



Newsletter

No. 04/2007

- 1 -

- > **Editorial**
- > **New Publications**
 - >> **Briefing Papers**
 - >> **DIE Book Series**
 - >> **DIE Studies**
 - >> **DIE Discussion Papers**
 - >> **Other Publications of DIE-staff members**
- > **Contact**

Dear Readers,

At the end of the year, the DIE-Staff would like to thank you for your interest in DIE's publications and events and we wish you a Merry Christmas and a Happy New Year!

New Publications

Briefing Papers

Steffen Bauer / Dirk Messner:
**Climate Change Threatens Global Development
and International Stability**

Briefing Paper 7/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn

Klaus Liebig / Ulrike Rondorf:
**Macroeconomic Challenges of Scaling up Aid -
Intelligent Management and Efficient Use of ODA
Can Prevent Dutch Disease**

Briefing Paper 8/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Tatjana Chahoud:
**South-South Cooperation - Opportunities and
Challenges for International Cooperation**

Briefing Paper 9/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Martina Vatterodt:
**Reform of United Nations Development
Cooperation: Despite progress, still a long Way to
go to achieve more coherence**

Briefing Paper 10/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

All DIE Briefing Papers are available online on the DIE website.

DIE Book Series

Regine Qualmann:
**South Africa's Reintegration into World and
Regional Markets: Trade Liberalization and
Emerging Patterns of Specialization in the Post-
Apartheid Era**

Nomos Verlagsgesellschaft, Baden-Baden 2007,
ISBN 978-3-8329-2995-4 (44,- Euro),
Entwicklungstheorie und Entwicklungspolitik, 3

Publications of the DIE Book Series can be ordered at [NOMOS-Verlagsgesellschaft](#) or at book shops.



DIE Studies

**Stefan Leiderer / Benjamin Hodick / Esther Kabey / Michael Roll / Stefanie Schnitzer / Julia Ziegenbein:
Public Financial Management for PRSP Implementation in Malawi - Formal and Informal PFM Institutions in a Decentralising System**

PRSPs (Poverty Reduction Strategy Papers) or similar national development strategies form a cornerstone of the current international debate around aid effectiveness and new aid modalities. With the Paris Declaration on Aid Effectiveness, aid donors have committed themselves to align their activities to such strategies and rely as much as possible on recipient countries' own administrative systems and procedures to manage their financial and technical support. This new approach to channel aid resources requires effective local systems and capacities, in particular for the management of public funds. However, in practice Public Financial Management (PFM) systems in most developing countries, in particular in Sub-Saharan Africa, are extremely weak and often characterized by informal rules and procedures. Ongoing decentralization processes in many developing countries add to the complexity of the task to manage public funds effectively for the implementation of comprehensive PRSPs.

This study examines in detail how weaknesses in Malawi's PFM system impede the implementation of the Malawian PRSP and how the decentralization of key state functions impacts on this. The study comes to the conclusion that Malawi's PFM system is characterized by a significant discrepancy between the formal PFM framework and PFM in practice, a high degree of systemic uncertainty and an ad-hoc mode of PFM. Together, these factors severely undermine the prospects for successful PRSP implementation in Malawi.

DIE Studies 28
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

**Jörn Grävingholt / Claudia Hofmann / Stephan Klingebiel:
Development cooperation and non-state armed groups**

Non-state armed groups, such as rebel armies, groups led by warlords, terrorists and marauding gangs, are one of the main features of violent intra-state conflicts and regional wars outside the OECD world. The growing commitment of international actors to the prevention, containment and termination of violent conflicts in the past decade has been matched by an increase in the importance of non-state armed groups to external actors involved in the areas affected by conflict. This is especially true in the development policy field.

Should donors communicate with non-state armed groups that are de facto the ruling power in certain

areas? What approach should be adopted towards groups that perform such quasi-governmental functions as the provision of basic social services? Is dialogue with such armed groups necessary if endangered target groups are to be reached? Or should contact with them be avoided to prevent international attention from leading to their de facto legitimization? On the other hand, will peace-making potential be neglected if they are excluded from constructive conflict management? These and other wide-ranging questions form the framework of this study, which considers the subject matter on the basis of experience gained in German development cooperation.

DIE Studies 29
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

**Markus Loewe / Jonas Blume / Verena Schönleber / Stella Seibert / Johanna Speer / Christian Voss:
The impact of favouritism on the business climate: a study on Wasta in Jordan**

Favouritism is very common in the countries of the Middle East and North Africa, where it is usually referred to as „wasta“ (connection). The study by Loewe et al. analyses the impact of wasta on the business climate. It presents the results of extensive empirical research conducted in Jordan providing evidence that wide-spread favouritism affects business-people in different ways: Investors with good wasta can speed up procedures, get exclusive access to services and information and even influence legislation to their advantage. In addition, entrepreneurs tend to invest their time and money in social relations rather than productive capital, because their success depends on their wasta rather than the quality of their products. The study furthermore argues that the fight against favouritism must address four factors: (i) inform people about the negative impact of favouritism on economic development, (ii) give people incentives to stop using their wasta, (iii) delink the use of wasta in people's thinking from beloved socio-cultural norms such as loyalty and solidarity and (iv) reform Jordan's administrative and political system, which lacks transparency and accountability on all levels.

