

Syllabus

ECON 184: Economic Development in Africa

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Spring 2009

General information

Time and location: TR 3:40-5:00p.m. ENGR2 143
Office hours: TR 10:00-11:00a.m. (4108 Sproul Hall)
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Prerequisites

ECON 102A or ECON 103A and ECON 107 or instructor's approval.

Course description

This course will examine major current issues in development economics with special emphasis on how they relate to Sub-Saharan Africa. The course will combine macroeconomic (e.g. growth determinants, the role of foreign aid) and microeconomic issues (e.g. health, human capital, poverty dynamics) as well as institutional explanations for the lack of economic growth in the region. The course will pay particular attention to the policy implications from each of the topics covered here.

The Contract

Requirements and grading

All assignments mentioned below must be turned in at the beginning of the class or left in my office before the class meets. Students are expected to cover, at least, 50 pages per week from the reading assignments. Only under extreme circumstances (such as medical emergencies) will late assignments be accepted at the discretion of the instructor. The dates for all exams (once established) and assignments are final.

Two problem sets	5% each.
One midterm (April 30)	25%.
One presentation	15%.
One 15-page paper due May 28	20%.
One final (Tuesday June 9, 7:00 - 9:00P.M.)	30%.

The topics and guidelines for the paper and the presentation (e.g., goals and structure) will be distributed later in the quarter.

Textbooks

Required

- Kevane, Michael (2004) *Women and Development in Africa: How Gender Works*. Lynne Rienner Publishers. ISBN: 978-1588262387. [HQ1240 5 A35 K48 2004]
- Collier, Paul (2007) *The Bottom Billion* [HC79.P6 C61 2007 and on reserve]
- Moss, Todd (2007) *African Development. Making Sense of Issues and Actors* Lynne Rienner Publishers. ISBN: 978-1588264725. [On reserve]

Suggested

- Easterly, William (2002) *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. The MIT Press. ISBN: 978-0262550420. [HC59.72.P6 E17 2001]

- Banerjee, A., R. Bènabou, and D. Mookherjee (2006) *Understanding Poverty*. Oxford University Press. ISBN: 978-0195305203. [HC79.P6 U534 2006].
- Fafchamps, Marcel (2004) *Market Institutions in Sub-Saharan Africa: Theory and Evidence*. MIT Press. ISBN: 978-026206236. [HC800 .F33 2004]

News, Journals and blogs

For daily online news from Africa, refer to the BBC, All-Africa News or Africa Confidential. The BBC also has daily and weekly podcasts. You can subscribe to these using *Google Reader* or any other RSS reader. Background information for African countries is available at the World Factbook. *The Economist* also keeps a country brief including a limited number of African countries. For an economic journal on African issues visit the *Journal of African Economies*. These days there are plenty of blogs that you can read that focused mostly in Africa. Examples include

- <http://bottombillion.com/>
- <http://chrisblattman.blogspot.com>
- <http://africacan.worldbank.org/>
- <http://blogs.nyu.edu/fas/dri/aidwatch/>
- <http://africaunchained.blogspot.com/>

Grades

To convert your overall numeric grade to a letter grade use the following rule:

Number	Letter
90 or above	A
80-89.9	B
70-79.9	C
60-69.9	D
Below 60	F

Sub-letter grades (eg., A+, B-, C) will be determined later in the quarter but they usually correspond to breaks of the same magnitude within the bracket.

Communications

Most communication will take place during class. Otherwise, I will send an email through ilearn. It is the student's responsibility to make sure that the email listed on ilearn is valid. If you do not use your UCR account make the appropriate changes to have your UCR emails sent to your preferred account.

Plagiarism

The appropriate ways for referencing the material used to write the paper will be discussed in class. Any student found committing plagiarism, not handing in original work of his/her own, or cheating, will be given an **F** in the course and will be subject to disciplinary action by the University.

Course outline and readings

Each of the following topics should take us one week, on average. The [*] symbol indicates the required readings. All others are suggested but some/most of them will be covered in class.

I. Patterns of economic development in Africa

- [*] Kevane, M. (2004). Chapter 2: Explaining Underdevelopment in Africa.
- [*] Cooper, Frederick. (2002). *Africa since 1940: The Past of the Present*, pp. 91-118.
- Ndulu, B. (2007) Chapter 2: Africa's Long-Term Growth Experience in a Global Perspective in *Challenges of African Growth. Opportunities, Constraints and Strategic Directions*. World Bank.
- United Nations Development Program (UNDP). (2007). Human Development Report 2007/2008, Table 1 and Table 14, pp. 229-232 and 277-280.

- Moss, T. (2007) *African Development: Making Sense of the Issues and Actors*, Chapters 1-3.

Statistical analysis

- [*] Kevane, M. (2004). Appendix: Tools for analysis, pp. 205-212.
- [*] Meier, Gerald and James Rauch (2005) “Appendix: How to read a regression table” in *Leading Issues in Economic Development* 8th edition. Oxford: Oxford University Press. 2005.

II. Economic growth: capital accumulation

- [*] Perkins, D., S. Radelet, D. Snodgrass, M. Gillis, and M. Roemer (2001) Chapter 2: Economic Growth, pp. 52-82 in *Economics of Development*, Fifth Edition. Norton.
- [*] Collier, P. and J.W. Gunning (1999) Explaining African Economic Performance *Journal of Economic Literature*, 37(1):64-11, March.
- Easterly (2002). Chapter 3: Solow’s Surprise: Investment is Not the Key to Growth.
- Artardi, E. and X. Sala-i-Martin (2003) “The Economic Tragedy of the 20th Century: Growth in Africa”, NBER Working Paper No. 9865.
- Collier, P. and J. W. Gunning. (1999) “Why has Africa Grown Slowly?” *Journal of Economic Perspectives*, (13):3-22.

