

Unclassified

DEV/DOC(2011)10

Organisation de Coopération et de Développement Économiques
Organisation for Economic Co-operation and Development

27-Jul-2011

English - Or. English

DEVELOPMENT CENTRE

Working Paper No. 302

**RECALIBRATING DEVELOPMENT CO-OPERATION: HOW CAN AFRICAN COUNTRIES
BENEFIT FROM EMERGING PARTNERS?**

By Myriam Dahman Saidi and Christina Wolf

JT03305477

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format



DEV/DOC(2011)10
Unclassified

English - Or. English

DEVELOPMENT CENTRE WORKING PAPERS

This series of working papers is intended to disseminate the Development Centre's research findings rapidly among specialists in the field concerned. These papers are generally available in the original English or French, with a summary in the other language.

Comments on this paper would be welcome and should be sent to the OECD Development Centre, 2 rue André Pascal, 75775 PARIS CEDEX 16, France; or to dev.contact@oecd.org. Documents may be downloaded from: <http://www.oecd.org/dev/wp> or obtained via e-mail (dev.contact@oecd.org).



THE OPINIONS EXPRESSED AND ARGUMENTS EMPLOYED IN THIS DOCUMENT ARE THE SOLE RESPONSIBILITY OF THE AUTHORS AND DO NOT NECESSARILY REFLECT THOSE OF THE OECD OR OF THE GOVERNMENTS OF ITS MEMBER COUNTRIES

©OECD (2011)

Applications for permission to reproduce or translate all or part of this document should be sent to rights@oecd.org

CENTRE DE DÉVELOPPEMENT DOCUMENTS DE TRAVAIL

Cette série de documents de travail a pour but de diffuser rapidement auprès des spécialistes dans les domaines concernés les résultats des travaux de recherche du Centre de développement. Ces documents ne sont disponibles que dans leur langue originale, anglais ou français ; un résumé du document est rédigé dans l'autre langue.

Tout commentaire relatif à ce document peut être adressé au Centre de développement de l'OCDE, 2 rue André Pascal, 75775 PARIS CEDEX 16, France; ou à dev.contact@oecd.org. Les documents peuvent être téléchargés à partir de: <http://www.oecd.org/dev/wp> ou obtenus via le mél (dev.contact@oecd.org).



LES IDÉES EXPRIMÉES ET LES ARGUMENTS AVANCÉS DANS CE DOCUMENT SONT CEUX DES AUTEURS ET NE REFLÈTENT PAS NÉCESSAIREMENT CEUX DE L'OCDE OU DES GOUVERNEMENTS DE SES PAYS MEMBRES

©OCDE (2011)

Les demandes d'autorisation de reproduction ou de traduction de tout ou partie de ce document devront être envoyées à rights@oecd.org

TABLE OF CONTENTS

ACKNOWLEDGEMENTS.....	4
PREFACE	5
RÉSUMÉ.....	7
ABSTRACT	7
I. INTRODUCTION.....	8
II. A VINTAGE PHILOSOPHY OF INTERNATIONAL DEVELOPMENT CO-OPERATION AND NEW SYNERGIES.....	9
III. FROM OLD AND NEW CHALLENGES FOR AFRICAN GOVERNMENTS	27
CONCLUSIONS.....	34
REFERENCES.....	36
OTHER TITLES IN THE SERIES/ AUTRES TITRES DANS LA SÉRIE.....	40

ACKNOWLEDGEMENTS

The authors are indebted to their colleagues of the Europe, Middle East and Africa desk for their support of the project since its inception. Professor Machiko Nissanke and Felix Zimmermann provided some challenging and very useful ideas and comments on the content both on an earlier and the final draft of the paper. Very special thanks go to Helmut Reisen for his overall guidance, his valuable feedback, critical input and many helpful suggestions. Any remaining errors remain of course the responsibility of the authors.

PREFACE

In April 2011, the OECD Development Assistance Committee (DAC) officially welcomed development co-operation provided by countries outside their membership stressing their crucial role with respect to the achievement of the Millennium Development Goals and their important contribution to economic development. But how exactly does development co-operation provided through these new partnerships impact on African countries' development? The present paper tries to give an answer to this question thereby joining a long-standing research tradition at the OECD Development Centre on emerging economies and their impact on other developing countries. Groundbreaking studies in this field include the 2006 study *The Rise of China and India, What's in it for Africa?* by Goldstein, Pinaud, Reisen and Chen but also the *Perspectives on Global Development Report 2010* on "Shifting Wealth". More recently, the 2011 *African Economic Outlook's* thematic chapter analysed more closely Africa and its emerging partnerships. The present study picks up on one aspect of these partnerships, namely development co-operation.

Questions have been raised as to whether development co-operation can have a beneficial impact for the recipient countries and even whether they could, in fact, harm traditional donors' efforts to increase the developmental outcome of aid. Reiterating the conclusion of the recent DAC statement, the present paper stresses that the way emerging partners provide development co-operation to African countries represents indeed a number of critical opportunities for the latter, notably with respect to infrastructure development and the development of the agricultural hinterland. The fact that traditional and emerging partners' development co-operation is largely complementary is a positive evolution for African governments.

It goes without saying that challenges remain. The authors stress that for African governments to make the most out of the new modes of co-operation and to maximise potential new synergies they have to define a clear strategy, assure maintenance, and enhance bargaining position vis-à-vis the emerging partners.

Mario Pezzini

Director

OECD Development Centre

July 2011

RÉSUMÉ

L'augmentation des relations économiques entre l'Afrique et les partenaires émergents rend plus claire la différence de concept qui sous-tend la coopération au développement offerte par les partenaires traditionnels et émergents. Dans la philosophie des partenaires émergents l'aide n'est qu'un élément d'une boîte à outils beaucoup plus large. Ces nouvelles réalités de terrains sont la marque d'un réel changement qualitatif dans l'offre de coopération au développement, aussi bien en termes d'allocation sectorielle des ressources que de modalités d'approvisionnement, ce qui a un impact sur les résultats et sur les défis auxquels les pays bénéficiaires auront à faire face. Ce rapport analyse les sujets d'inquiétudes récurrents (comme par exemple l'absence de conditionnalité politique qui pourrait détruire les efforts des partenaires occidentaux pour promouvoir la bonne gouvernance) et souligne l'émergence de nouveaux défis pour les gouvernements africains à la lumière de ces différentes modalités. Afin de tirer tout l'avantage de ces nouveaux modes de coopération les gouvernements africains devront : définir une stratégie explicite, assurer la maintenance et renforcer leur pouvoir de négociation.

Classification JEL: F3; F21; O16; O19; O55; Q3.

Mots clés: coopération au développement, partenaires émergents.

ABSTRACT

With the recent boost of emerging economies in African economic relations, a different philosophy of development co-operation gains progressively momentum. Indeed, there are critical differences in the way development co-operation is provided by traditional and emerging partners. For the latter, aid is only one element of a broader economic engagement toolbox. These new realities on the ground mark a qualitative change in the provision of development co-operation both in terms of sectoral allocation and modalities of delivery, which in turn impacts on outcomes as well as the challenges for the recipient countries. We evaluate concerns often raised in this respect (*e.g.* the lack of policy conditionality destroying Western efforts to promote better governance) and stress that a new set of challenges emerges to African governments in the light of these different engagement modalities. The challenges for African governments to make the most out of the new modes of co-operation could be summarised as follows: define a clear strategy, assure maintenance, and enhance bargaining position.

JEL Classification: F3; F21; O16; O19; O55; Q3.

Keywords: development co-operation, emerging partners.

I. INTRODUCTION

Offering different modes of development co-operation, the emergence of new actors has complemented traditional partners. These partnerships are not new – some emerging partners having longstanding historical relations with African countries - but rather refer to “emerging” economies that are still in the midst of a process of catching-up with advanced economies and whose economic relations with Africa have been intensifying rapidly over the last decade. In terms of development co-operation, emerging partners offer different potential development benefits to Africa. Whereas traditional donors are more present in social sectors such as education and health, emerging partners tend to focus on infrastructure and agriculture. They also differ in the modalities (modes of disbursement, financing tools etc.) used. One typical aspect of the partnership with emerging partners is that the frontier between trade, investment and aid, or between private and public sector, is blurred. This is true, especially for China but also to some extent for donors such as India and Brazil. As a consequence, concepts such as foreign direct investment (FDI) or official development assistance (ODA) do not reflect the complexity of emerging partners’ engagement in Africa. The term “international development co-operation” covers official aid flows but also other financial or investment tools, and clarifies that there is a change in the nature of the engagement. International development co-operation could be broadly divided into two different philosophies: “international development assistance”, relying on a charity philosophy and “international development investment”, aiming at enhancing the partner’s potential in one’s own self-interest. These two philosophies will be analysed in greater detail in Part II. These two frameworks have to be understood, of course, as two crude, abstract models that are to some extent a caricature of reality and do not exist in a pure form as development co-operation is complex and cannot be reduced to one single dimension. They rather represent the dominant approach towards development co-operation. With the emergence of new partners in Africa, there is a qualitative change in the provision of development co-operation since emerging partners tend to operate more within the international development investment logic. This, in turn, impacts on outcomes as well as the challenges associated with “effective” delivery. The issue at stake is to identify in what way new actors provide new opportunities, for instance with respect to infrastructure development, training, technical assistance, new entrepreneurial diaspora and the development of the rural hinterland. In Part III we will analyse the new opportunities and challenges for African governments with respect to the maximisation of those benefits.

II. A VINTAGE PHILOSOPHY OF INTERNATIONAL DEVELOPMENT CO-OPERATION AND NEW SYNERGIES

II.1. Development assistance or development investment?

There are important differences in the way development co-operation is provided by different countries. However, the pertinent cleavage is not to find in DAC vs. non-DAC donors (or “established” vs. “new” donors) but rather in the rationales and modalities that guide the provision of development co-operation.

While there will always be some political and strategic considerations guiding the geographical allocation of development co-operation, on the economic dimension we can distinguish between a “charity” motive and an “economic self-interest” motive. In what follows we will refer to the former as “development assistance”, to the latter as “development investment”. “Charity” co-operation is focused on the notion of “assistance” and “humanitarian need” seeking primarily a reduction in poverty while the “economic self-interest” co-operation model emphasises to a larger extent the partner’s potential seeking to create the necessary conditions for enhanced economic exchanges. This dichotomy certainly oversimplifies reality and obscures important divisions both within and between different donating countries. It is rather representative of a donor’s dominant motivating factor for development co-operation. In practice, of course, development co-operation cannot be reduced to one single dimension.

While the notion of “win-win co-operation” is primarily associated to “emerging donors” from the South such as China, India and Brazil, it actually recycles the Japanese approach to development co-operation of economic self-interest (*kokueki*) in the 1970s and 1980s. Equally, US-American development assistance throughout the cold war period was both a tool of foreign policy and aligned to economic interests, while humanitarian considerations played a subordinate role. Sweden on the other hand repeatedly pledged to separate the humanitarian aspirations of foreign aid from short-term economic benefits for itself (Schraeder *et al.*, 1998). Thus, historically, among traditional donors, the aspects of development assistance and development investment have been found simultaneously. At the same time not all non-DAC donors adhere to the model of mutually beneficial win-win co-operation, Arab donors for instance being considerably closer to the charity logic.

In addition, these rationales change over time. Traditional donors, following the end of the cold war and subsequent to their ongoing harmonisation efforts, moved closer to an assistance logic. The emergence of new partners recalibrates this “gentlemen” consensus making the development investment logic more prominent again.

Each combination of tools and actors corresponded historically to a different set of tools and modalities. Those in turn have an impact on the challenges for recipient governments to

make the most out of aid. We will analysis these effects and the challenges that emerge for African countries in greater detail below, while stressing that the two approaches of development co-operation are largely complementary.

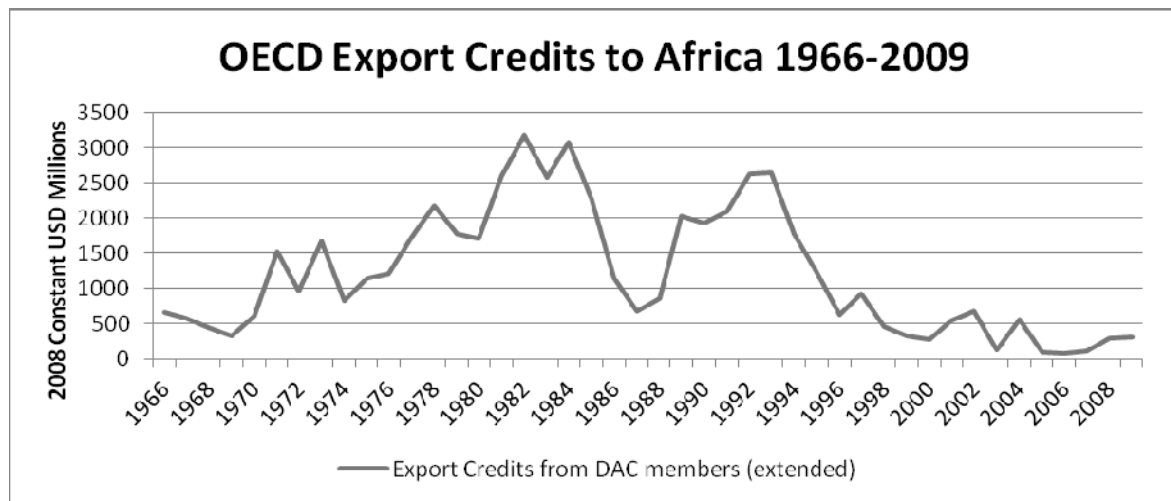
II.1.1. Development assistance: the charity consensus

From the beginning of the 1980s onwards, we observe an important double shift in traditional donors' aid delivery structure (modalities) aiming at improving the developmental outcomes of aid inputs: there was a double process of politically tying and economically untying of aid.

Traditional donors' "ODA" has moved progressively from a logic of economic interest to one of global social redistribution. A clear consensus emerged that poverty reduction should be the paramount aim of aid, recognising that the international community had to substitute to some of the neediest states in the provision of basic public goods through long-term financial transfers. The efficiency of a programme is subsequently evaluated on the sole basis of improvements on targeted basic standards of living and not on the basis of prospects to foster the recipient's economic growth and ability to emancipate from international transfers (Severino *et al.*, 2009). Following increasingly a logic of development assistance, traditional donors' aid is progressively dissociated from commercial flows such as foreign direct investment (FDI) and trade assuming that private companies' primary concern is not necessarily poverty reduction (van der Lugt *et al.*, 2011). Consequently, ODA is now clearly differentiated from other official flows like trade or private sector FDI.

In this context, traditional donors underwent a process of economic untying of aid. The so-called "Helsinki package" of 1991 compelled DAC donors to limit the use of mixed credits and export credit which tie aid to the purchase of goods and inputs from the donor country. These forms of export subsidies were perceived to be at high cost for the recipient countries serving mostly the interests of donors. Economically tied aid increases trade dependency of recipient countries and constitute an important impediment to free trade, which reduces competition thereby increasing prices and reducing the choice of developing countries. Economically untied aid has the advantage of recipients being able to determine on their own the investment projects, the technology that is most appropriate for its long-term development targets and to buy at world market price (Jepma, 1990 and Morrissey, 1993). However, this merits to be nuanced: although OECD donors agreed to reduce their levels of formally tied aid, it appears that in practice most contracts still go to the donor countries' own firms (OECD, 2011b). Still, as Figure 1 shows, the use of export credits for African countries has been significantly reduced by OECD countries since the early 1990s. Over the period 2000-08 on average less than USD 500 million annually have been issued in export credits to Africa by all OECD countries taken together.

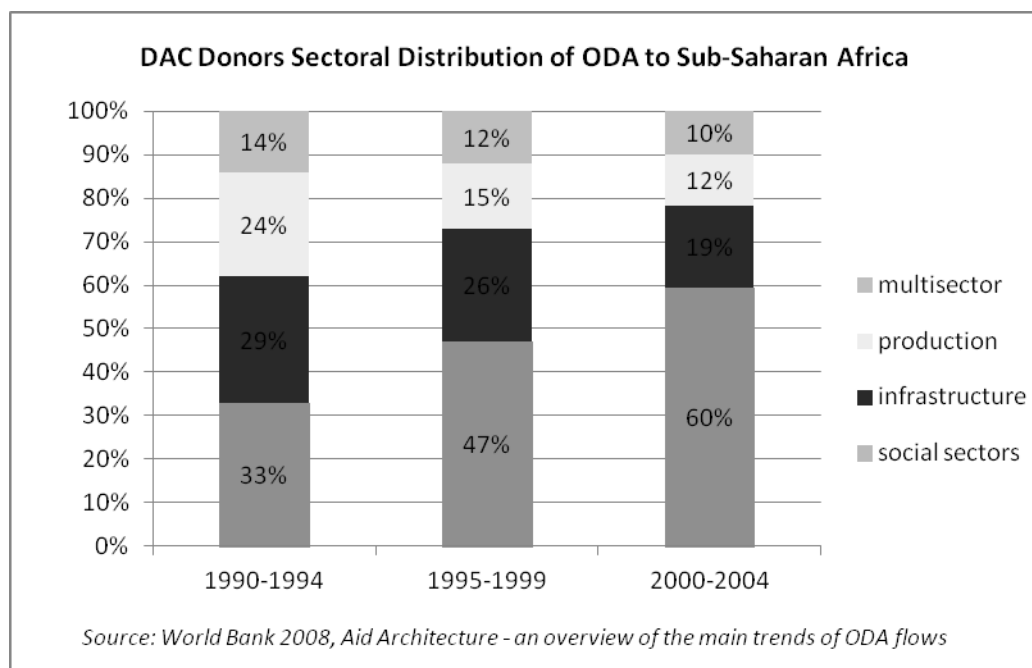
Figure 1: Export credits to Africa 1966 – 2009 issued by OECD countries



Source: OECD data.

