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## Jane Hingston, Class 2005, Presidential Management Fellow

Development work takes many forms and leads to inspired careers. According to Ms. Jane Hingston, IPED class of 2005, the "most rewarding experience in development was seeing the faces of hope and pride in the women who began their own businesses."

During her two year service with the U.S. government as a Presidential Management Fellow (PMF), Jane has gained significant experiences at both the grass-roots and institutional levels.

One of Jane's rotations was with the World Health Organization, at its regional office for the Americas, the Pan American Health Organization. In her partnering work at the Instituto de Nutrición de Centro América y Panamá in Guatemala City, she observed that "one of the largest health challenges in Central America is malnutrition." With this in mind, Jane joined rural women of this region on a project to create small businesses, such as bread companies, that improve community nutrition. "We conducted training in cost analysis, marketing, and formed a network of other women entrepreneurs to share best practices."

This project addressed the source of food insecurity: low incomes in agricultural-based economies. Creating new businesses results in increased employment and higher incomes; these in turn induce consumption and influence household spending on food. As has been shown empirically, rising incomes of women lead to better nutrition choices in the household. Empowering women in the creation of new businesses strengthens their



Jane Hingston with a woman entrepreneur in the mountains of Honduras

role as decision-makers and agents of change in their communities.

"The women's business, 'Gold Star,' provided bread for that village and the neighboring village (whose delivery required a five hour walk). The bread was produced with soy, which increased its nutritional content." Localizing bread production in Citalá, El Salvador thus exhibited to Jane the potential that "bottomup" approaches to food security have for many communities.

In her most recent rotation, at the National Institute for Occupational Safety and Health, Jane has been able to concentrate on another worldwide health concern, silicosis. A major health and

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### What is IPED?

It stands for the International Political Economy and Development Program at Fordham University,
New York City: a program that trains graduate students in the advanced interdisciplinary analysis of global economic relations and international development issues. Graduates work in the diverse fields of research, policy planning, economic analysis, public administration and general management.

Current Issues is a student-run newsletter of Fordham's IPED Program. It aims to share with prospective students and friends in the academic, non-profit, government and corporate community IPED analysis and experience in economic and humanitarian development.

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## Determinants of Child Mortality in Developing Countries: A Cross-Sectional Analysis

By Elizabeth Pfifer

In September 2000, member states of the United Nations drafted the Millennium Development Goals, measures to set targets and identify key objectives for improving lives. The fourth of these eight goals is to reduce by two-thirds the mortality rate of children under the age of five by 2015.

Currently, nearly 11 million children under five die each year because of easily preventable or treatable maladies. Research suggests that a wide range of factors must be addressed in order to decrease child mortality rates.

This study analyzes data from 70 developing countries to quantify the impact of these factors. A linear regression model was specified to investigate the correlation between *Under-five Child Mortality Rate per 1000 births (CMR)* and six independent variables as follows:

CMR = 
$$\beta_0 - \beta_1$$
FSS -  $\beta_2$ GDP -  $\beta_3$ HLT  
-  $\beta_4$ DPT +  $\beta_5$ HIV +  $\beta_6$ REG +  $\mu$ 

Female Secondary School Enrollment (FSS) is widely held to be a key determinant in child health. Knowledge gained by girls in school (including information on childbirth, sanitation, HIV/AIDs, and nutrition) can be passed on to their peers and family. The model predicts that a one-percent increase in the number of females enrolled is associated with a 0.85 percent drop in child mortality.

A country's *Gross Domestic Product (GDP)* and *Health Expenditure per capita (HLT)* are expected to be related to lower child mortality rates. However, these variables did not show significance in this model, possibly due to specification problems, the inability of the GDP to reflect income inequalities within a country and of health care expenditures to capture the lack of access to health care services by those most in need.

Greater levels of *DPT3 Immunizations* (*DPT*) are expected to reduce child mortality levels. The model shows, as expected, that a one-percent increase in the number of DPT3 vaccinations to children between 12-23 months is related to a drop in child mortality of 0.68 percent. The model also predicts that as HIV Prevalence (HIV) increases by one percent, child mortality increases by 1.17 percent.

Finally, the model uses a *Dummy Variable for African Countries (REG)* and shows that 35.75 more child deaths occur in African countries compared to other developing countries in the study.

The results of this study suggest a few policy options for donors

and organizations committed to reducing child mortality. It is critical to focus on small-scale interventions such as increasing the number of trained doctors, the access to safe water, and the number of immunizations. While this study included only DPT3 immunizations, measles vaccinations could save an additional 500,000 children under five years old every year. Due to the significance of FSS, investing in education, especially female education, would have a strong effect on decreasing child mortality rates. Funding for education should begin at the early stage of primary school and measures should be taken to alleviate inequities between female and male education.

Further studies should focus on the cost/impact of direct initiatives, such as increasing the numbers of doctors and nurses in the population, increasing the number of births attended by trained health staff, and increasing the number and breadth of immunizations. Further research should also attempt to quantify the significance of poor environmental conditions, such as access to safe water and sanitation, which affect a child's first years of life.



# Liberalization Increases Inequality in Less-Developed Countries

by Daniel Scheer

Openness to trade has become the accepted norm for countries throughout the world. In developing countries, liberalization has brought with it promises that efficiency gains from trade will reduce poverty and spur economic and political development. However, what effect has trade had on economic inequality?

This study looks at the relationship between trade and economic inequality, focusing on the bargaining power of labor as a crucial link between the two. I will show that trade openness increases economic inequality in less developed countries (LDCs), and that the level of skills within the economy plays an important factor in determining economic inequality.

