

Multi-Country Research Dialogue on
ENERGING ECONOMIES IN THE NEW WORLD ORDER:
PROMISES, PITFALLS AND PRIORITIES

April 12-13, 2010

CONCLUDING SESSION

Chairman for the Session

I have attended many many international conferences but the intensity of this conference, the concentration of participants in this conference is extremely enduring to my personal experience though my experience very limited. Anyway we have had a very good beginning. We should carry on with this kind of spirit so that we can satisfy ourself and our institutes and those who provide financial support to us. In this session I suggest that firstly we will invite Prof. Amit Ray to introduce his colleagues and to report on the previous progress that has been made. Then I and Prof. Ray will say something about how to carry on our discussion. Then the floor will be open to all the participants. We can make suggestions and comments on how we should carry on with our projects. Then of course the final say will be given to Stephen and Rajiv. This is the basic proforma. Now please allow me to invite Prof. Ray to give his introduction.

Prof. Amit Ray

Basically we decided we should have the rounding up of the two days of very exciting research dialogue with young scholars trying to absorb, trying to see how they have absorbed this dialogue. In ICRIER we have a bunch of very bright scholars who are possibly the next future generation of Indian scholarship and Indian expertise that we are nurturing at ICRIER. And I would like to invite Dr. Subhanil Chowdhury, Mr. Sabyasachi Saha, Ms. Sirjjan Preet and Dr. Alamaru Soumya to highlight the proceedings in five minutes, very crisp, thematically without trying to go through individual papers or presentations. We have all gone through it. We would like to hear from you what you have absorbed, what are the messages that you have taken in to

be put on the table for this final roundtable. I have taken the names in the order of the sessions that you are going to summarise.

Dr. Subhanil Chowdhury – Rapporteur for Dialogue I

Thank you Prof. Ray for giving me this opportunity to speak in front of an august audience and it is a great pleasure. I am going to summarise the discussions that took place on the issue of agriculture and livelihood session, the first session of the conference which started yesterday.

Firstly I think that all the papers and all the discussions agreed on one or two basic points namely that problem of agriculture all along throughout the countries that were represented were essentially a problem where there is a decreasing proportion of agriculture in GDP. Why? There is a high amount of , high number of people, high proportion of people who are still engaged in agriculture which means that essentially it is a low productive area. And secondly the growth rate of agriculture in various countries has also not been commensurate with the aspirations of the policy makers or the people at large. Now coming to the issues which are determining this state of affairs, I have identified four or five issues that were discussed yesterday in great details.

Firstly, is a question of technology, the access to technology for agricultural development where this point was mentioned quite emphatically that there is a technological fatigue in terms of appropriating better technologies, in terms of developing better technologies and applying them on the ground. Whereas in the case of Brazil we have seen the paper presented on the Brazilian agriculture has commented that there has been a success story in Brazil in terms of innovations and technical upgradation in the Brazilian agriculture over the last 2-3 decades which has resulted in a turnaround so to say in the Brazilian agriculture. But in other countries like India, Nigeria, the situation has not been of that kind. In fact, in India, the paper that was presented said that there is stagnant productivity in the Indian agriculture and in some crops there is actually a negative growth of productivity in Indian agriculture.

Secondly, related with this question is the issue of infrastructure and this was also mentioned emphatically all along the papers that there has been a lack of infrastructure in terms of irrigation facilities, in terms of rural roads, in terms of electrification, in terms of access to energy and power in the agricultural sector and this is again applied all across the board except perhaps

china which has invested quite a substantial amount of money in rural infrastructure particularly irrigation. Paper mentions the issue of water management and irrigation in China quite emphatically.

Related to this is the role of the government in the agricultural sector in the developing countries. And again it was all across the papers, all across the countries in the discussion that public investment in agriculture has been substantially low all across the countries, again perhaps China would have been a bit of an exception but in china too we have seen that the investment has not taken place to the extent that was desired.

And secondly and more importantly, the papers all pointed out was the fact that there is a kind of bias towards subsidisation of agriculture rather than using the money in terms of higher investment. And because of subsidisation there are market distortions that have taken place in various countries. The other issue which was mentioned within the purview of the role of government was the issue of the different tiers of government who are trying to deal with the issue of agriculture. Nigeria gave us a very vivid account of the complexities and the dichotomies involved within the various ministries in terms of developing agricultural policies, within the different tiers of government from the central to the local level government's issues. The other very important aspect which was mentioned and which is a heated area of debate is the question of trade in agriculture. The issue of a lack of trade in agricultural commodities particularly with respect to food grains was debated upon, was commented upon and there we have two experiences in front of us going by the papers that we have.

