

Paper 43: Development Issues in Sub-Saharan Africa

Coordinator: Richard Sidebottom

Lecturers: Shailaja Fennell, Dr Huaichuan Rui, Richard Sidebottom

Format:

16 weekly lectures will be supplemented by bi-weekly Open discussion seminars and periodic talks by external speakers.

Aims and objectives:

Though extremely heterogeneous, countries in Sub-Saharan Africa remain some of the most underdeveloped and poverty stricken countries in the world. The objective is to provide an appreciation of the wide variation in historical, socio-political, structural and institutional aspects of the SSA development paradigm(s) and to investigate the prevailing discourse of problem diagnosis and policy prescription.

The course will cover four broad themes: Historical and Global context; State and Society; Capital (Human, Physical and Financial); and the role of different sectors (Agriculture; Resources; Manufacturing) in Development. By linking case studies to themes covered in core Development MPhil papers, this course aims to illustrate key development concepts.

Background Readings

African Center for Economic Transformation, 2014, African Transformation Report: Growth with Depth, downloaded from www.acetforafrica.org

Collier, P., 2008, The Bottom Billion, OUP, Oxford (excerpts only)

Economic Report on Africa 2011: Governing development in Africa – the role of the state in economic transformation, pp-95-130, www.uneca.org/publications/economic-report-africa-2011

Meredith, M., 2005, The State of Africa, Free Press (excerpts)

Method of assessment: Two essays of 4,000 words.

The lecture topics for each term are listed below.

1. Current Development picture (13 Oct Shailaja Fennell & Richard Sidebottom)
2. Historical legacies (20 Oct Richard Sidebottom)
3. International relations in the South-South world (27 Oct Huaichuan Rui)
4. The State and Society I (3 Nov Shailaja Fennell)
5. The State and Society II (10 Nov Shailaja Fennell)
6. Development models in SSA (I) (17 Nov Adam Higazi)
7. Development models in SSA (II) (24 Nov Richard Sidebottom)
8. The role of Agriculture in Development I (Dec 1 Richard Sidebottom)

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9. The role of Agriculture in Development II (19 Jan Richard Sidebottom)
10. Human Capital (26 Jan Shailaja Fennell)
11. Physical Capital: the Infrastructure deficit (2 Feb Richard Sidebottom)
12. Financial capital: (9 Feb Richard Sidebottom)
13. Globalisation and Business in SSA (I) (16 Feb Shailaja Fennell)
14. Globalisation and Business in SSA (I) (23 Feb Richard Sidebottom)
15. Country case studies: (2 Mar Shailaja Fennell & Richard Sidebottom)
16. Country case studies: (9 Mar Shailaja Fennell & Richard Sidebottom & guest)

Michaelmas Term

1. Current Development picture (Shailaja Fennell & Richard Sidebottom)

This lecture will introduce different means by which policy makers seek to measure African development: (Employment; Manufacturing Value-added; MDGs; GDP composition; Poverty and HDI; Health and education; Institutions; Corruption indices; infrastructure) and compare the development picture each of these paint along with policy implications.

Lewis, P., 2013, Cross-regional Comparisons in Development: Questions, Approaches and Challenges in Berendsen, B., Dietz, T., Nordholt, HS & van der Veen, R., eds, 2013, Asian Tigers, African Lions: Comparing the Development Performance of Southeast Asia and Africa, BRILL, LEIDEN

Ndulu, B.J., O'Connell, S.A., Bates, R.H., Collier, P., & Soludo, C., 2009, The Political Economy of Economic Growth in Africa 1960-2000, CUP (excerpts)

2. Historical legacies (Richard Sidebottom)

This lecture will put the current development and political picture into historic context both in terms of the colonial era and the Structural Adjustment process. We will examine the continuing legacies in terms of political governance, social conflict, legal structures, international relations and notions of nationhood.

