Book Reviews

Green, Inc. A Guide to Business and the Environment
Frances Cairncross, Earthscan, London, 1995, 277 pages, paperback, Stg£10.95

When Corporations Rule the World
David Corten, Earthscan, London, 1995, 377 pages, hardback, Stg£19.95

"Is it possible to have both economic growth and a cleaner environment?" This is the opening question of Frances Cairncross's book *Green, Inc.* The book then sets out to convince the reader that yes it is possible to have maximum environmental protection with the minimum harm to economic growth, provided there is the correct mix of regulation by governments and incentives for companies to clean up. Cairncross argues strongly for "greener growth" aware that this is a contradiction in terms to many environmentalists who regard "economic growth" as currently pursued as incompatible with care for the earth. She adopts a very pragmatic and sometimes provocative stance. Her pragmatism is seen is such statements as "Merely to oppose growth will achieve little. Instead a wiser strategy for environmentalists is to look for ways in which growth and environmental improvement support each other, and to study ways to protect the environment at minimal economic cost".

While many readers will appreciate the argument that economic growth in itself is not a bad thing, in fact Cairncross correctly points out that "as countries grow richer, some kinds of pollution tend to decline", one is startled to read some of her strategies for promoting green growth. Perhaps the most provocative proposal is that of using the free market to protect scarce resources. "As supplies of fish and fresh water become scarcer, governments may find ways to treat both commodities more like oil and food crops so that the market mechanism can work. One way of so doing would be to bring them under private ownership and to allow the rights of ownership to be traded." While Cairncross argues that this would lead to greater efficiency in the use of existing supplies she ignores the fact that in the case of food, reliance on the market has enabled those with power and economic resources to consume on average two and a half times the amount of those without.

Both her belief in the market and her belief in technology as the key to answering today's problems, are unshakeable. Technological change will rescue us from environmental destruction. Cairncross illustrates the greening of industry using McDonald's as an example of a company that has embraced the green agenda in order to ward off bad publicity. While acknowledging that there are mixed motives for the greening of industry, Cairncross is confident that the movement is gathering momentum and government's role is to create incentives for companies to develop new products and processes. "Governments, companies and environmentalists have a common interest in making a cleaner environment an opportunity for profitability."

According to Cairncross there are no limits to growth. "In the right circumstances, a powerful self-righting mechanism will protect some natural resources from overuse. That mechanism is the market." She assures us that "we will still be mining coal when the rhinos have become extinct." This message leaves those of us living in the industrial world who are consuming 80% of the earth's resources very comfortable and poses no challenge to begin to change our lifestyle of over-consumption and waste.

David Korten's book, *When Corporations Rule the World*, is less likely to offer comfort and reassurance to us that companies can be trusted to find solutions to the social and environmental problems of today. After all, that is not what they were set up to do. According to Korten, we are living in an age of "corporate libertarianism" which "is about defending and institutionalising the right of the economically powerful to do whatever best serves their immediate interests without public accountability for the consequences. It places power in institutions that are blind to issues of equity and environmental balance." Korten argues that a belief in the possibility of unlimited growth is the very foundation of this agenda, because to accept the reality of physical limits is to accept the need to limit greed and over-consumption in favour of economic justice and sustainability. For the proponents and beneficiaries of this agenda, whom he names as the major corporations of the world, neither the environment nor people matter very much, except as capital to be turned to profit or as cogs in the machine.

What is the role of governments in this scenario and is there any hope that governments might intervene in defence of the poor and the environment? According to Korten, governments are incapable of arresting "corporate colonialism" because with economic globalization the power has shifted away from governments towards a handful of corporations and financial institutions driven by a single goal – the quest for short-term financial gain. By way of illustrating the power of corporations he tells us that the total sales of the ten largest corporations in 1991 exceeded the aggregate GNP of the world's hundred smallest countries. General Motors' sales revenue ($133bn) roughly equalled the combined GNP of Tanzania, Ethiopia, Nepal, Bangladesh, Zaire, Uganda, Nigeria, Kenya and Pakistan. Five hundred and fifty million people inhabit these countries, a tenth of the world's population. Comparing their share in employment with their huge revenues we find the former is disproportionately law. The world's 500 largest industrial corporations employ only 0.05 of one percent of the world's population.

Korten could be accused of adopting an excessively crusading tone in his criticism of economists and the free-market ideology they serve (Chapters 5 and 6 in particular). However, these chapters are valuable in that they raise questions of human values and make links between ethics and economics that economists often avoid. "The freedom of the market is the freedom of money, and when rights are a function of property rather than personhood, only those with property have rights." There are many such pithy, provocative and quotable quotes in this book.