Sectorally, we observe that donor activities have increasingly focused on poverty reduction, social sectors such as health and education, and governance. While in 1990, 82% of ODA have been allocated to agriculture, industry, economic infrastructure and the financial sector, both agriculture and industry saw their share of aid halved by 2004. At the same time the shares for health, education and governance more than doubled over the same period receiving about 51% of all aid flows in 2004 (Harrigan, 2007). According to the World Bank 2008, there has been a shift in the allocation of ODA to sub-Saharan Africa from infrastructure and production to social sectors which now account for 60% of all sector allocable ODA (see Figure 2).

Figure 2: Sectoral distribution of ODA to sub-Saharan Africa



The United Kingdom’s foreign aid programme stands exemplarily for the above described shift in philosophy. The set-up of the Department for International Development (DFID) in 1997 fully separated British development assistance from the Foreign and Commonwealth Office (FCO) and thus from political and commercial interests. The 1998 Labour Government’s White Paper emphasised the re-focus of aid on poverty reduction and policy coherence (White, H., 1998). The 2002 International Development Act finally separated British aid and trade, marking a turning point in the UK’s aid programme whose explicit top priority becomes the fight against world poverty as opposed to the key focus being placed upon economic development. There has been a clear focus on untying of aid ensuring that poverty alleviation cannot be linked to the provision of British goods and services (van der Lugt *et al*, 2011).

In addition to this discourse shift, which places aid as an uninterested effort to reduce world poverty, there has been from the early 1980s onwards a radical shift in the way aid is delivered, project aid being replaced by programme aid. Indeed, general budget and sector programme support has risen from 8% of total ODA commitments in 2001 to 20% in 2004 (World Bank, 2008). This shift from project aid to programme aid is a response to the expressed need for continued subsidising of public efforts in recipient countries that projects could not provide. Programme aid, notably in the form of budget support becoming the favoured conduit of multilateral and bilateral aid, donor-recipient relations have been managed through policy based conditionality to counter principal agent type problems emerging in the context of programme aid. To keep control over the “process” that translates aid inputs into developmental outcomes and assure that aid inputs are not misappropriated by rent-seeking behaviour or see aid benefits vanish due to unsustainable economic policies, programme aid has been tied to strict policy conditionality aiming at using aid as leverage to induce sensible policy reforms in recipient countries (Nissanke, 2010). Indeed, the 1998 World Bank Study: *Assessing Aid: What Works, What*

doesn't and Why, settles the debate on the effect of aid on economic growth by establishing that aid works given the policy regime in the recipient country is good enough. (World Bank, 1998)

Figure 3: Aid provision in the development assistance framework

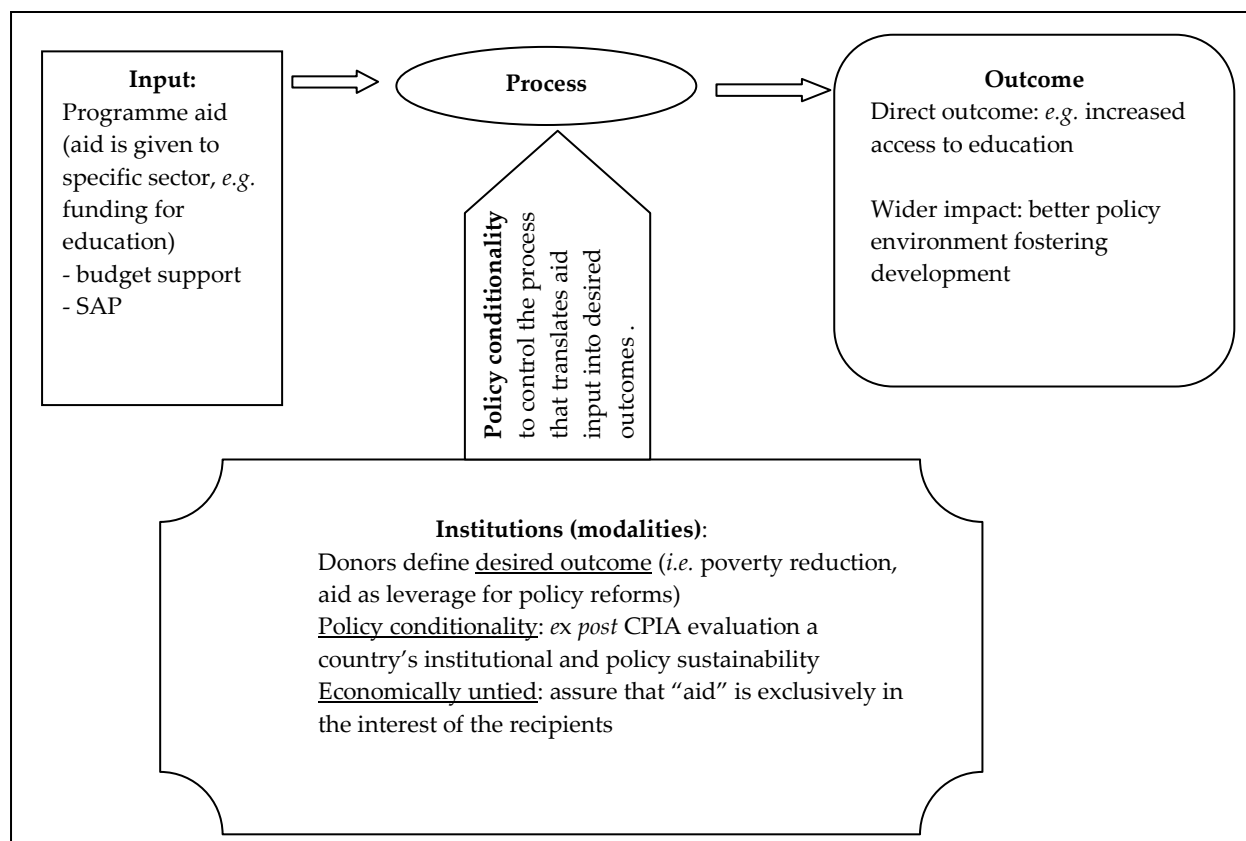


Figure 3 summarises the development assistance framework. The donor first defines the desired impact and outcome, which could be, for instance, an increased literacy rate in a specific country. The input would be the amount of money disbursed to the recipient country for the construction of schools; the output would be the constructed schools and finally the outcome/wider impact would be the rate of literacy, which could be measured taking the rate of children who finish the elementary school. These mechanisms of disbursement explain why conditionality is necessary in any sovereign aid and debt contract: donors have to keep some control over the process that translates their aid inputs into developmental projects in order to make sure that taxpayers' money is not misappropriated but spent appropriately for developmental purposes. Not least of all, this is crucial to keep up public support for development assistance (Mold, 2009).

However, whether this modality to govern donor-recipient relationships and translate aid inputs into the pre-defined aid goals, was entirely successful is a matter of debate and DAC donors are still trying to improve the process of aid allocation. There are two major dilemmas associated with the use of policy conditionality in its current form. Firstly, from the mid-1990s onwards, policy conditionality comes in the shape of *ex post* policy conditionality based on Country Policy and Institutional Assessments (CPIAs) evaluating a set of parameters such as macroeconomic management, structural policies, policies for social inclusion and the quality of

institutions (e.g. property rights, transparency, accountability, fight against corruption). What is problematic in this respect is the monolithic “one size fits all” development model guiding the policy conditionality, which does not recognise other diversified ways to create synergies of interest between public and private actors. Nissanke 2010 argues that this performance-based aid allocation method had important consequences on the incentive structures of recipient governments running counter to the notions of ownership and partnership/dialogue, which are equally promoted as an important dimension for the success in producing desired developmental outcomes through aid¹ (cf. Paris Declaration, OECD 2005). In fact, performance-based evaluation systems in their current form cannot evaluate the role of exogenous shocks that are beyond the government’s control or indeed the effect of alternative institutions/policies. Consequently, policy makers in recipient countries are inclined to change their behaviour in anticipation of policy parameters seen as desirable by donors rather than fixing their own policy objectives as an answer to demands of their interior political constituency (Nissanke, 2010). Indeed, prior to the Fourth High Level Forum to be held in Busan in late 2011, developing countries consulted in the preparation of the conference have listed the end of policy conditionality and the use of country systems among their priorities to improve aid effectiveness.² Secondly, especially in Africa, donors face the dilemma that very few countries satisfy the “good policy” standards although the majority of the poorest countries are situated in Africa. Donors face the tough choice of either underfunding the poorest countries or allocating aid to countries with a bad policy environment (Mold, 2009). Harrigan, 2007 shows that *ex post* conditionality did indeed have a negative side-effect on the selectivity in the allocation of aid: while in 1990, the ten largest recipients in Africa received 42% of the continent’s total aid; in 2004 this share had increased to 56% (Harrigan, 2007).

1.1.2. Development investment: a vintage approach to development co-operation recycled by China

The (re)emergence of new partners in African countries’ economic relations makes the development investment logic more prominent again, thereby providing alternative and complementary sources of development finance for African countries. The way emerging partners provide development co-operation to African countries is often portrayed as the mirror image of traditional donors’ aid since they provide economically tied and politically untied development co-operation. Both the modalities of disbursement and the sectoral focus are largely different, development co-operation being typically provided in the form of project aid and targeting sectors like economic infrastructure development and agriculture rather than social sectors. One typical aspect of the development investment philosophy is that the frontier between trade, investment and aid, or between private and public sector, is blurred. Consequently, in the mindset of development investment, “aid” is only one element of a broader engagement toolbox aiming at laying the ground for enhanced bilateral trade and private sector

1 In the Paris Declaration, one of the three partnership commitments is the respect of the partner’s ownership. The declaration emphasises the importance that partner countries exercise effective leadership over their development policies, strategies and co-ordinate development actions. Donors, in turn, commit to “respect partner country leadership and help strengthen their capacity to exercise it.”

2 http://www.oecd.org/document/12/0,3746,en_2649_3236398_46057868_1_1_1_1,00.html.

activity. "Aid" and alternative financing modes that transcend the classical definition of FDI and ODA are used to enhance the partner's potential in one's own self-interest. Export credit subsidies, for instance, are used by the donor with the aim of reducing the risk of market entry for their own companies. Another example is given by the resource-for-infrastructure deals aiming at reducing impediments to bilateral trade and private sector investment by constructing the necessary infrastructure (Potter, 2008; Chanana, 2009; Kiala, 2010).

Japan was actually the first to pursue this approach to development co-operation in its co-operation programmes in Southeast and East Asia in the late 1970s. This approach is recycled by some of Africa's emerging partners, most prominently China (Brautigam 2010b and Nissanke and Soderberg, 2011).

Japanese development co-operation with other Asian countries was characterised by its integrated approach using tied concessional loans supplied together with technical assistance and grant aid with the aim of promoting foreign direct investment from Japanese companies and enhancing trade (King, 2007). Underlining the centrality of economic growth for sustained development, the sectoral focus lay more on the development of economic and social infrastructure via large-scale projects, which could in turn attract further private investment (Potter, 2008). In addition, Japanese development co-operation was characterised by the deployment of a large base of Japanese experts (amounting to some 4 000 in the first 20 years of co-operation) who executed the projects. This is considered an important channel for the transmission of knowledge and expertise (King, 2007).

Overall, this approach proved largely beneficial in Thailand and across Asia, including China, where it is considered a key factor in facilitating the entry of FDI from Japan and other Asian countries (King, 2007). In 1978, for instance, the Japanese government offered China a USD 10 billion export credit line (with concessional element) to finance the export of its modern complete plant/ turn-key projects, which China was paying back by exporting crude oil and coal to Japan. The aim for Japan was to secure an access to raw materials and to provide some possibility of expansion for Japanese firms (Brautigam, 2010b).

While Japan itself did not engage the African continent in the same way as Southeast Asia, which can be explained both by location specific factors and the ongoing harmonisation efforts among DAC-donors (Nissanke and Soderberg, 2011), some elements of Japan's co-operation model applied in Asia enjoy resurgence being pursued by several emerging donors in Africa today (King 2007). The model was recycled and adapted above all by the Chinese: as part of China's "going out" strategy, China uses hybrid forms of development co-operation mixing trade, investment and development assistance to attain reciprocity (Brautigam, 2010b).

Doing so, the Chinese make use of a very different toolbox than traditional donors. First of all, China makes use of **export credits** on a much broader scale than OECD donors. Aiming at supporting national exporters in their competition for overseas sales, Chinese export credits are subsidised and modestly concessional (22-37%) loans to third countries (export buyer's credits) or Chinese firms (export seller's credits) (Brautigam, 2010a). The sum of all export credits by DAC members between 2004 and 2008 averaged USD 4.2 billion, of which less than USD 500 million annually were disbursed to Africa. By contrast, in 2009 China disbursed a total

of USD 29.6 billion of export credits.³ The share of this going to African countries is unknown. However, Brautigam 2010b stresses that the amount of Chinese export credits to Africa is probably far below what is portrayed in the media. Nigeria, for instance, is often said to have received at least USD 5 billion. All in all, the actual amount probably did not exceed USD 500 million over the period 2000-09 (Brautigam, 2010b). Concrete examples in Nigeria include the 2006 credit over USD 200 million for the construction of Telecommunications Satellite by “China Great Wall Corporation”. Brautigam 2010b estimates preferential export credits provided to Africa at around USD 2 billion during 2007 and 2009.

Secondly, **natural resource-backed lines of credit** constitute another alternative financing mode. These are loans where the ExIm Bank issues lines of credit for the finance of infrastructure projects in recipient countries that are natural resource backed. In some cases, natural resource exports are used as security to pay back the loan; in other cases Chinese companies gain preferential access to a block of natural resources. These loans are usually issued on non-concessional rates. As these credits do not contain a concessional component, they do not fall under what is conventionally understood as “aid” in the sense of ODA.⁴ Serving as credits that will eventually enhance investment and trade, they nevertheless constitute an important instrument of development finance (Brautigam, 2010b). So far, the following African countries have been negotiating this type of finance with China: Congo-Brazzaville (2001, Imboulou hydroelectric dam), Nigeria (2002), Angola (2004, 2007), Equatorial Guinea (2006), Ghana (2007, Bui Dam), DRC (2008, mining Joint Venture), Sudan (various years). In the Congolese case, for example, the government negotiated in 2007 a USD 6 billion loan (initially USD 9 billion) which is secured by a newly created Chinese-Congolese mining Joint Venture of which the Chinese hold 68% of the shares. The loan is paid back through the export of minerals. The civil engineering contracts with Chinese firms paid through these funds are used for the construction of large-scale infrastructure projects (*e.g.* 6 000 km roads to connect Kinshasa to the East, 3 000 km railways etc.), hospitals, schools and social housing. Another well-known example is the case of Angola, which received two ExIm Bank credit lines of USD 2 billion (2004) and USD 2.5 billion (2007), which are to be repaid in commodity exports, for the construction of 1 300 km of railways and 300 km of roads in Angola, as well as hospitals, schools, social housing, telecommunications network and investment in agriculture (Brautigam, 2010a).

Finally, there are so-called ‘**mixed credits**’, which represent another form of “package financing” that combines lines of export buyer’s credit (given to the borrowing country), export seller credits (issued to the Chinese company) and concessional loans. They are mostly issued for specific project. Up until 2006, the ExIm Bank signed deals with Congo-Brazzaville, Ethiopia, Equatorial Guinea, Nigeria, Mauritania, Ghana, Namibia and Eritrea (Brautigam, 2010a). Recently, a construction deal for three oil refineries and one petrochemical complex was announced in Nigeria in 2010. Once constructed the Chinese side would hold 80% of the shares. The contract for the first of the three refineries has been signed: for USD 8 billion the refinery is

3 Conversion from RMB to USD based on the official exchange rate provided by the World Bank’s WDI database.

4 On the no-equivalence of loans and grants in development finance, see Cohen, Jacquet and Reisen (2007).

to be established in the Lagos Special Economic Zone. In 2007 in Ethiopia, a USD 208 million credit was used for the development of cement and hydro-electric industry.

Among the emerging countries, China is probably the most active using hybrid forms of financing tools blurring the distinction between aid and FDI. However, as we will explore below, India and, to some extent, Brazil also make use of this toolbox. For the Chinese case, Brautigam (2010b) estimates that purely concessional loans, zero-interest loans and grant commitments from China to Africa (excluding debt relief) reached USD 1 billion in 2007, USD 1.4 billion in 2008 and USD 2.1 billion in 2009. She also estimates that preferential export credit commitments reached USD 2 billion between 2007 and 2009 while non-concessional finance would reach around USD 5 billion per year. Taken together, all these alternative financial flows add up to an annual average commitment of USD 7.1 billion to Africa over the period 2007-09. This estimate is much higher than the worldwide Chinese ODA-equivalent estimation of USD 1.9 billion for 2009 provided by Zimmermann and Smith (forthcoming). Of course, it is difficult to establish where Chinese development assistance ends and where commercial co-operation begins in the light of these hybrid forms that could all be classified as either ODA or FDI. This is in the end a question of definition. But going beyond this technical question, a more relevant distinction that needs to be made is whether or not these hybrid forms are instruments of development finance.

