Global economic crisis & developing countries

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In the early stages of the financial crisis there were hopes that it would be largely contained within developed economies. There was a belief that larger developing economies had 'decoupled' from developed economies, and so able to support their own growth as well as helping sustain growth in other developing economies. Developing countries' economic potential remained strong, and those countries that were less integrated into Western financial systems were thought safest.

These early hopes proved unfounded, as the effects of the crisis spread to emerging markets, particularly in the latter half of 2008. Developing countries were struck by declining trade, a loss of investor confidence and withdrawal of investment, a fall in the value of vital remittances, and much reduced growth and contraction in some cases. There are also fears that aid flows may suffer in the aftermath of the crisis.

This note summarises key reports and statistics, with links to further resources.

Related Library notes include, from a development perspective: G20 Summit: background and outcomes (SN/EP/5028), UK development aid & 0.7% of GNI as ODA target (SN/EP/3714), and Overseas aid: international comparisons (SN/EP/1769). The International Development Committee also inquired into *Aid Under Pressure: Support for Development Assistance in a Global Economic Downturn*, reporting in June 2009 (report and evidence). Readers may also be interested in, from a UK perspective, The economic crisis: policy responses and economic indicators (SN/EP/4968), European responses to the financial crisis (SN/BT/5099), and research papers The financial crisis in the US: key events, causes and responses (RP09/34) and US Congressional debates on the financial crisis: key players, policy and future regulation (RP09/58).

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1 Overview

In the early stages of the financial crisis there were hopes that it would be largely contained within developed economies. There was a belief that larger developing economies had 'decoupled' from developed economies, and so able to support their own growth as well as helping sustain growth in other developing economies. Developing countries' economic potential remained strong, and those countries that were less integrated into Western financial systems were thought safest.

Early hopes that 'decoupled' developing countries would escape the financial crisis relatively unscathed proved unfounded as effects of the crisis spread to emerging markets, particularly in the latter half of 2008. International investors 'took flight from risk' with emerging markets feeling the effects, as *The Economist* noted, "panicky rich-world investors turned inward and foreign banks became increasingly reluctant to lend across borders."[1] As the World Bank noted:[2]

> Increased risk aversion, a reassessment of growth prospects, and the need for firms and investors in high-income countries to strengthen their balance sheets resulted in a large-scale repatriation of capital from developing countries.

As the *Financial Times* noted:[3]

> It has all been rather unfair. Emerging markets did not cause the current financial crisis and yet few asset classes have been hit harder by it.

Developing countries found the crisis transmitted to their economies through several 'transmission belts': declining trade, a loss of investor confidence and withdrawal of

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1 "What goes up: Remittances rose in 2008. This year will be different", *The Economist*, 30 July 2009
2 World Bank, "Immediate impacts of the crisis Global Development Finance 2009: Crisis impacts", June 2009
3 "Dragged into stormy waters by West's crisis", *Financial Times*, 1 December 2008, p16

investment, a fall in the value of vital remittances, with fears that aid flows might also suffer in the aftermath of the crisis.[4] As a UN report summarised:[5]

> Since late 2008, the financial crisis intensified in major developed economies and spilled over into the developing countries and economies in transition through international financial and trade channels. While private capital and trade flows to developing countries have fallen precipitously, international prices of primary commodities have collapsed. This inauspicious international economic environment is expected to persist during 2009 and could even protract, posing tremendous challenges to developing countries in financing investments for long-run sustainable growth and development.

For developing countries in particular, the Africa Progress Panel said:[6]

> The financial meltdown that evolved into an economic recession has now become a development crisis. Combined with the food crisis, the volatility in fuel costs and climate change, it threatens to reverse Africa's recent progress and endangers its people's lives. The prospect of reaching the MDGs by 2015, already a cause for serious concern, now looks even more distant.

2 Economic growth

In February 2009, the Overseas Development Institute (ODI) estimated "losses of more than $50 billion in sub-Saharan Africa and $750 billion in developing countries as a whole in the 2008-2009 financial year", based on revisions to International Monetary Fund (IMF) growth forecasts.[7]

The IMF now expects economic output to contract by 1.4% in 2009, before returning to growth (of 2.5) in 2010. While developing Asia (including China and India) is expected to grow 5.5% in 2009, contractions are forecast for Central & Eastern Europe, the Commonwealth of Independent States, and the Western Hemisphere countries. Developing countries expected to experience a contraction include Brazil, Mexico and Russia. Sub-Saharan Africa is expected to experience growth of 1.5%.