But in the end what is the alternative? If we cannot rely on the corporate sector to act morally and make changes in the interests of the environment and its people, what is the hope for the future?

Unlike Cairncross, Korten does not let the reader off the hook. Firstly he suggests ways in which we must be prepared to adjust our lifestyles to live more sustainably on this planet. Secondly he advocates "reclaiming our power" to build healthy societies along a number of guiding principles: the principle of environmental sustainability, the principle of economic justice, the principle of biological and cultural diversity, the principle of people's sovereignty, the principle of intrinsic responsibility and the principle of common heritage.

What is needed then is not more economic growth and market freedom as suggested by Cairncross but a radical new alternative that recognises the right of people to govern their own economies in the local interest. Korten rejects the idea that we are caught in the grip of irresistible historical forces and we have no choice but to continue on the path of globalization in the name of modernity. The price of globalization is too high, resulting in poverty, unemployment, violent crime, drug abuse and environmental degradation. Corporations must be made accountable and made to obey the laws made by the citizenry, not write those laws. Korten ends by inviting the reader to hold one thought clearly in mind: "The global institutions of money have only the power we yield to them. It is our power. We can reclaim it." This might appear utopian given the tremendous power that Korten's book has shown multinational companies hold but ultimately it offers most hope for the twenty – first century.

Annette Honan

Compassion & Calculation: The Business of Private Foreign Aid
David Sogge, ed., with Kees Biekart and John Saxby, 1996 Pluto Press in Association with Transnational Institute, London, 1996, 217 pages, paperback, IR£12.99

This book asserts the belief that there is an incompatibility between the basic principles of the aid system and accomplishing sustainable development on the ground. It shows up the weaknesses of private aid agencies, the trends in which they are caught up and the paths they must follow – admittedly not easy ones – if they are to justify their existence. As its back cover suggests, it is bound to "fuel debates now raging both within and outside the aid agencies".

Written from a "sceptical but not cynical" stance, the book is hard on private aid agencies, which are singled out for scrutiny from among the wider world of NGOs. Private aid agencies, i.e. "non-profit organisations based in Northern countries purporting to relieve suffering and promote development in poor areas, especially in Southern countries", are seen as part of an industry that spends tens, sometimes hundreds of millions of dollars, is exempt from serious scrutiny, is shrouded in "clouds of public doubt and misgiving", displaying "chilling trends" and "worrying signs". It may be that "the private aid community's enormous tolerance for amateurism contains the seeds of its own destruction". Yet, the authors say, the attitude underpinning the book is one of optimism.

The book arose from concerns and experiences among associates of the Transnational Institute, an independent and decentralised fellowship of scholars, researchers and writers from South, the United States and Europe, who are committed to critical and innovative analyses of North-South issues. The book comprises half a dozen main chapters with shorter reflections on salient themes. Contributors examine the setting against which agencies deliver aid and their relationship to official development assistance. They ask who owns the private agencies and to whom are they accountable? They look at the laws of the market and – very critically – pose the question: "Do private agencies really make a difference?"

Among the trends affecting the work of private aid agencies, the growing tendency to use them to deliver official aid receives much attention. This raises questions that may affect their independence and the ideals of their founding spirit.

We are told that most agencies have been sheltered under a "cloak of love" both of their own making and of those who need or use them. When it comes to the marketing of charity products in the form of charity entertainment, marathons, telethons and such, the agencies have "a winning formula: painless altruism in exchange for amusement" as agencies "set their sails to catch the donor breeze".

Throughout, the critique of private aid agencies is both broad and deep. It covers issues such as transparency and the ability to deliver on claims made. It also addresses the issue of identity, pointing agencies back to their rootedness in their country of origin. It puts this question unambiguously: "Is our agency an international aid organization that happens to be headquartered in country X, or are we an organization rooted in the society of country X that addresses issues of poverty and exclusion internationally?"

It is suggested that agencies credibility and legitimacy in both their Southern and Northern spheres of activity will rest upon their evident definition as independent, accessible and accountable citizens' associations.

The complexities of the situation in which the agencies find themselves are noted. The dilemma in which they are caught is recognised. It is acknowledged that funders will not want to pay for the cost of adequate impact studies.

