

As a participant in the recent World Trade Organization talks in Seattle, I saw first hand how the world is reacting to globalization. The most visible reaction came from people in the streets, but inside the conference rooms there was also much doubt and fear. Where do policymakers from developing and transitional countries fit into a globalized economy and how can they make this new system work for them?



These are the questions that lead us to publish this special 15-year assessment of our own experience at the Center for International Private Enterprise. If there is one lesson I could point to from these past fifteen years it is that development models really don't work. There is no magic recipe for building market economies and democratic society. However, there is a lot we have learned about what does and does not work in a variety of cultural contexts. This experience demonstrates that nations—even those with small economies—need not be hapless victims swept up by international forces beyond their control. Public policymakers and private sector groups can find ways to forge institutions and programs that allow their citizens to take advantage of globalization and the potential it offers for economic growth. The bottom line is all countries—rich or poor—must come to terms with the rapid integration of markets and the increasing flow of finance across borders that the information technology boom have launched. Failing to do so has consequences.

The key maxim for policymakers is that they need to take charge of their engagement with the global economy rather than become victimized by it. And the way to do this is to build institutions that support integration into the world economic structure. Institutions that control corruption and provide strong corporate governance standards to protect shareholders and support fledgling capital markets are good examples. At the top of their policy priority list should be strengthening their democratic institutions and insuring broad participation in formulating economic policies. As Harvard University professor Dani Rodrik stated in a recent paper delivered to the International Monetary Fund: "We can think of democracy as a meta-institution for building good institutions."

The articles you will read in this issue of *Economic Reform Today* provide an excellent resource for policymakers wishing to learn from the experience of other countries. The organizations and reform leaders presented here have been on the cutting edge of research and advocacy for effective economic reform policies. It is our hope that their experience will encourage others to try new approaches to instituting reform that are in keeping with their cultural heritage.

CIPE will soon be launching a project evaluation section on our Web site, the Forum on Economic Freedom. We encourage you to access this site to read the full project evaluations highlighted in this issue of *Economic Reform Today* and others that will be added. You can access our Web site by going to www.cipe.org.

A handwritten signature in black ink that reads "Willard A. Workman". The signature is fluid and cursive.

Willard A. Workman
Vice President, CIPE & Vice President,
International, US Chamber of Commerce