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4 ODI Blog post, "Poor countries hit harder than expected by global financial and economic crisis", 4 June 2009

5 UN Economic & Social Affairs Department, *World Economic Situation and Prospects 2009 update*, p11

6 Africa Progress Panel, "An Agenda for Progress at a Time of Global Crisis", *2009 Africa Progress Panel Annual Report*, p2

7 "Blue, green or red? A 'rainbow' stimulus to tackle global recession", *ODI Opinion* 125, February 2009.

IMF growth forecasts

	Annual change in GDP (%)			Change to July 2009 since (% points)		
Forecast date:	*July 2008*	*July 2009*		*July 2008*	*April 2008*	
	2009	2009	2010	2009	2009	2010
World	**-3.9**	**-1.4**	**2.5**	**-5.3**	**-0.1**	**0.6**
Advanced	-1.4	-3.8	0.6	-5.2	0.0	0.6
Emerging & developing	**-6.7**	**1.5**	**4.7**	**-5.2**	**-0.1**	**0.7**
Africa	-6.4	1.8	4.1	-4.6	-0.2	0.2
Sub-Sahara	-6.8	1.5	4.1	-5.3	-0.2	0.3
Central & Eastern Europe	-4.5	-5.0	1.0	-9.5	-1.3	0.2
Commonwealth of Independent States	-7.2	-5.8	2.0	-13.0	-0.7	0.8
Developing Asia	-8.4	5.5	7.0	-2.9	0.7	0.9
Middle East	-6.0	2.0	3.7	-4.0	-0.5	0.2
Western Hemisphere	-3.6	-2.6	2.3	-6.2	-1.1	0.7
Brazil	-4.0	-1.3	2.5	-5.3	0.0	0.3
China	-9.8	7.5	8.5	-2.3	1.0	1.0
India	-8.0	5.4	6.5	-2.6	0.9	0.9
Mexico	-2.4	-7.3	3.0	-9.7	-3.6	2.0
Russia	-7.3	-6.5	1.5	-13.8	-0.5	1.0

Source: IMF, *World Economic Outlook update*, July 2009

As the table shows, many regions (as well as Mexico and Russia at the country level) have seen their growth forecasts revised downwards by the IMF since April 2009.

The table also compares the IMF's July 2009 forecasts with its July 2008 forecasts. It shows how the economic crisis had seen forecasts being revised downwards across all categories and countries. The largest forecast revision has been seen in the CIS (and Russia), while emerging and developing markets as a whole have seen their forecasts revised downwards by over 5 percentage points, sub-Saharan Africa by slightly more, the Western Hemisphere by 6.2% and Central and Eastern Europe by almost 10 percentage points.

The World Bank has forecast a 2.9% contraction globally in 2009 in its Global Development Finance report (June 2009), compared with 5.6% growth in 2008. Developing countries were forecast to grow by 1.2% in 2009 following 5.9% growth in 2008: excluding China and India, developing countries were forecast to see a 1.6% contraction "causing continued job losses and throwing more people into poverty." It saw growth return in 2010, 2% globally, and 4.4% in developing countries.[8] A region and selected country summary is below:

8 See detail in World Bank, *Global Development Finance*, June 2009, table 1.1, p9 and online regional tables and country-level tables

World Bank, annual GDP growth forecasts (June 2009)

	2009	2010
World	**-1.7**	**2.8**
High Income	**-4.2**	**1.3**
Developing	**1.2**	**4.4**
East Asia/Pacific	5.0	6.6
Europe/Central Asia	-4.7	1.6
Latin America/Caribbean	-2.2	2.0
Middle East/North Africa	3.1	3.8
South Asia	4.6	7.0
Sub-Saharan Africa	1.0	3.7
Brazil	-1.1	2.5
China	6.5	7.5
India	5.1	8.0
Mexico	-5.8	1.7
Russia	-7.5	2.5
Argentina	-1.5	1.9
Bangladesh	5.0	4.5
Indonesia	3.5	5.0
Kenya	2.6	3.4
Nigeria	2.9	3.6
Pakistan	1.0	2.5
South Africa	-1.5	2.6
Thailand	-3.2	2.2

Source: World Bank, *Global Development Finance*, June 2009, table A1.1

Sub-Saharan Africa, it noted, "has been hit hard by reduced external demand, plunging export prices, weaker remittances and tourism revenues, and sharply lower capital inflows, notably FDI." (see below) The World Bank forecast 1% growth in 2009, down from an average of 5.7% in the previous three years, increasing to 3.7% in 2010. It was particularly concerned with reductions in remittances and official aid flows "because many Sub-Saharan countries rely on aid flows for budget support and because remittances are a vital cushion against poverty."[9]

A UN report noted that the crisis had struck across Africa, Asia and Latin America:[10]

- **Africa:** "Growth in Africa is sharply decelerating, mostly driven by collapsing world trade and commodity prices, lower foreign direct investment, subsiding remittances, and falling tourism revenues […] Oil exporters are severely hit by the sharp drop in hydrocarbon prices."