At times the reader may feel that all agencies are unfairly tarred with the same brush. Elsewhere, an isolated scandal can be cited in a passing comment without reference to the context of the event cited or the positive achievements of the agency. On a more helpful note, the book calls for a consumer's guide to agencies. It also calls upon agencies to work for the kind of change that turns government policy around in favour of the poorest.

Despite the relentless criticism of private aid, the authors allow that these agencies could have a crucial role to play in shaping how the world evolves. The challenge which this book presents to private aid agencies is to reinvent themselves. The factors which militate against such change are pointed out. The authors maintain that whether agencies can continue to adapt to the changing context in which they must work leaves plenty of room for doubt.

The book's most challenging ideas come from the chapter which brings three perspectives from the South. The real nub of the issue is clearly identified in the section on "The challenge of intercultural partnership". Here we are told that the challenges to mainstream notions are emerging from the relatively new debate on cultures and development. This pleads for a pluralistic approach that takes culture as a starting point.

To some degree, this book is at odds with itself. It has not taken culture as its starting point. Throughout, there are relatively few references to the cultural factors which are an essential part of the debate. Indeed, the word "culture" is not included in the index. The authors' provocative critique of aid agencies, however timely, and despite some excellent contributions from the South, has been largely made with the tools of Northern-style analysis.

That said, this book will undoubtedly help to focus a debate that is ongoing and necessary. Its questions itemise an agenda that is urgent. Its lengthy reference sections will be invaluable to any student of the subject. Aid agencies who take its message seriously will ensure that the prescribed processes of reinvention are kept in motion. Such agencies will surely play a crucial role in shaping the way the world evolves in the next millennium.

Meeting Needs: Private NGO Coordination in Practice, Jon Bennett et al., Earthscan, London, 1995, 190 pages, paperback, Stg£13.95

In international aid circles, coordination is a value-laden concept. So begins this study of the world's response to the humanitarian crises of recent times. In the opening pages we are told that: "The last decade has seen a discernable shift in favour of closer, more routine cooperation among those who deal with the ever increasing demands of humanitarian assistance. In part, this is a necessary response to the sheer scale of the operations. NGOs collectively spend an estimated US$9-10 billion annually, reaching some 250 million people living in absolute poverty."

This book covers the crises the world has witnessed in Afghanistan, Ethiopia, Eritrea and Tigray. It studies the situation in Mozambique, the response to the Somali refugee influx across the border into Kenya, and the lengthy struggles in Lebanon, El Salvador, Guatemala and Cambodia.

Against the background of each of these in turn, the book examines the role played by the major NGO actors, that of the UN and of governments. It looks critically at the relationships that have unfolded between these major players and the effect such relationships had on the success or otherwise of responding to these crises.

In dealing with crisis situations, the host of pitfalls at every level of the operation is legion. At the top, with the enormous amounts of funding needed, and the huge input in cash and kind, issues of control impinge on the quality of coordination. On the ground, at a time when experience is more valuable than gold-dust, crisis situations can see inexperienced hands learning on the job. Agencies engaged in humanitarian relief can be buffeted by developments in the crisis itself, but likewise by shifts in official donor policy. The influx of foreign NGOs at a time of crisis can have very negative effects on the local NGOs if good levels of coordination, matched with principles of mutuality, are not in place.

Sharing of information can be a crucial factor. While organisation and planning are more necessary than ever, procedure-book bureaucracy can be a hindrance. In several of the studies it becomes clear that personalities and the style of leadership take on even more importance than in routine situations.

While many shortcomings are noted, several successful models are also presented, each working against very different geographical, historical, and cultural backgrounds. These include the widely acclaimed effectiveness of the Christian Relief and Development Association in Ethiopia. In this case, it is noted that: "A conclusion that can be drawn ... effective coordination requires the body concerned to have allocative control over a proportion of the total resource flows. Sueh control gives the coordination body the ability to enable and encourage NGOs to respond promptly to needs not met by the prevalent donor policy of allocating relief resources on the basis of project proposals prepared by individual NGOs working in defined geographical areas."

The pluralistic approach of NGOs in Lebanon is also instructive. There, NGOs are closely tied into the population's confessional groups and legal system. In the context of peace initiatives in that region, the NGO Forum, the largest coalition of Lebanon's NGOs, "demonstrates interesting ways of operating and organising coordination in complex emergencies where political consensus is as important as the simple delivery of aid."

Another model comes from El Salvador's recent history. Here, NGO coordination is judged to have been "a pronounced success". "Overall, the coordination between all those engaged in humanitarian work in El Salvador was extremely good, in spite of adverse circumstances, including increasingly intense opposition from the government and army...The role played by the church in supporting the population and keeping the 'humanitarian space' open despite considerable repression was vital, as was the maturity of the new NGOs in quickly consolidating themselves operationally and in gaining considerable political credibility."

