



Editorial

The conflict between the increasing world population and dwindling natural resources is becoming increasingly delicate. The issues in the field of international development are complex and interlock like parts of a puzzle. These individual parts may lend themselves to disciplinary scrutiny at the respective university departments. The hard lesson of the past is that the solutions thus found often do not fit together and do not yield the desired results. ZEF was conceived as an institution that would take a holistic approach to development problems. As a totally novel institution it aims to instill that culture from the beginning. ZEF is fortunate to be situated in a top-grade university setting that provides additional scientific competence to help address some of the problems. Moreover, we enjoy strong support from the city of Bonn and the state of North Rhine-Westfalia - both genuinely committed to building the region into one leading center of development. Here, national and international organizations are finding the proper environment to reflect and address these issues that concern us all. ZEF fills the niche of building a bridge between different sciences, policy and the agencies of implementation, both within and outside Germany. Only the integrated knowledge of all of us may allow us to tackle the pressing problems of global development. It is a challenge we are eager to take on, with your help. Come and visit us when you have the opportunity.

Paul L.G. Vlek
Director at ZEF

Russia's Agro-Food Economy and the Financial Crisis

Peter Wehrheim

The Russian economy has experienced almost 10 years of transition now. In a research project financed by the German Volkswagen Foundation, ZEF researchers in cooperation with Russian colleagues study the role of the Russian agro-food sector. The financial crisis which hit the country in 1998 indicates a range of problems the country is still facing.

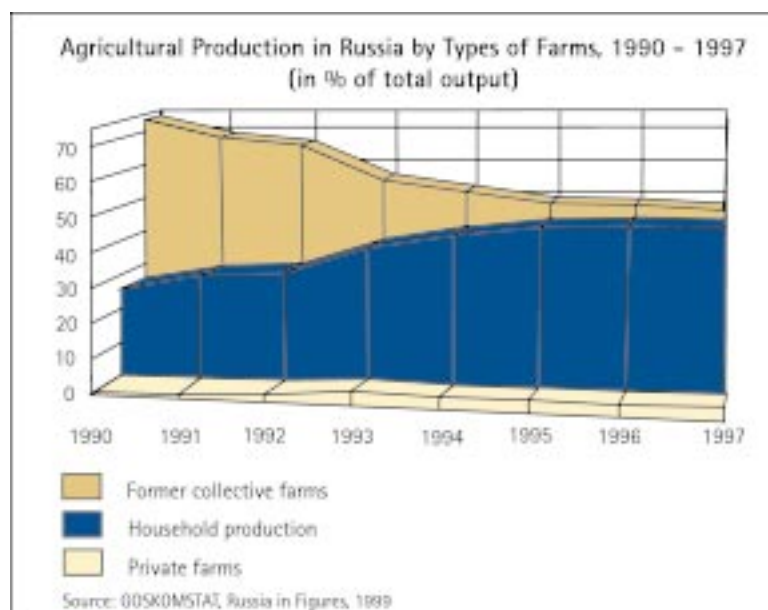
Agriculture in Russia

Official figures show that prior to the crisis, the agriculture's share of gross domestic product declined from about 15% (1990) to 6% (1998) and total agricultural output was almost cut by half since 1990. In contrast, with 14-15%, the share of workers employed in agriculture in total national employment remained high throughout the 90s. To avoid an increase of official unemployment, regional governments maintained soft budget constraints for former collective farms and large food processing firms. This means that there is a lack of financial accountability of firm managers and the option of being bailed out by the state in a situation of finan-

cial stress. The agricultural production share of large former collective farms declined from over 80% to less than 50% while the respective share of small-scale producers increased. Another typical feature of the transition of Russia's agro-food sector is the high share of barter transactions. On top of actual barter deals between firms even across borders, payments in kind and subsidized commodity credits were responses to high inflation in the early 90s. The financial crisis is likely to sustain the high share of barter trade reducing the transmission of relative price changes.

The Financial Crisis

Russia's 1998 financial crisis, although due to home-made causes such as poor corporate and public governance, was triggered by effects from international financial cri-



ses. The crisis started in late 1997, at a time when the economy just seemed to be on its way to recovery and when the contagious Asian financial crisis caused declining trust of international investors in emerging markets. Thus the Russian Central Bank increased its refinancing interest rates once again. In early 1998 declining world market prices for raw materials resulted in Russia's current account turning into a deficit. Addi-

tionally, the net foreign currency reserves of Russia declined restricting the possibility of the Central Bank to defend the value of the Ruble. After mid-August 1998, the crisis culminated in the devaluation of the Ruble and debt default.

