

ECONOMIC DEVELOPMENT IN AFRICA PPOL 702-10 (MODULE)

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Course Description: This module will explore some of the research on the key issues of growth and poverty reduction in sub-Saharan Africa. It will examine a variety of empirical findings on these topics to better understand why Africa, and the international agencies tasked to promote development, has had so little success in the post-independence era. The course emphasizes international financial relations and institutions.

Requirements: One paper, 12-15 pages, double-spaced, due by November 30, on a topic of your choice. Topics and preliminary bibliographies must be approved prior to beginning work and must be submitted by Nov 1 via e-mail. The paper counts for 60 percent of your grade; the remainder of your grade is based on class presentations and participation.

Readings: The required books are Nicolas van de Walle's *African Economies and the Politics of Permanent Crisis, 1979-1999* (2001) and William Easterly's *The Elusive Quest for Growth* (2001). The remaining required readings are available on the web, as are most of the suggested ones.

Class 1: Introduction to African Development: Why is Africa different?

Required:

William Easterly, *The Elusive Quest for Growth* (2001), Ch 1.

Nicolas van de Walle, *African Economies and the Politics of Permanent Crisis*, 1979-1999 (2001), Introduction and Ch 1.

Binyavanga Wainaina, "How to write about Africa," Granta (2006), http://www.granta.com/extracts/2615

Class 2: Africa's Slow-Growth Puzzle: Why have African economies stagnated?

Required:

Easterly, The Elusive Quest, Ch 2 & 3

"What do we know about Economic Growth? Or, why don't we know very much?" by Charles Kenny and David Williams, *World Development*, (2001). http://charleskenny.blogs.com/weblog/files/finpap.pdf

Suggested:

Paul Collier and Jan Gunning, "Explaining African Economic Performance," WPS/97-2.2, Center for the Study of African Economies (1998). www.csae.ox.ac.uk/workingpapers/pdfs/9702text.pdf

Pierre Englebert, "Solving the Mystery of the AFRICA Dummy," *World Development*, Vol. 28, No. 10 (2000).

David Bloom and Jeffrey Sachs, "Geography, Demography, and Economic Growth in Africa," *Brookings Papers on Economic Activity* (1998).

Class 3: Governance and development: What is the role of the state?

Required:

Van de Walle, African Economies, Ch 2-4, 6

Easterly, The Elusive Quest, Ch 11-12

Can Africa Claim the 21st Century?, World Bank, (2000) Ch 2, available on www.worldbank.org

Suggested:

Pierre Engelbert, "The contemporary African state: neither African nor state," *Third World Quarterly*, Vol. 18, No 4, 1997.

Daniel Kaufmann, Aart Kraay, and Massimo Mastruzzi, *Governance Matters V: Governance Indicators for 1996–2005*, World Bank (September 15, 2006) available on www.worldbank.org

Richard Jeffries, "The State, Structural Adjustment, and Good Government," *Journal of Commonwealth and Comparative Politics*, Vol. 31, No. 1 (1993).

Class 4: The IFIs: What do the IMF and World Bank do?

Required:

Easterly, The Elusive Quest, Ch 6

van de Walle, African Economies, Ch 5

Can Africa Claim the 21st Century? World Bank (2000), Executive summary

Glance through any recent "IMF Staff Country Report" for an African country. Try to interpret the jargon: what does the Fund think are the country's key challenges?

Suggested:

Paul Mosley, "How to Confront the World Bank and Get Away with it: A Case Study of Kenya" in Chris Milner and A.J. Rayner (eds.), *Policy Adjustment in Africa*, MacMillan (1992).

Jessica Einhorn, "The World Bank's Mission Creep," *Foreign Affairs* (September 2001). Sebastian Mallaby, "Saving the World Bank," *Foreign Affairs* (May/June 2005).

Class 5: The International Aid System: Why is it so broken?

Required:

Nancy Birdsall, Seven Deadly Sins: Reflections on Donor Failings, CGD Working Paper Number 50 (2004), http://www.cgdev.org/content/publications/detail/2737

William Easterly, "The Cartel of Good Intentions: Markets vs. Bureaucracy in Foreign Aid," CGD Working Paper 4 (2002)

http://www.cgdev.org/content/publications/detail/2786

Nicholas Kristof, "Aid: Can It Work?" *New York Review of Books* (October 5, 2006) http://www.nybooks.com/articles/19374

Suggested:

Andrew Rogerson, "The International Aid System 2005-2010: Forces For and Against Change," Overseas Development Institute, ODI Working Paper 235, 2004.

Tim Harford and Michael Klein, "The Market for Aid" and "The Future of Aid", briefings available: http://rru.worldbank.org/PublicPolicyJournal

Jeffrey Sachs and colleagues, "Ending Africa's Poverty Trap," Brookings Papers on Economic Activity, (2004),

http://www.earthinstitute.columbia.edu/endofpoverty/documents/BPEA20041.pdf

Class 6: Debt: How helpful is debt relief for Africa?

Required:

Easterly, *Elusive Quest*, Ch 7 and his "How Did Heavily Indebted Poor Countries Become Heavily Indebted? Reviewing Two Decades of Debt Relief," *World Development*, Vol. 30, No. 10, 2002.

http://www.nyu.edu/fas/institute/dri/Easterly/File/World.pdf

Sachs, Jeffrey, "Resolving the Debt Crisis of Low-Income Countries," *Brookings Papers on Economic Activity*, 2002.

http://www.earth.columbia.edu/about/director/pubs/BPEA_Sachs1_2002.pdf

Suggested:

Tim Allen and Diana Weinhold, "Dropping the Debt: Is it such a good idea?" *Journal of International Development*, Vol. 12, No. 6, 2000.

Nicolas Chauvin and Aart Kraay "What Has 100 Billion Dollars Worth of Debt Relief Done for Low-Income Countries?" World Bank, 2005. http://papers.ssrn.com/sol3/papers.cfm?abstract_id=818504

Class 7: Trade and Investment: How can private sector activity reduce poverty?

Required:

Kym Anderson and Will Martin, "Agricultural Trade Reform and the Doha Development Agenda," World Bank Policy Research Working Paper No. 3607, May 2005.

World Development Report 2005: A Better Investment Climate for Everyone, World Bank, (2004), executive summary

Suggested:

Oxfam, "Africa and the Doha Round,"

 $\underline{http://www.oxfam.org.uk/what_we_do/issues/trade/bp80_africa_doha.htm}$

Kimberly Elliott, "Looking For the Devil in the Doha Agricultural Negotiations," CGD Brief, 2005, http://www.cgdev.org/content/publications/detail/5349

Benn Eifert, Alan Gelb and Vijaya Ramachandran, "Business Environment and Comparative Advantage in Africa: Evidence from the Investment Climate Data," CGD Working Paper 56, http://www.cgdev.org/content/publications/detail/2732