

# **News** Letter

April 2012

No

#### **IN THIS ISSUE:**

#### Hot Issue

#### Book on a Joint Research of JICA-RI and Professor Stiglitz Published

On April 9, JICA-RI Director Akio Hosono attended a symposium held at the UN Headquarters in New York to commemorate the launch of a book based on joint research with Prof. Joseph E. Stiglitz and his colleagues since TICAD IV.





Akio Hosono, Director of JICA-RI at the symposium (right)



#### Review

#### For the Next UNDP Human Development Report, JICA-RI Held a Joint Consultation with UNDP

JICA-RI held a joint East Asia Consultation Meeting with the United Nations Development Programme (UNDP) at the JICA-RI in Tokyo to support the preparation of the UNDP Human Development Report 2012-13.

**READ MORE** 



#### Review

#### JICA-RI Hosts Three Special Seminars on New Development Issues

JICA-RI hosted three special open seminars on the latest development issues on February 29, March 8 and March 14, 2012, inviting the guest speakers from the World Bank, IDS, and UNDP.

READ MORE



#### **Special**

### JICA Research Institute Releases its Latest Research Results

JICA-RI recently released four Working Papers, presenting the results of JICA-RI's research projects on "Political Economy of the Rapid Recovery from the 1997 Crisis (Follow-up)" and "Impact Evaluation Analyses for the JICA Projects" and three Policy Briefs.

READ MORE

Copyright © 2012 Japan International Cooperation Agency Research Institute All rights reserved

JICA Research Institute

10-5 Honmura-cho, Ichigaya, Shinjuku-ku, Tokyo, 162-8433 Japan • Tel: 81-3-3269-2911 • dritpl@jica.go.jp

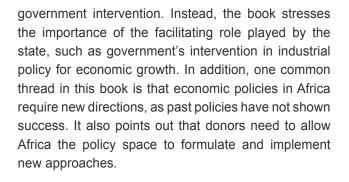
### Book on a Joint Research of JICA-RI and Professor Stiglitz Published

On April 9, JICA-RI Director Akio Hosono and Director of Research Program Division Go Shimada attended a symposium held at the UN Headquarters in New York to commemorate the launch of a book based on joint research on economic growth and development in Africa. This is the study that JICA-RI has been working on in collaboration with Professor Joseph E. Stiglitz of Initiative for Policy Dialogue (IPD) and his colleagues since the Fourth Tokyo International Conference on African Development

(TICAD IV) in 2008.

Mr. Tsuneo Nishida, Permanent Representative of Japan to the United Nations, and Jean-Francis Zinsou. Permanent Representative of the Republic of Benin, made the opening remarks for the event. Session panelists included Professors Stiglitz and Akbar Noman, the editors of this book, as well as Dr. Yaw Ansu of the African Center for Economic Transformation (ACET) and Dr. Akio Hosono, Director of JICA-RI, who spoke of the current state of economic growth and agendas in Africa and JICA's cooperation in Africa respectively.

The published book, "Good Growth and Governance in Africa: Rethinking Development Strategies," asks why the economic growth performance of Sub-Saharan Africa has been disappointing over the past 50 years, and what can be done to bring about sustained economic growth, and includes success stories from Africa and Asia in order to draw out solutions. The overall message is different from the orthodox Washington Consensus, which promotes ideas centered on economic development and emphasizes market principles, but minimizes



The authors include specialists from a wide range of development economics. From Japan, articles are contributed by Mr. Atsushi Hanatani, former JICA-RI Senior Researcher (the current JICA South Sudan Resident Representative); Mr. Matsuo Watanabe, former JICA Senior Advisor (currently Associate Professor of the University of Niigata Prefecture); and Professors Kenichi and Izumi Ohno at the National Graduate Institute for Policy Studies, both of whom are the members of JICA Policy Dialogue for Industrial Policy in Ethiopia. Mr. Hanatani and Professor Watanabe's article compares and categorizes policies in Asia, noting that "One size fits all"

DIFORD DI

> answers don't exist in the shape of industrial policy. It points out the importance of forming policies by examining the situation of each nation.

> The article of Professors Kenichi and Izumi Ohno demonstrates how the countries in East Asia including Japan formulated industrial policy, and both professors name the method to focus on achieving specific policy goals as "Dynamic Capacity Development," comparing with the approaches that emphasize "larger" policies such as an emphasis on governance.