Prior to the crisis, the Ruble to Dollar exchange rate had been fixed within a corridor which invited financial intermediaries to speculate on interest arbitrage. The rise

in refinancing interest rates in late 1997 also increased the debt burden for the Russian government while state revenues fell short of projected goals. Various negative effects on the agro-food sector were the result. Commercial credits for inefficient large agricultural and food processing enterprises - most of which being in poor financial shape - became even less feasible because of the high real interest rates, the collapse of national banks and the deterioration of rural banks' performance. The rising state debt resulted not only in further cuts of direct subsidies for large scale enterprises in the sector but also in ever increasing payment arrears for state employees and pensioners. Furthermore, the increase of state debts prevents urgently needed investments into rural infrastructure such as the road and telecommunication system. This is particularly harmful for small-scale farmers who increasingly attempt to market their surplus.

Impact on Consumption and Trade

The financial crisis also shows significant impact on food consumption and agro-food trade: declining real income of the population together with rapidly rising prices particularly for superior food commodities caused stockpiling of food commodities by Russian households. The crisis induced further substitution of normal products by inferior ones. However, the impact on households will be limited as Russian households increasingly rely on home gardening.

The tight monetary policy and fixed price band policy has also contributed to an overvaluation of the Ruble, which made food imports relatively less expensive. The agro-food trade deficit amounted to 11.6 billion US\$ in 1997. Because food imports plummeted immediately after mid-August the deficit totaled only 7.7 billion US\$ in 1998. Federal and regional governments implemented ad hoc policies to reduce potential food shortages, but also introduced some protectionistic measures detrimental for interregional and international trade.

Summing up, similar to other financial crises, for instance in Latin America, the price competitiveness of the domestic agriculture and the food industry increased in Russia. However, the poor institutional setting will reduce the potential of efficiency and welfare increasing adjustments to all price signals given by the crisis.



Dr. Peter Wehrheim, agricultural economist and fellow at ZEF, conducts research on decentralization, trade and market reforms.

New Publications from ZEF

ZEF Discussion Papers on Development Policy

No. 6 - Sheng, M.: Lebensmittelhandel und Konsumtrends in China. Bonn, 1999.

No. 7 - Bedi, A.: The Role of Information and Communication Technologies in Economic Development - A Partial Survey. Bonn, 1999.

No. 8 - Bayes, A., von Braun, J. and R. Akhter: Village Pay Phones and Poverty Reduction: Insights from a Grameen Bank Initiative in Bangladesh. Bonn, 1999.

No. 9 - Jütting, J.: Strengthening Social Security Systems in Rural Areas of Developing Countries. Bonn, 1999.

ZEF Discussion Papers on Development Policy are available for downloading on the ZEF homepage (www.zef.de). They can also be ordered free of charge by contacting +49-228-73-1861 or zef@uni-bonn.de.

Publications by Staff Members

von Braun, J., Box, L. and J.-J. Gabas: Looking Beyond Lomé IV: Towards practice-oriented Policies. Policy Brief, ECDPM, Maastricht, 1999.

Egle K., Manske G.G.B., Römer W. and P.L.G. Vlek: Improved phosphorus efficiency of three new wheat genotypes from CIMMYT in comparison with an older Mexican variety. *Journal of Plant Nutrition and Soil Science*, pp. 535-538, 1999.

Egle, K., Manske, G.G.B., Römer, W. and P.L.G. Vlek: Phosphateffizienz bei vier Weizengenotypen (*Triticum*

aestivum L.) von CIMMYT (Mexiko). In: Merbach, W., Wittenmayer L. and Augustin J. (Ed.), *Stoffumsatz im wurzelnahen Raum*, B.G. Teubner-Verlagsgesellschaft Stuttgart, Leipzig, S. 36-42, 1999.

Gehring, C., Denich, M., Kanashiro, M. and P.L.G. Vlek: Response of secondary vegetation in Eastern Amazonia to relaxed nutrient availability constraints. *Biogeochemistry* 45, pp. 223-241, 1999.

Grote, U. and T. Feldbruegge: Auswirkungen veränderter Rahmenbedingungen auf die Welternährung und Agrarentwicklung. In: *Agrarwirtschaft*, Jg. 48, No.7, July 1999.

Grote, U. and P. Wehrheim: Transition Economies' Perspective - Getting ready for the Millennium Round Trade Negotiations. *Vision 2020*, Focus 1, Brief 5 of 9, IFPRI, Washington, D.C 1999.

