

## *Black Sea Economic Research Network*

### *A Proposal*

*Istanbul, 11 March 2010*

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#### *Rationale*

All of the countries of the Black Sea region (defined as those countries belonging to the Black Sea Economic Cooperation – BSEC) possess institutes of economic research. Some of these institutes are well-funded, others have a history of working region-wide, others, still, are in the process of building their capacity and training their staffs. Despite the urgent need for sound economic research and advice, many of these institutions are isolated within their own countries, yet dealing with economic challenges that would be familiar to other institutes within the region. Their combined force could support governments and business organizations in responding to the challenges posed by post-crisis recovery. What is needed is a structure that brings all this expertise together in an ad-hoc manner to combine their local or regional expertise.

#### *Proposed Structure*

The OECD Development Centre is prepared to act as a catalyst in bringing together economic research institutes throughout the BSEC area to form a network that would none the less be owned by the institutes themselves. The Centre will offer advice and expertise, but will not participate directly in the network, except as required by its members. It is thus proposed that each country within the BSEC family will propose a single institute of economic research to represent the country's research capacity within the network. The final form of the network is the business of the member institutes, but, as a suggested starting point, we would suggest the following:

- A *Council* or general assembly consisting of representatives of the leading institution in each country. This would be the supreme policy-making and decision-making body; The *Council* would meet at most yearly.
- An *Executive Committee* made up of representatives of the *Council* that would deal with the regular business of the network. This committee need not meet physically at all, or rarely, outside of *Council* meetings but would conduct its business through electronic communication.
- A *Chair*, to be elected by the *Executive Committee*, assisted by two deputy chairs, who would form the permanent secretariat of the network. Ideally, the *Chair* would be held by an institution for one year only, to avoid the problem of the network's being identified with one country or one individual, to the detriment of the members as a whole.

#### *Funding*

If all goes according to plan, the network will prove its worth very quickly indeed. Holding the chairmanship will be such an honour that the host country will be delighted to provide funding for the



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very basic services that will be required: premises, phone, secretarial services, printing and communication. Given that the network will cover the space currently vacant in the BSEC structures, it is not impossible that BSEC itself might be persuaded to offer some measure of support.

### *Advantages*

For the OECD: Such a network will provide the OECD and other international organizations with an invaluable resource on which to draw for everything pertaining to economic development and policy within the region. If the network functions as we expect, it will represent a “bank” of expertise on which we can draw for all manner of economic research. Since the network will cover the entire Black Sea area, it will allow a region-wide appreciation, not only of the problems and challenges to be faced but, much more importantly, the solutions that can be found.

For the research community in the BSEC area: the network will provide a mechanism of cross-fertilisation that will encourage and facilitate contacts between researchers throughout the region to the best source of knowledge and expertise imaginable. The network will free researchers from their reliance on international sources of information, data and analysis to produce a genuine, home-grown approach to economic challenges facing the region as a whole. The prestige of the network will give it much more influence over policy making than hitherto, giving researchers a direct line into policy making, backed up by region-wide experience and expertise. It will, in short, make researchers part of the process, instead of questionable observers.

“Reality check”: by being grounded in real-life experience and economic policy research at the basic level, the network will be able to introduce researchers for the first time into the policy-making process, reinforced by the experience of others in the region and freed from national policy imperatives.

### *Recommendation*

That this informal meeting select a lead institution to lay the foundations of the network, supported by the OECD Development Centre.

That the lead institution immediately contact similar economic research institutions with a view to selecting a representative from each of the 12 BSEC countries to establish a “constitutive assembly”.

That the constitutive assembly create the *Black Sea Economic Research Network* with an organic link to the BSEC and the OECD.

### *Going Forward*

The OECD Development Centre could, if the members so wish, be present “ex-officio” and without voting powers, on the *Executive Committee*. It could act as the link between the network and the OECD and with the Association of Development Research and Training Institutes (EADI). Such an organic link could ensure the independence of the network and thus contribute to its success in the longer term.

