

African Economic Development **Fall 2016**



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Office hours: T 11:30-1pm and F 1:30-2:30pm
Sections: AFS 4935 (216B); ECS 4111 (15FE)
Times/room: T and R, P 3-4 in MAT 112
Credits: 4

COURSE DESCRIPTION

This course examines the main challenges facing contemporary African economies, and the complex causes of the uneven socio-economic development on the African continent. Amidst the many simplistic and erroneous representations of Africa by the media and the general public, those concerning the economy are probably the hardest to fight. Africa is widely regarded as the land of economic scarcity, poverty and corruption. Without denying the enormous economic challenges and the vast poverty that still persists, we will learn about the economic dynamism of many countries, the investment and growth opportunities in key economic sectors and the inventiveness of African farmers and entrepreneurs.

The course will focus on Sub-Saharan Africa, and will strive to highlight differences among countries as well as similarities. Topics covered are typical of a development economics course: economic growth and its determinants; the role of politics and institutions; agriculture; the potential for industrial development; international trade and investment; poverty and inequality; and gender issues. While we maintain a focus on contemporary issues and forthcoming challenges, we will also examine the historical record and past events whenever necessary, in order to shed better light on the present situation.

LEARNING OBJECTIVES

By the end of this course, students should be able to:

- Discuss in a critical way the main facts about African economic development, as they apply to emerging economies as well as poorer countries
- Refer competently to the debates in the development economics literature about causes for success and failure
- Recognize the value of a historical perspective (as many of current policy failures derive from lack of knowledge of even the recent past!)
- Appreciate the need to analyze economic development issues comprehensively, and be able to draw connections between different dimensions of economic development across scales.

PREREQUISITES

ECO 2013 and ECO 2023 (or equivalent for non ECO majors). This course is not normally suggested for first year students. Most students attending this course will be in their junior or senior year. If unsure whether this course is appropriate for you, please consult the instructor.

COURSE MATERIAL

- There is no textbook for this course. Course readings consist of journal articles, book chapters, and policy reports, which are available on the Canvas course site in E-Learning or through websites.
- The powerpoint files which I show during my lectures are posted few minutes before class, and are also part of the required course material.
- Please try to keep update with international and African affairs: useful internet sources are www.bbc.co.uk/africa and www.allafrica.com. *The Economist* also covers regularly African affairs.

COURSE REQUIREMENTS AND GRADING

1. Class presence and participation (10%):

Attendance is essential and you are required to be in class on time. I will take attendance at the start of each class and the Canvas system will take off points for missed classes and late arrivals, unless you provide me with timely and appropriate justification (see below for attendance policy). If you have missed a class, it is your responsibility to find out relevant information from other students – therefore make sure you have the contact details of at least one other student in the class.

I require utmost attention and respect in class: use of cell phones, email, texting and similar are simply NOT TOLERATED. You can use your electronic devices only to take notes: if you are caught using it for other reasons during classes, you will be given one warning, after which your grade will be lowered. Besides being attentive in class and taking notes, you should also participate in class, ready to answer to questions about the day's reading and contribute to the class debates.

2. Two class tests (30% each, for a total of 60% of the final score): Oct 4 and December 6

Class tests will consist of both short questions (to test breadth of knowledge) and essay or problem type of questions (to test depth of knowledge). Each test will cover approximately one half of the class material. Test dates are Oct 4 and Dec 6. More details will be given in due time.

3. Country report (15%) – Due Oct 13

Each student will select one African country to specialize in during the first half of the semester. He/she will prepare a short report, which describes and analyzes the main economic conditions in the country and key economic challenges and prospects. The report will be no more than 2000 words (including graphs and tables, but excluding bibliography). Detailed instructions will be given to ensure the country report applies concepts and knowledge learned in the class.

NOTE: To prepare for the country report you will have the chance to work in class on four ungraded assignments (called Task 1, 2, 3, 4 and listed below), through which you will learn how to create tables and charts with economic indicators. You are strongly advised to come to class on those dates!

4. Comparative economic analysis and group presentation (15%)

After mid-semester, students will be assigned to groups to work on the comparative analysis of their chosen countries (students who have selected the same countries cannot be in the same group). Groups will select a particular economic sector (e.g. agriculture, industry, tourism, banking) or crosscutting topic (foreign direct investment, climate change, regional trade & integration, social policy, etc.) through which they will examine and compare their respective countries. Each group will prepare a powerpoint or prezi and will give a presentation to the class at the end of the semester.

The final grade is obtained by calculating the weighted average of the percentage grades obtained on each component, and assigning the correspondent letter grade according to the table:

Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
Tot %	93-100	90-92	87-89	83-86	80-82	77-79	73-76	70-72	67-69	63-66	60-62	<60

Note: A grade of C- is not a qualifying grade for major, minor, Gen Ed, or College Basic distribution credit. For further information on UF's Grading Policy, see:

<https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>;

<http://www.isis.ufl.edu/minusgrades.html>

UF POLICIES

Attendance: Absences will be excused in accordance with UF policy. Acceptable excuses include illness, religious holidays, military obligation, & the 12-day rule. More info about attendance and make-up policies can be found at: <https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx>.