Kato, O.R., Kato, M.S.A., Denich, M. and P.L.G. Vlek: Fire-free alternatives to slash-and-burn for shifting cultivation in the Eastern Amazon region. 1. The role of fertilizers. *Field Crops Research* 62, pp. 225 - 237, 1999.

Qaim, M.: Assessing the Impact of Banana Biotechnology in Kenya. ISAAA Briefs, No. 10, International Service for the Acquisition of Agri-biotech Applications, Ithaca, NY, 1999 (published in collaboration with ZEF).

Qaim, M.: Frauengruppen in der kenianischen Landwirtschaft. *Entwicklung + Ländlicher Raum*, Vol. 33, No. 2, pp. 26-28, 1999.

Wolf, S.: Freihandel statt Einbahnstraße? DLG-Mitteilungen 5, pp. 72 - 74, 1999.

The Challenge of Managing Soil Organic Matter in the Tropics

Christopher Martius, Holm Tiessen and Paul Vlek

From 7 to 10 June 1999 international experts met at ZEF to discuss the possibilities and research needs for a sustainable management of organic matter in tropical soils

Organic matter is as vital for soils as blood is for the body - this metaphor may illustrate the risk of neglecting the management of organic matter in tropical soils. "Organic matter" is a rather simple expression for the intricate mix of organic carbon, humic acids, and other organic molecules and their association with soil minerals, which is formed in the soils of all land ecosystems during the biological decomposition of dead organic residues - plants, fauna and excreta. "Humus" is the resistant fraction of this material which may persist for decades or ages. Humus keeps important plant nutrients in the upper soil layer where plant roots can access them. Humus also "softens" the soil, making it much easier to be worked, and retains more water than non-organic soil. Soils live - a highly diverse wealth of microorganisms and soil animals (earthworms, termites, mites and millipedes) work day and night to provide a series of important "ecosystem services", in particular the recycling of plant nutrients. Without a "healthy" soil life, soils degrade, erode and are washed away, leaving only a dead surface - a process called desertification.



Dr. Daniel Hillel, University of Massachusetts during the conference at ZEF, giving a speech on „Terra Aqua Vitae - The Role of Soil and Water in Supporting Civilization“ Foto: ZEF

Research needs

The proper management of organic matter is important to food security and to the protection of marginal lands. The former, because a good soil structure is needed for sustainable food production to meet the needs of the increasing human population. The latter, because the loss of soil organic matter can rapidly turn marginal lands, e.g., the border of the Sahara desert in the Sahel, into wastelands.

“So much is already known about the management of organic matter in the tropics, but nothing has changed - what went wrong?” - asked Eric Craswell, the Director General of the International Board for Soil Research and Management (IBSRAM) in Bangkok, Thailand, in his speech during the workshop at ZEF. He thus outlined a major challenge for the scientists gathered at the meeting: define the steps needed to understand and manage organic matter in tropical soils. In spite of Craswell's statement, this task will still require research, particularly related to the importance of the quality of input material (high vs. low quality), the role of below-ground versus mulched organic matter, or the often overlooked importance of plant root exudation. The diversity of soil organisms is drastically reduced once man imposes a land-use system. Their role is rarely considered in agricultural studies, and much less understood. Finally, scientists must establish easy-to-use, reliable indicators of successful, sustainable management of soil

ZEI - Window

News from the Center for European Integration Studies (ZEI)

This year, the department "Economic and Social Issues" of ZEI (Director: Prof. Dr. Jürgen von Hagen) once again organized a *ZEI - Summer School on International Macroeconomics* (9 -20 August 1999). As in 1997 and 1998 around 30 young, up-and-coming researchers from various European countries as well as the U.S.A. participated and, together with Paul de Grauwe (Catholic University Leuven), Dale W. Henderson (Federal Reserve Board, Washington), Roberto Perotti (Columbia University, New York) and Jürgen von Hagen (ZEI, Bonn), discussed current, theoretical and empirical research concerning the Asian crisis, the effects of fiscal measures of consolidation as well as questions surrounding the European Monetary Union.

In the framework of the ZEI Europadiologue on 30 June 1999, Bernhard Zepter, Deputy Secretary General of the EU Commission (CEC), summed up the results of the German Presidency. Mr. Zepter particularly stressed the significant problems the Presidency faced during this period such as the Kosovo war and the resignation of the CEC.