Acemoglu, D., Johnson, S., & Robinson, J.A., 2001, The Colonial Origins of Comparative Development: An Empirical Investigation, American Economic Review, Vol 91, No 5, Dec, 2001

C.A. Bayly, 2008, "Indigenous and colonial origins of comparative economic development: The case of colonial India and Africa," Washington, DC: World Bank Policy Research Working Paper 4474

Chang, H.J., 2006, How important are Initial Conditions for Economic Development – East Asia vs SSA (ch 4) in HJ Chang, The East Asian Development Experience, ZED Press, London

Gallup, J.L., Mellinger, A.D., & Sachs, J.D., 1998, Geography and Economic Development, National Bureau of Economic Research, WP 6849, Cambridge, MA, 1998

3. International relations in the South-South world (Huaichuan Rui)

To complete these introductory lectures, we will evaluate the role of China, India and Brazil in current development with examples from Ethiopia and Sudan as well as try to understand the complexities of intra-Africa regional politics and economic zones.

Nayyar, D., 2012, The Emerging Asian Giants and Economic Development in Africa in Noman, A., Botchwey, K., Stein, H., & Stiglitz, J., Good Growth & Governance in Africa, 2012, OUP, Oxford

4. The State and Society I (3 Nov Shailaja Fennell)

5. The State and Society II (10 Nov Shailaja Fennell)

These two lectures will provide a basis on which students can begin to evaluate the economic and political capacity of the state to be 'Developmental' and for the existence of a binding Development 'Social contract' as a foundation for a Development focused Industrial policy. This will be achieved by examining core institutional concepts such as governance, the notion of 'corruption', the meaning of Democracy (including the role of NGOs and Civil society) and the power of Ethnicity, identity and nationhood as sources of conflict and means of co-operation. We will also examine the state's ability to finance its development independently of donor or other external funding or whether fiscal weakness leaves governments beholden to particular interests or policy paradigms.

Bates, R., 1981, Markets and Tropical states in Africa, Berkeley, LA

Callaghy, T.M., The State and the Development of Capitalism in Africa: Theoretical, Historical and Comparative reflections, in in Rothchild, D. & Chazan, N., 1988, The Precarious Balance: State & Society in Africa, Westview Press, London

Chazan, N., 1988, State and Society in Africa: Images and Challenges in Rothchild, D. & Chazan, N., 1988, The Precarious Balance: State & Society in Africa, Westview Press, London

Easterly, W. & Levine, R., 1997, *Africa's Growth Tragedy: Politics and Ethnic Divisions*, *Quarterly Journal of Economics*, 112 (4), Nov, 1997, pp 1203-50

Economic Report on Africa 2011: Governing development in Africa – the role of the state in economic transformation, pp-75-130, www.uneca.org/publications/economic-report-africa-2011

Sen, K. & Dirk Willem te Velde, 2012, *State-Business Relations, Investment Climate Reform and Economic Growth in SSA* in Noman, A., Botchwey, K., Stein, H., & Stiglitz, J., *Good Growth & Governance in Africa*, 2012, OUP

6. Development models in SSA (I) (17 Nov Adam Higazi)

7. Development models in SSA (II) (24 Nov Richard Sidebottom)

The first of these two lectures will focus on issues of inclusive institutions, social conflict and governance in a natural resource driven development model in Nigeria whilst the second will look at attempts to regenerate manufacturing using the example of the textile sector.

African Center for Economic Transformation, 2014, *African Transformation Report: Growth with Depth*, www.acetforafrica.org

McMillan, M. & Rodrik, D., 2011, *Globalization, Structural Change and Productivity Growth*, www.nber.org/papers/w17143.pdf

Noman, A. & Stiglitz, J.E., 2012, *Strategies for African Development*, in Noman, A., Botchwey, K., Stein, H., & Stiglitz, J., *Good Growth & Governance in Africa*, 2012, OUP, Oxford, pp 51-175

Mkandawire, T., 2001, *Thinking About Development States in Africa*, *Cambridge Journal of Economics*, 25, 289-313, 2001

Mustapha, A.R. & Whitfield, L., 2010, *Turning Points in African Democracy*, James Currey

8. The role of Agriculture in Development I (1 Dec Richard Sidebottom)

9. The role of Agriculture in Development II (19 Jan Richard Sidebottom)

The first of the two lectures on Agriculture will focus on rural institutions, property rights, land reform, irrigation and rural markets; and the current and future role of ICT. The second Agriculture lecture will incorporate climate change and food security into a broad discussion of sustainable development and examine how SSA development may or may not be enhanced by GM technology; better linkages with Global Value chains or alternatives paths such as Fairtrade or organic farming. These will be illustrated using numerous case studies for discussion including cotton, cocoa and fruit & vegetables.

