

Global Development Finance: Striving for Stability in Development Finance. Washington, DC: The International Bank for Reconstruction and Development / The World Bank, 2003. Price: Unknown

Nicholas Stern (Chief Economist and Senior Vice President of the World Bank) presents this report as the World Bank's annual review of global financial conditions facing developing countries. This research document is well organized into an overview, seven chapters, and extensive lists of tables and figures. The foreword sets the stage for the report by discussing the world's economic trends. It elaborates about the nature of relationships among developing countries, private financiers, and developed nations. After reading the acknowledgement, the reader will be impressed with the many experts and notable contributors responsible for this excellent report. It has a multinational influence and input from the said organizations and institutions that directly shape global policies.

Chapter one is about the recent trends in financial flows to developing countries. The developing countries in the following areas: North Africa, Sub-Saharan Africa, Latin America, Central Asia, East Asia, South Asia, Caribbean, Middle East, Europe, and the Pacific are discussed. Chapters two and three present two of the major problems the developing countries face. They are the financial imbalance, and the private debt flows. Chapters four and five are dedicated to the financing aspects: Foreign debt investment (FDI) and portfolio equity flows are the subjects of discussion. With ample figures, tables and descriptions, the author presents the current trends and speculates whether they can be sustained. An ambitious attempt to forecast the FDI is also included. Chapter five exposed the declining trend of corporate profits, debt vulnerability and dependence. Chapters six and seven look at positive cash flows for the developing countries. Formal financing and non-concessional lending are declining, but aid and debt restructuring are still dependable avenues for financial help. Chapter seven, in particular, shows that individual worker remittances aggregate to such increasing volumes that they provide a significant and reliable source of funds for developing countries.

Reading this is like reading a progress report. It has the most current information; it is comprehensive; its accuracy is unquestionable; it is also in-depth and sufficiently simple. This report can be very helpful as it contains information for many disciplines. The political phrase "Information Rationality" can best describe this report since all the work was done by someone else; and, it contains only the relevant information. This volume is recommended to libraries as a resource book for researchers. It can also be useful as a supplemental text.

Samuel Sampson
Southern University
Baton Rouge, Louisiana