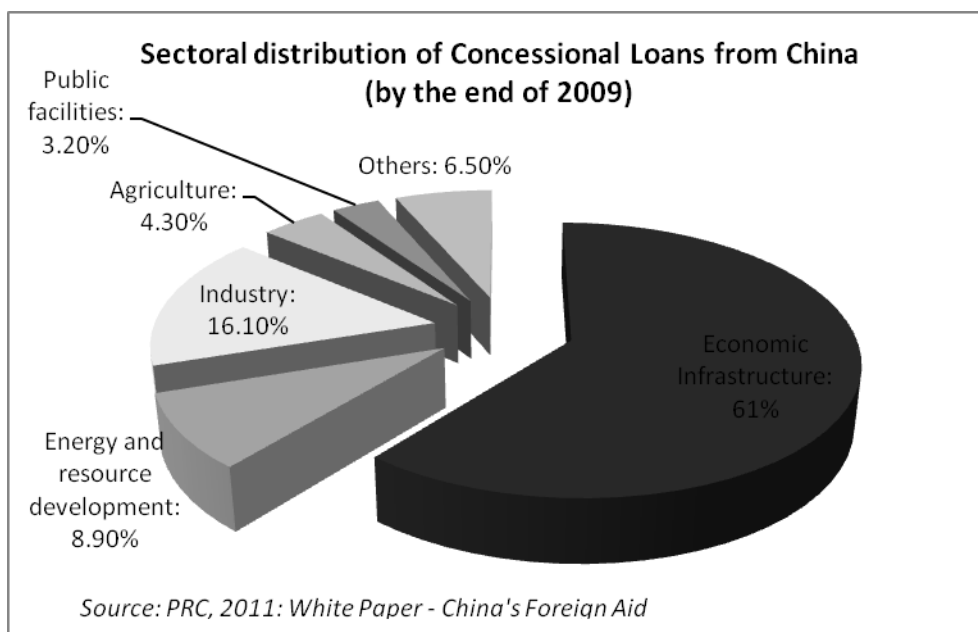
While over 90% of China's infrastructure projects are still financed by preferential loans from the ExIm Bank, some infrastructure projects such as road projects in Ethiopia and Botswana are now funded by the Ministry of Commerce, which has begun providing investment and trade credit financing (Nissanke and Soderberg, 2011). In addition, there are funds to assist Chinese enterprises and entrepreneurs investing in Africa such as the China-Africa Development Fund (Kiala, 2010).

In addition to this different tool box, the Asian mode of development finance relies on different modalities to handle donor-recipient relations. Firstly, emerging partners rely on project aid that is not linked to policy conditionality as in the case of traditional partners (Kiala, 2010). Secondly, projects proposed by emerging partners, especially China are often tied economically to the use of the donor's labour and input procurements. At the same time, the perception that the Chinese only employ their own labour is misleading: in Ghana, for instance, the ExIm Bank financed Bui Dam ensuring that 700 jobs go to Chinese expatriates compared to 3 000 Ghanaians (Mohan and Tan-Mullins, 2009). In Angola, the two ExIm Bank deals in Angola specify that 70% of the civil engineering contracts have to be awarded to Chinese firms and at least 50% of inputs have to be procured by China (Tan-Mullins *et al.*, 2010). It can be noted, however, that the need for tied aid may be gradually receding even from a Chinese perspective given that Chinese construction firms appear to be increasingly competitive in Africa as well as globally, after the initial period of "learning by doing", starting now to win projects under competitive international tender processes (Nissanke and Soderberg, 2011).

Finally, the sectoral focus of the Asian approach to development co-operation is different but largely complementary to traditional donors. Asian mode development co-operation is more focused on infrastructural and other structural bottlenecks. Kragelund (2010) identifies infrastructure and agriculture as sectors that are among the most important targets of Brazil, China and India. China has been rapidly extending its infrastructure finance beyond the natural resource sector to other sectors such as telecommunications and water sanitation projects as well

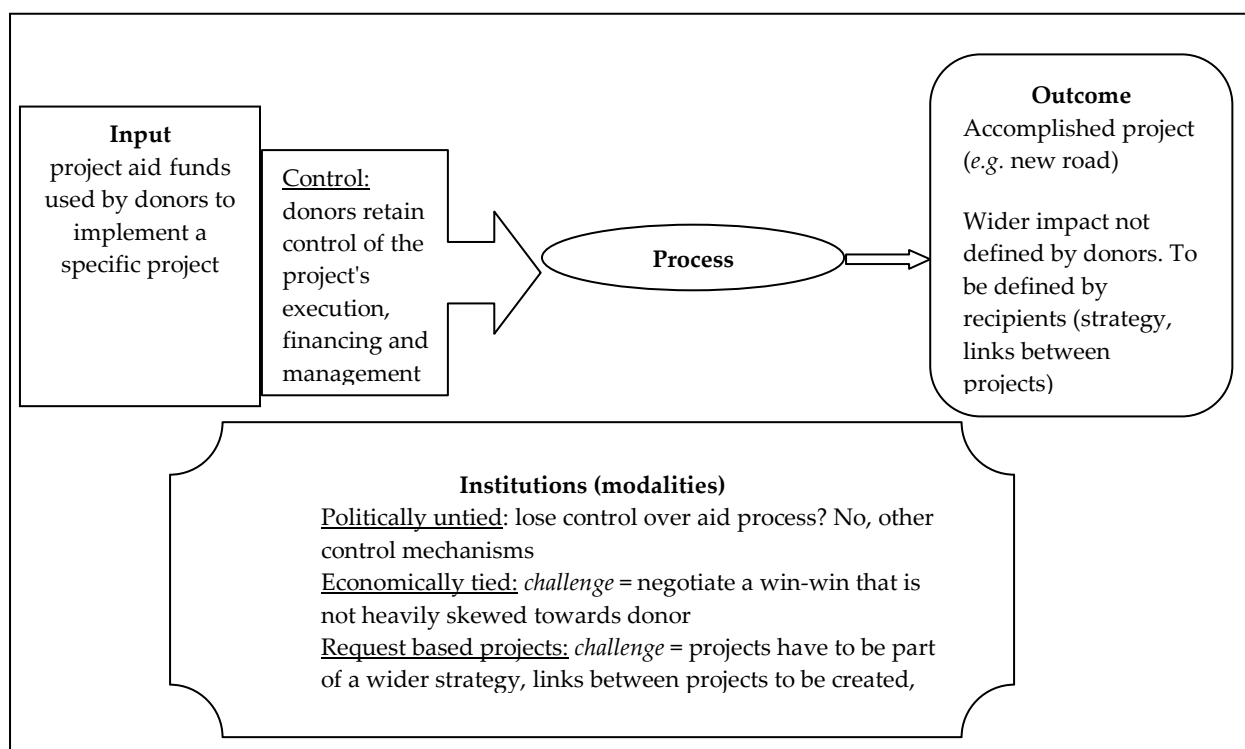
as to soft infrastructure projects by building hospitals and schools. Equally Chinese support for the agricultural sector is rapidly expanding (Nissanke and Soderberg, 2011). The White Paper on China's foreign aid⁵ issued by China's Information Office of the State Council on April 2011, specifies that 61% of China's concessional loans⁶ are used to help developing countries constructing communications, transportation, and electricity infrastructure whilst 8.9% are used to support the development of energy and resources (oil and minerals) (cf. Figure 4).

Figure 4: Sectoral allocation of concessional loans from China



- 5 "Financial resources provided by China for foreign aid mainly fall into three types: grants (aid gratis), interest-free loans and concessional loans. The first two come from China's state finances, while concessional loans are provided by the Export-Import Bank of China as designated by the Chinese government. By the end of 2009, China had provided a total of 256.29 billion Yuan in aid to foreign countries, including 106.2 billion Yuan in grants, 76.54 billion Yuan in interest-free loans and 73.55 billion Yuan in concessional loans" (People's Republic of China, 2011).
- 6 Concessional loans are raised by the Exim Bank of China on the market, with a lower interest rate than the benchmark interest of the People's Bank of China. Thus, the difference is considered as financial subsidies by the government. The annual interest rate of China's concessional loans varies between 2% and 3%, and the period of repayment is usually 15 to 20 years.

Figure 5: The development investment mode - A loss of control or a different set of challenges?



However, even though the concept of development investment in mutual interest is central in China's development co-operation with third countries, there is a non negligible number of projects that rather follow a development assistance logic. Indeed, China signed debt relief protocols with 35 countries in Africa for a total of Yuan 18.96 billion by the end of 2009. Equally, so-called "complete projects", which refer to projects constructed in recipient countries with grants or interest-free loans provided by China account for 40% of China's foreign aid expenditure. The majority of these projects is in public facilities (Science education and health care, sport facilities, theatre and cinemas etc.) and industry (People's Republic of China, 2011).

1.2. Do emerging partners follow a common model?

1.2.1. India: coming closer to the Chinese model

As we will see, India's development co-operation with African countries is very close to the concept of development investment, although not developed at the same scale as China (Kragelund 2010).

A closer look at the evolution of the Indian aid-related budget supports this claim. It is divided into three parts: *i*) grants and concessional loans to governments; *ii*) contributions to international organisations; and *iii*) ExIm Bank loans. Of these, we observe that ExIm Bank expenditure is by far the fastest growing part - growing at an annual average of 11.3% per year over the period of 2004-10 as opposed to 3.3% for the groups administrated by the Ministry of External Affairs (*i.e.* grants and loans and contributions to IOs). In absolute numbers, Indian ExIm Bank expenditure increased from INR 2.26 billion (USD 50 million) in 2004 to

INR 4.3 billion (USD 89 million)⁷ in 2010 (Chanana, 2009). Interestingly, by far the largest part of Indian ExIm expenditure is allocated to African countries, receiving 61% of Indian ExIm Bank operational loans in 2009 (Chanana, 2009) (cf. Figure 6).

In fact, Agrawal 2007 reckons that Indian development co-operation with Africa represents an interesting contrast to its activities in South Asia. Whereas Indian development co-operation in South Asia relies much on the provision of technical assistance, in Africa India's commercial and political incentives appear to be more closely interwoven. On the one hand, India's global political ambitions require support from the large African constituency. On the other hand, India engagement in Africa is motivated by the competition with China over securing resources and markets, which explains why India comes closer to the Chinese modalities of engagement in Africa (Agrawal 2007).

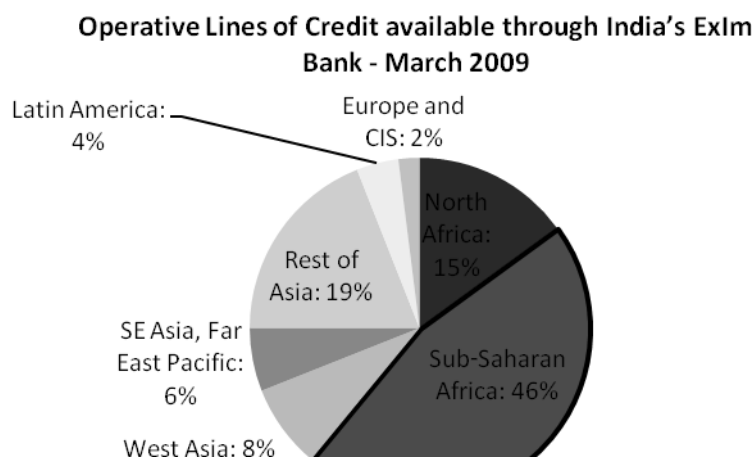
Table 1: India's foreign aid-related budget, 2004-10 (INR million)

	2004	2005	2006	2007	2008	2009	2010
Grants and loans	19 619.00	21 620.00	17 290.00	18 133.00	26 999.00	24 083.00	23 834.00
of which grants (%)	70.90	79.10	90.70	9 307.00	65.60	82.30	84.10
Contribution to IOs	2 568.00	3 320.00	3 595.00	3 550.00	12 775.00	5 317.00	5 578.00
Investments in IFIs	101.00	180.00	580.00	137.00	30 900.00	67 627.00	2 948.00
EXIM Bank expenditure	2 266.00	1 717.00	1 600.00	2 350.00	5 098.00	4 394.00	4 300.00
Total estimated budget	24 554.00	26 836.00	23 065.00	24 169.00	75 772.00	101 421.00	36 660.00
in USD million	526.00	574.00	494.00	517.00	1 622.00	2 171.00	785.00

Source: Chanana (2009).

7 Conversions INR to USD made on the basis of the 2004 and 2010 exchange rates provided by the World Bank's World Development Indicator database.

Figure 6: Geographical distribution of India's Exim Bank lines of credit



Source: Chanana (2009).

Examples of Indian aid activities in Africa that come closer to the model of DAC-donors include India's funds provided to NEPAD which received a USD 200 million credit line and bilateral debt relief (by 2008, India had written off debt totalling USD 24 million) (Naidu, 2008).

Alternative financing modalities close to those used by China include for instance the ExIm Bank's "Focus Africa Programme (2002-07)" totalling USD 550 million. This programme aims above all at creating new commercial links between India and African countries by offering export subsidies to Indian companies trading with African nations and tied lines of Credit to African governments and trade promotion organisations (Naidu, 2008). Equally, the so-called TEAM-9 initiative offers credit lines worth USD 500 million to eight West African countries (Burkina Faso, Chad, Equatorial Guinea, Ghana, Guinea Bissau, Côte d'Ivoire, Mali and Senegal) (Agrawal 2007). The aim of the Team-9 credit facility is to promote socio-economic development in these countries via access to Indian technology and has so far targeted agricultural activities and to a lesser extent infrastructure improvements (Kragelund, 2008). Senegal, for instance, received in 2006 a USD 48 million Team-9 credit for irrigation systems, ICT development and a steel manufacturing site. This was combined with a USD 18 million ExIm credit for the purchase of 350 Tata buses. Expanding on this deal, the Joint Venture Senbus was created for the manufacturing of Tata buses by a Senegalese company under franchise (Kragelund, 2008 and Oxford Business Group⁸). In Nigeria, the Joint Venture of ONGC and Mittal committed to build a refinery in Nigeria for USD 6 billion (Foster *et al.*, 2008).

Even though India might use less of these alternative finance tools than China, in terms of sectoral allocation Indian development co-operation nevertheless contrasts largely with traditional donors' preferences for developing social sectors such as health and education. Contrary to the above described traditional donor consensus, Indian aid from the outset relied on

8 www.oxfordbusinessgroup.com/economic_updates/entr%C3%A9es-de-capitaux-priv%C3%A9s#english

technical assistance or the financing of physical Infrastructure (Chanana, 2009). Indian official or state-owned enterprise (SOE) funded infrastructure projects in Africa amounted to an annual average of USD 0.5 billion over the period 2003-07 (Foster *et al.*, 2008). Concrete examples include for instance the Indian funding of the Pan-African E-Network with USD 100 million (Kragelund, 2010).

1.2.2. Brazil: adopting officially DAC-like standards

Brazil seems to come closer to the development assistance mindset, even though simultaneously increasing their ExIm activities. Brazil's interest in Africa seems to be more politically motivated than driven by economic interests (Kragelund, 2010). The Agency of Brazilian Cooperation (ABC) was created in 1987 and had two main purposes: promote South-South co-operation and supervise the aid that traditional donors were giving to Brazil. Because of decreasing levels of aid flows to Brazil, the ABC devoted most its efforts to South-South co-operation from the 1980s onwards. However, Brazil has a different notion on South-South co-operation to China and India. The 1988 constitution dissociates Brazilian aid from trade or economic interest. Conversely, Brazil's engagement in Africa is aligned with foreign affairs and other political ambitions (Schläger, 2007).

Brazil recently launched an accounting system for Brazilian co-operation resources for international development. The IPEA report, *Cooperacao Brasileira Para O Desenvolvimento Internacional*, measures and analyses Brazilian international development co-operation (IDC) from 2005 to 2009. This report defines international development co-operation as: “ (...) the totality of resources invested by the Brazilian federal Government, partially or completely non-refundable, in Government from other countries, the companies or organisations of other countries in the Brazilian territory, or in international organisations in order to contribute to international development, understood as the capacity reinforcement of international organisations and groups or populations of other countries to improve their socioeconomic conditions” (IPEA, 2010).

This definition is very close to the concept of development assistance, as there is a clear emphasis on the fact that the resources must be non-refundable. There are only two main differences compared to the DAC definition of ODA: firstly IPEA takes into account only those resources that are completely non-refundable, which is different from the DAC definition of ODA that defines a concessional element of at least 25%. Secondly, they extend the list of international organisations, including also international organisations from the South such as MERCOSUR.

Africa represents 7.26% of the total humanitarian assistance provided by Brazil between 2005 and 2009, and 25.7% of Brazil's total technical co-operation (IPEA, 2010). The most significant arm of Brazil's development assistance is in agriculture through EMBRAPA, which is widely credited for Brazil's agricultural boom. The EMBRAPA is now deeply active in Africa: “(...) being probably the best established of all Brazilian foreign assistance organisations in Africa.” (White, 2010) EMBRAPA opened its African headquarters in Accra, Ghana, in April 2008, with a clear intention to expand existing operations having already established technical agreements with more than 20 African countries (White, 2010).

However, we also observe a scaling up in BNDES⁹ efforts to encourage trade and domestic growth via the provision of loans to developing countries. In 2009, BNDES' financing lines for exports reached USD 8.3 billion, an increase of 26% compared to 2008, mainly promoting capital goods, along with engineering and construction services. In Africa, BNDES is financing projects in a wide array of countries, and especially in Angola where Memorandums of Understandings have been signed between Brazil and Angola to establish a total credit line of USD 1.75 billion. In 2009, disbursements reached USD 766 million. The portfolio comprises financing for exports of many Brazilian goods and services destined to projects in water supply and sanitation, professional capacity building, power generation and distribution, infrastructure and the construction of an airport (BNDES, 2009). Another sign of this increasing ExIm activity is the creation of ExIm Brazil as a subsidiary of BNDES in May 2010 with exclusive dedication to the foreign trade sector (www.bndes.gov.br).

I.2.3. Arab donors: very different political motivation and a charity approach

Arab donors, including Saudi Arabia, Kuwait and the United Arab Emirates, have a long-standing history of development co-operation especially within the MENA region gaining momentum after the petroleum booms of the 1970s. Traditionally, Arab donors are closely co-ordinating their actions: in 1975 they created the "Co-ordination Group" helping to harmonise development co-operation policies, to co-finance certain projects and to share best practices in project management (Zimmermann and Smith, forthcoming).