One is the question of Malaysia where we have seen that through agricultural trade particularly of the palm oil sector there has been an increase in productivity, there has been an increase in income. Whereas the non-tradable sector, that is to say the food grains paddy sector particularly did not reap the benefits of higher productivity or higher income gains. And in the case of Mexico with the reform of the agricultural sector, the paper mentions and in the discussions also it came up, that while many products, the performance of many other crops declined but the staple product in Mexico, that is Maize, that kind of stood along and in fact it increased. But that was attributed to the two basic facts. One is the question of the family labour doing extra work,

family firms and compensating for whatever decline in prices that took place in maize production. And the other was a transfer of income to the big corporate commercial firms which resulted in higher production in the Mexican yield. So the trade in agriculture and the question of treating food grains as a strategic product because of which there has not been enough trade in this sector, that was also mentioned.

Related to this issue and this is my last point as far as the discussion is concerned, is the question of small and large firms. The question of family firms, small firms versus large firms wherein particularly in India the small firms are majority, even in China I guess the small firms dominate. And in the case of Latin America, Brazil and in Mexico, although they are family firms but as Prof. Abhijit Sen pointed out yesterday those small firms are even bigger than the big firms that we have in India at this point of time. And the question that was raised was whether there existed any kind of framework. There are some experiences particularly in Brazil where we have seen that the commercial firms, the family firms rather have acted in conjunction with the commercial firms and resulted in higher yield and higher output. That can be taken as a success model.

Lastly I would just like to say that the issues involved I have tried to cover it, I think it was a very lively debate and that is it. Thank you.

Prof. Amit Ray

Thank you Subhanil. It was a very very precise succinct summary. Just one or two points that I would like to flag and add to it. We did have a discussion about cooperative agriculture yesterday and there was some kind of a debate on that. And also maybe a mid solution to cooperative farming where Indian dairy experience was highlighted and maybe we can draw some lessons as to where we can go from there. The other point that was emphatically put forward although we all agreed that subsidies are bad but it was very very strongly noted, the politics of subsidy is very difficult to do away with and I don't know whether we can come up with a perspective to see how that process can be smoothed out. Thank you Subhanil, I now turn to Sabyasachi for the technology session.

Mr. Sabyasachi Saha – Rapporteur for Dialogue II

Good afternoon everybody. I am also very grateful for having this opportunity to speak before you all. To summarize the key messages that came out of the dialogue on technology and innovation which could set the agenda for future dialogue among the emerging economies more so among the representatives present here are mainly focused on four issues.

The first one, some of the papers did pay a lot of attention on arriving at a suitable definition of innovation. But there was a consensus among the distinguished panellists that such an attempt would not add much to the already rich body of understanding on this subject. Contributions of Schumpeter and Rosenberg have already put forth a fairly broad and justifiable definition of innovation beyond scientific discoveries and therefore over-emphasis on this issue at this juncture is perhaps superfluous.

Second point, perspectives, country experiences and scholastic premonition only to accepting the need for coherence and complementarity of policy frameworks to put in place appropriate industrial policy and macro-policies, to create right kind of incentives structure for promoting innovations.

Thirdly, there was important value addition in terms of arguing for and understanding the role of public funded research in the emerging economies. From different dialogues we get to know and get to learn over the last two decades that there was specific success stories in the area of agricultural research in case of Brazil and solar energy in case of India where inventions were rising out of public funded research that could be put to use. It is here that one can learn from country experiences with successes and failures.

Lastly, although ideas did not come up in a very significant way, for sure it is absolutely essential that we have global negotiations on this issue where one size fits all approach could be a non-starter. It is to be understood and acknowledged that IPR's are very critical for the catching up process in the emerging economies and here the heterogeneity and technological capacities of different emerging nations must be clearly felt. Thank you.

Prof. Amit Ray

Thank you Sabyasachi. Just to add, apart from these four themes which were touched upon by most papers, we did also have a discussion on the importance of incentives to innovate and whether there is something called discovery for the sake of joy of discovery and what kind of incentive structure would motivate grassroots innovations and could create spillovers, major economic spillovers throughout the macro-economy in the industry and in agriculture or maybe even in the context of energy. So that summarizes the proceedings of the second session, the second dialogue. We move on to Sirjjan Preet who would give us the update on the dialogue on energy, Environment and Climate change. I understand that environment was hardly touched upon and it was primarily energy that was talked about.

Ms. Sirjjan Preet – Rapporteur for Dialogue III

Very true. The presentations in the session of energy, environment and climate basically covered South African, Indian, Egyptian and Brazilian perspective on energy. There was hardly any discussion on climate change but anyhow I have written five bullet points.

The first one is we basically arrived on a consensus that energy policy in these countries is driven by energy security rather than climate change. So for them it is a matter of industrialization versus environmentalism or energy security versus climate change or I can say individual choice versus social welfare.

Secondly, they all stressed that we need to move from fossil fuels to renewable energy but at the same time it was realized that too much emphasis on renewable is not good because one of the discussants rightly pointed out that renewable energy sources are not carbon free. Nuclear carbon footprint is same as natural gas. And Ligia for that matter rightly pointed out here that why don't we emphasize on natural gas because natural gas can serve as a transitional fuel while we wait for the prices of renewable energy sources to come down. Plus natural gas is less carbon intensive and it is widely available. Its availability is good, worldwide.

