

IN THIS ISSUE:

Hot Issue

JICA-RI-World Bank Joint Seminar on WDR 2011 and Conflict Prevention Organized

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Ms. Cliffe of the Bank talking from New York (on screen)



Review

Research Team Conducted Hearings on General Budget Support in Uganda

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Review

Collaborative Workshop on Disasters, Poverty and Development Convened at JICA-RI

A workshop titled: Disasters, Poverty, and Development was organized at JICA-RI on October 3. The event, hosted by the University of Tokyo, along with JICA-RI and Hitotsubashi University, was convened to offer a learning opportunity on the latest economic studies over impacts of diverse disasters.

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JICA-RI-World Bank Joint Seminar on WDR 2011 and Conflict Prevention Organized



Panelists answering questions from the audience

JICA-RI and the World Bank held a joint seminar on conflict prevention on September 27. This seminar served as an opportunity to introduce the Bank's *World Development Report (WDR) 2011: Conflict, Security and Development* as well as to disseminate provisional results of JICA-RI's research project "[Prevention of Violent Conflicts in Africa](#)."

The Bank's annual WDR features one of the major attention-deserving topics among international aid discussions, and, for the year 2011, it selected the theme of fragility and violence. JICA was deeply involved in its production as it shared the knowledge based on its past experiences from the initial stage, organized consultation workshops in Asia for the WDR team and local experts to communicate, and provided [background papers](#) (written mainly by JICA-RI researchers) for the report.

No less than 200 interested attendants, including diplomats, officials from international aid organizations, researchers, aid practitioners and students, turned out to the event.

In the first session on the WDR, then JICA Senior Vice-President Kenzo Oshima shared his thoughts on the report (whose advisory council he was chosen as member) and JICA's contribution to its making, followed by the presentation of Sarah Cliffe, the WDR 2011 Co-Director. Ms. Cliffe mentioned some of the stunning facts revealed in the report – countries with weak governance, rule of law and control of corruption are at higher risk of civil war by 30 to 45 percent – and talked about principal discussions and policy recommendations.

She emphasized the significance of breaking the repeated cycle of violence and providing "citizen security, justice and jobs" as well as strengthening legitimate institutions. Over the operationalizing the grand ideas from the WDR 2011, Dr. Stephen Ndegwa from the Bank's newly-established Global Center for Conflict, Security, and Development in Kenya, discussed its new strategies on conflict, such as strengthening partnerships with other donors and UN agencies, and supporting more efforts in job creation.

After three commentators -- Professor Frances Stewart (Director of Oxford's Centre for Research on Inequality, Human Security and Ethnicity), [Shinichi Takeuchi](#) (JICA-RI's senior research fellow) and Associate Professor Daisaku Higashi (the University of Tokyo) – expressed their opinions on the report, the second session was devoted to JICA-RI's international research team's presentations. The members were: JICA-RI visiting fellow [Yoichi Mine](#), the team leader and Doshisha University professor; Dr. Arnim Langer, Director of the Centre for Research on Peace and Development at University of Leuven, Belgium; and Professor Stewart of Oxford's CRISE.

Prof. Mine explained about political institutions, one of the three elements of their analysis on conflict-preventing mechanisms in Africa. He said there were several kinds of institutions from consensus-seeking to majority-oriented and the research team looked into the advantages and disadvantages of those different types. Prof. Langer shared some of the findings from the perception surveys conducted in seven African countries, particularly on the analysis over the relations between horizontal inequalities (HIs) and conflicts. Lastly, Prof. Stewart, after briefing on the concept of HIs, described how they could affect the occurrence of conflicts and elaborated on different types of policies effective in conflict prevention.

Comments were shared by Dr. Ndegwa, UNDP Tokyo office Interim Director Toshiyuki Niwa, and Prof. Mitsugi Endo at the University of Tokyo, followed by a Q-And-A session.

Research Team Conducted Hearings on General Budget Support in Uganda

As part of JICA-RI's research project "Role of Budget Support in the Development Aid Regime," senior research fellow [Mitsuaki Furukawa](#) and research associate [Junichiro Takahata](#) visited Kampala, the capital, and the districts of Mbarara, Masaka, Jinja, and Gulu in Uganda from August 31 to September 16. The purpose of this visit was to investigate how the public finance is spent on the local level in the country, where general budget support (GBS, an aid modality that delivers funds directly to a recipient country's exchequer system) approach has been adopted ahead of other countries. The research team collected data through hearings with officials of the central government and local governments as well as with staff of donor agencies and NGOs.

In this project, Furukawa and Takahata have examined how macro-level budget support affects the budget composition of developing countries, and how performance of government expenditure changes with or without this intervention.

Furukawa explains, "The aim of the hearings was to understand the flow of how GBS is utilized for public services and how those services actually become available in the society. For this, it was necessary to investigate how the money is spent at a local government level. Eventually,

we would like to show the actual conditions surrounding GBS by comparing the results of the cases in Uganda and Tanzania -- both among the first adopters of the modality."

The research project has so far revealed both pros and cons of this approach. Furukawa points out two positive effects. First, recipient countries' awareness and efforts on enhancing aid effectiveness have been ameliorated in the course of implementing GBS. Second, GBS has contributed to formulating sound policies of the recipient countries through policy dialogues between them and donors, consequently improving the administrative and financial management of their central government.

"Joint policy dialogues by recipient governments and donors in GBS modality seem to have helped bring reforms that had not been possible with conventional individual type of support," he analyzes.