Arab development co-operation remains largely concentrated on MENA countries. There is a clear focus on Muslim/Arab countries. The example of UAE shows that 61% of the funds go to the Middle East and 9% to North Africa. Only 5% are allocated to sub-Saharan African countries (Smith 2011). Yemen, the occupied Palestinian territory, Afghanistan and Pakistan are the UAE's most important recipients; Tanzania, Egypt and Morocco the most important African recipients. Already these patterns of regional disbursement emphasise that Arab donors are closer to the model of development assistance since they appear to be less driven by the attempt to boost domestic trade and investment activity but more the inclination to help the worst-off countries in the region. Development assistance provided by Arab countries is partly based on the notion of Zakat and has thus a clear charity rationale. In the UAE *Foreign Aid Report 2009*, there is a distinction between three types of assistance: humanitarian, development and charity. Charity refers to assistance provided for cultural or religious purposes (for instance building

9 There are two institutions responsible for Brazil's export credit: the Banco Nacional de Desenvolvimento Econômico e Social (National Bank of Economic and Social Development – BNDES) and the Seguradora Brasileira de Crédito à Exportação (Brazilian Export Credit Insurer – SBCE). BNDES is state-owned and specialised in long-term credits and guarantees while SBCE is mostly privately owned (with a 25% share of the Brazilian government) and offers medium and long-term policies such as supplier's credit, buyer's credit, pre-credit risk (manufacturing) (insurance if the exporter has begun production and/or development of the goods or services, but is then informed by his client that the agreement is cancelled), credit risk (post-shipment) (insurance in the case the buyer will not pay his debts following the shipment of the goods). These policies are guaranteed by the Brazilian Federal Government, through use of the FGE - *Fundo de Garantia à Exportação* (Export Guarantee Fund).

mosques or sending food during the month of Ramadan etc.). Humanitarian and charity assistance represent 18% and 2% respectively of the UAE's total development assistance. In Africa, the main sectors of development assistance are social infrastructure and services, transport and storage, water supply and sanitation and construction (UAE, 2010).

In addition, UAE and Kuwait are adopting DAC-definitions of ODA and started recently to report their gross ODA disbursement to the DAC. UAE, for instance, reported an annual aid disbursement of USD 1 038.2 million. This could be interpreted as an effort to present the UAE as important international donor and make UAE more accessible for the use of comparative studies.

It should be noted, however, that Arab donors differ significantly from traditional donors by the fact that they provide aid in the form of project rather than programme aid.

1.2.4. Western donors coming closer to the Asian model?

There is some sporadic evidence that traditional DAC donors committed to the development assistance model might also undergo some reconsideration process. Lundsgaarde (2011) observes for instance a shift in donor preferences/priorities from social development to immediately productive sectors, agriculture and trade in France, the UK and Germany, who underlines at the same time Africa's potential for the western private sector. However, this is not yet translated in a coherent policy combining trade and development. (Lundsgaarde, 2011) Equally, in its 2011 Africa strategy the World Bank lays renewed emphasis on the region's private sector, job creation and competitiveness. Agriculture and rural development as well as infrastructure are featuring more prominently in traditional donors' portfolios than in the last decade (World Bank, 2011).

The DAC Statement on "Welcoming New Partnerships in International Development Co-operation" of April 2011 acknowledges the essential role of emerging partners in global progress towards the Millennium Development Goals (MDGs). It welcomes "this growing contribution to international development, both through official co-operation and through growing economic co-operation, trade and investment" (OECD, 2011a).

The relevant cleavage can no longer be perceived in terms of DAC vs. non-DAC or "established" vs. "new" donors: the real difference lies in the way development co-operation is conceptualised. The relevant cleavage is "Asian" vs. "Western" or development assistance vs. development investment. What can African governments do to maximise benefits from this new approach to development co-operation?

1.3. What's in it for Africa?

As outlined above, both the sectoral focus of aid allocation and the delivery modalities differ between providers of Western and Asian mode development co-operation. This involves a series of new opportunities for African countries.

The **sectoral focus** of Asian and western mode development partners is very complementary. The sectoral focus established with the Monterrey Consensus is, of course, very important and has been chosen for good reasons. It goes without saying that sectors such as infrastructure, agriculture and industry, continue to receive large amounts of funding, representing 30%, 11% and 4% respectively of DAC-donors total aid budget in 2004 (Harrigan,

2007). The opportunity for African countries lies in the fact that Asian mode development co-operation providers offer an important complement to this by their special focus on these sectors and their expertise in these sectors.

Estimations of the Africa Infrastructure Country Diagnostic, for instance, yield that approximately USD 93 billion are needed over the next ten years to achieve national development targets. This infrastructure gap is partly addressed by China providing a projected USD 11 billion in finance for infrastructure compared to USD 13.7 billion by the G-8 countries in 2008 (Schiere, 2010). Indian official or state-owned enterprise funded infrastructure projects in Africa are estimated by Foster *et al.*, 2008 to amount to a total of USD 2.6 billion over the period 2003-07, which gives an annual average of USD 0.5 billion (Foster *et al.*, 2008). China's technology and relative low cost of manpower represents a competitive advantage for the construction of infrastructure projects in transportation, communication, power supply, etc. Examples of infrastructure projects conducted in Africa include the Tanzania-Zambia Railway, the Belet Uen-Burao Highway in Somalia, Nouakchott's Friendship Port in Mauritania, the Lagdo Hydropower Station in Cameroon, railway improvement in Botswana and the Gotera Interchange in Ethiopia (People's Republic of China, 2011).

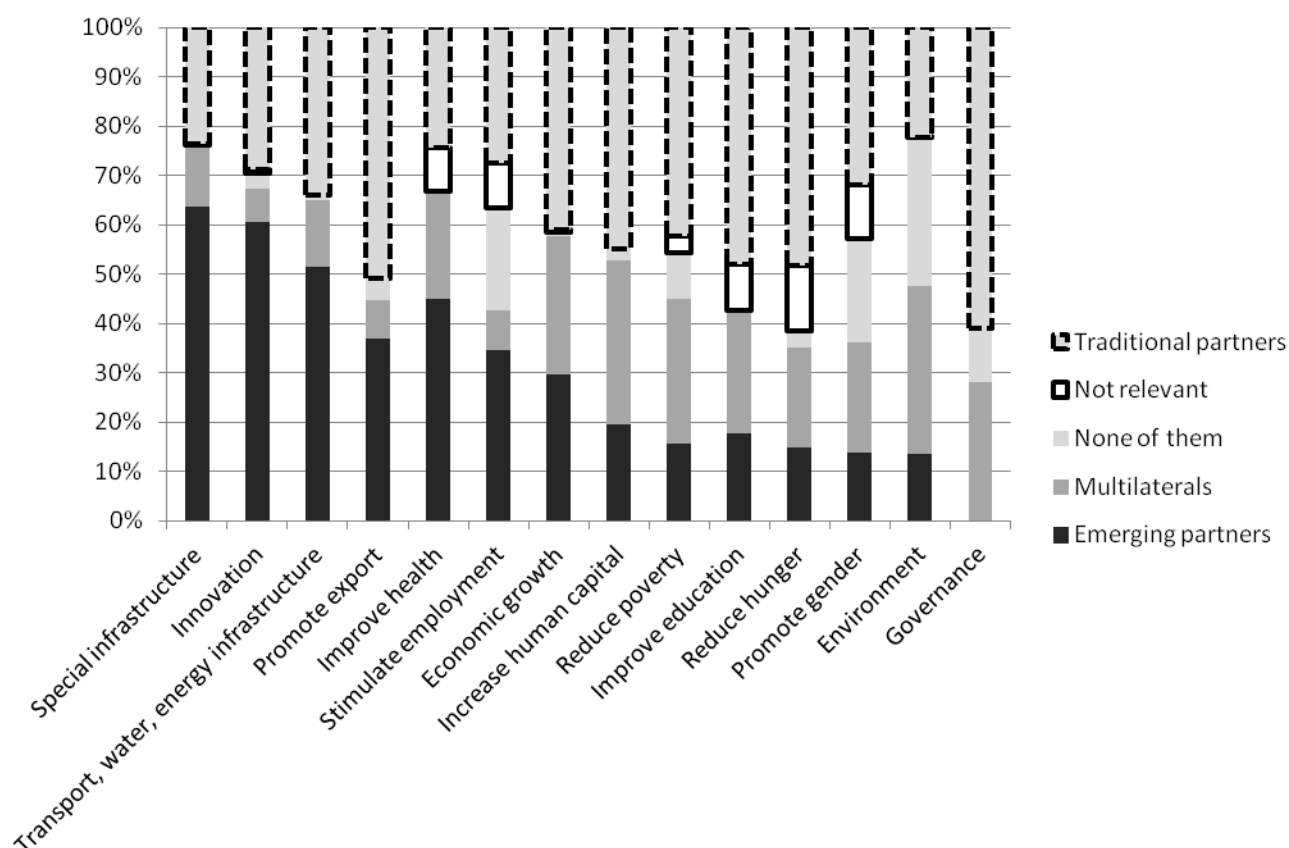
Equally, agricultural development plays an important role in Africa with respect to poverty reduction and economic growth creating various linkages to the rest of the economy (Dorward *et al.*, 2004). Estimations yield that 85% of Africa's poor live in rural areas and depend largely on agriculture for their livelihoods, which is thus another structural bottleneck to African development (FAO, 2008). Around 75% to 80% of the farming population are smallholder farmers having relatively marginal connections to market and facing important irrigation problems. Brazil and China, in particular, show great potential to contribute meaningfully to agricultural development in Africa. Brazil, for instance, has itself successfully enhanced the productivity of its small-scale agricultural sector and managed to become one of the world market leaders for the production of bio-fuels. Thus, family farming agriculture, small-scale irrigation and rainwater harvesting is one of Brazil's core areas of policy expertise, the 2003 "Zero Hunger" programme being one of Brazil's success stories. Given the similar challenges and the similar climate and soil conditions, Brazil has large experience and capacity to offer Africa in terms of technology. (FAO, 2008) In this respect, this expansion of agricultural co-operation between Brazil and Africa is very important. A second channel through which Brazil can contribute to African agricultural development is co-operation in developing a competitive bio-fuel industry in which Brazil is among the world leaders (Ejigu, 2008). Brazilian multinational corporations (MNCs) have expressed their interest in investing in Africa which is strongly encouraged by the Brazilian government (White, 2010). China's agricultural aid includes building farms and agro-technology demonstration centres, supplying agricultural machinery, constructing farmland irrigation and water-conservancy projects, sending agro-technicians and experts, and training agricultural personnel in the recipient countries (People's Republic of China, 2011).

Finally, industrial aid was an important part of China's foreign aid since its early stage and has played an active role in promoting production and economic development, creating jobs, developing markets and increasing tax revenues in the recipient countries. China's industrial production projects in Africa cover a various array of activities such as the production of light,

textile, electronic, machinery, metallurgy, chemicals, construction materials, and energy industries (People’s Republic of China, 2011).

Experts surveyed by the 2011 AEO stakeholder survey emphasise the beneficial sectoral complementarity between traditional and emerging partners. While traditional partners are perceived to be most effective in improving, for instance, education or governance and increasing access to human capital, the emerging partners’ potential clearly lies in the development of infrastructure, transport and innovation but also health (AfDB *et al.*, 2011).

Figure 7: Perceived comparative advantage emerging partners vs. traditional partners



Source: AEO 2011 stakeholder survey (AfDB *et al.*, 2011). The chart plots answers to the following question: Who amongst the following partners are typically most effective at meeting the development objectives of the country?

In terms of **modalities**, Asian mode development co-operation firstly combines a long time horizon with profit orientation. This allows for a period of loss-financing and the undertaking of projects that private actors would otherwise be reluctant to finance (static vs. dynamic efficiency) offering African countries potentially a way to move up the value chain. China’s and India’s engagement in the sector of natural resources provides an interesting example. Both are not only in the extraction of resources but simultaneously committed to the development of new value-adding processing industries, such as refineries or petro-chemical complexes and the exploration of new fields. In Nigeria, for instance, ONGC Mittal committed itself to building an oil refinery worth USD 6 billion in exchange for extraction concessions. India

has also been using ExIm activity to support the development of power plants in countries where it is extracting natural resources (Foster *et al.*, 2008). The alternative finance modalities thus provide an opportunity for export sophistication and self-sufficiency for resource-rich African countries. At the same time, via their investments in the exploration of new fields, China and India do not only satisfy their demand for resources (thereby driving up spot market prices), but also produce a 'global public good' by extending fuel and food supply. Another example for the potential benefits of Asian mode development co-operation combining long-term time horizons with profit orientation is given by the large-scale nature of the infrastructure projects undertaken. Large-scale infrastructure projects such as the 6 000 km of roads linking Kinshasa to the east of the country, or the 3 000 km of railways financed through the USD 6 billion credit line to the Democratic Republic of Congo (DRC), (Marysse and Geenen, 2009) clearly need public finance.

Secondly, the deployment of a large base of exports and on side workers executing the projects proved to be an important channel for the transmission of knowledge and expertise from Japan to other Asian countries. In the first 20 years of its development co-operation, Japan deployed more than 4 000 Japanese experts in its technical assistance projects (King, 2007). Equally, the use of aid as a vehicle to enhance private-sector investment has important side effects with respect to knowledge and skill transfer. Brautigam (2003) stresses the importance of Japanese business networks for the diffusion of manufacturing and industrialisation in countries such as Chinese Taipei; Korea; Hong-Kong, China; and Singapore. When their own investment networks spread, these so-called "flying geese" became new leaders in the process of industrialisation of Indonesia, Malaysia, Thailand and coastal China (Brautigam, 2003). The important entrepreneurial diaspora of Indian and Chinese migrant workers in Africa represents a similar opportunity for African countries (Mohan and Tan-Mullins, 2009).

It goes without saying that these opportunities do not imply that one or the other mode of development co-operation is superior. The Asian mode of development co-operation is equally associated to specific challenges, which will be further explored in the sections to follow.

III. FROM OLD AND NEW CHALLENGES FOR AFRICAN GOVERNMENTS

II.1. Some challenges overcome, new challenges emerging

There are critical differences in the way development co-operation is provided. The “Asian mode” works differently and thus contributes differently to economic growth and socio-economic development. As we outlined in the previous section, the complementarity between different groups of donors creates a great potential for synergies for African countries. Thus, rather than spreading fears about the effects of non-DAC donors not adhering to the established consensus (like the use of “good policy” conditionality and economic untying of aid), we should analyse more profoundly which African countries can make the most out of the new synergies.

II.1.1. A lack of conditionality but other modes of control

Firstly, since the Asian mode of development co-operation comes without political conditionality, a widespread concern raised by western governments, NGOs and IFIs is that the lack of conditionality and “imprudent lending” behaviour might actually harm good governance in African countries and, by extension, the effectiveness of aid (Collier, 2007). Such concerns may be warranted, but would seem overdone as the “Asian mode” of development co-operation is focused on project aid rather than programme aid. Therefore funds do not go through the recipient governments but are channelled directly to the firms contracted on projects, which can be seen as a different institution that equally counters problems related to bad governance or misappropriation of funds. Moreover, some of the new modalities, such as resource-for-infrastructure deals, compel resource-rich African countries to re-invest at least part of their resource revenues into wider national development thereby also countering problems related to the political resource curse.

In practice, we find no evidence of deteriorating governance scores in African countries (Nunnenkamp *et al.*, 2010 and Berthélémy, 2009). Equally, a closer look at the evolution of the Kaufmann, Kraay and Mastruzzi’s governance indicators and the Mo Ibrahim index does not allow for the conclusion that Asian mode donors have contributed to a deterioration of governance indicators in Africa. When comparing the 2002 and 2009 scores of the Kaufmann, Kraay and Mastruzzi’s governance indicators on *i*) corruption and *ii*) regulatory quality for all 16 sub-Saharan African countries defined by the IMF (2007) as hydrocarbon- or mineral-rich,¹⁰ we

10 Resource-rich sub-Saharan African countries include, according to the list established by the IMF (2007) *Guide on Resource Revenue Transparency* the following mineral- and hydrocarbon-rich countries in sub-

find that Mauritania is the only country that scores a significant negative change on both indicators – but Mauritania is a country that so far has not been given much attention by Asian mode donors (cf. Muzenda, 2009, *Index of Chinese engagement in Africa*). Furthermore, in Nigeria, where both India and China are particularly active, the change in regulatory quality is positive at a 5% confidence level. In all other countries, neither a positive nor negative change has been observed. Further, the Ibrahim Index, measuring the delivery of public goods and services to citizens, lists Angola and the DR Congo among the five countries with the biggest positive change in their score between 2001/02 and 2008/09.¹¹ The strong increase for Angola and DR Congo are particularly noticeable, as both countries concluded huge resource-for-infrastructure deals with China.

Project aid, being often financed either through export seller credits¹² (given to Chinese firms to promote services in partner countries) or export buyer credits (given to a third country for the purchase of Chinese products and services), also provides a strong incentive with respect to the project's sustainability. In the first case, the Chinese side has a strong incentive to complete the project successfully because the risk is shouldered by a Chinese private firm. In the second case, the ExIm Bank, in expectation of a long-run profit, has a strong incentive to carefully choose the project in terms of its long-term sustainability. Christensen (2010) points out that the standard debt sustainability framework is indeed too restrictive to analyse the Chinese lending, since it does not take into account the growth prospects of their projects, which in turn impacts on the country's ability to repay its debt.

In addition, we observe in practice that the absence of policy and debt sustainability conditionality is indeed not equivalent to a lack of control on how projects are advancing: evidence suggests that Chinese officials especially are very demanding when it comes to the use and implementation of their credit lines (Aguilar and Goldstein, 2009).

II.1.2. A risk of aid fragmentation?

Secondly, a concern often raised is that the increased engagement of non-DAC donors could lead to a further fragmentation of aid efforts. In particular, there is the risk of overburdening the recipient governments with reporting requirements, donor visits and other administrative overheads. However, Chinese development co-operation, in particular, offers relatively large-scale projects (e.g. huge infrastructure projects). In addition, China has built on its own history of infrastructure project management to focus its aid and prides itself on short project-implementation and planning periods (Paulo and Reisen, 2010). Thus, to a certain extent, there is less necessity for co-ordination and less danger of fragmentation of aid efforts in the

Saharan Africa: Angola, Botswana, Cameroon, Congo-Brazzaville, Democratic Republic of Congo, Equatorial Guinea, Gabon, Ghana, Guinea, Liberia, Mauritania, Namibia, Nigeria, Sierra Leone, South Africa, Sudan and Zambia.