Dietz, T. & Leliveld, A., 2014, *Agricultural 'pockets of effectiveness': Kenya, Nigeria, Tanzania and Uganda since 2000*, *Developmental Regimes in Africa, Policy Brief 6* <http://www.institutions-africa.org/filestream/20140523-agricultural-pockets-of-effectiveness-kenya-nigeria-tanzania-and-uganda-since-2000>

Nelson, G.C., Rosegrant, M.W., Koo, J., Robertson, R., Sulser, T., Zhu, T., Ringler, C., Msangi, S., Palazzo, A., Batka, M., Magalhaes, M., Valmonte-Santos, R., Ewing, M., & Lee, D., 2009, *Climate Change: Impact on Agriculture and Costs of Adaptation*, IFPRI, 2009, www.ifpri.org

Juma, C., 2011, *The New Harvest – Agricultural Innovation in Africa*, OUP, Oxford, 2011ISAAA, 2013, *International Service for the Acquisition of Agri-Biotech Applications* www.isaaa.org

World Development Report, 2008, Agriculture for Development Chapter 1, www.worldbank.org

World Development Report, 2010, Development and Climate Change, Overview, www.worldbank.org

10. Human Capital (26 Jan Shailaja Fennell)

The next series of lectures will look at different forms of capital: human, physical and financial. The initial lecture will look at issues in all levels of education and training, as well as population growth (dividend or curse?), gender and migration to assess the impact on skill shortages, resources and employment generation. We will also examine social capital, traditional social and patronage networks affecting the potential for collective action.

AfDB, 2011, AfDB's Human Capital Development Strategy (2012-2016), One Billion Opportunities: Building Human Capital for Inclusive Growth in Africa, Oct, 2011, www.afdb.org/

Ansu, Y. & Tan, J-P, 2012, Skills Development for Economic Growth in SSA in Noman, A., Botchwey, K., Stein, H., & Stiglitz, J., Good Growth & Governance in Africa, 2012, OUP

11. Physical Capital: the Infrastructure deficit (2 Feb Richard Sidebottom)

Though SSA has been able to 'leap frog' certain telecommunication obstacles, energy, transport and water shortages continue to restrict development. Only a handful of ports can cater for large container ships and over half of countries have regular power outages. This lecture will examine projects designed to overcome this 'Infrastructure deficit'.

Programme for Infrastructure Development in Africa, www.icafrica.org

POWER AFRICA, www.usaid.gov/powerafrica

12. Financial capital: (9 Feb Richard Sidebottom)

Given the weakness of the tax and domestic savings base compared with the scale of investments required, SSA remains dependent on external funding. This lecture will examine the sources, form and sector allocation of funds along with development implications. The lecture will discuss different forms of finance – private or government; debt or equity; FDI or portfolio. This will be illustrated with specific case studies of International Private Equity projects.

Easterly, W, 2006, The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill & So Little Good, Oxford Univ Press

Economic Report on Africa 2011: Governing development in Africa – the role of the state in economic transformation, pp. 22-24, 55-63, www.uneca.org/publications/economic-report-africa-2011

Jomo, K.S., & Rudiger von Arnim, 2012, Economic Liberalisation and Constraints to Development in Sub-Saharan Africa in Noman, A., Botchwey, K., Stein, H., & Stiglitz, J., Good Growth & Governance in Africa, 2012, OUP

13. & 14. Globalisation and Business in SSA I (16 Feb Shailaja Fennell) & II (23 Feb Richard Sidebottom)

These lectures will examine whether SSA has become marginalised by the forces of Globalisation and discuss how SSA can join Global Value chains as a springboard to development. We will also look at domestic retail markets and the opportunity for more intra-Africa regional trade.

Dolan, C. & Humphrey, J., 2000, Governance and Trade in Fresh vegetables: The Impact of UK Supermarkets on the African Horticulture Industry

Handley, A., 2008, Business and the State in Africa, CUP, Cambridge, pp1-27

Raikes, P & Gibbon, P., 2000, Globalisation & African Export crop agriculture, J. of Peasant Studies, 27:2, 50-93.

15 & 16 (2 Mar) & (9 Mar) Country case studies: (Shailaja Fennell & Richard Sidebottom & guest tbc)

These lectures & discussions will examine the implications of what we have covered. Case studies will be selected from Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Rwanda, Mauritius, South Africa and Uganda.