



IPPG News: September 2009

Highlights of recent activities from IPPG - the [Research Programme Consortium on Improving institutions for Pro-Poor Growth](#)

IPPG Project news

IPPG contract labour study hits the headlines



A new IPPG study on the use of contract labour in India's manufacturing sector found surprisingly high levels of contract

workers being used - in some cases, as many as three times the official estimate. IPPG researcher Dr. Dibyendu Maiti's findings made headlines across India when he presented his paper at a conference at the Institute of Economic Growth (IEG) New Delhi in July.

The study featured in national newspapers such as The Hindu and the Times of India (as pictured above). The research, conducted across two major industrial states, West Bengal and Gujarat, also found that that minimum wage and other contract labour laws are widely violated, and that without the political will and action by public agencies and trades unions alike, this will not be remedied.

Read the Times of India [article](#). Dr Maiti's paper will be published on the IPPG website soon.

State-Business Relations (SBR)

Press article: The State of Capitalism by Kunal Sen

Read Kunal Sen's article on the impact of institutions in India's business performance in the Indian daily, [Financial Express](#) (17th July 2009). The article draws on IPPG's work on how state business relations should be measured and they affect economic growth over time. See also *New publications*, below.

Conference: Fourth Annual International Conference on Public Policy and Management, Bangalore

Rajesh Raj Natarajan (Centre for Multidisciplinary Development Research, Dharwad, India) and Kunal Sen presented their paper, *State Business Relations and Firm Performance in India* (joint with Vinish Kathuria of the Indian Institute of Technology) in the Fourth Annual International Conference on Public Policy and Management, held at the Indian Institute of Management, Bangalore, 9-12 August. The paper examines the effects of state business relations on productivity of firms in Indian manufacturing.

Read more [here](#)

South Africa: presenting SBR research back to business

University of Cape Town Professor of Economics Nicoli Nattrass and Professor of Politics and Sociology Jeremy Seekings are conducting a South African case study of how state-business relations are shaped by the historical growth path and by labour-market institutions inherited from the past, but which are strongly influenced by policy changes (notably black economic empowerment). They argue that South Africa's growth path will only become 'pro-poor' when institutional changes are made to facilitate a more labour-demanding growth path. This, however, would require compromises from organised labour. Their ideas have been aired in business forums as part of their ongoing research. See Professor Nattrass's [paper](#) for the Centre for Development and Enterprise on the challenges of job creation.

IPPG in the news in Malawi

IPPG sponsored student Henry Chingaipe, now back in Malawi working on his Ph.D. (*Institution Formation, Maintenance and Change: the Politics of State-Business Relations in Malawi*), reports: "IPPG was all over the weekend papers with the [Land reform paper](#) having been aired on local radio [Zodiac radio and Capital FM in Malawi] and with a newspaper piece that was published in the Nation."

Dr Chinsinga's article, a double-page spread on land reform, appeared in The Nation on 29 July, and his original transcript is available via the IPPG website [here](#).

Other events:

IPPG at the 65th Congress of the International Institute of Public Finance, Cape Town

IPPG researcher Dr Jean Claude Saha, of the University of Ngaoundere, Cameroon, presented **Growth and three-dimensional poverty in Sub-Sahara Africa: Does Legislative Democracy Play a Role?** at the 65th Congress of the International Institute of Public Finance (IIPF) in Cape Town, South Africa in August. The Congress was attended by more than 400 participants and Dr Saha plans to use their feedback in developing his work.

Read more [here](#)

The effects of the global financial crisis in developing countries: views from Asia

IPPG's Kunal Sen was a panel member at this Overseas Development Institute event in July, focusing on the effects of the crisis on Asian economies and their policy responses. Access more about the event, including audio and video coverage [here](#)

New Publication:

State-business relations: constructing an effective SBR index for Indian states

Massimiliano Cali, Siddhartha Mitra and Purnima Purohit's new paper for IPPG focuses on the measurement of a specific economic institution - the relation between state and business. The new paper represents the most comprehensive effort to date to construct indices that systematically measure the quality and intensity of SBRs. For the first time, the indices are constructed at the sub-national level, for states within a country (India) rather than at national level.

Read more

More IPPG publications [here](#)

IPPG PhD students:

New Students

Mohammed Eusuf, Assistant Professor of Development Studies in the University of Dhaka, Bangladesh, and **Purnima Purohit**, Research Officer at CUTS, Jaipur, India, have been awarded Commonwealth PhD scholarships to study in Manchester from September under the supervision of Kunal Sen. Mr. Eusuf and Ms. Purnima were co-authors of a Bangladesh case-study, which was one of the exploratory country studies undertaken in the inception phase of IPPG, and which informed the development of IPPG's research in its later phases. Mr. Eusuf also wrote a [Briefing Paper](#) for IPPG which looked at the institutional practices behind The Bangladesh Export Processing Zones Authority (BEPZA)'s lack of success in enforcing labour regulations and minimum wage legislation among the firms in its jurisdiction. Ms. Purohit is also a co-author of [State-business relations: constructing an effective SBR index for Indian states](#) (see also *New Publications*, above).

Mr. Eusuf will be working on how institutional quality may affect the impact of trade orientation on pro-poor growth, using Bangladesh as a case-study. Ms. Purohit will work on institutional issues relating to agricultural marketing in India.

As well as IPPG's three sponsored PhD studentships, Mr Eusuf's and Ms. Purohit's success means that four IPPG researchers have been awarded scholarships from the Commonwealth Scholarship Commission as part of its capacity-building work.

IPPG is the shorthand name for the inter-disciplinary **Research Programme Consortium on Improving Institutions for Pro-Poor Growth**. IPPG supports innovative scholarly research, and seeks to influence development policy and practice that contributes to the UN Millennium Development Goals (MDGs).

IPPG's next newsletter will appear in November 2009.

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