Thirdly, Ligia again pointed out that we need to engage energy citizens or we need participation of business community. The private sector participation is there but there are bureaucratic and logistic hurdles to it. So we need to clear them. And even Prof. Moreira from Brazil rightly

pointed out that technology is available but development relies on commercial use. So we need private sector participation in the energy efficiency.

The fourth point that we came across, they said that removal of total energy subsidies is good. But at the same time we realized that subsidies could be fiscal as in tax related for example tax breaks or they could be in the form of incentives to purchase renewable energy sources. So if we take these subsidies away in one go there will be no incentive for the country to move to renewable energy sources. So it is not a good idea to phase out subsidies completely. Probably we can withdraw the subsidies in a phased manner or wait for the renewable energy prices to come down.

The last point that came out in the discussion was that we need regional cooperation in R&D. we need to share resources between borders. I mean this sharing of resources, technology would actually help. We can draw lessons from each other's experiences as the Dr. Selim from Egypt said that Egypt lacks nuclear power. They can gain from the experiences of other countries in nuclear power. So basically it is all about sharing of resources, your knowhow, technology. So it actually helps each country to develop in the process of development. At the same time I can say as he rightly pointed out, shift to renewable energy more like a reluctant embrace. If we keep these things in mind, if we keep these five points in mind, this reluctant embrace can be changed to a warm and overwhelming one.

Prof. Amit Ray

Thank you Sirjjan. I think nothing needs to be added. It is a very comprehensive and brief summary of the energy session.

Dr. Alamuru Soumya – Rapporteur for Dialogue IV

Good afternoon everybody. Sorry I have a bad throat, please bear with me. I think it is a great combination, me with bad throat wrapping up the session on health. There was a healthy discussion about how to improve the healthcare in developing countries. There were concerns about widespread diseases and then how to fight against these diseases and what are the way forward. What are the problems and what are the solutions in the way forward. So the major

problems that have arisen in the morning discussion, that there is a lack of systematic awareness about the spread of tropical diseases like malaria, TB or dangerous diseases like H5N1, H1N1, all these kinds of diseases. And there is a lack of preparedness, commitment and action.

The second very important point is the very less investment in improving the healthcare. The allocation of GDP towards the healthcare is very low in developing countries. So the allocation should increase, public expenditure should also increase in this sector. The third important point is the ongoing research on the prevention of these diseases or the treatment of these diseases is pathetic. It is very very low. There are research for crisis management like if you figured H5N1 or H1N1, we do research on that sometime, like for 5-6 months we will go on doing some research about it but then forget about it. That should not be the way. There should be ongoing data collection and then preservation of data, keep on observing the results and then keep on working on them. We should have a long term strategy not only for research but also we should have a long term strategy for surveillance and subsistence problems in healthcare.

The fourth important point is to improve the general awareness, sharing the information, sharing the technology and the main important point is the standardization of responsiveness. Suppose if influenza attacks one region, it should not be more vulnerable than the other region. The responsiveness should be equal. And the fifth important issue is about insurance. Prof. Sapelli was talking about Chilean experience where the poor has public health insurance and the rich can afford private health insurance but middle class do not have a product. So we need to have a strategy for middle class also. They should be provided with subsidies where they can use both public health insurance and private health insurance also. Thank you.

Chairman

Thank you for our young chroniclers. I think you have given very comprehensive and precise summary of all discussions. So I don't think there is any need for me to repeat whatever you have said.

Please allow me to use this privilege to say something about, it is my personal opinion, how should we carry on with our project. This is my personal suggestion. As I said I am not one of

the participants of this project and so I can speak freely. If you think it is worthwhile, then you can listen; if you think it is rubbish, you can forget about it.

I am very impressed by the choice of the four talks. I think these talks are extremely important. Perhaps these four talks are most important element for all developing countries to strategize. Actually china now, it is also my personal opinion, is in a stage of paradigm shift. China has been very successful over the past 30 years, there is no doubt about that but the question is that following China's progress, goals for strategic development of policies need to be changed, otherwise China's goals will not be sustainable. Actually now in China we have been discussing this issue very intensively and these are all major issues. Not only these four areas but also relate to important macro-economic issues such asregime and so on and so forth. So what I am trying to say is that this four talks are extremely important and why is it important. One very important reason has been explained by Ahluwalia, vice-chairman of Planning commission. I think he is government official and so he can see problem. I remember he said if you can give a list of mistakes of your country so that we can avoid those mistakes, that will be most helpful. I think it is very constructive for us how to arrange our papers so that we can really serve our country and the government of other countries.