- **Asia:** "Despite seemingly strong macroeconomic fundamentals, East Asia has suffered a severe economic downturn since September 2008 […] As access to external borrowing dried up in the second half of 2008, external vulnerabilities became apparent in several countries, most notably in Pakistan".

- **Latin America:** "Economic activity in Latin America and the Caribbean deteriorated rapidly at the end of 2008, dragged down by weakening external demand and rapid

9 "Global Economic Turmoil Having Dramatic Effects on Capital Flows to Developing Countries", *World Bank press release* 2009/414/DEC, 22 June 2009

10 UN Economic & Social Affairs Department, *World Economic Situation and Prospects 2009 update*, pp 8, 9, 10

contraction of domestic demand, due to tight credit conditions and fears of growing unemployment."

3 Unemployment & poverty

The International Labour Organisation has forecast unemployment using three different scenarios. These would see global unemployment increase by between 24 million and 52 million (to 6.3% and 7.1% of the total), from 193 million (6.0%) in 2008 to between 203 million and 231 million.[11]

For sub-Saharan Africa this could mean a range from no change in percentage point terms (but an absolute (rounded) increase of 1 million) to a 0.9 percentage point increase in unemployment (or 4 million more unemployed).[12]

Using a \$2 a day poverty threshold, over 2008 and 2009 the numbers of 'working poor' are forecast to increase across developing regions, by a total of 75 million people, mostly in South Asia and sub-Saharan Africa.[13]

A World Bank February 2009 estimate from suggested that 53 million more people would be in poverty (\$2 a day threshold), or 46 million more on the lower \$1.25 a day poverty threshold.[14] This, it noted, was in addition to the 130-155 million it estimated that were "130-155 million people pushed into poverty in 2008 because of soaring food and fuel prices."[15] It said 40% of 107 developing countries "were highly exposed to the poverty effects" of the economic crisis, with below 10% "facing little risk", with the rest "moderately exposed". It also estimated that lower growth could mean that from 2009-2015 some 200,000-400,000 more children a year (1.4-2.8 million in total) could die because of the crisis.

A mid-2009 UN report forecast that 72.5 million more in developing countries will be extreme poverty (using the \$1.25 a day threshold) in 2009 than had pre-crisis growth levels continued.[16] Regionally, the greatest increase in numbers in poverty was expected in East & South Asia (56.4 million, around half of which were in India alone), and 11.6 million in Africa (11.6 million sub-Saharan), and 3.6 million in Latin America & the Caribbean. The UN's Food & Agriculture Organisation estimated that the economic and food crises combined would push 100 million more would be pushed into poverty in 2009, brining a record high of 1.02 billion in poverty, up from 915 million in 2008.[17]

An Oxfam report warned that:[18]

> There is a real danger that the gains made towards meeting the Millennium Development Goals (MDGs) in many developing countries over the past eight years could be wiped out as the impact of the crisis spreads and financial flows dry up. In

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11 ILO, Global Employment Trends for Women, March 2009, tables A2, A3 & S1, pp36-37 & 52

12 *ibid.* and table S2, p53

13 ILO, *The financial and economic crisis: A Decent Work response*, March 2009, para 51

14 "Financial Crisis Could Trap 53 Million More People in Poverty", *World Bank*, 12 Feb 2009 and "The Global Economic Crisis: Assessing Vulnerability with a Poverty Lens" policy note.

15 "Crisis Hitting Poor Hard in Developing World, World Bank says", World Bank press release 2009/220/EXC, 12 February 2009

16 UN Economic & Social Affairs Department, *World Economic Situation and Prospects 2009 update*, un-dated (PDF file dates June 2009), table 2, p4 (see also main 2009 report and monthly reports)

17 "Number of hungry worldwide tops 1 billion", *Financial Times*, 19 June 2009 and "1.02 billion people hungry: One sixth of humanity undernourished - more than ever before", *FAO press release*, 19 June 2009

18 "Empty Promises. What happened to 'development' in the WTO's Doha Round?", *Oxfam*, July 2009, p7

particular, goals related to hunger, child and maternal mortality, education, and progress in combating major diseases are the least likely to be met.

