

YALE UNIVERSITY  
Department of Economics  
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**Economics 465  
Economic Development in Africa  
Spring 2003**

**Abena Oduro**  
Luce Hall Rm. 303B, 432-8157  
[abena.oduro@yale.edu](mailto:abena.oduro@yale.edu)  
office hours: Wed 3:30-5:00

**Chris Udry**  
27 Hillhouse, Rm 33, 432-3637  
[udry@yale.edu](mailto:udry@yale.edu)  
office hours: Thurs 3:30-5:00

In this seminar, we will examine the application of economic theory to economic conditions in sub-Saharan Africa. Emphasis will be placed on analyzing current economic issues and policies in their historical context. The course is organized around a series of broad questions which will be explored with reference to particular societies. We will examine the historical roots of the current structure of African economies, the economic reform process (with particular attention to Ghana), agricultural and industrial development, patterns of poverty and income distribution, health and education and international economic relations. Each student will write a term paper describing and assessing an aspect of one country's national development strategy.

Prerequisites: Economics 150, or the permission of the instructor.

*Course Requirements:*

Each student will be expected to be prepared to discuss the required readings assigned each week, and to write a pair of short seminar papers which will serve as the basis for discussion. These are not research papers; they should synthesize and critically evaluate the assigned readings. The discussion papers will be assigned the first week of the seminar. The discussion papers must be posted on the class web site by 5:00 PM on the Saturday preceding the class at which it will be discussed. All students must read the discussion papers before class.

In addition, each student will write a research paper on one aspect of a single country's development policy. The paper should describe the purpose and historical origin of the policy, and assess its impact both in terms of its purported goal and more generally. The research paper is due on the final day of the reading period.

*Evaluation:*

Grades will be based on the seminar papers (1/3), class participation (1/3) and research paper (1/3).

*Books:*

Aryeetey, Ernest, Jane Harrigan, and Machiko Nissanke, eds. (2000), Economic Reforms in Ghana, Trenton, NJ: Africa World Press.

World Bank (2001), Can Africa Claim the 21st Century? Washington, DC: The World Bank.

## **Weekly Schedule:**

### **1/13: Introduction to African Economies.**

Overview of course and of African economies

Discussion: why do you think Africans have low incomes?

### **1 /27: Historical Patterns of Growth in Africa**

#### *Readings:*

\*Collier, P. and J.W. Gunning (1999) "Explaining African Economic Performance" Journal of Economic Literature, Vol. 37, No.1, Sections 1 & 2, pp. 64-111.

\*Fieldhouse, D. K. (1986), Black Africa 1945-80: Economic Decolonization and Arrested Development (London, Allen & Unwin), Part I: The End of the Colonial Period.

\*O'Toole, T. (1996), "The Historical Context" in A. A. Gordon and D. L. Gordon, eds., Understanding Contemporary Africa, 2nd edition (Boulder: Lynne Rienner).

World Bank (2000), "Can Africa Claim the 21st Century?" Chapter 1, pp. 1-47 in the book of that title.

Akyuz, Y. and C. Gore (2001), "African Economic Development in Comparative Perspective," Cambridge Journal of Economics, Vol. 25, pp.265-288.

#### *Discussion papers:*

Characterize the most important features of post-independence economic performance in Africa.

How has Africa's historical role in the global economy influenced the structures of its domestic economies?

### **2/3: Theories of Social Organization**

#### *Readings:*

\*Watts, M. (1983), Silent Violence: Food, Famine and Peasantry in Northern Nigeria (Berkeley: University of California Press), pp. 104-109, 119-139.

\*Dasgupta, Partha (1993), An Inquiry into Well-Being and Destitution, New York: Oxford, Chapter 8.

\*Fafchamps, M. 1992. "Solidarity Networks in Rural Africa: Rational Peasants with a Moral Economy," Economic Development and Cultural Change.

#### *Discussion papers:*

Choose an economic institution in rural Africa and provide an interpretation of its role as a mechanism for dealing with the consequences of risk. Evaluate the importance and relevance of this interpretation.

How important is the concept of the 'moral economy' for understanding rural social organization in Africa?

## **2/10: States, Markets and Economic Reform**

### *Readings:*

\*Mkandawire, T. (2001) "Thinking about developmental states in Africa," Cambridge Journal of Economics, Vol. 25, pp. 289-313.

\*Braverman, A. and R. Kanbur (1987), "Urban Bias and the Political Economy of Agricultural Reform," World Development 15(9): 1179-1187.

\*Ndulu, B. and S. A. O'Connell (1999), "Governance and Growth in Sub-Saharan Africa," Journal of Economic Perspectives 13(3), Summer: 41-66.

\*Dijkstra, A.G. and J.K. van Donge (2001), "What does the 'Show Case' show? Evidence of and Lessons from Adjustment in Uganda," World Development, Vol. 29, No. 5, pp. 841-63.

Bates, R. H. (1981), Markets and States in Tropical Africa: The Political Basis of Agricultural Policies, Berkeley, University of California Press.

World Bank (2000), "Improving Governance, Managing Conflict, and Rebuilding States," in: The World Bank, Can Africa Claim the 21st Century?, Washington, DC: The World Bank: 48-82.

Noorbakhsh, F. and A. Paloni (2001), "Structural Adjustment and Growth in sub-Saharan Africa. The Importance of Complying with Conditionality," Economic Development and Cultural Change, Vol. 49, No. 3, pp. 479-509.

Sahn, D. P. Dorosh, and S. Younger (1998), "Exchange Rate, Fiscal and Agricultural Policies in Africa: Does Adjustment Hurt the Poor?," World Development 24(4), April.

Todaro, M.P., Economic Development, Chapter 14.

Khan, M.S. (1987) "Macroeconomic Adjustment in Developing Countries: A Policy Perspective," World Bank Research Observer.

Collier, P. and C. Patillo (2000), "Investment and Risk in Africa," in P. Collier and C. Patillo, eds., Investment and Risk in Africa, London: Macmillan Press, Inc.: 3-30.

### *Discussion Papers:*

How did state interventions in agricultural markets discourage agricultural growth?

Describe and assess the economic rationale for structural adjustment reforms.

## **2/17: Ghana's Reform Process**

### *Readings*

\*Aryeetey, E., Harrigan, J. and M. Niskanke (2000), Economic Reforms in Ghana. The Miracle and the Mirage, James Currey, Oxford. In particular Chapters 1, 3 and 18.

\*Hutchful, E. (2002), Ghana's Adjustment Experience. The Paradox of Reform UNRISD, James Currey: Oxford, Chapters 1, 2 and 3.