So I think we must make our research result useful for governments so that they can do some experience lessons from our research study. With this idea in my mind I want to say a few words about the style of the writing. I want to use the third section as example. I think in third section, actually I read all these papers quite carefully, I think India participants paper in terms of the framework is quite comprehensive. It covered a lot of issues and so on. For example, the main talk is renewable energy but in fact this paper important issues such as energy security, energy efficiency is all covered especially energy efficiency. I think this paper provides a good framework so that if other participants also try to cover a wide range of issues so that we can find some cost cutting points. There should be some overlapping issues. We can debate about it, we can talk about it because this is supposed to be a dialogue. Because if we just say something and another participant says another thing, these problems will have no interaction, then it cannot constitute a dialogue. So we need dialogue. So I hope there should be some common framework, for example we can ask participants to say something about the history, about the keys used.

Everybody should talk about this issue somehow. Of course what are those issues we can identify. Then according to each countries differentiation, according to each writer's preference you can write whatever you wish to write. For example if I am the paper writer of the Chinese participant, then perhaps I can tell some story about the failure of our industrial policy and this is our special experience. We want to share this experience with you and then perhaps this will also valuable for you.

So my suggestion is that perhaps we can identify some common areas, each participant should cover and comment, each participant should discuss. Also because we have held this conference, we know what our people were thinking about, have been written. So when you are rewriting your paper, you assume your discussed this issue with your counterparts or you are debating with your counterparts. Maybe they are wrong but then you can coordinate again. So in this way we can really make this so-called research dialogue becoming a real dialogue. Otherwise it is not a dialogue.

I also want to emphasise that because we have different preferences, so sometimes if you choose another topic, it is okay. For example in energy saving, our Brazilian contributor, I think he wrote a very good survey article on renewable energy. I think that is very useful I think it is also allowed and if you think this is your special area, you want to say this in detail, I think it should be okay. But for the whole session there should be a sort of a framework.

For the fourth session, I think overlapping is not enough. There is no enough dialogue. For example the Chilean paper on health insurance is extremely good and very helpful. Chinese were discussing this issue regionally and I think it is very helpful but because it is a very big talk, this health issue, I think there should be more papers. There is something missing. You can't cover this entire area but all this has to be covered. So perhaps my suggestion is that you can invite some new participants or old participants to spend your...to discuss some other issues so that we can make our talk comprehensive. I think this is the second point I want to make.

Certainly perhaps we can ask our participants to give a more comprehensive statistic. For example, agriculture, energy issues, already some presenters.....

.....to provide statistics which is more or less uniform which we can make comparison.

The fourth point, perhaps we can say something more about the issue. When you are discussing agricultural policy, this policy has been in china's case been evolving for 30 years. You can't say this is China's agricultural policy. No. there isn't a policy. This is a policy in late 70's, early 80's and so on. This is evolution policy. I think this is perhaps most important. So other participants can find out compare with this country, compare with China, compare with India how development is in certain stage. This examination is not right. I should say China compares with some country, we are in certain stage, so next stage perhaps we are facing this kind of challenge. We should view it as challenges. But anyway to have a brief look at history is also useful. I think this is all I wish to say. And perhaps this kind of suggestion is not relevant but anyway I would like to utilize this opportunity to say something.

And please allow me to invite Prof. Ray to say something. Then we will invite Stephen and Rajiv to have their final say.

Prof. Amit Ray

I am ever so grateful to Dr. Yu Yongding for his very very precise and incisive comments and summing up of this dialogue. And in fact I find it much more easy now to streamline the twenty paper dialogue into a more structured output so to say. I think we all agree, I mean we can then open it up, I am in complete agreement with Dr. Yongding as to we must have a common framework for each of the papers. This is not to say that we don't give the liberty of highlighting on specific issues which possibly would be of relevance for that particular country and that particular theme but at the same time we cannot have a proper dialogue without these common structures. And the whole idea of giving certain some flexibility to the paper writers in selecting or identifying his or her own theme as a first cut was to make sure that we have something to discuss around the table in the first dialogue.

Now if we all agree I think we should go by Dr. Yongding's suggestion and have a common framework, one for each theme. And then of course this framework, in a sense his first point, third point and fourth point can be merged together saying that this framework should include a

succinct and brief history of the policy evolution in each country and then of course a statistics which is there but in a more comparable manner. And we should be able to identify a structure. So once we do that this would be circulated to all paper writers and then if we can put our paper, restructure the paper in that thematic structure, in that framework, I think it would be of enormous use.

And of course as Dr. Yongding highlighted please feel free to add or highlight issues that you think would be a learning lesson either from successes or failures from each of your experiences. So I think we should open this up for discussion and for comments and suggestions. But before that yes, I must admit that health is one session that really did not see the full strength. We tried our best. We have had invitations sent to many people, we tried to identify scholars but unfortunately it was very difficult to put together the 6 papers. Stephen would bear me out. We sort of discussed possible names and unfortunately it just did not happen. So I do agree that this is a major lacuna, this is something that needs to be plugged in because Claudio's paper stands in one direction particularly talking about economics of healthcare whereas the other two papers essentially looked at it from the public health dimension and there was really very little to put the three papers together in a sense. Admitted and we will try to see how we can make amends to that. But without any further comments maybe we should open it up for discussion.