So effective was the collaboration between the NGOs and the general population, that when peace accords were signed in 1992 and proposals were being put in place for the follow-up conference, the proposals were judged to have come "more from the nation than the government".

Taken at one level, this book is a mere chronicle of human tragedy writ large and of inadequate international preparedness. But for those who will take the time to reflect, it is laden with lessons. In a world where interdependence is essential to survival, it stands at the crossroads between success and failure. Drawing on a wide range of studies, and using carefully the benefit of hindsight, this book provides pointers for the future. If the present generation's journey through history is not to be wasted, these pointers must not be ignored.

Isabelle Smyth

The World Bank: Lending on a Global Scale
Jo Marie Griesgraber and Bernard G. Gunter, Pluto Press, London, 1996, 240 pages, npg

World Bank lending has been at the centre of a storm of controversy since the 1980s when environmental groups made a concerted attack on the Bank's funding for large infrastructural projects with their huge environmental and human costs. No less bitter has been the battle over the negative effects of the Bank's structural adjustment lending which moved to centre stage with the start of the debt crisis in 1982.

The World Bank: Lending on a Global Scale, the third in a 5 volume series, "Rethinking Bretton Woods", asks: "How effective is Bank lending?" It focuses almost entirely on adjustment lending which in fact accounted for only 25% of World Bank lending in 1994 (*World Bank Annual Report 1995*). Adjustment lending, however, has a significance way beyond the amount of dollars it consumes. Adjustment programmes, promoted by the Bank and IMF, became a central feature of the management (or mis-management, depending on your viewpoint) of the debt crisis, imposing laissez-faire "free market" economics on indebted countries. Structural adjustment programmes (SAPs) have come under severe criticism for their failure to restore macroeconomic balance and growth and for increasing wealth inequalities. Perhaps the most significant criticism relates to the control they allow the World Bank and IMF to exercise over the economic and social policies of participating countries. To quote one of the contributors to this volume, Owodunni Teriba ("The challenge of Africa's socioeconomic transformation"): "Never since the time of colonial governors have so much foreign power and policy leverages been exercised in Africa".

Providing a fresh look at critiques of adjustment, this book is a welcome arrival. However, its focus on adjustment lending should have been made more explicit, to avoid disappointing Bank watchers concerned about other issues, such as the environment, which receives very little attention. The editors claim to cover the three main positions on adjustment. These are: adjustment is basically okay but needs some additions; adjustment needs fundamental reform; and the more radical "Scrap SAP" and give priority to grass roots development projects. The second position is very thoroughly explored, and these chapters are the most thought-provoking. The "Scrap SAP" position is inadequately presented. It is left to David Milder ("Foreign assistance: Catalyst for domestic coalition building") who clearly has no sympathy with the position to outline the arguments in order to dismiss them. An exposition of the arguments in favour of this position by a supporter would have enhanced the book.

A challenging question in relation to World Bank lending is: should its policy level intervention be reduced or can adjustment conditionality play a positive role, promoting human rights, democracy and good governance? This question inevitably takes us perilously close to the proposition that the North should dictate not only the economic and social agenda in Southern countries, but also the political one. Two contributors tackle this question. Owodunni Teriba argues that there is no evidence democratic governments are good economic managers per se but accepts good governance, defined as accountability, transparency of information etc. He sees the need for international agreement on these standards to ensure consistency .

Like many critics of the World Bank (and IMF), Teriba wants to see a shift of power from the Bretton Woods Institutions (BWIs) back to the UN and it is within the UN framework that he proposes new standards be set. As Gillies' starting point in "Human rights, democracy and good governance: Stretching the World Bank's policy frontiers" is not a critique of adjustment but rather looks at how human rights can be integrated into the policy agenda, he sees political conditionality as legitimate. Gillies argues that sovereignty is becoming outdated with growing global interdependence. While putting the case strongly – and convincingly – for human rights conditionality, Gillies, like Teriba shies away from linking conditionality with electoral democracy, but supports setting human rights conditionalities. Gillies' contribution is a well argued piece, but he uncritically accepts the role of the World Bank in defining political conditionality. The World Bank is a lending bank and is itself an undemocratic institution with voting power disproportionately controlled by Northern countries. Should delicate issues like political conditionality be set by the Bank or is Teriba's proposal that standards be set within the more democratic framework of the UN more appropriate?