In a joint project with the *Atlantic Council of Ukraine* and the *American Institute for Contemporary German Studies* ZEI has organized the conference „Ukraine, Europe and the U.S. in the Formation of a New Euro-Atlantic Security Architecture“. From 28 - 29 May some 70 policy makers, analysts, business and media representatives from the EU, Ukraine, and the U.S. met in Yalta, Crimea, to discuss the necessity and the perspectives of a deepened strategic cooperation.

The Center for European Integration Studies (ZEI) closely cooperates with ZEF. The two centers together constitute the International Academic Forum Bonn (IWB). The work of ZEI integrates legal, economic and social, cultural and political issues in an interdisciplinary context. ZEI offers academics as well as policy-makers, representatives of businesses, and lobbyists an international forum for discussion of all aspects of European integration. Further information: <http://www.zei.de>

organic matter. Organizations such as IB-SRAM or TSBF (the Tropical Soil Biology and Fertility Program based in Nairobi, Kenya) will certainly have leading roles in this process.

What is needed for a proper management of soil organic matter? No general advice can be given, because of the variety of problems depending on the climate, the type of soil and different land use histories. Sometimes, competitive use of plant residues (feed, construction, or burning for cooking) reduces the amount of organic matter available for recycling to the fields. Therefore, the establishment of resource budgets is an important first task. Also, management goals of the farmers other than the preservation of organic matter, such as pest control or reduction of labor, must be integrated into any approach to tackle the problem.

Building networks

Adequate planting systems and cropping techniques are available "off the shelf". Transferring them to the farmers often fails if the executing institutions do not engage, from the start, all the "stakeholders" involved (be it farmers, land owners, scientists or local politicians). Establishing a comprehensive data base on approaches and experiences that work and a network of involved institutions was seen as an important first step by many scientists present at the meeting. With the workshop, ZEF started to develop alliances to elaborate research programs on and strategies for a sustainable management of organic matter in tropical soils. Critical to ZEF seems to be the need to open the eyes of decision makers, particularly in tropical countries, that neglecting the conservation of soils will carry exorbitant social and economic costs.

Soils - the basis of life

Soils that formed through millennia are the basis of life. They may be irreversibly destroyed in a short time if no immediate action is taken. The destruction will not only reverberate in the livelihood of the rural poor, it may also resound in the cities, and ultimately destabilize whole societies. Soil degradation has wiped out entire civilizations in the past, as was shown in powerful words by the renowned soil scientist Daniel Hillel during the meeting at ZEF. There is no need to repeat the experience of our ancestors in the future.

Dr. Christopher Martius is senior scientist, and Prof. Paul Vlek director at ZEF. Dr. Holm Tiessen is soil scientist at the University of Saskatchewan, Saskatoon, Canada.

Water Resources of the Volta River Basin

Nick van de Giesen

A new, interdisciplinary research project at ZEF investigates water availability and water demand in West Africa

The social importance of clean and sufficient water can hardly be overstated. Water is needed for drinking and washing but also for cattle, irrigation, fishery, ecology, and hydropower. How a limited amount of water is best distributed is not merely a technical question but also a question for society as a whole. In order for governments to make the right decisions with regard to development of water resources, it is necessary to understand availability and demand. To provide such information is an important task of science; especially in areas where rainfall is erratic and reliable data are scarce such as in the semi-arid savanna zone of West Africa.

At ZEF, a research project is being developed in which scientists with different disciplinary backgrounds, from meteorology to sociology, will work together to analyze the water resources in the Volta River Basin of West Africa. The Volta watershed covers 400,000 km² mostly in Ghana and Burkina Faso, an area just larger than that of Germany. The population grows at a rate of 3% per year which means that it doubles every 23 years. Population increase results in intensified land use which in turn influences local weather. The project will clarify how important the changes in land use are and to which extent they can be linked to the observed decrease in rainfall.

Lake Volta is an artificial lake in the lower part of the basin which supplies more than 90% of electric power in Ghana. Drought, such as in 1998, has a direct effect on the lake, reducing power production and industrial output. In order to feed the growing population in the region, irrigation has to be extensively developed in Northern Ghana and Burkina Faso. However, more irrigation reduces the amount of water available for power generation downstream, so choices will have to be made between rural and urban development.

Increased population pressure, changes in land use and weather patterns, higher demand for food but also for hydropower, all these factors determine and are determined by the availability of water. To ensure durable use and proper management these complex linkages will be measured and analyzed. The main challenge for the project is to bring together knowledge from different disciplines in such a way that non-scientists can make the right decisions on how to use their scarce water resources.