On the other hands, negative aspects include perception gap among stakeholders (such as the Ministry of Finance Planning and Economic Development, other governmental ministries and agencies, local governments and donors) and a possibility of malfunction of a budget cycle (A. planning/budget formulation, B. implementation, C. monitoring, D. evaluation, and back to A,) according to Furukawa.



Furukawa consulting with government officials of Uganda (second from right)

On these negative effects, Furukawa says; "In Uganda, its budget execution system is rigid, which prevents the use of funds across different fields, and also its budgetary process has structural problems. Additionally, its government faces a serious manpower shortage."

The research team plans to empirically analyze the data collected through the hearings and to advance the research further.

Workshop on Myanmar's Economic Development Held at JICA-RI



Many experts on Myanmar's economy gathered in the workshop

On September 27, JICA-RI held a workshop to discuss the final output of JICA-RI's research project ["Issues and Challenges for Economic Development in Myanmar."](#) The findings of the research – which was undertaken from April 2009 to March 2011 – were recently compiled into a report, and researchers in charge gathered to polish their proposals through extensive discussions prior to the final completion of the report.

Put together with the aim to envision the future of Myanmar's economic development, the report includes papers covering diverse aspects of the country such as: Myanmar's economic history, analysis of official statistics, macro economy, problems in its dual exchange rate system, agriculture and rural development, industrial development, and the status and challenges of social infrastructure development.

Of the nine authors who contributed to the research, the following seven attended the workshop: Konosuke Odaka (project leader and professor emeritus at Hitotsubashi University), Asuka Mizuno (lecturer at Asia University), Fumiharu Mieno (professor at Kobe University), Koji Kubo (research fellow at IDE-JETRO), Koichi

Fujita (professor at Kyoto University), Toshiharu Kudo (director of Southeast Asian Studies Group II at IDE-JETRO), and Haruyuki Shimada (associate professor at Kobe University).

Also in attendance were five commentators: Masahiko Ebashi (professor at Meiji Gakuin University), Takashi Kurosaki (professor at Hitotsubashi University), Shigeru Tsumori (former ambassador of Japan to Myanmar), Hajime Matsuoka (representative of JICA Myanmar Office), and Takahiro Sasaki (executive advisor to the director general of JICA's Southeast Asia & Pacific Department). Professor Minoru Kiryu of Osaka Sangyo University participated by submitting written comments. The panel pointed out, among other things, that the report should reflect the recent development after the transition to civilian rule taken place this spring as much as possible, and should also place more emphasis on the perspective of political economy.

The research team plans to revise the report to include the remarks above and publish the final version in Japanese shortly. A publication for international audiences will be released in the future additionally.

Collaborative Workshop on Disasters, Poverty and Development Convened at JICA-RI

The Great East-Japan Earthquake and resulting tsunamis cruelly exposed that nature can simply overwhelm human efforts. Some of the damaged areas were well-known for the best preparedness for earthquakes and tsunamis in the country. Yet they were utterly destroyed in front of our eyes. In fact, our lives are threatened by various disasters, not only natural, but man-made ones as well, such as economic crises and technological accidents (nuclear radiation leaks, transportation accidents and others). And the hardest hit is usually the poor. It is critical that the international community designs effective counter-disaster mechanisms in order to reduce the risks of serious social and economic consequences.

For this, a workshop titled: Disasters, Poverty, and Development was organized at JICA-RI on October 3. The event, hosted by the University of Tokyo, along with JICA-RI and Hitotsubashi University, was convened to offer a learning opportunity on the latest macro and micro economic studies over impacts of diverse disasters on people's welfare and coping measures.

In the beginning, JICA-RI Director [Akio Hosono](#) introduced JICA's approach on disaster risk reduction and the Hyogo Framework for Action, an action guide signed at the United Nations World Conference on Disaster Reduction in Kobe, in 2005. By explaining JICA's different examples of operations conducted with this approach in the world, Hosono showed how committed JICA is to this cause and it will remain so in the coming years.

Following Hosono's presentation, François Bourguignon, director of the Paris School of Economics and former chief economist of the World Bank, gave a keynote lecture "Development Aid as Insurance." After reviewing current debates regarding aid effectiveness in facilitating "growth" of partner countries, he proposed a new angle to consider aid as "insurance" for the poor in case of disasters. He named two schemes -- conditional cash transfer programs and export

commodity price contingent aid -- as useful mechanisms for the above purpose while pointed out that they should be implemented complementarily to other measures.

The rest of the workshop was spent to present scores of disaster-related research results by leading economists in this field: Associate Professor [Yasuyuki Sawada](#) (the University of Tokyo and JICA-RI's visiting fellow); Associate Professor Ilan Noy (University of Hawaii, Manoa); Chair Professor Albert Park (Hong Kong University of Science and Technology); Professor Sangui Wang (Renmin University of China); Professor Yoshito Takasaki (University of Tsukuba); Professor Takashi Kurosaki (Hitotsubashi University); and Professor Jonathan Morduch (New York University). Sawada provided the taxonomy of disasters and showed their trends. Other researchers discussed diverse topics: from the impacts of disasters on economic growth; the influences of Sichuan Earthquake on children and students; and the resilience of poor households against natural disasters in Pakistan; to disaster insurance.

Director Bourguignon said the workshop was a great opportunity to learn about different studies, and was excellent as it touched upon the significant issue of disasters, and disasters -- natural disasters particularly -- have devastating effect on the growth of developing countries. He also indicated that innovative insurance instruments are emerging, but in the future studies, we should identify the constraints which prevent further development of such theoretically appealing programs.



Prof. François Bourguignon