When faced with the thorny question of who should set conditionalities for adjustment, some like Teriba and Milder look to international institutions, while others stress the need to promote popular participation and involve "civil society". The problems with this approach are highlighted by Cock and Webster ("Environmental and social impact assessments"). They highlight the need to recognise competing interests within communities which allow for no easy quick fix solutions. When many donors recently suspended balance of payments support to Zambia because of international controversy over the new constitution, some groups welcomed the pressure being put on their government while others felt this was unwarranted outside interference. While the issue of popular participation is one which weaves in and out of the contributions in this book, it is not one which is resolved. Given the grossly unequal North/South relationship, participation is an issue which will always cause tension and mirror back to us the fundamentally unequal relationships within which we operate. Cock and Webster, however, do not assess the Bank's track record on participation nor on social and environmental impact studies. As these are disputed areas of Bank practice, this is a pity.

The negative impacts of adjustment have been well documented and publicised. To date this substantial body of evidence has only resulted in some tinkering about on the margins of adjustment, such as adding on social safety nets which have proved totally inadequate. Now is the time for the debate on alternatives to be brought to the forefront. One of the strengths of this book is that this debate is tackled at various levels. The implications at international and national level as well as at a more nuts and bolts level of how basic tools like social and environmental assessments can be made to operate as effective quality control mechanisms for development initiatives are examined

Why reinvent the wheel is the implication of Teriba's outline of new roles for the BWIs, suggesting they dip into, rather than generally ignore, the long list of development strategies which have emerged from Africa over the past decade and a half. He also calls for the depoliticisation of the Bank and Fund, returning to the thorny issue of redefining the respective roles of the BWIs and the UN in the economic and social field. Is he writing tongue in cheek when he steals a term much loved by the Bank and argues that the UN has "the comparative advantage" in the provision of highly concessional finance? This point will not be easily conceded by the World Bank.

C.P. Chandrasekhar's "An alternative to structural adjustment" and David Milder's contribution challenge one of the cornerstones of adjustment, namely the transfer of power from the state to the market. Both argue for an activist state, with Chandrasekhar focusing on the state's role in achieving a successful growth strategy while Milder is more interested in the politics of adjustment and how support for reforms can be gained by building cross-class coalitions within the country. He is equally critical of Bank neo-liberals and NGOs who try to bypass the state. Bank neo-liberals concentrate policymaking power in a small cadre of technocrats which they fund, coach and insulate from the demands of other political, bureaucratic and social interests in order to imposefast track economic reforms on Southern governments. Equally, Northern NGOs who promote grass roots empowerment often look for solutions which depend on government as little as possible. Chandrasekhar redefines the respective roles of the state and the market, tackling the criticisms of the market as increasing inequalities by proposing reforms within the context of the UNDP framework for "people friendly markets". He backs up his call for intervention with the argument that intervention is necessary for human development, citing countries like Sri Lanka and China, which rank higher on the UNDP Human Development Index than their per capita income would indicate. This turns the trickledown economics of the BWIs neatly on its head.

All the indications are that

structural adjustment lending will continue as a significant form of development finance. The latest debt initiative for highly indebted poor countries envisages participating countries undergoing a further six years of adjustment to become eligible for debt relief. In the light of the failures of adjustment, some commentators are now claiming that it is too early to judge programmes. It may take 20 years. I sincerely hope not. But certainly this volume which provides a substantial critique of adjustment and covers many of the hotly debated topics surrounding it will make a significant contribution towards enabling people to engage with the debates on adjustment lending. It is also much more readable than its title suggests.

The Tobin Tax: Coping with Financial Volatility
Mahbub ul Haq, Inge Kaul, Isabelle Grunberg, Oxford University Press, New York and Oxford, 1996, 318 pages, npg

"It's the Loch Ness monster popping up again", said the man from the Bundesbank when asked about the Tobin Tax after recent currency crises. Which is more dangerous, the Loch Ness Monster or the sight of the world economic order under threat from speculators who make concerted attacks on individual currencies, leaving governments' monetary policies in tatters? Remember the near collapse of the Mexican peso at the end of 1994 which needed a $40bn rescue package? The inherent instability in a world economic order dominated by unregulated finance capital which can move freely across currencies has begun to breach the complacency of even such free market ideologues as the Bretton Woods Institutions (BWIs) who are now recognising the danger of "excessive monetary turmoil".