Academic Honesty: The University places a high premium on academic honesty. Accordingly, severe penalties are imposed for plagiarism and other instances of deception or fraud. The university's policies regarding intellectual honesty are detailed in the Student Honor Code (see <https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/>).

Plagiarism: Plagiarism is a serious violation of the Student Honor Code. The Honor Code prohibits and defines plagiarism as follows: A student shall not represent as the student's own work all or any portion of the work of another. Plagiarism includes (but is not limited to):

- a. Quoting oral or written materials, whether published or unpublished, without proper attribution.
- b. Submitting a document or assignment, which in whole or in part is identical or substantially identical to a document or assignment not authored by the student. (University of Florida, Student Honor Code, <https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/>).

University of Florida students are responsible for reading, understanding, and abiding by the entire Student Honor Code.

Important Tip: Do not copy text verbatim from any source (including your own previous work) unless you show the text as a quote with complete attribution.

If a student plagiarizes all or any part of any assignment, University policy suggests that instructors should impose a course grade penalty and report any incident of academic dishonesty to the Office of the Dean of Students. You should know that your work might be tested for its "originality" against a wide variety of databases by anti-plagiarism guardian sites to which the University subscribes, and negative reports from such sites constitute proof of plagiarism.

Software Use:

All faculty, staff, and students of the University are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against University policies and rules, disciplinary action will be taken as appropriate.

Students with disability: students requesting classroom accommodation must first register with the Dean of Students Office. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the Instructor when requesting accommodation. See <http://www.dso.ufl.edu/drc/> for more information.

Counseling & Mental Health Resources: Students facing difficulties completing the course or who are in need of counseling or urgent help should call the on-campus Counseling and Wellness Center (352-392-1575; <http://www.counseling.ufl.edu/cwc/>).

Online Course Evaluations: Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at <https://evaluations.ufl.edu>. Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at <https://evaluations.ufl.edu>.

Do you like courses with African content and you want to know more? Then learn about the many opportunities UF offers to increase your knowledge of Africa:

- The Center for African Studies offers many courses with an African content. Feel free to visit or ask more information.
- Many stimulating opportunities exist, such as Semester and Summer Study Abroad Programs (including the prestigious Lombardi Program). For more info contact the CAS deputy director Todd Leedy (427 Grinter; email tleedy@africa.ufl.edu).
- Do you want to meet your foreign language requirement in a different and exciting way? Learn one of several African languages taught by AALL department. For more information contact Dr C. Bwenge at cbwenge@africa.ufl.edu.
- Are you taking, or planning to take, other courses in African Studies? Would you be interested in a Minor in African Studies and make your profile and CV more international? Consult Dr Leedy and he will be happy to help you to put together your Minor in few easy steps!

CLASS TIME SCHEDULE: The Instructor reserves the right to modify the schedule during the semester.

Topic 1: Introduction

Aug 23: Course Overview

Aug 25: African development: framing the debate

- World Economic Forum “3 reasons things are looking up for African economies”
<https://www.weforum.org/agenda/2016/05/what-s-the-future-of-economic-growth-in-africa/>
- Collier, P. (2007) *The Bottom Billion*, pp. 3-13.
- Radelet, S. (2010) *Emerging Africa*, pp. 9-35.

Aug 30: What is economic development?

- Nnadozie (2003) *African Economic Development*, pp. 3-9, 15-25, 29-41.
- Sen, A. (1999) *Development as Freedom* Chs. 1-2 (pp. 13-53)

Topic 2: Some historical context

Sept 1: The legacy of colonialism and the post-colonial experience

- Gordon, D.L. (2001) ‘African politics’ (pp. 55-80) in: Gordon, ed., *Understanding Contemporary Africa*.
- DeLancey, V. (2001) “The Economies of Africa” pp. 112-119, in: Gordon, ed., *Understanding Contemporary Africa*

Sept 6: From authoritarian to democratic regimes – and change in economic policies

- Todd Moss (2007) *African Development*, Lynne Rienner, pp. 72-81.
- Gordon, D.L. (2001) ‘African politics’ (pp. 83-92) in: Gordon, ed., *Understanding Contemporary Africa*.
- Browse the *Human Freedom Index* 2015 data => **Task 1:** Build a chart/table showing the Human freedom index for your chosen country. Write 1 page commentary of the data, describing changes over time and how your country compares with the average for SSA

Topic 3: Economic growth, institutions and policies

Sept 8: Economic growth in Africa

- Todd Moss, *African Development*, Lynne Rienner, pp. 87-98.

Sept 13: Explaining African economic growth experience

- Collier, P. and Gunning, J., 1999, ‘Why has Africa grown slowly?’ *Journal of Economic Perspective*, 13 (3): 3-22.