4 Trade

The crisis in developed countries has been transmitted to developing countries in part through the dramatic slow-down in international trade that has been seen. A UN report noted that the crisis had "triggered a colossal shock for world trade", equivalent to around 4% of world output.[19] It estimated the cost of the trade shock to Africa at around $80 billion.[20]

In March 2009 the World Trade Organisation forecast a 9% decline in the volume of world trade in 2009, the largest contraction in trade since World War II, after 2% growth in 2008 it and 6% in 2007. Developed countries were expected to see their exports fall 10% compared with developing countries, often more reliant on trade, expected to see exports fall 2-3%.[21] However, the WTO also noted that uncertainty caused by the economic crisis made projections for 2009 unusually problematic.

In April 2009, the IMF predicted an 11% decline in world trade in 2009, with advanced economies seeing a 13.5% fall in exports compared with 6.4% for emerging and developing countries.[22] However, by July 2009 it was estimating an even larger decline of 12.2%, with advanced countries' exports down 15% and those of emerging and developing economies down 6.5%.[=23] The World Bank confirmed similar reductions trade of 9.7% in June 2009.[24]

The WTO posited four factors that might be behind the relatively large decline in trade compared with previous recessions:[25]

- a more widespread reduction in demand (a 'synchronised downturn');
- expanding global supply chains;
- reduced availability and affordability of trade finance; and
- protectionism, an increase if which "will threaten the prospects for recovery and prolong the downturn."

The lack of trade credit was pointed to by trade analysts that noted that the cost of transporting goods, as indicated by the Baltic Dry Index,[26] had collapsed. The BDI had been very high, reaching a peak in May 2008 (of 11,793).[27] It has since fallen dramatically, by 94%, reaching a low in December 2008 (of 663). When the BDI had gone below 1,000, for the first time in six years, in October 2008 a London-based shipbroker observed that this was "getting very, very close to the cost of just crewing and running a ship" and that it could not "go much lower than this without owners deciding they don't want their ships employed."[28]

19 UN DESA, "Monthly Briefing World Economic Situation and Prospects and Monitoring of Global Vulnerability monthly update", August 2009, p2 & figure 1
20 *ibid.*, p8
21 "World Trade 2008, prospects for 2009", *WTO press release* 554, 23 March 2009
22 IMF, World Economic Outlook, April 2009, table A9, p204
23 IMF, World Economic Outlook update, July 2009, annex table
24 World Bank, GDF 2009 outlook tables
25 *ibid.*
26 A daily measure of the cost of shipping constructed from 20 main trade routes, and used as a proxy for world trade.
27 See Bloomberg Baltic Dry Index chart
28 "Baltic Dry Index Drops Below 1,000 for First Time in Six Years", *Bloomberg*, 28 October 2008

The Index has since recovered to stand at 2,752 on 14 August 2009, but this was still 77% down on its May 2008 peak.

5 Capital flows

The World Bank found that net private capital inflows to developing countries had already fallen by over 40% in 2008 (to $707 billion, from $1.2 trillion in 2007), and has forecast a further 49% year-on-year fall in 2009 (to $363 billion).[29]

It estimates that developing countries' borrowing needs of $1 trillion in 2009, and this will outstrip net capital inflows by $350-635 billion. It also noted that many countries had so far closed this gap through their foreign currency reserves, with 16 countries using up at least 20% of their reserves since September 2008, and 18 countries having insufficient reserves to cover four months' imports. It said "the sustainability of this strategy is uncertain."[30]

Chapter three of the World Bank's *Global Development Finance 2009* report studies these issues in greater depth.

6 Remittances

In March 2009 the World Bank estimated that remittances to developing countries would fall 5-8% in 2009.[31] It contrasted this with rapid growth over recent years, and said 'south-south' remittances from Russia, South Africa, Malaysia and India "especially vulnerable" during the economic crisis, with uncertainty for such flows from Gulf countries.

As of July 2009 the World Bank now expects remittances to developing countries to fall 7.3%, from $328 billion in 2008 to $304 billion in 2009 (and possibly even further, to 10.1%).[32] This followed at 15% increase between 2007 and 2008, despite the fact that other private financial flows to developing countries fell (see section above).[33] The World Bank has said that remittances held up because while "migration flows have declined, the number of migrants living overseas has been relatively unaffected by the crisis."[34]

Regionally, flows to Latin America and the Caribbean are expected to fall 7%, Middle East and North Africa by 6%, sub-Saharan Africa by 8%, and a 4% fall in South Asia.