11 The largest increase is reported for Angola and Liberia (+ 15.9 points), Sierra Leone (+ 8.9 points), Burundi (+ 8.1 points), Congo-Brazzaville (+ 6.7 points) and DR Congo, Zambia (+ 5.5 points).

12 The Export Seller's Credit refers to loans provided to an exporter to finance its export of manufactured or purchased mechanical and electronic products, complete sets of equipment, and high- and new-tech products as well as the provision of labour services.

context of development co-operation provided by emerging partners. In this context, the main challenge for African governments, rather than being obsessed with the co-ordination of aid efforts, is to develop a sustainable maintenance structure of the large infrastructure built in their countries by Asian mode donors. It should be noted, however, that the question of management capacity building on the side of the emerging donors remains an issue to be addressed in the future. The example of China, for instance, shows that the central government's capacity to monitor the operations and activities of numerous heterogeneous actors is gradually decreasing. While SOEs have dominated in large infrastructure projects, we observe an increasing number of Chinese private companies establishing their businesses in manufacturing and service sectors (Nissanke and Soderberg, 2011).

II.1.3. More power comes with more responsibilities

Finally, the selection of aid-funded projects is request-based, the borrowing country usually submitting the loan request to China's ExIm Bank dependent on their preference, priority and circumstances (Kobayashi 2008). However, given this increased ownership over aid projects, the challenge for African governments in this respect becomes to clearly define their own national priorities thereby assuring that various kinds of infrastructures are not built randomly but follow a plan (*e.g.* strategically linking rural and urban economy, developing certain industries in certain regions, etc.).

Generally, development co-operation provided by emerging partners is said to be focused on the creation synergies (*e.g.* the provision of natural resources obtained in exchange for the construction of large scale infrastructure projects). However, since the projects are mostly tied to several economic conditions (*e.g.* 70% of construction and civil engineering to be awarded to Chinese companies), African governments face a trade-off: on the one hand, these economic ties may act as an impediment for projects to generate wider spillover effects on local economies, create job opportunities locally and allow wider knowledge and skills transfer (Nissanke and Soderberg, 2011). On the other hand, migrant workers also represent a channel for technology transfer and training of local workers (Mohan and Tan-Mullins, 2009). The challenge for African governments is to skilfully trade-off between these two parameters and negotiate a win-win situation where both sides win a more or less equal share (hence ensuring that Asian mode projects actually generate wider spill-over effects on local economy, creating job opportunities locally as well as a knowledge and skill transfer).

II.2. The challenges ahead

II.2.1. Define a strategy for how this type of Asian mode project assistance notably is to be used in the context of wider national development

Project aid in immediately productive sectors or sectors that address bottlenecks to economic growth has, as outlined above, benefitted Southeast Asian countries considerably. African countries did have similar opportunities experiencing equally a period of infrastructure project finance by the traditional donor community before their shift to programme aid in the early 1980s. One challenge associated to project aid (and that African countries have been less able to address than Asian countries in the 1970s) is that projects have to be executed as part of a broader development strategy and have to be mutually connected (Shimomura, 2011). The

development finance modalities provided to African countries today via the resurrection of the Asian mode to development co-operation provide opportunities but the challenges have to be addressed this time more appropriately. In other words, project aid alone, even in sectors that are critical for long-term growth such as physical infrastructure, is no guarantee for success.

For instance, the simple fact of having a road linking different provinces will not automatically generate economic growth unless it is part of a broader strategy to foster certain industries (coherent industrial policy) or create Lewis-model like rural-urban linkages (coherent agricultural policy). Equally, it appears to be crucial to create links between different infrastructure projects to make full use of their potential network effects.

Shimomura (2011) notes that, contrary to Southeast Asian countries, African countries have been less able to evolve from a single project to infrastructure networks with notable macroeconomic impacts. Success stories of Southeast Asia show that projects have been mutually connected infrastructure projects under a series of master plans thereby effectively contributing to the improvement of socio-economic conditions.¹³ None of the sub-Saharan Africa cases show the evolution from single project to infrastructure networks with notable macroeconomic impacts. Consider the example of the Lower Moshi Agriculture Development Project of Tanzania (supported through Japanese technical and financial assistance): while the result was remarkable, the macro-impact of the final project was limited because many other components of the Kilimanjaro Regional Integrated Development Plan were not implemented, thereby isolating the Moshi Agriculture project (Shimomura, 2011).

When engaging non-traditional development partners, the above example underlines the urgent necessity of developing coherent plans on how individual projects should serve on a macro-level the national development.

In some countries, we observe that projects are already executed as part of a broader plan. Planning to attain food security in 2012, Angola, for instance, identified the development of the agricultural sector as a prime target for future co-operation with China. While planning to use China's experience of involving the subsistence farmers in the formal sector, Angola has been using part of Chinese ExIm credit lines for the import of agricultural tools and machinery (Kiala, 2010). In this respect, the recent pledge of USD 1 billion for agricultural development offers much potential especially since it is part of a development strategy of the Angolan government.

II.2.2. Assure maintenance of the large-scale infrastructure projects

Moreover, one of the failures of project aid in Africa in the 1960s and 1970s as performed by traditional donors was that the maintenance of these projects was not properly ensured (Nissanke and Soderberg, 2011). This is *i*) a question of finance; and *ii*) a question of capacity building in African administrations (how is infrastructure maintained? at what cost? what planning effort is required?). First and foremost it is essential to provide for the maintenance costs of the large infrastructure projects financed or constructed recently by emerging donors.

13 For example, Brantas River Basin Development Project; Eastern Seaboard Development Plan of Thailand (which worked as an export hub and technology intensive industrial cluster contributing to the national economy through foreign exchange acquisition).

However, the responsibility does not lie only on the shoulders of African governments. A long-term commitment on the part of the partners is equally important. Shimomura emphasises the importance of a longstanding bilateral relationship between the recipient and donor(s), which is crucial for the process “from individual project to infrastructure networks”. While the international trend of shifting away from project aid has positive as well as negative aspects, there is concern about nurturing the evolution of functional infrastructure networks under the dominance of programme aid. Exercising too much harmonisation pressure could thus have negative repercussions (Shimomura, 2011).

II.2.3. Enhancing their own bargaining position

Finally, the challenge is negotiating a “mutual benefit” co-operation that is not heavily skewed in favour of the emerging partner. The example of East Asia shows that governments have been able to demand technology transfer in exchange for Japanese development investment. Korea, for instance, promoted technology transfer from Japan through the procurement of turnkey plants and capital goods. Simultaneously, while restricting FDI, Korea relied a lot on the acquisition of foreign patent licences, which allowed the country to undertake a process of rapid industrialisation with foreign technology. When Korean firms started to compete with Japanese firms over the same markets, Japanese firms limited this practice. Mitsubishi for example, which provided the core technology to Hyundai Motors, suddenly refused to renew the contract in the mid-1980s when the Korean automakers successfully penetrated the North American market with its Excel model (Kim, 1997). Equally, the Chinese government required many firms to transfer technology, train workers, and even set up local research centres as a precondition for access to its market (Pack and Saggi, 1997).

In order to generate wider spill-over effects on the local economy, African governments have to find similar mechanisms to enhance the technology, knowledge and skill-transfer from Asian mode development partners in exchange for access to their markets.

Whether this is easily achievable is a different question. For instance, given that more than 40 000 workers are executing the resource for infrastructure deals in Angola, which created considerable disquiet on the ground, the Angolan government requested to take on more local workers on the Chinese projects. This was a contentious issue that eventually resulted in some stoppages of Chinese construction in 2007-08 (Nissanke and Soderberg, 2011). On the other hand, the Angolan government was able to negotiate that the quantity to be extracted in exchange for the Angola mode deals were to be determined according to daily international oil spot prices. At the same time there seem to be local constraints like skill mismatches that hinder further progress in the bargaining process: De Comarmond 2011 cites Chinese officials operating in Angola as having difficulties already to keep up the 30% local labour content requirement: “Chinese companies can’t employ 30% Angolans. It’s impossible, it’s not realistic. In our contracts we have a very short time-frame and a high requirement for quality. The majority of Angolans can’t satisfy that demand” (Ambassador Zhang Bolun, cited in De Comarmond, 2011). Mohan and Tan-Mullins 2009 stress the fact that even Angolan firms are very keen to import Chinese labour given their skill-level and cost effectiveness (Mohan and Tan-Mullins, 2009).

One option, in particular for resource-rich African countries, is to leverage the enhanced bargaining position gained through rising commodity prices in order to negotiate specific forms of technology transfer and increase local labour content of the projects.

CONCLUSIONS

While the consensus mode of development co-operation emphasises the importance of economic untying of aid and strict policy conditionality to use aid as a leverage to induce sensible policy reform, the Asian mode of development co-operation that is progressively gaining momentum follows the opposite approach, attaching no political strings but tying aid to labour and material inputs from the donors. In addition, Asian mode development co-operation providers usually rely on project rather than programme aid and target different sectors. "Aid", in this context, is in fact perceived more as one of several tools aiming at laying the ground for enhanced bilateral trade and private-sector activity, enabling governments to reduce the risk of market entry for companies and to provide the necessary infrastructure to reduce operational costs.

However, not all non-DAC donors follow this philosophy. While China is clearly the pioneer, India follows to some extent, employing similar finance modalities although on a smaller scale. Brazil appears to be moving closer to the established DAC-consensus but makes use of alternative finance modalities such as export credits and targets different sectors. Arab donors seem to be closest to the charity model.

Being largely complementary to the actions of established donors, this new philosophy is associated to a range of new opportunities for African countries, notably with respect to filling the infrastructure gap, the development of the rural hinterland, finance modalities that combine the longer-term horizon of public actors with the profit-oriented private sector and the possible spill-over effects from the new entrepreneurial diaspora.

The associated challenges for African governments change in the light of these differences. For example, the absence of policy conditionality is not a problem in itself, since other control mechanisms assure that funds are not misappropriated and Western conditionality continues to be used to ensure sensible policy reforms. Although attenuated by the large scale of the projects undertaken, the possibility of fragmentation of aid efforts remains an issue in the context of project aid. It requires a clear strategy on the part of African governments on how to link the various projects and leverage them in the context of wider national development. Projects have to be part of a concrete agricultural or industrial strategy otherwise they risk having only a micro-impact while the macro-impact vanishes. Equally, the maintenance of the projects has to be planned and provided for, which begins by ensuring a long-term commitment on the part of the donors. Finally, the challenge is to create a win-win situation where both parties win more or less equal shares. One option for African countries is to use the enhanced

bargaining position gained through rising commodity prices in order to negotiate specific forms of technology transfer and increase local labour content of the projects.

Emerging partners bring with them a whole range of new opportunities, financial tools and modalities. However, many of these instruments are complex and should be analysed carefully in order to assess their real economic effect. Increased transparency in financial transactions between African countries and their partners is crucial to analyse their impact on growth and debt sustainability, especially for the most fragile African states, and would also strengthen the credibility of the emerging partners as key actors of development co-operation.

REFERENCES

- AFDB, OECD, UNECA and UNDP (2011), *African Economic Outlook 2011*, OECD, Paris.
- AGRAWAL, S. (2007), *Emerging donors in International Development Assistance – the India Case*, International Development Research Centre, Canada.
- AGUILAR, R. and A. GOLDSTEIN (2009), "The Chinisation of Africa - The Case of Angola", *The World Economy*, 32(11).
- BERTHÉLEMY, J.C. (2009), "Impact of China's Engagement on the Sectoral Allocation of Resources and Aid Effectiveness in Africa", paper presented at the African Economic Conference 11-13 November, Addis Ababa.
- BIJOY, C.R. (2009), "India – Transiting to a global donor", in A.J. TUJAN, ed, *South-South Cooperation: A Challenge to the Aid System? Philippines*, IBON Books, pp. 65-76.
- BNDES (2009), *Annual Report 2009*, BNDES (Banco Nacional de Desenvolvimento Economico e Social), Rio de Janeiro.
- BRAUTIGAM, D. (2003), "Close Encounters: Chinese Business Networks as Industrial Catalysts in Sub-Saharan Africa", *African Affairs*, 102, pp. 447-467.
- BRAUTIGAM, D. (2010a), "China, Africa and the international aid architecture", *Working Paper No. 107*, African Development Bank Group, Tunis.
- BRAUTIGAM, D. (2010b), "Chinese Finance of Overseas Infrastructure", prepared for the OECD-IPRCC China-DAC Study Group, OECD, Paris.
- BRAUTIGAM, D., T. FAROLE and X. TANG (2010), "China's Investment in African Special Economic Zones: Prospects, Challenges, and Opportunities", *Economic Premise No. 5*, World Bank, Washington, DC., March.
- CHANANA, D. (2009), "India's Transition to a Global Donor – Limitations and Prospects", ARI 123/2010, Real Instituto Elcano, Madrid.
- CHIN, G. and R. M. FROLIC (2007), "Emerging donors in International Development Assistance– the China Case", International Development Research Centre, Canada.
- CHRISTENSEN, B.V. (2010), "China in Africa: A Macroeconomic Perspective", *Working Paper 230*, Center for Global Development, Washington, D.C., November 2010.
- COLLIER, P. (2007), *Poverty reduction in Africa*, Centre for the Study of African Economies, University of Oxford, Department of Economics, Oxford.
- DAVIES, M., H. EDINGER, N. TAY and S. NAIDU (2008), *How China delivers development assistance to Africa*, prepared for the Department for International Development (DFID), Centre for Chinese Studies, University of Stellenbosch.

- DE COMARMOND, C. (2011), "China lends Angola \$15bn, but few jobs are created", *Mail and Guardian, Business*, pp. March 6.
- ECOSOC (2008), "Trends in South-South and Triangular Development Cooperation", background study for the Development Cooperation Forum, United Nations Economic and Social Council, New York.
- ECOSOC (2009), "South-South and triangular cooperation – improving information and data", support to UN Development Cooperation Forum 2010, United Nations Economic and Social Council, New York.
- EXPORT-IMPORT BANK (2010), *Annual Report for 2009*, the Export-Import Bank of China, Beijing.
- FAO (2008), *Brazil and African Countries Cooperation - Opportunities for Enhancing Smallholder Farming Productivity through Small-scale Irrigation and Rainwater Harvesting*, Food and Agriculture Organisation, Rome.
- FOSTER, V., W. BUTTERFIELD, C. CHEN and N. PUSHAK (2008), "Building Bridges: China's Growing Role as Infrastructure Financier for Sub-Saharan Africa", *Trends and Policy Options No.5*, World Bank – PPIAF, Washington, DC.
- HARRIGAN, J. (2007), "The Doubling of Aid to Sub-Saharan Africa: Promises and Problems", *Journal of Contemporary African Studies*, 25(3), pp. 369-389.
- IMF (2007), *Guide on Resource Revenue Transparency*, International Monetary Fund, Washington, DC.
- IPEA (2010), "Cooperação Brasileira para o Desenvolvimento Internacional: primeiro levantamento de recursos investidos pelo governo federal" *Boletim de Economia e Política Internacional No. 3*, Instituto de Pesquisa Economica Aplicada, Brazil.
- JEPMA, C.J. (1990), *The Tying of Aid*, Development Centre Studies, OECD, Paris.
- KIALA, C. (2010), "The Impact of China-Africa Aid Relations – the Case of Angola", *Policy Brief No. 1*, African Economic Research Consortium, Nairobi.
- KIM, L. (1997), *Imitation to Innovation: the dynamics of Korea's technological learning*, Harvard Business School Press, Boston, MA.
- KING, K. (2007), *China's Aid to Africa: A View from China and Japan*, University of Edinburgh, Edinburgh.
- KING, K. (2010), "A brave new world of "emerging" "non-DAC" donors and their difference from traditional donors", *Special Issue No. 44*, Network for Policy Research Review and Advice on Education and Training (NORRAG), Geneva.
- KOBAYASHI, T. (2008), "Evolution of China's Aid Policy", *JBICI Working Paper No. 27*, Japan Bank for International Cooperation, Tokyo.
- KRAGELUND, P. (2008), "The Return of Non-DAC Donors to Africa: New Prospects for African Development?", *Development Policy Review*, 26(5), pp. 555-584.
- KRAGELUND, P. (2010), "The potential role of non-traditional donors' aid in Africa", *Issue Paper No. 11*, International Centre for Trade and Sustainable Development.
- LANCASTER, C. (2007), *The Chinese Aid System*, Centre For Global Development, Washington, DC.
- LUNDSGAARDE, E. (2011), "Afrikanische Entwicklungen: Traditionelle bilaterale Geber am Scheideweg", *Analysen und Stellungnahmen 2/2011*, German Development Institute, Bonn.
- MARYSSE, S. and S. GEENEN (2009), "Win-win or unequal exchange? The case of the Sino-Congolese cooperation agreements", *Journal of Modern African Studies*, 47(3), pp. 371-396.
- MCGILLIVRAY, M., S. FEENY, N. HERMES and R. LENSINK (2006), "Controversies over the Impact of Development Aid: It Works, It Doesn't; It Can, but that Depends...", *Journal of International Development*, 18(7), pp. 1031-1050.