A Participant (Prof. Antonio Yunez-Naude)

In terms of much more specific, Mexico and I wrote some points about Maize and the other papers, they have a much more general view of the processes of agricultural transformation in the other countries that were presented and that is something that I am worried about. I can include some framework about Mexico but I don't know.

I don't know if I have time to reply on some comments that were raised yesterday. Is it possible?

Chairman

Please wait. After all the other participants respond to this session. Please remind me. Sorry.

A Participant

In my case it is just minor clarification from the presentation, there is a statement that is very general and this statement says that renewable are not carbon free. After flying 12000 miles, to leave this message like it is that make me happy. For sure for many renewable they are not carbon free including sugarcane yet. If you open the IPCC report about carbon capture and storage, if you look at the new one that is being completed now, you are going to say that if you are going to add the carbon capture and storage from fermentation it is not something that is very complex. I am not talking about carbon capture and storage in general, from the fermentation. When you ferment sugar, half goes to ethanol, half goes to CO₂ and then entered in the air. So if you collect this, you are going to have negative emissions. Your statement then is that yes in particular case of sugarcane being fermented and carbon and CO₂ being captured you have negative emission. You have sucking air, CO₂ from the air. You are reducing the concentration. So the statement is not with, in case of one of the last evaluation by the United States EPA, they came to the conclusion that sugarcane ethanol reduces CO₂ emission by 61% including land use, direct land use, indirect land use, energy balance, everything has been added. The carbon, the California air regulatory board, they came to the conclusion that 35% reduction in the case of sugarcane. And then also the USEPA came that with bio-diesel from soil, maybe the reduction is .4%, almost negligible. So all these efforts, there are 300 groups working in the world. I believe that because of this debate of ethanol from sugarcane my country was able to create thousands of jobs outside of the country. These guys are working to come to the conclusion, what about the carbon footprint. And most of the conclusion is going on in these areas that for the particular case of sugarcane ethanol, we are achieving a reduction on emission. Not a negative yet but a reduction in emission. Thank you.

A Participant (Dr. Huang Jikun)

Two points. You made a great summary of first session. But I want to emphasise two important points which was discussed yesterday. One is (two words-can't understand accent) system which is very important for everything you have mentioned – technology, government, credit. Second is incentive system which is very important. Incentive can be price, can be marketing, can be trade liberalization, those are major fundamental before you go to technology, credit, anything else. That is in addition to summary.

Second is about Yu's comment. Your comment is great only for the next stage of the project, next conference. I don't know this project, I was invited to come. So we were asked to write anything, three things or one things or two things or even cover everything.....writers, they decide to focus on one point, you agreed to that and now asking them to rewrite the paper...I think the suggestion is great but properly we need to inform people to do this when they come for the conference, no time at the conference.

Prof. Amit Ray

Let me briefly respond to that. I don't think we are asking you to, suppose you have focused on food security. We are not asking you to deviate from that theme. What we possibly would like to have is a common format or structure of the paper so that it gels together with one another. I mean of course when we talk about energy for Brazil, it would be ethanol bio-fuels which would be highlighted. There is no doubt about it. But if we do have a structure which begins with some common comparable set of numbers for that sector and history of the policy and then you do highlight this very specific theme or multiple themes that you would like to cover. So we are not really asking you, I don't think Dr. Yu's suggestion is to deviate from the original plan of asking you to focus on one or more of the themes.

For instance in health, pandemic control was the theme and health financing was a theme, the two are very different. But if we still have a common framework for presenting that papers, that would help.

Chairman

I agree with Prof. Ray. Actually if you read those papers, I don't think there is much contradiction between my suggestion and the writing. For example, I simply mentioned the Brazilian paper. I think it is excellent. We learn a lot from that paper but if the author liked to do so then he can add some more into that particular paper. I think we can have a more comprehensive understanding of the Brazilian situation. I think your suggestion is right. I think we should really not make the presenters troublesome to rewrite their work.

A participant (Prof. Mario Cimoli)

Let me be brief. I think two moments that we have to take into consideration. One is the political moment for a meeting like that. The political moment because this is a special situation in the world where after this decreases, some people say it is finish, others say it is not finish and they say that worse is still to come and there is an enormous debate. But do we sum the political pushing to have emerging economies in the G20, the G20 have taken an enormous different position that they are allowed to come in. however in the same context the other international organization OECD, world Bank, International Monetary Fund, they want to restabilise the credibility some of them, others want to have more expansion. However many times most of the organizations don't want or don't have care or don't understand what are the specificity of the (?) process and the process of transition today. And a meeting like that could be very important in the sense in particular in this international context, to create, to put the basis, to discuss on this issue from different large economy that have similar specific problems that need many times have package of policy that have to be discussed together. In that sense if you tell me what is the political moment of the meeting, I think it is a very good moment. If you tell me about the political surge to create some debate about this issue, have some influence and expert on this issue, I think it is a good moment.

