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♦ *The views expressed here are personal to the author and do not necessarily reflect those of the other staff, faculty or students of this or any other institution.*

**NEW feature for the BNE!**

*From time to time the BNE will provide a preview of a full Book Review (to be published in a future issue) with a much shorter Book Note. The first of these Book Notes appears below.*

**Book Note:**

**Globalization and its Discontents**, by Nobel Prize for Economics winner **Joseph Stiglitz**, is a wide-ranging critique of the International Monetary Fund and its policies during the 1990's. Stiglitz served

on the Council of Economic Advisers under Bill Clinton, and then as Chief Economist and Senior Vice President of the World Bank for three years, therefore offering us a credible inside perspective into the workings of the Bretton Woods institutions in general and the IMF in particular. In his view, the IMF which he asserts is strongly influenced by the U.S Treasury, has adopted an ideology of Market Fundamentalism, which serves the interests of the world financial markets rather than those of the global community at large. In a case study on the role of the Fund in the East Asia crisis, and Russia's transition to a market economy, Stiglitz outlines the failings of IMF policy and their dogmatic approach to economic policy. He calls for the Fund to go back to monetary crisis prevention, and urges for a shift in priorities towards economic fundamentals affecting residents of developing countries.

*Alieu Senghore*

**Book Review:**

*Robb, Caroline, M. (2001). Can the Poor Influence Policy? Participatory Poverty Assessments in the Developing World. World Bank Publications: Washington, D.C. PP 195. ISBN 0-821-35000-5.*

Participation of the poor has now been recognized as a necessary condition for a successful development project in fighting poverty. Participation is no longer a new concept to any donor agencies, or to multi-lateral development banks whose ideas have been traditionally receptive to participatory approaches. Robb clearly points out the changes that are now happening among the Bretton Woods institutions: the World Bank and the IMF. Robb describes in details how the Bretton Woods institutions are transforming their operations to apply Participatory Poverty Assessment (PPA) approaches and see the use of PPAs as effective in meeting the needs of the poor.

Chapter 1 introduces PPAs definition and principal methods such as beneficiaries' assessment (BA), rapid rural appraisals (RRA), poverty monitoring and evaluation (PME). The chapter also touches upon a long-disputed issue (on whether the

conduct of a PPA should come before household surveys or the other way around) and looks at their pros and cons.

Chapter 2 looks into the impact of PPAs on development policy formulation processes and policy itself. The discussion draws attention to three important questions: (1) Can PPAs help us to understand the poor? (2) Can PPAs help to change attitudes of policy makers?, and (3) Can PPAs help to strengthen policy formulation processes? The book describes how attitudinal changes happened among the staff of the World Bank and the government officials in developing countries. It gives analysis on the determinants of the levels of PPAs' impact on policy formulation and implementation. Chapter 3 presents good practices and lessons learned from the cases where PPAs were applied in its project design and policy formulation. It explains impact variables, such as management and teamwork factors in the World Bank, PPA ownership of the government, dissemination efforts by the government, PPA skills, etc. The cases illustrate how these factors shape the nature of policy to be made. The last chapter discusses the link between Poverty Reduction Strategies for the Poor (PRSPs) and PPAs.

This book raises several critical, and some would say controversial, issues in connection with initiatives that involve the poor in influencing the policy formulation processes. First, the ownership of PPA needs to stay with the government, not with donors funding PPAs, and that the ownership is the key factor in sustaining development activities in the long run. PPAs can make policy more responsive and accountable to the poor. Second, the linkage between qualitative (PPA) and quantitative (household surveys) data is succinctly discussed in detail. In particular, the book provides a good summary on some of the limitations of PPAs and emphasizes the point that PPAs complement household surveys. Third, the book points out that there are institutional obstacles that inhibit the effective use of PPAs in development work. These obstacles include absorbing capacity and managerial immaturity that impair the efficiencies of the PPA to be conducted. It stresses that the World Bank is now

moving to undertake poverty analysis on a regular basis, as opposed to the traditional ad-hoc one-time poverty assessment, and recognizes the importance of the qualitative information obtained from the poor in its policy formation. (p.47)

Some problems however are found in Robb's arguments and analysis. For example, the statistical analysis in Chapter 2 should explain more about its model, especially in its weighting used in the CCI analysis to differentiate the levels of impact on policy. The book talks about PPA as if they are the only proven tools available to reflect the poor's perspective into the formation of policy. Rather, what the development practitioners need to do is to examine which methods, including both PPAs and others, are most effective in helping the poor shape development policy. The use of PPA does not necessarily mean that the voices of the poor are heard and included in policy making. True, their inputs can be used but they are not strong enough as binding forces that the government agencies have to comply with. The governments can choose policy with no consideration or without making efforts in including the inputs from the poor. Furthermore, there is virtually no discussion of governance issues: this is a must without which PPA mechanisms will fail to take off.

Participatory approaches are indeed cross-cutting issues in poverty reduction and governance. PPAs could help us to understand the poor well and come up with better solutions or ideas to help them get out of poverty. The good governance is contingent to efficient policy implementation. Governance factors should be considered as major determining factors for poverty reduction if we aim at reaching out to the poor and encourage them to voice out their development needs.

In all, Robb has made a good summary of recent institutional transformation that the World Bank has undergone with PPAs. It is, however, not a comprehensive study on participatory development and fails in important ways in keeping the poor as the centre of policy making.

*Takayoshi Kusago*