The background of the joint research by JICA-RI and IPD that led to the publication of this book goes back to the seminar at JICA to which Professor Stiglitz was invited prior to TICAD IV in 2008.



Akio Hosono, Director of JICA-RI

When TICAD IV was held in May that year, the side event "African Development and Asian Success Stories: The Role of Government and Private Sectors in Sustainable Economic Growth in Africa" was co-organized under the initiative of Madame Sadako Ogata, then President of JICA.

along with Professor Stiglitz (participated with a video message), President Kikwete of Tanzania, Prime Minister Meles Zenawi of Ethiopia, former President Chissano of Mozambique and President Donald Kaberuka of the African Development Bank. At this event, they discussed the role of government in development.

JICA continued to deepen the research liaison with Prof. Stiglitz. One of the follow-ups to TICAD IV was an Africa Task Force meeting in Addis Ababa, Ethiopia, in the same year. At this meeting, Ethiopian Prime Minister Meles, who later contributed a chapter to the book, was much interested in JICA's private sector development (the introduction of the Japanese corporate management technique of "Kaizen") in Tunisia, which Professors Ohnos introduced. This

led to the start of two cooperation projects, the "Dialogue on Industrial Policy" and the Project to introduce "Kaizen" to Ethiopian companies in 2009.

Dialogues between JICA and Ethiopian Prime Minister went on more than eight times. Furthermore,



Prof. Joseph E. Stiglitz, Columbia University

"Kaizen" Project at phase one showed a substantial outcome, which contributed to raise revenue for Ethiopian businesses. This successful achievement led the government to establish the Ethiopia Kaizen Institute (EKI). Phase two has been already set up on a nationwide basis to strengthen the private sector. Spurred by Ethiopia's success, other African nations are currently requesting the same sort of cooperation.



## For the Next UNDP Human Development Report, JICA-RI Held a Joint Consultation with UNDP

JICA-RI held a joint East Asia Consultation Meeting with the United Nations Development Programme (UNDP) at the JICA-RI in Tokyo to support the preparation of the UNDP Human Development Report 2012-13.

This meeting was attended by JICA-RI Director Akio Hosono, along with Human Development Report Office Director, Khalid Malik, Development Research and Data Unit Head, Maurice Kugler, and Director of Representative Office in Japan, Toshiyuki Niwa from the UNDP. Attendees from ASEAN included former Thailand Minister of Finance, Chalongphob Sussangkarn, and former Indonesia Finance Minister, Rizal Ramli, in addition to over thirty specialists including experts from Japan and East Asia.

Since its first report in 1990, the UNDP Human Development Report has taken up a number of different themes annually, all focused on the latest development issues and global trends. The 2012 edition is entitled "A Changing World: Human Progress and the Rise of the Global South," and the 2013 edition is to be named "Beyond 2015: Accelerating Human Progress and Defining Goals."

This consultation meeting aimed to discuss key issues of each theme of 2012 and 2013 and to shape the direction for the preparation of the two reports.

situation of diverse globalization and economic growth in Global South, and referred to the dominance of rapidlydeveloping East Asian nations. As for the accelerating human progress and defining goals, the theme of 2013, Mr. Malik touched on the current situation of the Millennium Development Goals as well as the progress towards improvement in the East Asia and the Pacific regions. He also emphasized the importance of seven frameworks (motivation, human development and social welfare, prioritization, accountability, institutions, equity, and sustainability) in the international development approaches beyond 2015. In addition to these presentations, each expert concerned gave a speech of the experiences of rapidly-developing nations such as Thailand, Indonesia, and Korea.

The idea of a joint-consultation meeting came up when JICA-RI Director Hosono met with Mr. Malik in New York last year: Mr. Malik suggested that a consultation be held in Asia to exchange views with Asian specialists, while JICA-RI also considered it valuable to set up a venue where the messages from Japan could be reflected in the Human Development Report.

As the result, both parties agreed to organize the meeting in 2012.

This consultation meeting will serve as a trigger to share the knowledge and experiences with the UNDP and to contribute to the Human Development Report in the future.



**4** JICA Research Institute Newsletter No.34 • April 2012

#### At the meeting, Dr. Kugler presented the current

#### JICA-RI Hosts Three Special Seminars on New Development Issues

JICA-RI hosted three special open seminars on the latest development issues on February 29, March 8 and March 14, 2012.