The second one about the paper. I think that in each seminar, in each conference there is some talk that it is more complete, no more complete, other papers are better, but there is for example, you can read through the papers and you can realise they are important issue. For example, there is an issue IPR and technology. The issue has to be discussed globally between emerging economies, it has to be discussed internationally. Here there is a common result of the debate, the creation of technological capability. If we have the discussion the problem of these countries, how to have a process of transition where you have initiative of minimum capability to demand more and more diffusive capability with equal distribution of income. There is a problem of energy. We can't think there is same process of development there was in the last thirty years. We need a process of development where energy has to be used differently. It is another part of course. And we have in common this economy that most part of them don't have push in productivity on one side and on the other side they are consuming a lot of energy. If we think

that we are going to face a green economy, different type of economy, I think it is only some part of issue, the common part. And I don't want to put issue of distribution but it is a very crucial one.

I think the political moment is very good. If you read the papers you find in the paper enormous commonality and process where you can start debate. And I think it is important too. And to have in this stage people, large economists who are going to be very important and debate this issue is a pleasure that for me in this context is very important.

A participant (Dr. Tarek Selim)

I have several points, just ideas. I agree that there has to be a common theme. I am not sure though that I agree that there has to be a theme for each session. Maybe we can brainstorm this as an option but if it is possible to have a common theme for all the sessions together, this would be more inclusive for the purpose that the interest of the participants would be common. A common structure, a common theme like if we talk about a theme related to these four issues like health, innovation, energy and agriculture from competitiveness approach or competitiveness theme or income distribution or equity, impact on growth and so forth, this would be a cross cutting theme for all the sessions. I believe this would be better in a discussion and more motivated for people outside their own sessions. If I am in the energy session I will talk about energy and sustainability. Let us say there is another session talking about agriculture as it relates to income and equality for example, income distribution, the pool of ideas may not sink in that much. So I would recommend cross cutting theme for all the sessions and it has to be carefully crafted. That is my first observation and I am not sure if that may be a good proposal.

My second observation is that this is a research dialogue and I think research dialogue comes after research papers rather than sector profiles. If you would like to have comprehensive assessment then this is more like a sector profile than a research paper. So the issue of being very comprehensive, I think there should be a limit to the extent of being comprehensive because if you would like to be that comprehensive then it ceases to be a research question. It becomes more like a sector overview and I am not against being comprehensive but there should be a limit as to the degree of comprehensiveness because if we would like to have research dialogue, there

has to be some key research questions that are noted and hypothesis that are tested qualitatively or quantitatively, then there can be a research dialogue. Otherwise it will be kind of a sector profiles reports rather than research.

My last comment relates basically to the lessons learnt. If we can include in terms of how research papers at the end segmenting the lessons learnt, nation specific, specific to the country and region specific and global impact, relevance to the global area, that would be I think a good way of classifying the lessons learnt between the participants having a regional impact or global impact, lessons learnt of certain country within the regional context is different than the lessons learnt within a global context.

A participant (Prof. Antonio Yunez-Naude)

First of all I would like to congratulate organizers for the conference which was very useful. I think that the dialogue is a very good way to learn and we have learnt some lessons about research dialogue. I can see that this session was a brainstorm session which was inevitable that it is the first time people from different countries with a very open and very interested in relevant agenda have met. I think that yes, we could have had a closer agenda with specific talks but then it wouldn't be open obviously, it would be a professor meet or just a small group agenda. So it was an option and it has paid off. We had four interesting subjects with good guidelines and it was left to us to pick what points we thought was relevant. And the result was different papers covering different aspects of different countries' reality which after all was very comprehensive and interesting. We had some difficult to dialogue because Dr. Yu mentioned too many issues under debate but I think that after all we have learnt about so many issues and it was interesting. Now we come to the point that we had all these issues that have been put here, now we have the basis to start drafting a research dialogue for the future. The consideration my colleague Mario Cimoli made is very very relevant. I think we should not underestimate our role as researchers, as scholars in the global debate which is going on. We all know that our governments look at academia, our research to define the policies and they often, our colleagues from the university are called to be with the government assisting in the policies, global policy negotiations. So I think it is very useful and people should push this research agenda.

I would also like to comment that most of us are, at least the ones I met had the opportunity to talk. All our academic incentives are mostly academic incentives. We didn't come here as consultants or to raise money or anything like that but just came because we think it is important with academic motivation. So I wouldn't mind in rewriting the paper if that was the case, it is not the case. Then we have to be very precise what we are going to do with these papers. Because the paper is good or bad enough. I mean if it is going to be published, well, probably, it is worth some effort. If it is going to be just there, I wouldn't spare one minute in it. So I think it is something we should have clear, what is going on with the paper, with the agenda because obviously that is important for us to define the effort we are going to put on it and from the moment I say I am available to put a lot of effort if it is to have a consequence. But if not, it is a good paper. Some of you have read, I am happy but if more people are going to read I better work harder to get much much better than it is now because there is too much mistakes, the English is poor and I mean all of that.