Dr. Nick van de Giesen is hydrologist at ZEF.



Irrigated cash crops: a growing business in West Africa

ZEF Conference on ICT

From 31 May - 1 June ZEF along with DETECON, a telecommunications consultancy, and GERMANWATCH, an NGO, organized a workshop on the role of information and communication technologies (ICTs) in economic development.

The conference consisted of paper presentations and two panel discussions. The papers included reviews of the existing academic and business literature on the impact of ICTs in the development process as well as detailed empirical studies on Africa, Bangladesh, China, Peru and India. The panel discussions focused on current patterns of ICT use in developing countries, the factors that constrain the diffusion of these technologies, and the role of the private and the public sector in promoting the use and diffusion of ICTs. Key research areas have been identified.

Governance and Development

From 3 - 4 May 1999 ZEF organized a conference on governance in China, India and Russia. It was attended by some 45 noted economists, political scientists and legal specialists. Three critical issues were discussed: intergovernmental fiscal relations, the delivery of public goods at local level, and reforms of the legal system.

The three countries, in spite of their different history, are undergoing radical reforms in the economic, political and legal spheres. They have pervasive central government intervention in economic activity, significant economic and social inequalities, a weak rule of law, rampant corruption, and powerful elites opposing democratization. There are significant variations in local administrative and organizational capabilities and, correspondingly, in the effec-

tiveness of utilization of public resources, in the enforcement of laws.

The papers presented at the conference provide evidence that there is a lack of clarity in the assignment and financing of taxes and public expenditures between government tiers. Problems of capturing economic benefits by elites, ill-defined control rights and weak legal institutions as well as political problems lead to economic outcomes that are very sub-optimal from an efficiency or a welfare point of view, for example in terms of education or health services.

The evidence on the link between governance and welfare is scant. Researchers have so far concentrated on policies and their impact on development. All speakers agreed that much more theoretical and empirical research remains to be done to understand how specific incentive structures affect efficiency and welfare outcomes.



Workshop on Migratory Species

The Convention on Migratory Species (CMS or "Bonn Convention") celebrated its 20th anniversary on 23 June 1999. In this context ZEF organized and sponsored an international workshop entitled *New Perspectives for Monitoring Migratory Animals - Improving Knowledge for Conservation*.

Some 45 conservationists and scientists from 16 countries presented new results on the biology of migratory species. Workshop sessions allowed in-depth discussions of satellite tracking and biological informatics. These innovative research technologies improved the knowledge about animal migrations considerably. Satellite data were presented for a great variety of animals, such as Bluefin Tuna, Penguins, Eurasian Raptors, Brent Goose, Lesser White-fronted

Goose, White Stork and Whales. For several species, hitherto unknown breeding and wintering areas can now be mapped, and crucial stopover sites are identified. The combination of satellite-tracking data with Geographical Information Systems (GIS) allows effective information management and retrieval via the WorldWideWeb. However, mobilizing policy-relevant information presents formidable challenges. Two major initiatives were presented: the ZEF-based GROMS (Global Register of Migratory Species: <http://www.biologie.uni-freiburg.de/data/riede/groms.html>) and BCIS, the Biodiversity Conservation Information System, a network of 12 international non-government organizations (<http://www.biodiversity.org/>). Hopefully, these systems will help policy and decision makers to meet the enormous challenges of "environmental sustainability".



5th Bonn Dialogue on Development Policy

Within the framework of the 5th Bonn Dialogue on Development Policy, the executive director of the United Nation's World Food Program (WFP), Catherine Bertini, held a speech at ZEF on 8 June 1999 on the topic of overcoming the food crises. The World Food Program provides one third of world wide food aid; in 1998 alone the WFP distributed around 2.8 million tons of food; approximately 60 percent of supplementary food bought was directly distributed among developing countries. At the conclusion of her speech, Ms Bertini responded to the various questions raised by the guests, who

came from the fields of politics, economics, science as well as organizations for development co-operation.



Doctoral Studies

Preparatory phase started

During the first week of August, ZEF welcomed the first 14 participants for the new Doctoral Studies Program. The students are from Bangladesh, China, Ethiopia, Ghana, India, Indonesia, Kenya, Korea, Pakistan, Philippines, Thailand, Uganda, and have studied Economics, Agriculture, Geography or Biology. The selection of those students was highly competitive, out of over a hundred applicants from developing countries all over the world. Nine participants received a DAAD scholarship, others will join the program with external or own funds. Their Ph.D. thesis will be on diverse areas of development research like technological transfer, micro-finance, rural development and poverty reduction, land use change and GIS, water management models, soil fertility, biodiversity and ecology.