The World Bank also identified three areas of risk for these forecasts:[35]

> First, if the crisis were deeper and longer than currently projected, the decline in remittance and migration flows would be steeper. Unpredictable movements in the exchange rates pose a second source of risk. If the exchange rates of these remittance sources weaken, it would result in an even greater decline in remittance flows to developing countries. Finally, the political reaction to weak job markets in destination countries could lead to more tightening of immigration controls.

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29 "Global Economic Turmoil Having Dramatic Effects on Capital Flows to Developing Countries", *World Bank press release* 2009/414/DEC, 22 June 2009

30 World Bank, Global Development Finance, June 2009, p7 & 11 and outlook summary. Selected countries' reserves can be charted using a World Bank web tool.

31 World Bank, Migration and Development Brief 9, 23 March 2009

32 World Bank, Migration and Development Brief 10, 13 July 2009 (and country level data)

33 "What goes up: Remittances rose in 2008. This year will be different", *The Economist*, 30 July 2009

34 "Remittance Flows to Developing Countries to Decline By 7.3% in 2009", *World Bank press release* 2010/024/DEC, 13 July 2009

35 World Bank, Migration and Development Brief 10, 13 July 2009, p7

The Inter-American Development Bank has forecast that remittances to the Latin America and Caribbean region will fall 11% in 2009 to their lowest since 2006 ($62 billion). [36] It found that over 1 million households would be affected, half of which in Mexico and also in particularly countries dependent on exporting labour (El Salvador, Honduras, Haiti and Nicaragua) and Ecuador, which has seen a 22% fall between Q4 2008 and Q1 2009.

7 Aid

Concerns have been expressed for aid flows during the crisis, as developed governments have been put under financial pressure. For example, the ILO said in March 2009:[37]

> Although donor countries have committed not to reduce development aid in several international forums, this commitment might eventually come under pressure in view of declining outputs in major industrialized countries.

A Eurodad report noted in February 2009 that while "ODA as a source of development finance is more important than ever" in the crisis, and donors had reaffirmed aid targets at the Doha Financing for Development Conference in December 2008, Ireland, Italy, Latvia were going to give less aid (it also criticised the quality of aid from Germany and Spain):[38]

> On the 3rd of February, the Irish government revised its budget for 2009 and slashed its Official Development Assistance (ODA) by 95 million euros, more than 10 percent of the amount originally budgeted. Ireland has committed to reaching the international target of spending 0.7 percent its of Gross National Income (GNI) by 2012 and an interim benchmark of 0.6 percent by 2010. With this cutback, ODA spending drops back to 0.53 percent making it increasingly difficult to reach these targets. The Irish government's decision followed the bad example of other European donors such as Italy and Latvia.
>
> In December, the Italian government announced aid cuts of 56 percent, and last month Latvia said it cut aid by 100 percent, thereby ceasing to be a donor country shortly after it becoming one.

Italy in particular was criticised in the lead up to the July 2009 G8 summit, as it held its presidency and was hosting the summit, yet was reducing its aid budgets despite previous collective pledges.[39]

The UK has reaffirmed its commitments, including meeting the 0.7% of GNI as aid by 2013. However, Eurodad noted that the UK's aid could actually be less in absolute terms due to the "double whammy"[40] of the crisis and exchange rate movements:

> CAFOD calculated that if the UK increases aid as pledged to 0.7 percent of its Gross Domestic Product (GDP) in 2014, the US-dollar (USD) value of disbursed UK aid might fall by 41 billion USD over the next seven years, compared to the amount projected before the crisis hit the British economy. The economic recession decreased Britain's

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36 "Sharp drop in remittances to Latin America", *Financial Times*, 12 August 2009. See also "Remittances to Latin America and the Caribbean to drop 11% in 2009, according to IDB", *IDB press release*, 12 August 2009 and Manuel Orozco, "Understanding the continuing effect of the economic crisis on remittances to Latin America and the Caribbean", 10 August 2009

37 ILO, *The financial and economic crisis: A Decent Work response*, March 2009, box 1, p11

38 Eurodad (European Network on Debt and Development), "Less and worse aid. Financial crisis shows first impacts on European aid budgets", 5 February 2009

39 For example, http://www.cafod.org.uk/news/g8-in-italy-2009-07-06 and http://www.cafod.org.uk/news/berlusconi-g8.

40 "Double whammy hits UK aid budget", *CAFOD press release*, 3 February 2009

GDP, and thus the absolute amount the UK is obliged to pay to achieve the ODA targets. But even more relevant is the devaluation of the British pound against the US dollar and many developing country currencies over the past year, which substantially reduces the purchase power of UK aid in recipient countries.