Prof. Amit Ray

Let me just take a minute. If you remember the initial letter of invitation, it was very clearly flagged that we are planning, in the concept note also that I had prepared for IDRC which was accepted for the funding, we had clearly flagged that this is not going to be just another dialogue ending up in a discussion with no end. In fact, we have been very happy, there are two objectives that we had in mind. One, academia often tends to be closed within that academic circle and we talk to each other with finally the outcome never gets translated, I can speak for India, there is sometimes a disconnect between academic inputs being absorbed by the policy makers. And so our intention as you have noticed, we have brought on board in each of the sessions we had distinguished policy people into the panel, into the discussion so that there is absorption of, I mean we academics also have to understand that academic research cannot be in an ivory tower, completely delinked from realities. At the same time the policy makers would also have to be receptive.

So the twin objective of this programme as I understand is a) have this academic research dialogue act as a major policy input into emerging nations either individually or collectively. For

that we have to have a tangible output because we can invite x number of people on the panel or in this room but ultimately it has to go out and therefore one of the key objectives is to have a publication but that is where I think Dr. Yu's suggestion comes in. the publication cannot be a standalone edited volume, 'Readings in Development Economics' where somebody from Harvard writes a paper, very intricate mathematical model on microfinance, somebody else writes on share tenancy, it is a sort of independent stand alone paper and a good reading in development theory. We have to have a volume which is consistent, which gives a comprehensive and coordinated signal emanating from research in these emerging economies.

In the first dialogue I deliberately did not want to give very strict kind of framework because that would defeat the purpose. As you rightly pointed out Antonio, thanks for pointing it out. It would then have been Prof. Amit Ray's dialogue or Dr. Rajiv Kumar's dialogue or Dr. Stephen McGurk's dialogue. Now we have an understanding of the issues.

To respond to Dr. Jikun, please don't think that it would be major work again. Everything is there. What we want is in a consistent and sort of manageable framework so that it can be put together as an output of this research dialogue to policy makers in the emerging world. For instance, the issue of subsidies. We had very important personalities sitting in the table yesterday agreeing that yes, there is consensus, subsidies will not do anything good about agriculture but that message has to come out from each of the papers. You have all touched upon it but if there is a framework which is consistent and common, that would go a long way. So that is the suggestion that Dr. Yu and I am trying to put forward for your very kind consideration. Thank you.

Dr. Tengku Ariff

I also have some doubts as to the suggestion by Dr. Yu Yongding and also Prof. Amit Ray. I share some doubts and I agree with Prof. Jikun on this issue. I am not sure whether we are talking about a common format or a common framework. Those are two separate issues. What I understand from Dr. Yongding is that it is a common framework. In my paper I put in the policy evolution of the economy, the transformation and also the policy evolution in agriculture as well from the day English had given independence to the current day, how Malaysia has evolved from

initially poverty alleviation, foreign exchange earnings and towards commercialization and economic growth.

There is a framework for Malaysia, the framework of the government. Malaysia is a small country. Now the population is 25 million only as compared to China of almost 2 billion. But the point is this that you cannot find a common framework for a small country like Malaysia and a common development framework compared to a country like China or even India. I ...working our look east policies targeting for exports knowing very well that we cannot depend economic growth alone on internal demand. But others might have differently. India for example might not approach their development that way. I am not sure how we can identify the so-called common framework in Dr. Yongding's suggestion.

The second issue is on the suggestion to look into the failures and success of policy frameworks. This also has got to be well defined. National objectives differ and economic objectives differ. We as economists will think it is a failure but others might think that it is not a failure because the policy objective in a country is not only economics, it is social and it is also political in nature. Take for example the rice self-sufficiency policy in Malaysia. To me it is a not a successful policy but to some it is a successful policy because the policy states that we need to have 65% self-sufficiency in rice and we have been able to do that. But for us economists saying at what cost? To me it is a policy failure but to the government maybe it is a policy success. So there is a big gap there.

I tend to agree with Dr. Tarek on the comprehensiveness. Again this is not a consultancy project, it is a research paper and that research paper, the comprehensiveness factor I think is very debatable and subjective in nature. But what is more important I think for the organisers to look into what are the commonalities that are facing our countries, our economies and look into how actually how from the input of the research, to find salient features and how we can move into that. I give an example of the food security issue. I am attracted yesterday to Dr. Kumar's intervention on how people are actually afraid that even though they have the money that they might not be able to import the food because food exporters might not want to export the food because they are very scared that they are not able to increase it to feed their population alone.

So here we have all countries without exception intervening in food production in the country. But because some countries are not competitive in producing the food and because it is considered strategic for food security, then governments subsidise. And actually some of these countries we talk about, economics has no business in the food production. Dr. Kumar's suggestion yesterday was to actually make food absolutely tradable. That means no country in the world will feel scared that they will not be able to import food. Now that I think has got to go into the negotiations of the WTO. Maybe there should be a global food security arrangement between countries. At the ASEAN level we have been trying to do this but not much success. It has to be taken at the global level, the multilateral system. What the WTO does is to ensure that trade is not being, the trade initiative, the WTO in agriculture, there is more free trade in agriculture. But the question of food security and the multi-level is not being discussed and being addressed. So maybe these are the issues that the organizers can pick up from the discussions that we had and put in direction for each of the themes that we have discussed.