- MOHAN, G. and M. TAN-MULLINS (2009), "Chinese migrants in Africa as new agents of development? An analytical framework", *European Journal of Development Research*, 21(4), pp. 588-605.
- MOLD, A. (2009), *Policy Ownership and Aid Conditionality in the Light of the Financial Crisis – A Critical Review*; Development Centre Studies, OECD, Paris.
- MORRISSEY, O. (1993), "The Mixing of Aid and Trade Policies", *World Economy*, 16(1), pp. 69-84.
- MUZENDA, D. J. (2009), *China in Africa: Implications for Traditional Donors and African Development*, OECD, Paris and Harvard Kennedy School, Cambridge, MA.
- NAIDU, S. (2008), "India's Growing African Strategy", *Review of African Political Economy*, 35(115), pp. 116-128.
- NISSANKE, M. (2010), "Reconstructing the Aid Effectiveness Debate", in G. MAVROTAS, ed, *Foreign Aid for Development: Issues, Challenges, and the New Agenda*, Oxford University Press, Oxford, pp. 63-93.
- NISSANKE, M. and M. SÖDERBERG (2011), "The changing landscape of aid relations in Africa – can China's engagement make a difference to African Development", UI papers 2011/02, Swedish Institute of International Affairs, Stockholm.
- NUNNENKAMP, P., A. DREHER and R. THIELE (2010), "Are 'New' Donors Different? Comparing the Allocation of Bilateral Aid between Non-DAC and DAC Donor Countries", *Working Paper No. 1601*, Kiel Institute for the World Economy, Kiel.
- NUR, S. (2010), "The Impact of China-Africa Aid Relations – The Case of Sudan", *Policy Brief No. 9*, African Economic Research Consortium, Nairobi.
- OECD (2005), *The Paris Declaration on Aid Effectiveness*, Development Co-operation Directorate, OECD, Paris.
- OECD (2011a), "Welcoming New Partnerships in International Development Co-operation", OECD Development Assistance Committee Statement, OECD, Paris.
- OECD (2011b), *Implementing the 2001 DAC Recommendation on Untying Aid: 2010-2011 Review*, OECD, Paris.
- PACK, H. and K. SAGGI (1997), "Inflows of Foreign Technology and Indigenous Technological Development", *Review of Development Economics*, 1(1), pp. 81-98.
- PARK, K. (2010), "New Development Partners and a Global Development Partnership," in H. KHARAS, ed, *Catalyzing Development*, Brookings Institution, Washington, DC.
- PAULO, S. and H. REISEN (2010), "Eastern Donors and Western Soft Law: Towards a DAC Donor Peer Review of China and India?", *Development Policy Review*, 28(5), pp. 535-552.
- PINO, B.A. (2010), "Brazilian Cooperation: a model under construction for an emerging power", ARI 143/2010, Real Instituto Elcano, Madrid.
- POTTER, D.M. (2008), *Modes of Asian Development Assistance*, Nanzan University, Nagoya.
- RAMACHANDRAN, V. (2010), "India Emerges as an Aid Donor", The Huffington Post.
- REISEN, H. and S. NDOYE (2008), "Prudent versus Imprudent Lending to Africa: From Debt Relief to Emerging Lenders", *Working Paper No. 268*, OECD Development Centre, Paris.
- SCHIERE, R. (2010), "Building Complementarities in Africa between Different Development Cooperation Modalities of Traditional Development Partners and China", *African Development Review*, 22(S1).
- SCHLÄGER, C. (2007), "New Powers for Global Change? Challenges for International Development Cooperation – the case of Brazil", Briefing Papers, Friedrich Ebert Stiftung, Berlin, March 2007.
- SCHRAEDER, P. J., S. W. HOOK and B. TAYLOR (1998), "Clarify the Foreign Aid Puzzle: A Comparison of American, Japanese, French and Swedish Aid Flows", *World Politics*, 50(2).

- SEVERINO, J.M. and O. RAY (2009), "The End of ODA: Death and Rebirth of a Global Public Policy", *Working Paper Number 167*, Center for Global Development, Washington, DC.
- SHIMOMURA, Y. (2011), "Infrastructure Construction Experiences in East Asia and Sub-Saharan Africa: A Comparative Study for Mutual Learning", SOAS International Workshop on Aid Effectiveness The Role of Infrastructure and Capacity Development in East Asian Growth and Its Implication for African Development, Japanese International Cooperation Agency, Tokyo.
- TAN-MULLINS, M., G. MOHAN and M. POWER (2010), "Redefining 'Aid' in the China-Africa Context". *Development and Change*, 41(5).
- THE PEOPLE'S REPUBLIC OF CHINA (2011), "White Paper - China's Foreign Aid", China's Information Office of the State Council, Beijing.
- UAE (2010), *Foreign Aid 2009*, United Arab Emirates Office for the Coordination of Foreign Aid.
- VAN DER LUGT, S., V. HAMBLIN, M. BURGESS and E. SCHICKERLING (2011), *Assessing China's Role in Foreign Direct Investment in Southern Africa*, Center for Chinese Studies, University of Stellenbosch.
- WHITE, H. (1998), "British Aid and the White Paper on International Development: Dressing a Wolf in Sheep's Clothing in the Emperor's New Clothes?" *Journal of International Development*, 10(2).
- WHITE, L. (2010), "Understanding Brazil's new drive for Africa", *South African Journal of International Affairs*, 17(2).
- WORLD BANK (2011), *Africa's Future and the World Bank's Support to It*, World Bank, Washington, DC.
- WORLD BANK (2008), *Aid Architecture: An Overview of the Main Trends in Official Development Assistance Flows*, World Bank, International Development Association and Resource Mobilization, Washington, DC.
- WORLD BANK (1998), *Assessing Aid: What Works, What Doesn't and Why*, World Bank, Washington, DC.
- ZIMMERMANN, F. and K. SMITH, forthcoming. *More Money, More Actors, More Ideas: For International Development Co-operation*, Development Cooperation Directorate, OECD, Paris.

OTHER TITLES IN THE SERIES/ AUTRES TITRES DANS LA SÉRIE

The former series known as “Technical Papers” and “Webdocs” merged in November 2003 into “Development Centre Working Papers”. In the new series, former Webdocs 1-17 follow former Technical Papers 1-212 as Working Papers 213-229.

All these documents may be downloaded from:

<http://www.oecd.org/dev/wp> or obtained via e-mail (dev.contact@oecd.org).

Working Paper No.1, *Macroeconomic Adjustment and Income Distribution: A Macro-Micro Simulation Model*, by François Bourguignon, William H. Branson and Jaime de Melo, March 1989.

Working Paper No. 2, *International Interactions in Food and Agricultural Policies: The Effect of Alternative Policies*, by Joachim Zietz and Alberto Valdés, April, 1989.

Working Paper No. 3, *The Impact of Budget Retrenchment on Income Distribution in Indonesia: A Social Accounting Matrix Application*, by Steven Keuning and Erik Thorbecke, June 1989.

Working Paper No. 3a, *Statistical Annex: The Impact of Budget Retrenchment*, June 1989.

Document de travail No. 4, *Le Rééquilibrage entre le secteur public et le secteur privé : le cas du Mexique*, par C.-A. Michalet, juin 1989.

Working Paper No. 5, *Rebalancing the Public and Private Sectors: The Case of Malaysia*, by R. Leeds, July 1989.

Working Paper No. 6, *Efficiency, Welfare Effects and Political Feasibility of Alternative Antipoverty and Adjustment Programs*, by Alain de Janvry and Elisabeth Sadoulet, December 1989.

Document de travail No. 7, *Ajustement et distribution des revenus : application d'un modèle macro-micro au Maroc*, par Christian Morriçon, avec la collaboration de Sylvie Lambert et Akiko Suwa, décembre 1989.

Working Paper No. 8, *Emerging Maize Biotechnologies and their Potential Impact*, by W. Burt Sundquist, December 1989.

Document de travail No. 9, *Analyse des variables socio-culturelles et de l'ajustement en Côte d'Ivoire*, par W. Weekes-Vagliani, janvier 1990.

Working Paper No. 10, *A Financial CompuTable General Equilibrium Model for the Analysis of Ecuador's Stabilization Programs*, by André Fargeix and Elisabeth Sadoulet, February 1990.

Working Paper No. 11, *Macroeconomic Aspects, Foreign Flows and Domestic Savings Performance in Developing Countries: A "State of The Art" Report*, by Anand Chandavarkar, February 1990.

Working Paper No. 12, *Tax Revenue Implications of the Real Exchange Rate: Econometric Evidence from Korea and Mexico*, by Virginia Fierro and Helmut Reisen, February 1990.

Working Paper No. 13, *Agricultural Growth and Economic Development: The Case of Pakistan*, by Naved Hamid and Wouter Tims, April 1990.

Working Paper No. 14, *Rebalancing the Public and Private Sectors in Developing Countries: The Case of Ghana*, by H. Akuoko-Frimpong, June 1990.

Working Paper No. 15, *Agriculture and the Economic Cycle: An Economic and Econometric Analysis with Special Reference to Brazil*, by Florence Contré and Ian Goldin, June 1990.

Working Paper No. 16, *Comparative Advantage: Theory and Application to Developing Country Agriculture*, by Ian Goldin, June 1990.

Working Paper No. 17, *Biotechnology and Developing Country Agriculture: Maize in Brazil*, by Bernardo Sorj and John Wilkinson, June 1990.

Working Paper No. 18, *Economic Policies and Sectoral Growth: Argentina 1913-1984*, by Yair Mundlak, Domingo Cavallo, Roberto Domenech, June 1990.

Working Paper No. 19, *Biotechnology and Developing Country Agriculture: Maize In Mexico*, by Jaime A. Matus Gardea, Arturo Puente Gonzalez and Cristina Lopez Peralta, June 1990.

Working Paper No. 20, *Biotechnology and Developing Country Agriculture: Maize in Thailand*, by Suthad Setboonsarng, July 1990.

- Working Paper No. 21, *International Comparisons of Efficiency in Agricultural Production*, by Guillermo Flichmann, July 1990.
- Working Paper No. 22, *Unemployment in Developing Countries: New Light on an Old Problem*, by David Turnham and Denizhan Eröcal, July 1990.
- Working Paper No. 23, *Optimal Currency Composition of Foreign Debt: the Case of Five Developing Countries*, by Pier Giorgio Gawronski, August 1990.
- Working Paper No. 24, *From Globalization to Regionalization: the Mexican Case*, by Wilson Peres Núñez, August 1990.
- Working Paper No. 25, *Electronics and Development in Venezuela: A User-Oriented Strategy and its Policy Implications*, by Carlota Perez, October 1990.
- Working Paper No. 26, *The Legal Protection of Software: Implications for Latecomer Strategies in Newly Industrialising Economies (NIEs) and Middle-Income Economies (MIEs)*, by Carlos Maria Correa, October 1990.
- Working Paper No. 27, *Specialization, Technical Change and Competitiveness in the Brazilian Electronics Industry*, by Claudio R. Frischtak, October 1990.
- Working Paper No. 28, *Internationalization Strategies of Japanese Electronics Companies: Implications for Asian Newly Industrializing Economies (NIEs)*, by Bundo Yamada, October 1990.
- Working Paper No. 29, *The Status and an Evaluation of the Electronics Industry in Taiwan*, by Gee San, October 1990.
- Working Paper No. 30, *The Indian Electronics Industry: Current Status, Perspectives and Policy Options*, by Ghayur Alam, October 1990.
- Working Paper No. 31, *Comparative Advantage in Agriculture in Ghana*, by James Pickett and E. Shaeeldin, October 1990.
- Working Paper No. 32, *Debt Overhang, Liquidity Constraints and Adjustment Incentives*, by Bert Hofman and Helmut Reisen, October 1990.
- Working Paper No. 34, *Biotechnology and Developing Country Agriculture: Maize in Indonesia*, by Hidjat Nataatmadja *et al.*, January 1991.
- Working Paper No. 35, *Changing Comparative Advantage in Thai Agriculture*, by Ammar Siamwalla, Suthad Setboonsarmg and Prasong Werakarnjanapongs, March 1991.
- Working Paper No. 36, *Capital Flows and the External Financing of Turkey's Imports*, by Ziya Önis and Süleyman Özmucur, July 1991.
- Working Paper No. 37, *The External Financing of Indonesia's Imports*, by Glenn P. Jenkins and Henry B.F. Lim, July 1991.
- Working Paper No. 38, *Long-term Capital Reflow under Macroeconomic Stabilization in Latin America*, by Beatriz Armendariz de Aghion, July 1991.
- Working Paper No. 39, *Buybacks of LDC Debt and the Scope for Forgiveness*, by Beatriz Armendariz de Aghion, July 1991.
- Working Paper No. 40, *Measuring and Modelling Non-Tariff Distortions with Special Reference to Trade in Agricultural Commodities*, by Peter J. Lloyd, July 1991.
- Working Paper No. 41, *The Changing Nature of IMF Conditionality*, by Jacques J. Polak, August 1991.
- Working Paper No. 42, *Time-Varying Estimates on the Openness of the Capital Account in Korea and Taiwan*, by Helmut Reisen and Hélène Yèches, August 1991.
- Working Paper No. 43, *Toward a Concept of Development Agreements*, by F. Gerard Adams, August 1991.
- Document de travail No. 44, *Le Partage du fardeau entre les créanciers de pays débiteurs défaillants*, par Jean-Claude Berthélemy et Ann Vourc'h, septembre 1991.
- Working Paper No. 45, *The External Financing of Thailand's Imports*, by Supote Chunanunthathum, October 1991.
- Working Paper No. 46, *The External Financing of Brazilian Imports*, by Enrico Colombatto, with Elisa Luciano, Luca Gargiulo, Pietro Garibaldi and Giuseppe Russo, October 1991.
- Working Paper No. 47, *Scenarios for the World Trading System and their Implications for Developing Countries*, by Robert Z. Lawrence, November 1991.
- Working Paper No. 48, *Trade Policies in a Global Context: Technical Specifications of the Rural/Urban-North/South (RUNS) Applied General Equilibrium Model*, by Jean-Marc Burniaux and Dominique van der Mensbrugghe, November 1991.
- Working Paper No. 49, *Macro-Micro Linkages: Structural Adjustment and Fertilizer Policy in Sub-Saharan Africa*, by Jean-Marc Fontaine with the collaboration of Alice Sindzingre, December 1991.
- Working Paper No. 50, *Aggregation by Industry in General Equilibrium Models with International Trade*, by Peter J. Lloyd, December 1991.
- Working Paper No. 51, *Policy and Entrepreneurial Responses to the Montreal Protocol: Some Evidence from the Dynamic Asian Economies*, by David C. O'Connor, December 1991.
- Working Paper No. 52, *On the Pricing of LDC Debt: an Analysis Based on Historical Evidence from Latin America*, by Beatriz Armendariz de Aghion, February 1992.
- Working Paper No. 53, *Economic Regionalisation and Intra-Industry Trade: Pacific-Asian Perspectives*, by Kiichiro Fukasaku, February 1992.
- Working Paper No. 54, *Debt Conversions in Yugoslavia*, by Mojmir Mrak, February 1992.
- Working Paper No. 55, *Evaluation of Nigeria's Debt-Relief Experience (1985-1990)*, by N.E. Ogbe, March 1992.
- Document de travail No. 56, *L'Expérience de l'allègement de la dette du Mali*, par Jean-Claude Berthélemy, février 1992.
- Working Paper No. 57, *Conflict or Indifference: US Multinationals in a World of Regional Trading Blocs*, by Louis T. Wells, Jr., March 1992.
- Working Paper No. 58, *Japan's Rapidly Emerging Strategy Toward Asia*, by Edward J. Lincoln, April 1992.
- Working Paper No. 59, *The Political Economy of Stabilization Programmes in Developing Countries*, by Bruno S. Frey and Reiner Eichenberger, April 1992.

- Working Paper No. 60, *Some Implications of Europe 1992 for Developing Countries*, by Sheila Page, April 1992.
- Working Paper No. 61, *Taiwanese Corporations in Globalisation and Regionalisation*, by Gee San, April 1992.
- Working Paper No. 62, *Lessons from the Family Planning Experience for Community-Based Environmental Education*, by Winifred Weekes-Vagliani, April 1992.
- Working Paper No. 63, *Mexican Agriculture in the Free Trade Agreement: Transition Problems in Economic Reform*, by Santiago Levy and Sweder van Wijnbergen, May 1992.
- Working Paper No. 64, *Offensive and Defensive Responses by European Multinationals to a World of Trade Blocs*, by John M. Stopford, May 1992.
- Working Paper No. 65, *Economic Integration in the Pacific Region*, by Richard Drobnick, May 1992.
- Working Paper No. 66, *Latin America in a Changing Global Environment*, by Winston Fritsch, May 1992.
- Working Paper No. 67, *An Assessment of the Brady Plan Agreements*, by Jean-Claude Berthélemy and Robert Lensink, May 1992.
- Working Paper No. 68, *The Impact of Economic Reform on the Performance of the Seed Sector in Eastern and Southern Africa*, by Elizabeth Cromwell, June 1992.
- Working Paper No. 69, *Impact of Structural Adjustment and Adoption of Technology on Competitiveness of Major Cocoa Producing Countries*, by Emily M. Bloomfield and R. Antony Lass, June 1992.
- Working Paper No. 70, *Structural Adjustment and Moroccan Agriculture: an Assessment of the Reforms in the Sugar and Cereal Sectors*, by Jonathan Kydd and Sophie Thoyer, June 1992.
- Document de travail No. 71, *L'Allègement de la dette au Club de Paris : les évolutions récentes en perspective*, par Ann Vourc'h, juin 1992.
- Working Paper No. 72, *Biotechnology and the Changing Public/Private Sector Balance: Developments in Rice and Cocoa*, by Carliene Brenner, July 1992.
- Working Paper No. 73, *Namibian Agriculture: Policies and Prospects*, by Walter Elkan, Peter Amutenya, Jochbeth Andima, Robin Sherbourne and Eline van der Linden, July 1992.
- Working Paper No. 74, *Agriculture and the Policy Environment: Zambia and Zimbabwe*, by Doris J. Jansen and Andrew Rukovo, July 1992.
- Working Paper No. 75, *Agricultural Productivity and Economic Policies: Concepts and Measurements*, by Yair Mundlak, August 1992.
- Working Paper No. 76, *Structural Adjustment and the Institutional Dimensions of Agricultural Research and Development in Brazil: Soybeans, Wheat and Sugar Cane*, by John Wilkinson and Bernardo Sorj, August 1992.
- Working Paper No. 77, *The Impact of Laws and Regulations on Micro and Small Enterprises in Niger and Swaziland*, by Isabelle Joumard, Carl Liedholm and Donald Mead, September 1992.
- Working Paper No. 78, *Co-Financing Transactions between Multilateral Institutions and International Banks*, by Michel Bouchet and Amit Ghose, October 1992.
- Document de travail No. 79, *Allègement de la dette et croissance : le cas mexicain*, par Jean-Claude Berthélemy et Ann Vourc'h, octobre 1992.
- Document de travail No. 80, *Le Secteur informel en Tunisie : cadre réglementaire et pratique courante*, par Abderrahman Ben Zakour et Farouk Kria, novembre 1992.
- Working Paper No. 81, *Small-Scale Industries and Institutional Framework in Thailand*, by Naruemol Bunjongjit and Xavier Oudin, November 1992.
- Working Paper No. 81a, *Statistical Annex: Small-Scale Industries and Institutional Framework in Thailand*, by Naruemol Bunjongjit and Xavier Oudin, November 1992.
- Document de travail No. 82, *L'Expérience de l'allègement de la dette du Niger*, par Ann Vourc'h et Maina Boukar Moussa, novembre 1992.
- Working Paper No. 83, *Stabilization and Structural Adjustment in Indonesia: an Intertemporal General Equilibrium Analysis*, by David Roland-Holst, November 1992.
- Working Paper No. 84, *Striving for International Competitiveness: Lessons from Electronics for Developing Countries*, by Jan Maarten de Vet, March 1993.
- Document de travail No. 85, *Micro-entreprises et cadre institutionnel en Algérie*, par Hocine Benissad, mars 1993.
- Working Paper No. 86, *Informal Sector and Regulations in Ecuador and Jamaica*, by Emilio Klein and Victor E. Tokman, August 1993.
- Working Paper No. 87, *Alternative Explanations of the Trade-Output Correlation in the East Asian Economies*, by Colin I. Bradford Jr. and Naomi Chakwin, August 1993.
- Document de travail No. 88, *La Faisabilité politique de l'ajustement dans les pays africains*, par Christian Morrisson, Jean-Dominique Lafay et Sébastien Dessus, novembre 1993.
- Working Paper No. 89, *China as a Leading Pacific Economy*, by Kiichiro Fukasaku and Mingyuan Wu, November 1993.
- Working Paper No. 90, *A Detailed Input-Output Table for Morocco, 1990*, by Maurizio Bussolo and David Roland-Holst, November 1993.
- Working Paper No. 91, *International Trade and the Transfer of Environmental Costs and Benefits*, by Hiro Lee and David Roland-Holst, December 1993.
- Working Paper No. 92, *Economic Instruments in Environmental Policy: Lessons from the OECD Experience and their Relevance to Developing Economies*, by Jean-Philippe Barde, January 1994.
- Working Paper No. 93, *What Can Developing Countries Learn from OECD Labour Market Programmes and Policies?*, by Åsa Sohlman with David Turnham, January 1994.