III. Economic growth: geography vs. institutions

- [*] Sachs, J. (2005). *The End of Poverty: Economic Possibilities for Our Time*, Chapter 3, pp. 51-73.
- [*] Collier, P. (2007) Chapters 3-5.
- [*] Acemoglu, D., S. Johnson and J. Robinson (2006). “Understanding prosperity and poverty: Geography, institutions and the reversal of fortune” in *Understanding Poverty*, Benerjee, Benabou and Mookherjee (eds.), pp. 19-35.

- Sachs, J. et al (2004) “Ending Africa’s Poverty Trap” *Brookings Papers on Economic Activity*, 2004(1): 117-216
- Bloom, D. and J. Sachs. (1998). “Geography, Demography, and Economic Growth in Africa” *Brookings Papers on Economic Activity*, 2, 207-295.
- Jared Diamond (1997). *Guns, Germs, and Steel*. New York: W.W. Norton & Co. (Chapter 4)
- Engerman, S. and K. Sokoloff (2006). “Colonialism, inequality and long-run paths of development” in *Understanding Poverty*, Benerjee, Benabou and Mookherjee (eds.), pp. 37-62.

IV. Agriculture and land tenure

- [*] Binswanger, H. and Townsend, R. (2000) “The Growth Performance of Agriculture in Sub-Saharan Africa” *American Journal of Agricultural Economics*, 82(5):1075-1086,
- [*] Kevane, M. (2004). Chapter 4: The Land Tenure Rights of African Women.
- Ruttan, W. (2002) “Productivity Growth in World Agriculture: Sources and Constraints” *The Journal of Economic Perspectives*, 16(4):161-184, Autumn. Proceedings Issue. (December), pp. 1075-1086.

V. Poverty and inequality

- [*] Banerjee, A. and E. Duflo (2007) “The Economic Lives of the Poor” *Journal of Economic Perspectives*, 21(1):141-168, Winter.
- [*] Ray, D. (1998) *Development Economics*, p.173-193 and 250-256.
- [*] Deaton, A. (2006) “Measuring Poverty” in *Understanding Poverty*, Benerjee, Benabou and Mookherjee (eds.), pp. 19-35.
- World Bank (2006) *World Development Report. Equity and Development*, Overview and chapter 2.

- Chronic Poverty Report 2004-05, Chapters 1-5, 6 and 11, The Chronic Poverty Research Centre.
- Carter, R. and J. May (2001) “One Kind of Freedom: Poverty Dynamics in Post-apartheid South Africa” *World Development*, 29(12):1987-2006, December.

VI. Health and education

- [*] Kevane (2004) Chapters 8 and 9.
- [*] Schultz, T.P. (1999) “Health and Schooling Investments in Africa” *The Journal of Economic Perspectives*, 13(3):67-88, Summer.
- [*] Schultz, T.P. (2004) “Evidence of Returns to Schooling in Africa from Household Surveys: Monitoring and Restructuring the Market for Education” *Journal of African Economies* (13) 95-148.
- Easterly (2002) Chapter 4: Education for What?
- Nielsen, Helena Skyt, and Niels Westergaard-Nielsen (2001) “Returns to Schooling in Less Developed Countries: New Evidence from Zambia.” *Economic Development and Cultural Change*, 49(2), 365-394.
- Bigsten, et. al. (2000) ”Rates of Return on Physical and Human Capital in Africa’s Manufacturing Sector.” *Economic Development and Cultural Change*, 48(4), 801-827.

VII. The Aid debate

- [*] Moss, T. (2007) Chapters 8 and 9.
- [*] Easterly, W. (2008) “Can the West Save Africa?” forthcoming *Journal of Economic Literature*, 2009.
- Collier, P. (2007) Chapter 7.
- Elizabeth M. Caucutt and Krishna B. Kumar (2008) “Africa: Is Aid an Answer?,” *The B.E. Journal of Macroeconomics* 8(1) (Advances), Article 32.

- Easterly, W. and T. Pfutze (2008) “Where Does the Money Go? Best and Worst Practices in Foreign Aid”, *Journal of Economic Perspectives*, 22(2):29-52.
- Moyo, D. (2009) *Dead Aid. Why Aid Is Not Working and How There Is a Better Way for Africa*, Farrar, Straus and Giroux, 208 p.

VIII. Economic development and conflict

- [*] Collier, P. (2007) Chapter 2: The Conflict Trap.
- [*] Collier, P. et al (2003) *Breaking the Conflict Trap. Civil War and Development Policy*, Chapters 3 and 4.
- [*] Miguel, E., S. Satyanath, and E. Sergenti (2004). “Economic Shocks and Civil Conflict: An Instrumental Variables Approach”, *Journal of Political Economy*, 112(4), 725-753.
- Blattman, C. (2006). “Child soldiers and labor market outcomes: Findings from the Survey of War-Affected Youth in Uganda”, unpublished working paper, U.C., Berkeley.

IX. Corruption

- [*] Svensson, J. (2005) “Eight Questions about Corruption” *Journal of Economic Perspectives*, 19(3): 19-42, Summer.
- [*] Bardhan, P. (2006) “The economist’s approach to the problem of corruption”, *World Development*, 34(2):324-404.
- Mauro, P. (1995) “Corruption and Growth” *The Quarterly Journal of Economics*, 110(3), 681-712.
- Reinikka, R. and J. Svensson (2006), “Using Micro-Surveys to Measure and Explain Corruption”, *World Development*, 34(2):359-370.
- Bardhan, P. (1997), Corruption and Development: A Review of Issues,” *Journal of Economic Literature* 35, 1320-1346.

Figure 1: Map of Africa