- *Optional*: Dollar and Easterly (1999) “The search for the key: aid, investment and policies in Africa” *Journal of African Economies* 8: 4 (546-577).
- Sept 15: The role of Politics & institutions
- Acemoglu D. and J. Robinson (2012) *Why Nations Fail* selected pages: pp. 45-69; 87-91; 335-344; 358-377.
 - *Optional*: Mbaku, J.M., 2004, *Institutions and Development in Africa*, “General Introduction”
- Sept 20: The Botswana case
- Acemoglu D. et al *An African Success Story: Botswana*, CEPR DP No. 3219, <http://economics.mit.edu/files/284>
 - Todaro M.P. and S.C. Smith, (2012) *Economic Development*, Case Study: African Success Story at Risk: Botswana, pp. 739-42.
- Sept 22: Further reflections on Africa’s growth experience
- Consult *World Development Indicators* database => **Task 2**: create a table/chart describing the growth trajectory of your chosen African country (GNI p.c. over the last 10-20 years). Write 1 page commentary of the data, describing changes over time and how your country compares with the average for SSA.

Topic 4. Human development

- Sept 27: Human development and the HDI
- AfDB, OECD, and UNDP (2015) *African Economic Outlook*, Ch. 4 “Human Development” http://www.africaneconomicoutlook.org/en/outlook/human_development/
 - Browse the website: <http://hdr.undp.org/en/content/human-development-index-hdi> => **Task 3**: Prepare a chart and/or a table that depicts the values for the HDI for your chosen country in the last 10 years. Write 1 page commentary of the data, describing changes over time and how your country compares with the average for SSA
- Sept 29: Gender inequalities
- Kevane, M (2004) *Women and Development in Africa: How gender works*, Lynne Rienner, pp. 29-45 and 159-179.
 - Kes A. and H. Swaminathan (2006) “Gender and time poverty in Sub-Saharan Africa” in: M. Blackden and Q. Wodon, eds., *Gender, Time Use and Poverty in Sub-Saharan Africa*, The World Bank, pp. 13-28.
- Oct 4: **Class Test 1**
- Oct 6: Poverty and inequality
- Use *World Development Indicators* database => **Task 4**: Prepare a chart and/or a table that show main poverty indicators (Headcount poverty, poverty gap) for your chosen country in the last 10 years. Write 1 page commentary of the data, describing changes over time and how your country compares with the average for SSA.
- Oct 11: Poverty and access to basic services
- World Bank, *WDR 2004: Making services work for poor people*, Ch. 1 (pp. 19-29) <http://hdl.handle.net/10986/5986>
 - Banerjee and Duflo (2007) “The economic lives of the poor” *Journal of Economic Perspectives*, 21: 141-167
- Oct 13: **Country report due** – groups formed in class and instructions given for group work

Topic 5. Agriculture and food security

- Oct 18: Main issues in African agriculture
- World Bank, *World Development Report 2008: Agriculture for Development*, Chs. 5-6

Oct 20: Successful examples

- Eleni Z. Gabre-Madhin and Steven Haggblade (2003) *Successes in African Agriculture: results of an expert survey*, IFPRI, MSSD DP No. 53

Oct 25: Kenya case study

- English, Jaffee and Okello “Exporting out of Africa. The Kenya horticulture success story” in: Fox and Liebenthal (2006) *Attacking Africa’s poverty*

Topic 6. Trade and industrial development

Oct 27: Industrialization strategies

- Cramer (1999) “Can Africa industrialize by processing primary commodities?” *World Development* 27 (7): 1247-1266.

Nov 1: Manufacture exports

- Balchin, N. et al (2016) *Developing Export-based manufacturing in SSA*, SET, ODI, London

Nov 3: Mauritius case study

- Arvind Subramanian and Devesh.Roy, “Who can Explain the Mauritian Miracle: Meade, Romer, Sachs, or Rodrik?” in Rodrik, D. (ed.) *In Search of Prosperity: Analytic Narratives on Economic Growth*, Princeton, NJ: Princeton University Press, 2003

Topic 7: FDI and the role of China in Africa

Nov 8: Foreign Direct Investment

- UNCTAD (2005) *Rethinking the role of FDI*, Section D (pp. 37-63)
http://www.unctad.org/en/docs/gdsafrica20051_en.pdf

Nov 10: China’s investment and trade

- Brautigam, D. (2009) *The Dragon’s Gift: the Real Story of China in Africa*, Oxford University Press (selected pages)

Nov 15: Manufacturing FDI: Ethiopia and Rwanda’s case studies

- World Bank (2015) *Manufacturing FDI in Sub-Saharan Africa*, Washington, DC.

Nov. 17: Revision of class material and group work

Nov 22: Revision and group work

Nov 24: THANKSGIVING HOLIDAY

Nov 29: Group presentations in class

Dec 1: Group presentations in class

Dec 6: **Class Test 2**