Course program

Although the program is exclusively in English, it starts with a German language course (duration 2 months), conducted by the Department for International Affairs at the University of Bonn to facilitate the students' life in Germany. During the first year, the Ph.D. candidates will participate in a Doctoral Course Program offered in three modules of three-four weeks each and develop their research program, before they return to their specific location abroad for their empirical research. The first course in October 1999 is interdisciplinary. It outlines the complexity of economic development, natural resources and resource management and gives a foundation in development theory. Case studies will lead the theoretical background to a problem-oriented analysis and priority setting. The second course in spring 2000 will be offered separately for the students' specialization in Economics, Natural Science or Social Science. It will focus on in-depth studies and specific research methodologies.

Applications

The deadline for applications to the next academic year starting in August 2000 is 15 October 1999. Information is available from Dr. Günther Manske (E mail: docp.zef@uni-bonn.de) or from the ZEF homepage (<http://www.zef.de>)

Viewpoints

Prof. Monkombu S. Swaminathan, Member of ZEF's International Advisory Board, pleads for an "evergreen revolution"



ZEF: How can agricultural research provide holistic answers to the invasive problems of population explosion and threatened ecological integrity?

Swaminathan: Population growth in the world as a whole is slowing down. The "hot spot" areas with reference to population pressure on natural resources are South Asia and Sub-Saharan Africa. Food production has to be increased during the coming

century under conditions of diminishing per capita land and water resources. There has to be a reorientation in agricultural research strategies so as to integrate the principles of ecology, economics, social and gender equity, employment and energy conservation in the research agenda. Fortunately, many countries have a large untapped yield reservoir even at existing levels of technology. Yields can be easily doubled even with technologies on the shelf through appropriate packages of services and public policies.

ZEF: You have suggested an interdisciplinary research format for the future. What can be achieved by it? And will interdisciplinary research reduce the existing time lag of 10-15 years before the research findings become usable?

Swaminathan: Interdisciplinary research is essential for solving field problems in agriculture. Achieving a production goal rather than worshipping a discipline must be the approach of farm scientists.

We can now reduce the time lag between discovery and its field application through appropriate experimental designs like multi-location and multi-season trials. Results of well planned farming systems research can be taken to farmers' fields within five years. Participatory research in farmers' fields is essential for ensuring the environmental, social and economic sustainability of new technologies. Research carried out in the fields of resource poor farmers helps to assess the social extrapolation domain of new technologies. Participatory research is the

pathway to sustainable agriculture since it can help in the speedy development and dissemination of location-specific technologies.

ZEF: Having accepted that the system approach is the central point of future research, how will scientists have to adjust themselves?

Swaminathan: All those concerned with the fatigue of the green revolution and decline in high yields should know that an evergreen revolution can be promoted only on the basis of the conservation and sustainable use of soil, water, flora and fauna. Those farm scientists who want to accomplish something worthwhile in their life will have to take note of this fact. The reward systems for research in agricultural institutions must be based more and more on integrated natural resources management.

The green revolution was based on a commodity-centered approach, e.g., rice, wheat, maize, etc which resulted in several ecological and social problems. We need an evergreen revolution based on a farming systems and integrated natural resources conservation approach.

ZEF: The genetic potential of high yielding varieties has hardly been improved since they were invented, and even the high yields do not anymore remain sustainable. What research strategy do you suggest?

Swaminathan: The yield plateau in the case of many high yielding varieties is as it is because there has been no advance in increasing the total produced biomass. The accomplishment so far has been mainly in relation to the partitioning of the biomass, i.e., higher harvest index. Yield enhancement through altering harvest index alone is now limited in several important food crops like wheat and rice. In 1985, I initiated a biotechnology program at the International Rice Research Institute, to introduce genes from wild species which can enhance total biomass production. For other crops, we have to develop similar strategies. At the same time, the new varieties should have resistance and tolerance to a wide range of biotic and abiotic stresses. The breeding of such high biomass-high harvest index strains will need the help of the new tools of molecular mapping and genetic engineering. Unfortunately, funding for international research designed for public good is shrinking. Proprietary science covered by intellectual property rights (IPR) is expanding. This presents a grave danger to the future of global food security.

Establishment of the Society of the Friends for Development Research ZEF e.V.

