghosh, WP 2008/40 *Information Gaps, Information Systems, and the WTO's Trade Policy Review Mechanism* (2008)

Graham Harrison and Sarah Mulley, WP 2007/29 *Tanzania: A Genuine Case of Recipient Leadership in the Aid System?* (2007)

Rachel Hayman, WP 2007/26 *'Milking the Cow': Negotiating Ownership of Aid and Policy in Rwanda* (2007)

Clare Lockhart, WP 2007/27 *The Aid Relationship in Afghanistan: Struggling for Government Leadership* (2007)

Domenico Lombardi, WP 2008/37 *The Corporate Governance of the World Bank Group* (2008)

Paolo de Renzio and Joseph Hanlon, WP 2007/25 *Contested Sovereignty in Mozambique: The Dilemmas of Aid Dependence* (2007)

Lindsay Whitfield and Emily Jones, WP 2007/32 *Ghana: The Political Dimensions of Aid Dependence* (2008)

Ngaire Woods, WP 2007/36 *The Shifting Politics of Foreign Aid* (2007)

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