So, what is the Tobin Tax and can it significantly reduce the turmoil? A tax certainly sounds like a tame response to a situation so out of control. This tax on foreign exchange transactions first appeared in 1972 in a lecture delivered by James Tobin, the Nobel Prize winner for economics in 1982. The aim of a 0.1% tax on such transactions was to dampen speculative capital flows and restore greater autonomy to national monetary policy. Tobin's concern was to mitigate the predominance of speculation over enterprise. He showed no interest in the use of the vast sums raised by such an internationally uniform tax, merely suggesting that the proceeds should be paid into the IMF or the World Bank. He offered the tax as a second best option to a common currency, common monetary and fiscal policy and economic integration.

In addition to reducing exchange rate volatility, a very interesting feature of the tax is the considerable amount of potential revenue which could be generated and used for multilateral development assistance, although the contributors to this book dispute the actual amount. Taking one of the more conservative revenue estimates, $96bn, this is almost double current ODA levels and far outstrips funding levels provided by the international financial institutions. World Bank lending amounted to $18bn in 1994, while the IMF's concessional lending was a mere $3.5bn. Given the pressure on domestic ODA budgets, this should add to the attraction of the proposal.

A further aim of the tax is to restore national control over monetary policies. The contributors to this book are sceptical about the effectiveness of the Tobin Tax in achieving this aim. It is important this aim remains on the agenda of the debate on financial flows regulation. C. Chandrasekhar, one of the contributors to the book on World Bank lending also reviewed here, highlights the close link between the BWI development paradigm and the dominance of finance capital. Developing countries, forced to remove control over foreign investment, are now at the mercy of short term, speculative flows motivated by investors hoping to make a killing in emerging developing country financial markets. Chandrasekhar claims these flows can increase financial vulnerability more than the commercial borrowing which led to the debt crisis. His alternative adjustment strategy proposes an activist monetary policy to break the dependence on "hot money" flows.

Following recent crises the Tobin Tax has hovered about on the edges of the international policy agenda, at the UN Social Summit, the subsequent G7 meeting and at IMF/World Bank annual general meetings. This book, which claims to be the first time a panel of "outstanding scholars" has applied intellectual rigour to the proposal, will hopefully push forward the debate. The study is, however, very much what it claims to be: a scholarly work with no concessions made to activists or development practitioners without a background in economics/finance but ready and willing to take action to press for regulation of financial markets.

The most fascinating aspect of this study is the picture it paints of global financial markets. Once you survive the myriad of technical details, spots and swaps, forwards and futures, there is some extremely interesting data on these. Foreign exchange dealings are colossal – $1,300bn a day, $312 trillion a year (in contrast with total developing country debt which is $2 trillion). The explosion in the size of financial markets is recent with a 50% growth since 1990. Even more mindboggling is the ratio of financial trading to trade in goods and services with 3½ days foreign exchange dealing being the equivalent of the total annual global trade in goods and services. Instability in foreign exchange markets arises largely from the short term, speculative nature of most of the activity, with 80% involving round trips of 7 days or less, but most occurring within one day. While these statistics are fascinating, a criticism of the book could be its over lofty tone. It bypasses the financial market's seamy underbelly, not delving too deeply into the nature of transactions, e.g., recycling hot money, cocaine money, arms money, etc.

In addition to extensive discussion

on the pros and cons of a Tobin Tax in terms of its effect on the financial markets, the necessary institutional arrangements are addressed. What role should the IMF play? Surely there is a more appropriate role for it than its current meddling in development finance? An issue barely touched on, as mentioned earlier, is how revenue raised by the tax would be used. Aside from Tobin's original proposal that it go to the World Bank or the IMF other suggestions are that it be used for funding the UN and its peacekeeping functions or financing the social development and environmental proposals adopted at recent UN Summits. No doubt as interest in the Tobin Tax grows, this issue will move towards central stage.

According to one contributor, the Tobin Tax "is an idea whose time has come" – a quarter of a century later. It may not be the most effective action to control the financial markets, it may not be sufficient, but it appears to be slowly climbing up the policy agenda and therefore is a useful tool with which to press for reform.

This book is aimed at top international decision makers as can be seen from those endorsing it on the back cover – a World Bank president, a former Australian foreign minister and Jacques Delors. The focus is on a careful and cautious analysis of a technical question. The reader interested in questions of equity and poverty reduction and how the operations of financial markets militate against these may find themselves swamped in financial jargon. This debate needs to be opened up beyond the inner circle of financial policymakers and academics. While *The Tobin Tax* is a start, we still need more accessible material to encourage wider participation in the debate.

Jean Somers