DIE Studies 30
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

The DIE-Studies are available online on the DIE website or can be ordered by mail at a price of 10,00 € at the DIE.



DIE Discussion Papers

Peter Burnell:
Does international democracy promotion work?

DIE Discussion Paper 17/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Jing Gu / John Humphrey / Dirk Messner:
Global governance and developing countries: The implications of the rise of China

DIE Discussion Paper 18/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Andreas Obser:
Multilateral organisations performance assessment: opportunities and limitations for harmonisations among development agencies

DIE Discussion Paper 19/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Jörg Faust / Dirk Messner:
Organizational challenges for an effective aid architecture: traditional deficits, the Paris Agenda and beyond

DIE Discussion Paper 20/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Bernt Berger / Uwe Wissenbach:
EU-China-Africa trilateral development cooperation

DIE Discussion Paper 21/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Carmen Richerzhagen / Imme Scholz:
China's capacities for mitigating climate change

DIE Discussion Paper 22/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

Coming soon:

Kathrin Berensmann / Angélique Herzberg:
International Sovereign Insolvency Procedure: A Comparative Look at Selected Proposals

DIE Discussion Paper 23/2007
Deutsches Institut für Entwicklungspolitik (DIE), Bonn 2007

The DIE-Discussion Papers are available online on the DIE website or can be ordered by mail at a price of 6,00€ at the DIE

Other Publications

World in Transition – Climate Change as a Security Risk, German Advisory Council on Global Change
Earthscan, London
ISBN 978-1-84407-536-2, 248 pages £75.00
(January 2008)

Alker, Marianne / Julie Fisher (2007): Main Messages from SPLASH-ERA-NET Side Event, World Water Week Stockholm, London: SPLASH

Altenburg, Tilman / Christian von Drachenfels (2007): Creating an enabling environment for private sector development in Sub-Saharan Africa, Bonn: Deutsches Institut für Entwicklungspolitik / German Development Institute; paper commissioned by BMZ/GTZ and UNIDO and presented to the Donor Committee for Enterprise Development at the Africa Regional Consultative Conference on "Creating Better Business Environments for Enterprise Development - African and Global Lessons for More Effective Donor Practices" 05-07 November 2007, Accra, Ghana

Bauer, Steffen (2007): Book Review: Delegation and Agency in International Organizations, in: Review of International Organizations, 2 (3), 305-307

Bauer, Steffen (2007): The Ozone Secretariat: Administering the Vienna Convention and the Montreal Protocol on Substances that Deplete the Ozone Layer, Amsterdam: Vrije Universiteit (Global Governance Working Paper 28)

Brüntrup, Michael (2007): EBA and the EU-Sugar Market - Development Gift or Trojan Horse, in: Jan Orbie / Gerrit Faber (Hrsg.), European Union Trade Politics and Development: "Everything but Arms" Unravelled, London: Routledge, 179-202

Faust, Jörg et.al. (2007): Promoting subsidiarity oriented decentralization in fragmented policies: Some lessons from Ecuador, in: Tilman Altenburg (Hrsg.), From project to policy reform: Experiences of German development cooperation, Bonn: Deutsches Institut für Entwicklungspolitik / German Development Institute (DIE Study 27), 1-27

Fischer, Doris (2007): The challenge of success: assessing China's economic situation, in: EMW & China InfoStelle (eds): "Schneller, höher, stärker" - China und die Olympiade 2008, Hamburg, 93-98

Fues, Thomas (2007): Chao yue ba guo ji tuan de quan qin zhi li: gao feng hei yi ji zhi de gai ge qian jing (Global Governance beyond the G8: Reform Prospects for the Summit Architecture), in: Shi jie jiji zheng zhi (World Economics and Politics), 9/2007, Chinese Academy of Social Sciences, Peking, 55-61



Fues, Thomas (2007): **The role of Europe and China in the global development architecture**, paper presented to the conference on "Emerging Powers and their role in Global Economic Governance: Impetus for reform", 30 October 2007, Johannesburg

Fues, Thomas (2007): **We need an alliance of old and new donors**, in: Development and Cooperation, 9/2007, 348-349

Guaipatín, Carlos (2007): **La cooperación público-privada como instrumento de desarrollo. Lecciones de seis aglomeraciones agroindustriales en América Latina**, in: European Review of Latin American and Caribbean Studies 82, 51-68

Liebig, Klaus (2007): **Cooperation with African anchor countries: challenges for European and German external relations**, in: Stephan Klingebiel (ed.): Africa Agenda for 2007: Suggestions for the German G8 and EU Council Presidencies, Bonn: German Development Institute (Discussion Paper 4/2007), 107-111