The Society of the Friends for Development Research which was recently founded by ZEF

- promotes the international discussion and the exchange of scientific knowledge and practical experiences;
- develops a network of experts;
- improves knowledge and understanding of development research through information exchange and events;
- cultivates the solidarity of former and present ZEF staff; and
- plans to support the new generation of academics by making awards.

Members of the board are Prof. Joachim von Braun, Prof. Paul Vlek, the former ambassador Alexander Graf York, and Hans Hack (manager).

The society especially draws on the multitude of internationally experienced scientists, politicians, entrepreneurs, and developmental practitioners from Germany who are not officially employed anymore in the active service. Their experiences are of great importance to ZEF.

The society is recognized as nonprofit. For donations and fees, receipts can be issued out of tax reasons.

Those interested in membership and promotion of the society are requested to contact the chairman, Mr. Hans Hack (Otenbergweg 11, 53639 Königswinter), or one of the other members of the board.



facts and news

ZEF was one of 27 world-wide institutes to be invited to a UN Think Tank meeting with the Secretary-General Kofi Annan on 4-5 May 1999, organized by the Overseas Development Council (ODC). The purpose of the meeting was to promote an ongoing dialogue and exchange of information between the UN system and independent policy research institutions.

In June, Dr. J.C. Katyal, the director of the National Academy of Agricultural Research and Management (NAARM), of Hyderabad, India, started a one-year stay as Visiting Scientist at ZEF. During his stay, he will

prepare a concept paper on desertification.

Dr. Daniel Hillel, the well-known soil scientist and Prof. emeritus of the University of Massachusetts, has recently agreed to come to ZEF for one month every year as a senior fellow, to lecture, advise, and write.

The Global Development Network (GDN) is currently being developed by the World Bank to link research and policy institutes involved in development issues for knowledge generation and sharing. The GDN will be launched at a first conference to

be held in Bonn, Germany, on 6-8 December 1999. Further information can be obtained from the GDN web site at www.worldbank.org/knowledge/net/

In May, the library of the ATSAF (Arbeitsgemeinschaft für Tropische und Subtropische Agrarforschung - Council for Tropical and Subtropical Agricultural Research), comprising about 22,000 titles and one of the greatest collections of CGIAR publications in Germany, was transferred to ZEF and incorporated in ZEF's new library.

participation of women in self-help groups in rural areas and which effects the participation has on households.

A so-called *middle-class effect* could be detected. For the poorest, costs of participation are too high, and they are excluded due to insufficient financial resources. Opposed to this, the wealthiest members in the population are not interested in the activities of the group, which are mainly made up of income-producing measures and training courses.

The existing stock of *social capital*, which in this analysis is measured by participation in savings unions and measures on the division of labor, has a positive influence on participation.

Even though all groups have the aim to increase the income

Improving Access to Social Security in Developing Countries

Johannes Jütting und Katinka Weinberger

Scientists at ZEF analyse approaches to insurance in developing countries

„Basic Social Services For All“ is a main matter of concern in the action program that was adopted at the World Summit for Social Development 1995. This demand is based not only on ethical motives, it results also out of the realization that sustained development is impossible without an improved access to education, health and nutrition. In this context, the development of social security systems which provide, at least partly, insurance against the financial consequences of hazards such as sickness, widowhood, crop failure, or the loss of production tools, plays a crucial role.

ZEF research deals with the question of how social security systems can be set up in rural areas, so that the participation of marginal groups is ensured. A first study depicts strengths and weaknesses of existing systems and pleads for a stronger involvement of civil society organizations and the private sector in the provision of social services or local public goods. Based on this study, and in cooperation with GTZ

and ILO, case studies in Ethiopia, Senegal, Tanzania and India are planned to analyze the possibilities that local approaches to (health-) insurance offer for an integration of poorer population groups. Previous results are ambivalent: On the one hand, local approaches based on the social capital of a community can reduce the abuse of insurance to a large extent, and on the other hand, results from Pakistan and Chad (see below) show that costs and risks of participation can exclude the poorest. The implications of local insurance approaches for the design, and the benefits of subsidizing the membership fees of poor participants, are questions that will have to be analyzed in future research projects.

Participation: "Middle-class effect"

Participation of poor people is desirable not only in insurance schemes, as in the example mentioned above, but also more generally in development projects to enhance empowerment. For this reason ZEF conducted in cooperation with GTZ and UNDP studies in Pakistan (Kashmir) and Chad to investigate which determinants influence the par-



Young women participating in self-help groups in Pakistan Foto: ZEF

of its members, a corresponding *positive influence on income* could not (yet) be detected. Probably the effect can only be established on a medium to long term basis.