The Africa Progress Panel welcomed increased aid to sub-Saharan Africa in 2008, but warned that:[41]

> the prospects of reaching the global Gleneagles target of $130 billion per year by 2010 are uncertain. The additional money needed to meet this target is a fraction of the support provided to rescue financial institutions in rich countries, and a tiny proportion of their fiscal stimulus packages. We believe that the crisis calls for exceeding Gleneagles commitments to help poor countries meet increased needs.

The UN's Office for the Co-ordination of Humanitarian Affairs also reported in July 2009 that it faced a $4.8bn shortfall in humanitarian crisis-related funding.[42]

For more information on aid levels, see UK development aid & 0.7% of GNI as ODA target (SN/EP/3714), and an overview of international ODA in Overseas aid: international comparisons (SN/EP/1769).

8 Meetings & action so far

The most widely publicised event was the meeting of G20 leaders in London in April, with a key outcome being a large increase in IMF resources. For more details on the G20 see the Library note G20 Summit: background and outcomes (SN/EP/5028). A follow-up leaders' summit is to be held in Pittsburgh, US on 24-25 September.

The UN also held a high-level Conference on the World Financial and Economic Crisis and its Impact on Development, held in New York in June 2009.

The G8 summit, held in Italy in July 2009, among other things reconfirmed the Gleneagles aid targets.[43]

The World Bank has summarised the actions it has taken in response to the crisis in July 2009: www.worldbank.org/financialcrisis/bankinitiatives.htm.

As regards the IMF, the G20 summit proposed a $250 billion allocation of Special Drawing Rights (SDRs), the IMF's unit of account and a form on international currency. This has now been confirmed, and will "provide liquidity to the global economic system by supplementing Fund's member countries' foreign exchange reserves."[44]

The additional allocation for each country will be related to their IMF quota. In total, developing countries will receive nearly $100 billion of the $250 billion, including $18 billion going to low-income countries.[45] Allocations by country are available at: http://www.imf.org/external/np/tre/sdr/proposal/2009/0709.htm. There will also be an

[41] Africa Progress Panel, "An Agenda for Progress at a Time of Global Crisis", *2009 Africa Progress Panel Annual Report*, p2

[42] "UN short nearly $5bn for aid projects as global recession hits donations", *guardian.co.uk*, 21 July 2009

[43] See final statement http://www.g8italia2009.it/static/G8_Allegato/G8_Declaration_08_07_09_final,0.pdf and other summit documents from http://www.g8italia2009.it/G8/Home/Summit/G8-G8_Layout_locale-1199882116809_Atti.htm

[44] "IMF Governors Formally Approve US$250 Billion General SDR Allocation", *IMF press release* 09/283 13 August 2009

[45] "IMF to Make $250 Billion SDR Allocation on August 28", IMF and Civil Society, 13 August 2009

increase of SDRs in a 'special allocation' of SDR21.5 billion, originally proposed in 1997, which required 60% of IMF members' approval and 85% of total IMF votes. The $250 billion general allocation is equivalent to SDR161.2 billion.

9 Further resources

IMF financial crisis page: http://www.imf.org/external/np/exr/key/finstab.htm

OECD crisis page: www.oecd.org/crisisresponse

World Bank crisis page: www.worldbank.org/html/extdr/financialcrisis/

World Bank 'Crisis talk' website: crisistalk.worldbank.org/

Overseas Development Institute crisis page (reports and event summaries): www.odi.org.uk/odi-on/financial-crisis/default.asp

Institute of Development Studies crisis page www.ids.ac.uk/go/browse-by-subject/financial-crisis

ActionAid, *Where does it hurt? The impact of the financial crisis on developing countries* 2009

TRALAC (Trade Law Centre for Southern Africa), *The global financial and economic crisis and its impact on Sub-Saharan economies*, 1 April 2009

African Development Bank Group, *Impact of the global financial and economic crisis on Africa*, March 2009.

Jubilee Debt Campaign, *A new debt crisis? Assessing the impact of the financial crisis on developing countries*, 2009

Oxfam economic crisis reports: www.oxfam.org.uk/resources/policy/economic_crisis/

Duncan Green (Oxfam) 'Poverty to Power' blog