- Working Paper No. 94, *Trade Liberalization and Employment Linkages in the Pacific Basin*, by Hiro Lee and David Roland-Holst, February 1994.
- Working Paper No. 95, *Participatory Development and Gender: Articulating Concepts and Cases*, by Winifred Weekes-Vagliani, February 1994.
- Document de travail No. 96, *Promouvoir la maîtrise locale et régionale du développement : une démarche participative à Madagascar*, par Philippe de Rham et Bernard Lecomte, juin 1994.
- Working Paper No. 97, *The OECD Green Model: an Updated Overview*, by Hiro Lee, Joaquim Oliveira-Martins and Dominique van der Mensbrugghe, August 1994.
- Working Paper No. 98, *Pension Funds, Capital Controls and Macroeconomic Stability*, by Helmut Reisen and John Williamson, August 1994.
- Working Paper No. 99, *Trade and Pollution Linkages: Piecemeal Reform and Optimal Intervention*, by John Beghin, David Roland-Holst and Dominique van der Mensbrugghe, October 1994.
- Working Paper No. 100, *International Initiatives in Biotechnology for Developing Country Agriculture: Promises and Problems*, by Carliene Brenner and John Komen, October 1994.
- Working Paper No. 101, *Input-based Pollution Estimates for Environmental Assessment in Developing Countries*, by Sébastien Dessus, David Roland-Holst and Dominique van der Mensbrugghe, October 1994.
- Working Paper No. 102, *Transitional Problems from Reform to Growth: Safety Nets and Financial Efficiency in the Adjusting Egyptian Economy*, by Mahmoud Abdel-Fadil, December 1994.
- Working Paper No. 103, *Biotechnology and Sustainable Agriculture: Lessons from India*, by Ghayur Alam, December 1994.
- Working Paper No. 104, *Crop Biotechnology and Sustainability: a Case Study of Colombia*, by Luis R. Sanint, January 1995.
- Working Paper No. 105, *Biotechnology and Sustainable Agriculture: the Case of Mexico*, by José Luis Solleiro Rebolledo, January 1995.
- Working Paper No. 106, *Empirical Specifications for a General Equilibrium Analysis of Labour Market Policies and Adjustments*, by Andréa Maechler and David Roland-Holst, May 1995.
- Document de travail No. 107, *Les Migrants, partenaires de la coopération internationale : le cas des Maliens de France*, par Christophe Daum, juillet 1995.
- Document de travail No. 108, *Ouverture et croissance industrielle en Chine : étude empirique sur un échantillon de villes*, par Sylvie Démurger, septembre 1995.
- Working Paper No. 109, *Biotechnology and Sustainable Crop Production in Zimbabwe*, by John J. Woodend, December 1995.
- Document de travail No. 110, *Politiques de l'environnement et libéralisation des échanges au Costa Rica : une vue d'ensemble*, par Sébastien Dessus et Maurizio Bussolo, février 1996.
- Working Paper No. 111, *Grow Now/Clean Later, or the Pursuit of Sustainable Development?*, by David O'Connor, March 1996.
- Working Paper No. 112, *Economic Transition and Trade-Policy Reform: Lessons from China*, by Kiichiro Fukasaku and Henri-Bernard Solignac Lecomte, July 1996.
- Working Paper No. 113, *Chinese Outward Investment in Hong Kong: Trends, Prospects and Policy Implications*, by Yun-Wing Sung, July 1996.
- Working Paper No. 114, *Vertical Intra-industry Trade between China and OECD Countries*, by Lisbeth Hellvin, July 1996.
- Document de travail No. 115, *Le Rôle du capital public dans la croissance des pays en développement au cours des années 80*, par Sébastien Dessus et Rémy Herrera, juillet 1996.
- Working Paper No. 116, *General Equilibrium Modelling of Trade and the Environment*, by John Beghin, Sébastien Dessus, David Roland-Holst and Dominique van der Mensbrugghe, September 1996.
- Working Paper No. 117, *Labour Market Aspects of State Enterprise Reform in Viet Nam*, by David O'Connor, September 1996.
- Document de travail No. 118, *Croissance et compétitivité de l'industrie manufacturière au Sénégal*, par Thierry Latreille et Aristomène Varoudakis, octobre 1996.
- Working Paper No. 119, *Evidence on Trade and Wages in the Developing World*, by Donald J. Robbins, December 1996.
- Working Paper No. 120, *Liberalising Foreign Investments by Pension Funds: Positive and Normative Aspects*, by Helmut Reisen, January 1997.
- Document de travail No. 121, *Capital Humain, ouverture extérieure et croissance : estimation sur données de panel d'un modèle à coefficients variables*, par Jean-Claude Berthélemy, Sébastien Dessus et Aristomène Varoudakis, janvier 1997.
- Working Paper No. 122, *Corruption: The Issues*, by Andrew W. Goudie and David Stasavage, January 1997.
- Working Paper No. 123, *Outflows of Capital from China*, by David Wall, March 1997.
- Working Paper No. 124, *Emerging Market Risk and Sovereign Credit Ratings*, by Guillermo Larraín, Helmut Reisen and Julia von Maltzan, April 1997.
- Working Paper No. 125, *Urban Credit Co-operatives in China*, by Eric Girardin and Xie Ping, August 1997.
- Working Paper No. 126, *Fiscal Alternatives of Moving from Unfunded to Funded Pensions*, by Robert Holzmann, August 1997.
- Working Paper No. 127, *Trade Strategies for the Southern Mediterranean*, by Peter A. Petri, December 1997.
- Working Paper No. 128, *The Case of Missing Foreign Investment in the Southern Mediterranean*, by Peter A. Petri, December 1997.
- Working Paper No. 129, *Economic Reform in Egypt in a Changing Global Economy*, by Joseph Licari, December 1997.

- Working Paper No. 130, *Do Funded Pensions Contribute to Higher Aggregate Savings? A Cross-Country Analysis*, by Jeanine Bailliu and Helmut Reisen, December 1997.
- Working Paper No. 131, *Long-run Growth Trends and Convergence Across Indian States*, by Rayaprolu Nagaraj, Aristomène Varoudakis and Marie-Ange Véganzonès, January 1998.
- Working Paper No. 132, *Sustainable and Excessive Current Account Deficits*, by Helmut Reisen, February 1998.
- Working Paper No. 133, *Intellectual Property Rights and Technology Transfer in Developing Country Agriculture: Rhetoric and Reality*, by Carliene Brenner, March 1998.
- Working Paper No. 134, *Exchange-rate Management and Manufactured Exports in Sub-Saharan Africa*, by Khalid Sekkat and Aristomène Varoudakis, March 1998.
- Working Paper No. 135, *Trade Integration with Europe, Export Diversification and Economic Growth in Egypt*, by Sébastien Dessus and Akiko Suwa-Eisenmann, June 1998.
- Working Paper No. 136, *Domestic Causes of Currency Crises: Policy Lessons for Crisis Avoidance*, by Helmut Reisen, June 1998.
- Working Paper No. 137, *A Simulation Model of Global Pension Investment*, by Landis MacKellar and Helmut Reisen, August 1998.
- Working Paper No. 138, *Determinants of Customs Fraud and Corruption: Evidence from Two African Countries*, by David Stasavage and Cécile Daubrée, August 1998.
- Working Paper No. 139, *State Infrastructure and Productive Performance in Indian Manufacturing*, by Arup Mitra, Aristomène Varoudakis and Marie-Ange Véganzonès, August 1998.
- Working Paper No. 140, *Rural Industrial Development in Viet Nam and China: A Study in Contrasts*, by David O'Connor, September 1998.
- Working Paper No. 141, *Labour Market Aspects of State Enterprise Reform in China*, by Fan Gang, Maria Rosa Lunati and David O'Connor, October 1998.
- Working Paper No. 142, *Fighting Extreme Poverty in Brazil: The Influence of Citizens' Action on Government Policies*, by Fernanda Lopes de Carvalho, November 1998.
- Working Paper No. 143, *How Bad Governance Impedes Poverty Alleviation in Bangladesh*, by Rehman Sobhan, November 1998.
- Document de travail No. 144, *La libéralisation de l'agriculture tunisienne et l'Union européenne: une vue prospective*, par Mohamed Abdelbasset Chemingui et Sébastien Dessus, février 1999.
- Working Paper No. 145, *Economic Policy Reform and Growth Prospects in Emerging African Economies*, by Patrick Guillaumont, Sylviane Guillaumont Jeanneney and Aristomène Varoudakis, March 1999.
- Working Paper No. 146, *Structural Policies for International Competitiveness in Manufacturing: The Case of Cameroon*, by Ludvig Söderling, March 1999.
- Working Paper No. 147, *China's Unfinished Open-Economy Reforms: Liberalisation of Services*, by Kiichiro Fukasaku, Yu Ma and Qiumei Yang, April 1999.
- Working Paper No. 148, *Boom and Bust and Sovereign Ratings*, by Helmut Reisen and Julia von Maltzan, June 1999.
- Working Paper No. 149, *Economic Opening and the Demand for Skills in Developing Countries: A Review of Theory and Evidence*, by David O'Connor and Maria Rosa Lunati, June 1999.
- Working Paper No. 150, *The Role of Capital Accumulation, Adjustment and Structural Change for Economic Take-off: Empirical Evidence from African Growth Episodes*, by Jean-Claude Berthélemy and Ludvig Söderling, July 1999.
- Working Paper No. 151, *Gender, Human Capital and Growth: Evidence from Six Latin American Countries*, by Donald J. Robbins, September 1999.
- Working Paper No. 152, *The Politics and Economics of Transition to an Open Market Economy in Viet Nam*, by James Riedel and William S. Turley, September 1999.
- Working Paper No. 153, *The Economics and Politics of Transition to an Open Market Economy: China*, by Wing Thye Woo, October 1999.
- Working Paper No. 154, *Infrastructure Development and Regulatory Reform in Sub-Saharan Africa: The Case of Air Transport*, by Andrea E. Goldstein, October 1999.
- Working Paper No. 155, *The Economics and Politics of Transition to an Open Market Economy: India*, by Ashok V. Desai, October 1999.
- Working Paper No. 156, *Climate Policy Without Tears: CGE-Based Ancillary Benefits Estimates for Chile*, by Sébastien Dessus and David O'Connor, November 1999.
- Document de travail No. 157, *Dépenses d'éducation, qualité de l'éducation et pauvreté : l'exemple de cinq pays d'Afrique francophone*, par Katharina Michaelowa, avril 2000.
- Document de travail No. 158, *Une estimation de la pauvreté en Afrique subsaharienne d'après les données anthropométriques*, par Christian Morrisson, Hélène Guilmeau et Charles Linskens, mai 2000.
- Working Paper No. 159, *Converging European Transitions*, by Jorge Braga de Macedo, July 2000.
- Working Paper No. 160, *Capital Flows and Growth in Developing Countries: Recent Empirical Evidence*, by Marcelo Soto, July 2000.
- Working Paper No. 161, *Global Capital Flows and the Environment in the 21st Century*, by David O'Connor, July 2000.
- Working Paper No. 162, *Financial Crises and International Architecture: A "Eurocentric" Perspective*, by Jorge Braga de Macedo, August 2000.
- Document de travail No. 163, *Résoudre le problème de la dette : de l'initiative PPTE à Cologne*, par Anne Joseph, août 2000.
- Working Paper No. 164, *E-Commerce for Development: Prospects and Policy Issues*, by Andrea Goldstein and David O'Connor, September 2000.

- Working Paper No. 165, *Negative Alchemy? Corruption and Composition of Capital Flows*, by Shang-Jin Wei, October 2000.
- Working Paper No. 166, *The HIPC Initiative: True and False Promises*, by Daniel Cohen, October 2000.
- Document de travail No. 167, *Les facteurs explicatifs de la malnutrition en Afrique subsaharienne*, par Christian Morisson et Charles Linskens, octobre 2000.
- Working Paper No. 168, *Human Capital and Growth: A Synthesis Report*, by Christopher A. Pissarides, November 2000.
- Working Paper No. 169, *Obstacles to Expanding Intra-African Trade*, by Roberto Longo and Khalid Sekkat, March 2001.
- Working Paper No. 170, *Regional Integration In West Africa*, by Ernest Aryeetey, March 2001.
- Working Paper No. 171, *Regional Integration Experience in the Eastern African Region*, by Andrea Goldstein and Njuguna S. Ndung'u, March 2001.
- Working Paper No. 172, *Integration and Co-operation in Southern Africa*, by Carolyn Jenkins, March 2001.
- Working Paper No. 173, *FDI in Sub-Saharan Africa*, by Ludger Odenthal, March 2001
- Document de travail No. 174, *La réforme des télécommunications en Afrique subsaharienne*, par Patrick Plane, mars 2001.
- Working Paper No. 175, *Fighting Corruption in Customs Administration: What Can We Learn from Recent Experiences?*, by Irène Hors; April 2001.
- Working Paper No. 176, *Globalisation and Transformation: Illusions and Reality*, by Grzegorz W. Kolodko, May 2001.
- Working Paper No. 177, *External Solvency, Dollarisation and Investment Grade: Towards a Virtuous Circle?*, by Martin Grandes, June 2001.
- Document de travail No. 178, *Congo 1965-1999: Les espoirs déçus du « Brésil africain »*, par Joseph Maton avec Henri-Bernard Solignac Lecomte, septembre 2001.
- Working Paper No. 179, *Growth and Human Capital: Good Data, Good Results*, by Daniel Cohen and Marcelo Soto, September 2001.
- Working Paper No. 180, *Corporate Governance and National Development*, by Charles P. Oman, October 2001.
- Working Paper No. 181, *How Globalisation Improves Governance*, by Federico Bonaglia, Jorge Braga de Macedo and Maurizio Bussolo, November 2001.
- Working Paper No. 182, *Clearing the Air in India: The Economics of Climate Policy with Ancillary Benefits*, by Maurizio Bussolo and David O'Connor, November 2001.
- Working Paper No. 183, *Globalisation, Poverty and Inequality in sub-Saharan Africa: A Political Economy Appraisal*, by Yvonne M. Tsikata, December 2001.
- Working Paper No. 184, *Distribution and Growth in Latin America in an Era of Structural Reform: The Impact of Globalisation*, by Samuel A. Morley, December 2001.
- Working Paper No. 185, *Globalisation, Liberalisation, Poverty and Income Inequality in Southeast Asia*, by K.S. Jomo, December 2001.
- Working Paper No. 186, *Globalisation, Growth and Income Inequality: The African Experience*, by Steve Kayizzi-Mugerwa, December 2001.
- Working Paper No. 187, *The Social Impact of Globalisation in Southeast Asia*, by Mari Pangestu, December 2001.
- Working Paper No. 188, *Where Does Inequality Come From? Ideas and Implications for Latin America*, by James A. Robinson, December 2001.
- Working Paper No. 189, *Policies and Institutions for E-Commerce Readiness: What Can Developing Countries Learn from OECD Experience?*, by Paulo Bastos Tigre and David O'Connor, April 2002.
- Document de travail No. 190, *La réforme du secteur financier en Afrique*, par Anne Joseph, juillet 2002.
- Working Paper No. 191, *Virtuous Circles? Human Capital Formation, Economic Development and the Multinational Enterprise*, by Ethan B. Kapstein, August 2002.
- Working Paper No. 192, *Skill Upgrading in Developing Countries: Has Inward Foreign Direct Investment Played a Role?*, by Matthew J. Slaughter, August 2002.
- Working Paper No. 193, *Government Policies for Inward Foreign Direct Investment in Developing Countries: Implications for Human Capital Formation and Income Inequality*, by Dirk Willem te Velde, August 2002.
- Working Paper No. 194, *Foreign Direct Investment and Intellectual Capital Formation in Southeast Asia*, by Bryan K. Ritchie, August 2002.
- Working Paper No. 195, *FDI and Human Capital: A Research Agenda*, by Magnus Blomström and Ari Kokko, August 2002.
- Working Paper No. 196, *Knowledge Diffusion from Multinational Enterprises: The Role of Domestic and Foreign Knowledge-Enhancing Activities*, by Yasuyuki Todo and Koji Miyamoto, August 2002.
- Working Paper No. 197, *Why Are Some Countries So Poor? Another Look at the Evidence and a Message of Hope*, by Daniel Cohen and Marcelo Soto, October 2002.
- Working Paper No. 198, *Choice of an Exchange-Rate Arrangement, Institutional Setting and Inflation: Empirical Evidence from Latin America*, by Andreas Freytag, October 2002.
- Working Paper No. 199, *Will Basel II Affect International Capital Flows to Emerging Markets?*, by Beatrice Weder and Michael Wedow, October 2002.
- Working Paper No. 200, *Convergence and Divergence of Sovereign Bond Spreads: Lessons from Latin America*, by Martin Grandes, October 2002.
- Working Paper No. 201, *Prospects for Emerging-Market Flows amid Investor Concerns about Corporate Governance*, by Helmut Reisen, November 2002.
- Working Paper No. 202, *Rediscovering Education in Growth Regressions*, by Marcelo Soto, November 2002.