The participation of women in self-help groups leads to an *improved social structure* in the community, and the social status of women increases. Women increasingly participate in decisions concerning the community.

Dr. Johannes Jütting and Katinka Weinberger are fellows at ZEF, department „Economics and technological change“.

ZEF at the World Exhibition EXPO 2000

Detlef Virchow

Under the title "Humankind-Nature-Technology", the World Exhibition EXPO 2000 will present advancements in thinking, science, art, technology and society in Hannover in the coming year. It will create the platform for an outlook towards our common future

From the very beginning, it was the objective of the EXPO 2000 organizers to encourage an ongoing debate at different levels, and to foster an exchange of experiences, ideas and visions on the different topics of EXPO 2000. Thus, the program „Global Dialogue“ was initiated in 1997. It presents itself as EXPO 2000's central conference program and consists of a series of nine "Dialogues". After submitting a project proposal in 1998, ZEF was asked to become the main organizer for one of the Global Dialogues on *The Village in the 21st Century - Crops, Jobs, and Livelihood*. The other EXPO 2000 Dialogues will be developed and managed by organizations of international reputation based on suggestions of the EXPO 2000's International Advisory Board. The overall

idea of the nine different Global Dialogues is to bridge the gap between different interest groups like experts and public, those in power and those without, or practitioners and scientists to advance into the direction of a sustainable future for all.

The Global Dialogue planned by ZEF will focus on people of all continents living in villages or in rural areas. Its aim is not to speak about these people but with them. Representatives of rural areas will be invited to discuss the difficulties of rural life and possible solutions with politicians, scientists, members of the business community and of international interest groups as well as with experts and practitioners from international organizations. Of crucial importance, therefore, is the discussion of the following topics:

- Broadening the technological base of rural economies,
- Human actions in rural areas and their effects on natural resources,
- Culture and institutional arrangements and policies in rural areas, and
- Urban-rural linkages.

The Global Dialogue has begun with a series of events and linkages to conferences to be held in the course of the years 1999 and 2000. It will continue after the World

The "Global Dialogue" of ZEF

The structure of ZEF's Global Dialogue in Hannover will ensure that this conference will have a widespread impact. It consists of various elements:

- *Science in Dialogue*: Scientists from all over the world will discuss leading research issues and the current state of the debate concerning the challenges faced by rural areas in the 21st century.
- *Workshop 21*: Practitioners, project organizers, leading figures from international business, government, civil society, academia and villages will explore sustainable solutions to the challenges of rural life.
- *Global Focus*: Outstanding personalities will identify the main challenges of rural development which need to be addressed in the future.
- *Talk around the World*: People in different continents will discuss with partners in Hannover by direct broadcasting.

- *Platform for the Future*: A panel of "visionaries" will encourage all participants to consider the future by synthesizing the results of the Global Dialogue and draw scenarios for the villages in the 21st century.
- *Go Basic*: Throughout the three days, selected projects on different forms of rural living, and innovative technologies will be presented as practical solutions to basic problems.

ZEF's Global Dialogue will take place from 15 - 17 August, 2000 at the EXPO 2000 fair grounds, Hannover, Germany.

For further information, please contact ZEF's Dialogue Office:
Phone: (49) 228 98374-00
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ZEF - Calendar

If not indicated otherwise, all events will take place at ZEF in Bonn. During semesters the **ZEF Research Seminar** will take place every **Monday from 5 to 6:30 pm**. For details on the program of the seminar as well as for all other events please visit our homepage (www.zef.de).

SEPTEMBER

14 September, 11:15 am - 12:45 pm:
Askar Akajew, President of the Kyrgyz Republic: „Die diplomatische Konzeption der Großen Seidenstraße“, „Festsaal“, University of Bonn (in cooperation with ZEI)

NOVEMBER

11 - 12 November: International Congress „Weltachsen 2000“, former plenary hall of the German parliament in Bonn (in cooperation with the city of Bonn)

15 - 16 November: Workshop „Agricultural Biotechnology in Developing Countries: Towards Optimizing the Benefits for the Poor“ (in cooperation with ISAAA, AgrEvo GmbH and DSE)

Exhibition through the establishment of a network for information sharing, further interaction in conferences on issues in rural development, publication of the results of the events and documentation of the process.



Dr. Detlef Virchow is scientific coordinator of the EXPO 2000 Project at ZEF.

Impressum

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