Factoring the bargaining power of labor into the Stolper-Samuelson theorem, I predict that trade will have a positive relationship with economic inequality in LDCs. Trade will increase returns to abundant low-skill industries; however, where labor bargaining power is low, these increases will not raise wages for low-skilled workers, but will instead raise the incomes of the owners of those industries. The theory supports two further hypotheses: increased labor power will reduce economic inequality in LDCs, and increased channels for labor to organize and influence policy (such as democracy) will decrease economic inequality in LDCs.

To test these hypotheses, I estimate the following regression:

$$GINI = \beta_0 + \beta_1 TRADE + \beta_2 PLP + \beta_3 POL + \beta_4 AFR + \beta_5 LA + \mathcal{E}$$

I take cross-sectional data from a sample of 40 LDCs, almost entirely from 1997. The dependent vari-

able for economic inequality uses Deninger and Squire's (1996) data on Gini coefficients. The independent variable for trade openness (TRADE), is the sum of imports and exports as a percentage of GDP from the 2006 World Bank's Development Indicators. Labor power is the PLP statistic developed by Nita Rudra measured by the following ratio:

$$PLP = \left(\frac{A}{B}\right) \times \left(\frac{1}{C}\right)$$

where A/B is the ratio of skilled to unskilled labor in the workforce and C represents surplus labor as a percentage of the working age population (Rudra, 2002). POL is from the Polyarchy dataset developed by Tatu Vanhanen (2000) which employs the Dahl (1971) definition of democracy as characterized by public contestation and participation. To account for historical and cultural differences, I include regional dummy variables for Africa (AFR) and Latin America (LA).

My findings confirm the first two hypotheses: trade has a positive and statistically significant effect on economic inequality, while PLP has a negative and statistically significant effect on economic inequality. However, though the measure of democracy has a negative coefficient, it is not statistically significant. While surprising, this may result from the fact that while the Vanhanen Index provides a good quantitative measure, it does not completely capture all the aspects of democracy as they relate to economic inequality. Additionally, any measure of democracy will not capture the partisan character of a country.

This study suggests that trade openness will increase economic inequality in LDCs. Without strong labor power to negotiate a more equitable distribution of income, trade will increase the returns to the owners of low-skill industries without generating comparable increases in the wages of low-skilled workers. The resulting differential between those who benefit from trade and the low-skilled workers whose wages are suppressed will generally increase economic inequality within these countries.

## Arrupe Fellowships

Designed to attract into the IPED Program highly qualified applicants who have a strong interest in pursuing a career with a non-profit international relief and development organization, the Arrupe Fellowship consists of a tuition scholarship combined with a generous stipend. These awards include an additional stipend to cover the cost of an overseas summer field placement in either Latin America or Africa. Eligibility criteria are: one or preferably two years of work experience in a developing country; professional proficiency in French, Spanish, or Portuguese; and willingness to apply and, if selected, accept up to a one year post-graduate International Development Fellowship with Catholic Relief Services (CRS). The application deadline is January 15 for the following Fall Semester.

For further information: www.fordham.edu/iped/aid.html

#### In their own words: Faculty Notes



Dr. Susan Berger is an Associate Professor of Political Science and Co-Director of Women's Studies at Fordham University. Her IPED course, "Political Economy of Development," is offered in the fall.

The first project I'm working on builds upon the research that I did for my most recent book, Guatemaltecas: The Women's Movement 1986-2003, which was published in 2005. The book explores the relationship between democratization and the women's movement in Guatemala and ultimately argues that while the early years of democratization opened political space for women to pursue issues of citizenship rights, it has also marginalized popular sector women and their objectives. My current work centers on the ways in which the women's movement is trying to reconstruct itself within the constraints of neoliberalism.

In my opinion, the most important issues in development today are the negative economic impacts of globalization for the majority of people in the global south—poverty, inequality, and marginalization.

Another important issue is the way in which political institutions and movements are organizing to address global poverty and inequalities.

In Latin America, for example, a so-called "pink-tide" has led to the recent election of a number of left-of-center governments who claim they are interested in assisting the marginalized majorities in the region. Some of these governments, like that of Hugo Chávez, are relying on mobilization tactics rather than traditional (and often corrupt) party politics to maintain support. Mobilization democracy can theoretically open up avenues for previously disenfranchised peoples to participate in the political system, but it also can lead to a centralized state system that directs, not listens to, popular movements.

I advise students to always look at development critically and to consider its multiple dimensions—positive and negative. Issues of race, class, and gender are completely interconnected with development and must be placed at the center of any consideration. I also ask students to pay attention to locally-generated solutions rather than those imposed from elsewhere.

#### Jane Hingston Continued from page 1

development issue in the Americas, the lung disease affects miners and sandblasters, who work in sub-optimal conditions where safety standards are not well-enforced. The Global Collaborations program brings together international partners dedicated to providing evidence and support for policy change in countries that face such workplace safety and health challenges.

As Jane's experience shows, the PMF allows newly-minted masters students to accumulate diverse experiences in a short amount of time, to gain a comprehensive viewpoint of the roles and identities of the many actors in development, and to make lasting contacts.

Remembering fondly her days in the IPED Commons and hanging out at Tino's Deli on Arthur Avenue, Jane attests that IPED was "the key to my professional success." A LISA scholarship enabled her to increase her Spanish proficiency; Dr. Schwalbenberg's Project Management course gave her tools she could apply later; chaperoning a Global Outreach team in Kolkata, India affirmed her commitment to volunteer work. These experiences enhanced her view that "love is a big part of development!"



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