Working Paper No. 203, *Incentive Bidding for Mobile Investment: Economic Consequences and Potential Responses*, by Andrew Charlton, January 2003.

Working Paper No. 204, *Health Insurance for the Poor? Determinants of participation Community-Based Health Insurance Schemes in Rural Senegal*, by Johannes Jütting, January 2003.

Working Paper No. 205, *China's Software Industry and its Implications for India*, by Ted Tschang, February 2003.

Working Paper No. 206, *Agricultural and Human Health Impacts of Climate Policy in China: A General Equilibrium Analysis with Special Reference to Guangdong*, by David O'Connor, Fan Zhai, Kristin Aunan, Terje Berntsen and Haakon Vennemo, March 2003.

Working Paper No. 207, *India's Information Technology Sector: What Contribution to Broader Economic Development?*, by Nirvikar Singh, March 2003.

Working Paper No. 208, *Public Procurement: Lessons from Kenya, Tanzania and Uganda*, by Walter Odhiambo and Paul Kamau, March 2003.

Working Paper No. 209, *Export Diversification in Low-Income Countries: An International Challenge after Doha*, by Federico Bonaglia and Kiichiro Fukasaku, June 2003.

Working Paper No. 210, *Institutions and Development: A Critical Review*, by Johannes Jütting, July 2003.

Working Paper No. 211, *Human Capital Formation and Foreign Direct Investment in Developing Countries*, by Koji Miyamoto, July 2003.

Working Paper No. 212, *Central Asia since 1991: The Experience of the New Independent States*, by Richard Pomfret, July 2003.

Working Paper No. 213, *A Multi-Region Social Accounting Matrix (1995) and Regional Environmental General Equilibrium Model for India (REGEMI)*, by Maurizio Bussolo, Mohamed Chemingui and David O'Connor, November 2003.

Working Paper No. 214, *Ratings Since the Asian Crisis*, by Helmut Reisen, November 2003.

Working Paper No. 215, *Development Redux: Reflections for a New Paradigm*, by Jorge Braga de Macedo, November 2003.

Working Paper No. 216, *The Political Economy of Regulatory Reform: Telecoms in the Southern Mediterranean*, by Andrea Goldstein, November 2003.

Working Paper No. 217, *The Impact of Education on Fertility and Child Mortality: Do Fathers Really Matter Less than Mothers?*, by Lucia Breierova and Esther Duflo, November 2003.

Working Paper No. 218, *Float in Order to Fix? Lessons from Emerging Markets for EU Accession Countries*, by Jorge Braga de Macedo and Helmut Reisen, November 2003.

Working Paper No. 219, *Globalisation in Developing Countries: The Role of Transaction Costs in Explaining Economic Performance in India*, by Maurizio Bussolo and John Whalley, November 2003.

Working Paper No. 220, *Poverty Reduction Strategies in a Budget-Constrained Economy: The Case of Ghana*, by Maurizio Bussolo and Jeffery I. Round, November 2003.

Working Paper No. 221, *Public-Private Partnerships in Development: Three Applications in Timor Leste*, by José Braz, November 2003.

Working Paper No. 222, *Public Opinion Research, Global Education and Development Co-operation Reform: In Search of a Virtuous Circle*, by Ida Mc Donnell, Henri-Bernard Solignac Lecomte and Liam Wegimont, November 2003.

Working Paper No. 223, *Building Capacity to Trade: What Are the Priorities?*, by Henry-Bernard Solignac Lecomte, November 2003.

Working Paper No. 224, *Of Flying Geeks and O-Rings: Locating Software and IT Services in India's Economic Development*, by David O'Connor, November 2003.

Document de travail No. 225, *Cap Vert: Gouvernance et Développement*, par Jaime Lourenço and Colm Foy, novembre 2003.

Working Paper No. 226, *Globalisation and Poverty Changes in Colombia*, by Maurizio Bussolo and Jann Lay, November 2003.

Working Paper No. 227, *The Composite Indicator of Economic Activity in Mozambique (ICAE): Filling in the Knowledge Gaps to Enhance Public-Private Partnership (PPP)*, by Roberto J. Tibana, November 2003.

Working Paper No. 228, *Economic-Reconstruction in Post-Conflict Transitions: Lessons for the Democratic Republic of Congo (DRC)*, by Graciana del Castillo, November 2003.

Working Paper No. 229, *Providing Low-Cost Information Technology Access to Rural Communities In Developing Countries: What Works? What Pays?* by Georg Caspary and David O'Connor, November 2003.

Working Paper No. 230, *The Currency Premium and Local-Currency Denominated Debt Costs in South Africa*, by Martin Grandes, Marcel Peter and Nicolas Pinaud, December 2003.

Working Paper No. 231, *Macroeconomic Convergence in Southern Africa: The Rand Zone Experience*, by Martin Grandes, December 2003.

Working Paper No. 232, *Financing Global and Regional Public Goods through ODA: Analysis and Evidence from the OECD Creditor Reporting System*, by Helmut Reisen, Marcelo Soto and Thomas Weithöner, January 2004.

Working Paper No. 233, *Land, Violent Conflict and Development*, by Nicolas Pons-Vignon and Henri-Bernard Solignac Lecomte, February 2004.

Working Paper No. 234, *The Impact of Social Institutions on the Economic Role of Women in Developing Countries*, by Christian Morrisson and Johannes Jütting, May 2004.

Document de travail No. 235, *La condition des femmes en Inde, Kenya, Soudan et Tunisie*, par Christian Morrisson, août 2004.

Working Paper No. 236, *Decentralisation and Poverty in Developing Countries: Exploring the Impact*, by Johannes Jütting, Céline Kauffmann, Ida Mc Donnell, Holger Osterrieder, Nicolas Pinaud and Lucia Wegner, August 2004.

Working Paper No. 237, *Natural Disasters and Adaptive Capacity*, by Jeff Dayton-Johnson, August 2004.

- Working Paper No. 238, *Public Opinion Polling and the Millennium Development Goals*, by Jude Fransman, Alphonse L. MacDonnald, Ida Mc Donnell and Nicolas Pons-Vignon, October 2004.
- Working Paper No. 239, *Overcoming Barriers to Competitiveness*, by Orsetta Causa and Daniel Cohen, December 2004.
- Working Paper No. 240, *Extending Insurance? Funeral Associations in Ethiopia and Tanzania*, by Stefan Dercon, Tessa Bold, Joachim De Weerd and Alula Pankhurst, December 2004.
- Working Paper No. 241, *Macroeconomic Policies: New Issues of Interdependence*, by Helmut Reisen, Martin Grandes and Nicolas Pinaud, January 2005.
- Working Paper No. 242, *Institutional Change and its Impact on the Poor and Excluded: The Indian Decentralisation Experience*, by D. Narayana, January 2005.
- Working Paper No. 243, *Impact of Changes in Social Institutions on Income Inequality in China*, by Hiroko Uchimura, May 2005.
- Working Paper No. 244, *Priorities in Global Assistance for Health, AIDS and Population (HAP)*, by Landis MacKellar, June 2005.
- Working Paper No. 245, *Trade and Structural Adjustment Policies in Selected Developing Countries*, by Jens Andersson, Federico Bonaglia, Kiichiro Fukasaku and Caroline Lesser, July 2005.
- Working Paper No. 246, *Economic Growth and Poverty Reduction: Measurement and Policy Issues*, by Stephan Klasen, (September 2005).
- Working Paper No. 247, *Measuring Gender (In)Equality: Introducing the Gender, Institutions and Development Data Base (GID)*, by Johannes P. Jütting, Christian Morrisson, Jeff Dayton-Johnson and Denis Drechsler (March 2006).
- Working Paper No. 248, *Institutional Bottlenecks for Agricultural Development: A Stock-Taking Exercise Based on Evidence from Sub-Saharan Africa* by Juan R. de Laiglesia, March 2006.
- Working Paper No. 249, *Migration Policy and its Interactions with Aid, Trade and Foreign Direct Investment Policies: A Background Paper*, by Theodora Xenogiani, June 2006.
- Working Paper No. 250, *Effects of Migration on Sending Countries: What Do We Know?* by Louka T. Katseli, Robert E.B. Lucas and Theodora Xenogiani, June 2006.
- Document de travail No. 251, *L'aide au développement et les autres flux nord-sud : complémentarité ou substitution ?*, par Denis Cogneau et Sylvie Lambert, juin 2006.
- Working Paper No. 252, *Angel or Devil? China's Trade Impact on Latin American Emerging Markets*, by Jorge Blázquez-Lidoy, Javier Rodríguez and Javier Santiso, June 2006.
- Working Paper No. 253, *Policy Coherence for Development: A Background Paper on Foreign Direct Investment*, by Thierry Mayer, July 2006.
- Working Paper No. 254, *The Coherence of Trade Flows and Trade Policies with Aid and Investment Flows*, by Akiko Suwa-Eisenmann and Thierry Verdier, August 2006.
- Document de travail No. 255, *Structures familiales, transferts et épargne : examen*, par Christian Morrisson, août 2006.
- Working Paper No. 256, *Ulysses, the Sirens and the Art of Navigation: Political and Technical Rationality in Latin America*, by Javier Santiso and Laurence Whitehead, September 2006.
- Working Paper No. 257, *Developing Country Multinationals: South-South Investment Comes of Age*, by Dilek Aykut and Andrea Goldstein, November 2006.
- Working Paper No. 258, *The Usual Suspects: A Primer on Investment Banks' Recommendations and Emerging Markets*, by Sebastián Nieto-Parra and Javier Santiso, January 2007.
- Working Paper No. 259, *Banking on Democracy: The Political Economy of International Private Bank Lending in Emerging Markets*, by Javier Rodríguez and Javier Santiso, March 2007.
- Working Paper No. 260, *New Strategies for Emerging Domestic Sovereign Bond Markets*, by Hans Blommestein and Javier Santiso, April 2007.
- Working Paper No. 261, *Privatisation in the MEDA region. Where do we stand?*, by Céline Kauffmann and Lucia Wegner, July 2007.
- Working Paper No. 262, *Strengthening Productive Capacities in Emerging Economies through Internationalisation: Evidence from the Appliance Industry*, by Federico Bonaglia and Andrea Goldstein, July 2007.
- Working Paper No. 263, *Banking on Development: Private Banks and Aid Donors in Developing Countries*, by Javier Rodríguez and Javier Santiso, November 2007.
- Working Paper No. 264, *Fiscal Decentralisation, Chinese Style: Good for Health Outcomes?*, by Hiroko Uchimura and Johannes Jütting, November 2007.
- Working Paper No. 265, *Private Sector Participation and Regulatory Reform in Water supply: the Southern Mediterranean Experience*, by Edouard Pérard, January 2008.
- Working Paper No. 266, *Informal Employment Re-loaded*, by Johannes Jütting, Jante Parlevliet and Theodora Xenogiani, January 2008.
- Working Paper No. 267, *Household Structures and Savings: Evidence from Household Surveys*, by Juan R. de Laiglesia and Christian Morrisson, January 2008.
- Working Paper No. 268, *Prudent versus Imprudent Lending to Africa: From Debt Relief to Emerging Lenders*, by Helmut Reisen and Sokhna Ndoye, February 2008.
- Working Paper No. 269, *Lending to the Poorest Countries: A New Counter-Cyclical Debt Instrument*, by Daniel Cohen, Hélène Djoufelkit-Cottenet, Pierre Jacquet and Cécile Valadier, April 2008.
- Working Paper No.270, *The Macro Management of Commodity Booms: Africa and Latin America's Response to Asian Demand*, by Rolando Avendaño, Helmut Reisen and Javier Santiso, August 2008.

- Working Paper No. 271, *Report on Informal Employment in Romania*, by Jante Parlevliet and Theodora Xenogiani, July 2008.
- Working Paper No. 272, *Wall Street and Elections in Latin American Emerging Democracies*, by Sebastián Nieto-Parra and Javier Santiso, October 2008.
- Working Paper No. 273, *Aid Volatility and Macro Risks in LICs*, by Eduardo Borensztein, Julia Cage, Daniel Cohen and Cécile Valadier, November 2008.
- Working Paper No. 274, *Who Saw Sovereign Debt Crises Coming?*, by Sebastián Nieto-Parra, November 2008.
- Working Paper No. 275, *Development Aid and Portfolio Funds: Trends, Volatility and Fragmentation*, by Emmanuel Frot and Javier Santiso, December 2008.
- Working Paper No. 276, *Extracting the Maximum from EITI*, by Dilan Ölcer, February 2009.
- Working Paper No. 277, *Taking Stock of the Credit Crunch: Implications for Development Finance and Global Governance*, by Andrew Mold, Sebastian Paulo and Annalisa Prizzon, March 2009.
- Working Paper No. 278, *Are All Migrants Really Worse Off in Urban Labour Markets? New Empirical Evidence from China*, by Jason Gagnon, Theodora Xenogiani and Chunbing Xing, June 2009.
- Working Paper No. 279, *Herding in Aid Allocation*, by Emmanuel Frot and Javier Santiso, June 2009.
- Working Paper No. 280, *Coherence of Development Policies: Ecuador's Economic Ties with Spain and their Development Impact*, by Iliana Olivie, July 2009.
- Working Paper No. 281, *Revisiting Political Budget Cycles in Latin America*, by Sebastián Nieto-Parra and Javier Santiso, August 2009.
- Working Paper No. 282, *Are Workers' Remittances Relevant for Credit Rating Agencies?*, by Rolando Avendaño, Norbert Gaillard and Sebastián Nieto-Parra, October 2009.
- Working Paper No. 283, *Are SWF Investments Politically Biased? A Comparison with Mutual Funds*, by Rolando Avendaño and Javier Santiso, December 2009.
- Working Paper No. 284, *Crushed Aid: Fragmentation in Sectoral Aid*, by Emmanuel Frot and Javier Santiso, January 2010.
- Working Paper No. 285, *The Emerging Middle Class in Developing Countries*, by Homi Kharas, January 2010.
- Working Paper No. 286, *Does Trade Stimulate Innovation? Evidence from Firm-Product Data*, by Ana Margarida Fernandes and Caroline Paunov, January 2010.
- Working Paper No. 287, *Why Do So Many Women End Up in Bad Jobs? A Cross-Country Assessment*, by Johannes Jütting, Angela Luci and Christian Morrisson, January 2010.
- Working Paper No. 288, *Innovation, Productivity and Economic Development in Latin America and the Caribbean*, by Christian Daude, February 2010.
- Working Paper No. 289, *South America for the Chinese? A Trade-Based Analysis*, by Eliana Cardoso and Márcio Holland, April 2010.
- Working Paper No. 290, *On the Role of Productivity and Factor Accumulation in Economic Development in Latin America and the Caribbean*, by Christian Daude and Eduardo Fernández-Arias, April 2010.
- Working Paper No. 291, *Fiscal Policy in Latin America: Countercyclical and Sustainable at Last?*, by Christian Daude, Ángel Melguizo and Alejandro Neut, July 2010.
- Working Paper No. 292, *The Renminbi and Poor-Country Growth*, by Christopher Garroway, Burcu Hacibedel, Helmut Reisen and Edouard Turkisch, September 2010.
- Working Paper No. 293, *Rethinking the (European) Foundations of Sub-Saharan African Regional Economic Integration*, by Peter Draper, September 2010.
- Working Paper No. 294, *Taxation and more representation? On fiscal policy, social mobility and democracy in Latin America*, by Christian Daude and Angel Melguizo, September 2010.
- Working Paper No. 295, *The Economy of the Possible: Pensions and Informality in Latin America*, by Rita Da Costa, Juan R. de Laiglesia, Emmanuelle Martinez and Angel Melguizo, January 2011.
- Working Paper No. 296, *The Macroeconomic Effects of Large Appreciations*, by Markus Kappler, Helmut Reisen, Moritz Schularick and Edouard Turkisch, February 2011.
- Working Paper No. 297, *Ascendance by descendants? On intergenerational education mobility in Latin America*, by Christian Daude, March 2011.
- Working Paper No. 298, *The Impact of Migration Policies on Rural Household Welfare in Mexico and Nicaragua*, by J. Edward Taylor and Mateusz Filipowski, May 2011.
- Working Paper No. 299, *Continental vs. intercontinental migration: an empirical analysis of the impact of immigration reforms on Burkina Faso*, by Fleur Wouterse, May 2011.
- Working Paper No. 300, *"Stay with us"? The impact of emigration on wages in Honduras*, by Jason Gagnon, June 2011.
- Working Paper No. 301, *Public infrastructure investment and fiscal sustainability in Latin America: Incompatible goals?*, by Luis Carranza, Angel Melguizo and Christian Daude, June 2011.