Liebig, Klaus (2007): **"Global Economic Imbalances": A Need for Global Governance Beyond the G-8?**, Conference Report, Dialogue on Globalization Briefing Papers, Berlin: Friedrich-Ebert-Stiftung

Milagrosa, Aimée (2007): **Institutional economic analysis of vegetable production and marketing in northern Philippines: Social capital, institutions and governance**, 184 S., Wageningen: Ponsen and Looijen

Milagrosa, Aimée / L.H.G. Slangen (2007): **The social capital of indigenous agricultural communities in Benguet, northern Philippines: socio-cultural implications and consequences to local vegetable**, in: R. Ruben / J. Pender / A. Kuyvenhofen (eds.), Sustainable Poverty Reduction in Less Favoured Areas, Wallingford: CAB International, 248-270

Scholz, Imme (2007): **Opportunities for and limitations to local action**, in: entwicklung & ländlicher raum 5/2007, 13-15

Scholz, Imme / Regine Schönenberg (2007): **The Pilot Programme to Conserve the Brazilian Rainforests**, in: Tilman Altenburg (Hrsg.), From Project to Policy Reform: Experiences of German Development Cooperation, Bonn: German Development Institute (DIE Study 27), 97-121

Imprint and contact:

Editor: Deutsches Institut für Entwicklungspolitik (DIE)

Editorial office : Marie Philipsenburg

Contact: Tulpenfeld 6, 53113 Bonn

Tel. +49 (0)228 94927-137

E-mail: marie.philipsenburg@die-gdi.de

www: <http://www.die-gdi.de>

To unsubscribe, please send an e-mail to :

marie.philipsenburg@die-gdi.de

Your feedback is gratefully received at:

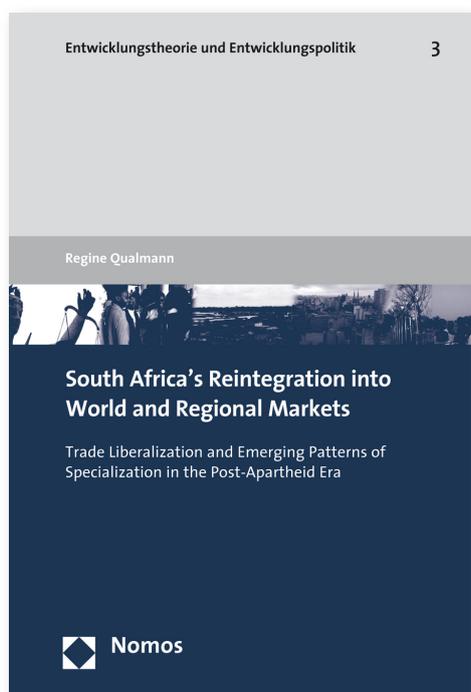
marie.philipsenburg@die-gdi.de

The DIE-Newsletter is a quarterly e-letter informing about publications, events and other interesting news from the German Development Institute (DIE). The DIE-publications are available without charge on the DIE website. If you have any difficulties to access the publications, please contact us. Other publications of DIE staff members are only available at the editors mentioned.

These publications are only available at the editors mentioned.



New publication



The economics of international trade have long been a key concern for researchers studying the relationship between the industrial and the developing world. Trade theory has made much progress over the last half century and advanced a number of analytical tools. Yet, despite these achievements, the field in many respects has fallen short of comprehensively explaining the causes and consequences of trade as it is observed in the real world. With China and India emerging as the main global players of the future, will trade still be the key to economic development for other developing countries?

The present book explores South Africa's emerging pattern of trade in the 1990s. Decades of inward-oriented industrialisation and strict segmentation of the labour market under the apartheid regime have resulted in a legacy of capital-intensive industries on the one hand, and millions of jobless on the other. Would opening up to trade in the late nineties bring about a new pattern of specialisation, and create jobs? For the case of South Africa the book concludes that, indeed, the trade pattern is changing dramatically, and for the better. The analysis provides a differentiated understanding of the underlying forces and determinants of international trade in modern times, and it points out the limitations of theoretical models to fully capture such dynamics.

- South Africa's Reintegration into World and Regional Markets**
Trade Liberalization and Emerging Patterns of Specialization in the Post-Apartheid Era
By Dr. Regine Qualmann
2007, 206 pp., pb., 44,- €,
ISBN 978-3-8329-2995-4
(*Entwicklungstheorie und Entwicklungspolitik, vol. 3*)

Name

Date, Signature

Address

Postal Code, City / Country



Nomos

This order can be cancelled within a two-week-period without giving reasons. Simply send your written cancellation within the given period to: Nomos Verlag, Waldsestr. 3-5, 76530 Baden-Baden, Germany or to your book shop. A cancellation binds you to return the items. All costs and risks of return are payable by the addressee.