Mr. Justin Lin, Chief Economist of the World Bank, Professor Lawrence Haddad, Director of the Institute of Development Studies (IDS), in Sussex, U.K., and Mr. Khalid Malik, Director of Human Development Report Office at UNDP were the guest speakers at the three seminars.

On February 29, Dr. Lin presented a seminar titled "New Structural Economics (NSE)" in which he introduced NSE as a new policy approach to assist economic structural transformation. He emphasized the



DI. OGOUT EIT

importance of keeping a balance of the roles of the state and the market, and stated that market and government should work together.

On March 8, Professor Haddad gave a seminar on global food and nutrition security, an increasingly popular topic globally.

He explained that South Asia accounts for about 45 % of the world's malnourished children in spite



Professor Lawrence Haddad

of the region's rapid economic growth. He referred to the causes behind this situation, while also noting that, on the other hand, sub-Saharan Africa has huge potential for agricultural success. On March 14, Mr. Malik presented a seminar with the title "Diverse Development Paths, Practice and Theory."

In his talk, Mr. Malik raised three questions related to development and shared how he tackled them: "Why do some nations do better than others?"

"What policies make differences? Are they applicable anywhere?" and "How to measure success?"

He also touched on the UNDP's Human Development Index (HDI).



Mr. Khalid Malik

[For the details of each seminar, please visit our website.]

\*JICA-RI Seminar: The World Bank Chief Economist Justin Lin Proposes a Fresh Approach to Rethink Development.

\*IDS Director Professor Haddad Shares His List of Urgent Items on Top Research Agenda in Global Food and Nutrition Security.

\*How to Measure Success? UNDP Human Development Report Director Shares His Thoughts At JICA-RI Seminar.

## JICA Research Institute Releases its Latest Research Results

This is a brief summary of the latest three Policy Briefs (PBs).

In "*Prevention of Violent Conflicts in Africa*," the concept of "horizontal inequalities" is used to propose methods for development assistance that contributes to the prevention of violent conflicts, based on the outcomes of the case studies in ten sub-Saharan nations. (Research Fellow Mari Katayanagi, Visiting Fellow Yoichi Mine, PB No.8)

In *"Policy Challenges for Infrastructure Development in Asian LICs: Lessons from the Region,"* the author emphasizes the need to develop infrastructure with clear priorities in LICs (low-income countries) of Asia in view of their less-developed infrastructures both in terms of quality and quantity. (Senior Research Fellow Yasuo Fujita, PB No.9)

Policy Brief titled "Cross-Border Collaborative Degree Programs in East Asia: Towards the Development of a New International Cooperation" discusses the importance of the role of the international collaborative degree programs in East Asian nations, where the need for human resources with high-level skills and management ability is ever increasing. (Research Fellow Takako Yuki, Visiting Fellow Kazuo Kuroda, et al, PB No.10)

Four Working Papers (WPs) released in the same period present the results of the JICA-RI's research projects on "Political Economy of the Rapid Recovery from the 1997 Crisis" and "Impact Evaluation Analyses for the JICA Projects."

In his "99 Problems (But A Crisis Ain't One): Political Business and External Vulnerability in Island Southeast Asia," author Pepinsky analyzes how political business relations created vulnerability to financial crises in different countries, examining case studies of relatively small crises in the island nations of Southeast Asia during the global financial crises of 2008-09. (Thomas B. Pepinsky, WP No.43)

In his "Unraveling the Enigma of East Asian Economic Resiliency: The case of Taiwan," author Chu examines the various elements of the shockabsorbing capacity of Taiwan, which rebuilt its economy at a relatively early stage after the East Asian financial crisis of the late '90s, as well as after the global financial crisis from 2008 to 2009. (Yunhan Chu, WP No. 44)

In his "Success as Trap? Crisis Response and Challenges to Economic Upgrading in Export-Oriented Southeast Asia," author Doner examines the capacities to sustain the economic growth in the export-oriented countries of Southeast Asia, with a focus on the significant economic growth abilities of Vietnam, Malaysia and Thailand. (Richard Doner, WP No.45)

And in "Do Community-Managed Schools Facilitate Social Capital Accumulation? Evidence from the COGES Project in Burkina-Faso," the authors Sawada and Ishii employ the public goods game data gathered from the community participatory project for primary education in Burkina Faso, to demonstrate whether the school management committees (COGES) introduced by the project have worked to increase social capital among local residents and teachers. (Visiting Fellow Yasuyuki Sawada, et al, WP No.42)