Deborah Eade and John Sayer, Editors. 2006. *Development and the Private Sector: Consuming Interests Development and the Private Sector: Consuming Interests*, Bloomfield, CT., Kumarian Press, Inc., 312 pp. with index**.**

This book worried me from the start—the title had me thinking what happened to the governments', the institutions' and the nongovernmental organizations' (NGOs) involvement in development? The book's co-editor John Sayer, in a wide-ranging first chapter, "Do More Good; Do Less Harm, Development and the Private Sector," tells the reader that whenever world poverty is seriously discussed and debated, "the world of business lurks in the shadows, acknowledged uneasily like a tattooed man at a tea party"(1).

Indeed John Sayers insists that corporations are "with us for the long haul"(1). His take on the issue of development is that corporations have huge political, economic and social influence that national governments and institutions cannot match. Infiltrating the world of development, whether transnational corporations or small and medium-sized enterprises (SMEs), we unreconstructed Marxists are going to have to get used to having business front and centre—even in the lead.

But wait, other chapters in the book often say quite the opposite. While the other authors recognize the role of business, they also disparage much of its contribution. For example, in the chapter "Size Matters", the author points out that there are two ways local enterprise can compete in the global economy. One way is taking the "low road" – paying low wages, ignoring environmental standards and not paying taxes or the "high road" – upgrading processes and products. This chapter deals with furniture-manufacturing in Central Java, and the problems of SMEs and of bigger corporations. The chapter describes the major problem with developing this industry – the need for a continuous supply of teak wood. This need bumps into the problem of forest management and depletion of resources. In turn that problem bumps into the state's plans, or lack of them, to save dwindling resources. From there the buyers get nervous, because the price and the quality may not be guaranteed or sustainable.

So the book looks hard at a number of different "business initiatives" in developing countries and what is to be done.

One of the more interesting chapters is about coffee. In April Linton's "Partnering for Sustainability" she looks at the business-nongovernment organization (NGO) alliance in this industry. In the last fifteen years, commodity prices for A*rabica* coffee have dropped from a high of US$2.71 per pound to today's $0.72 per pound (224). *Arabica*, a bean grown in mountainous areas, is of a better quality than *Robusta*, which is grown many places in the world in low-lying areas. In fact one of the biggest coffee exporters in the world is Viet Nam, which exports *Robusta. Arabic* is the premium bean and more expensive than *Robusta* but, increasingly, roasters are using *Robusta* in their blends, because it is cheaper (224-5).

This situation has resulted in a coffee crisis. It is increasingly difficult for farmers to keep growing the more expensive

Arabica beans, because the market is being saturated with cheaper *Robusta*. Coffee farmers' incomes in Ethiopia and in Latin America have plummeted and many are impoverished. The chapter considers the plight of the coffee farmers and the interconnection between the NGO-based fair trade coffee movement and the corporations. The chapter is a bumpy but essential ride through an introduction to business course -- from the contentious issue of marketing or "branding," to corporate social responsibility to corporate credibility. Linton says that the link between workers, the environment and sustainability is one tangible way to "civilize" globalization (242).

From my perspective, the most interesting chapter is "The World Bank's Land of Kiosks," by Ben Moxham. He examines the world of micro-credit in Timor-Leste and it is a sorry tale. I should say first that the university where I teach, Saint Mary's University in Halifax, NS, was the first in Canada to welcome Muhammad Yunis of the Grameen Bank just after he was awarded the Nobel Prize in the autumn of 2007. Local citizens flocked to the university to hear him speak about the successes and viability of micro-credit to help lift people from poverty in the less developed world. So it was an eye-opener to read the criticism and the truth behind the World Bank's Community Empowerment and Local Governance Project (CEP) initiative which gives Timor-Leste women micro-credit loans. Moxham states that 54% of these loans go to set up kiosks, and "the resulting 'oversupply' has led to predictable complaints… of few customers and too much competition" (179). Further, if the CEP ever bothered to enforce repayment, "most of the recipients would have plunged further into poverty" as 70% of the recipients do not earn enough to replay the loan (179).

While it seems a good idea to give active women small loans and let them buy a sewing machine to repair clothes, or open a fruit stand, it does not necessarily work. First, when the women get the loan, understandably some of the money goes first to pay for necessities such as food or shoes for the children. After that, most recipients set up kiosks (185). However, the main question is not repayment but does the loan help reduce poverty? Moxham quotes one source who says that the kiosk businesses "…usually fall short of even a minimum living standard and involve little capital investment, virtually no skills training and only constrained opportunities for expansion into a viable business" (185). In short the chapter condemns the importation of free-market economics on the poor of Timor Leste.

In the first chapter, John Sayers insists business should be at the table when it comes to finding solutions to poverty, and not as the outsider or "the tattooed man at the tea party." After reading the book and being subjected to a large dose of market "therapy" as a way to fix the situation, I am more inclined to see Sayers' analogy this way—business forces poor people to suffer the further indignity of a tattoo. And the tea party has long moved elsewhere.

I think that including business as a "partner" in creating solutions to poverty is not a serious option. Lately, with the collapse of the market, and the disintegration of millions of jobs world-wide – we see CEOs and other business executives undeterred. They are still picking up their millions in salaries, bonuses and stock options. I cannot see business doing much to eradicate poverty, but I do see business and its cheerleaders still muscling up to the trough.

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