Dr. Rajiv Kumar

The advantages of proximity. I want to come in at this stage rather than be at the last because I am really scared that after what Stephen has to say I will have nothing else left. More seriously I wanted to divide my comments into two. One is the nitty-gritty, how to go from here and then maybe some broader comments. The way I look at it is a volume is necessary and we are committed to that. At this stage to try and get a major revision of papers done is perhaps impractical and my suggestion of the way forward is that of course as Antonio has said each one of us will make sure that we are going public under our names, we will make the best effort to make sure that that particular piece of work is worthy of our name that we sign but that is about it. You don't need to add anything more. The compromise could be that one of us could take the responsibility of reading the papers on that section and writing a short introduction to each of that section bringing out a common theme, bringing out a framework adding some more value addition if you like, making a statistical annexe if you think that is important or something of that kind. For example, having chaired the session here on technology and innovation, I can see very clearly that there are some common themes that have emerged in the discussions etc, something that we know from our own head, from our own experience. We are all very experienced

academics here. We can write a nice 3000-5000 word introduction to each set of papers that you have got which will bring out the commonality and common framework. That will be for this particular round or volume.

The next round as it were, we could agree from the beginning to develop this common framework and the organisers could do that, we could discuss it amongst ourselves and then come to a common understanding which we could then follow. Now here again the papers could be specialized but then they could refer to a common framework and link it to the thing. That is for the next volume but for this volume the compromise that I am suggesting maybe a workable one. So that is the first thing.

The second thing that I wanted to mention here which is that we in ICRIER have a practice of bringing out what are called policy briefs which are different from our working papers, which are different from our books, which are designed for the policy maker. These are very short pieces not written particularly as an academic paper but more written with the policy maker, more generalistic in style which bring out the main points, give the references etc but are short crisp and give to the policy maker the essence of what we have discussed. I think here I can look to my younger colleagues who have made such a good job of what they have done so far, to attempt that policy brief on their part and then use the offices of Prof. Ray, me, anybody else of you who want to volunteer, circulate amongst those who volunteer, see that the major messages are included, give that major message not in any more than 1500-2000 words, no longer than that and at the end of that, append the names of the papers, the titles of the papers and those who participated etc to give the policy maker the idea that this is based on very serious work and of serious academics. So if that policy brief if you can bring out quickly would serve what Montek said yesterday, the purpose of giving to the policy maker the essence of multi-country experience. And the quicker we can do it the better and we can circulate it amongst each of our countries actually. We can send it back to wherever we are, not just in India. So that is the second suggestion that I have to make and I think we can do that within a month, give ourselves a month timeline, the summary is already there, if others want to contribute to that summary please go ahead. The younger colleagues can put it down, we can edit it, send it back to you and it comes back as a policy brief. And ICRIER has a permanent series of this. We have a series

called Policy Briefs which is where we do a lot of this work because we know that policy maker, as Montek again said, doesn't have the time to read 25 pages. He will read those 2000 words and if interested will go back to the papers that we have talked about. And I think that will really serve the purpose as far as I am concerned of this conference, of this whole exercise.

I want to just make one last point at this point and then come back to the other thing that I want to talk about when I get my turn as it were which is that we also had another objective for this particular exercise as we go forward, which is that we do want to if possible get a coherent view among the large emerging economies to be able to present it to the global bodies as it were. It is an ambitious task. It is not something that we can do overnight but the process has started.

Because you see what often happens is that we are getting the issues, we are getting the discourse from the advanced economy economists and we merely react to it and that is the constant thing that will keep happening. We get as it were the problematic defined by them and then say you guys react to it. So we are necessarily confined to that problematic. Now can we change that.

Can we say that this is not the way we look at technology, the way we look at technology is this. Or we look at agriculture in this particular manner and not that particular manner. Now if we can achieve that, that is the challenge that we want to set to ourselves. I hope we can. And in this context let me just mention something that Prof. Arif mentioned and I had been talking and this is a bee in my bonnet for the last atleast about a year and I will throw it to you. I have always said that to make agriculture tradable you need a global convention on food security. Nobody has ever talked about that. You know how do you ban the use of food as a strategic instrument. If you can do that, you can ban, if everybody comes together and says that food will not be used, how do you give that assurance to take away that fear. And that is the way to multilateralise it and after you do that, once you achieve that, maybe this body of people can come up with, we can work on it together and then we can come up with a New Delhi resolution or anything equal or the next issue where we say that what is it that we are suggesting, what are the mechanics of it, what is the multilateral surveillance that is needed and how do you set up a multilateral strategic store if you want atleast to prevent the use of food as a strategic instrument. If we can do that, I think the nature of agriculture can change and we can see food grains, not just 12% of

them being traded but much more. And people going towards comparative advantages rather than getting stuck in crops that they can't produce. Thanks.