**Syllabus: Economic Policy and International Development in Africa**

**Professor : Jieun Choi**

**Class Hour**

Thursday 9:30~13:00, non face-to-face

**Course Description**

The course on Economic Policy and International Development in Africa explores the latest policy debates in economics and development practice, and how to incorporate those ideas into the strategic decisions of international development institutions and governments in developing countries.

The students will discuss in depth the common challenges developing countries face, and learn how rapidly changing external environment, caused by technology and globalization, influence the development outcomes. Then, the students will learn how to identify and prioritize the policy options, using growth diagnostics framework, to address those challenges.

During the first half of the course, the student will learn economic and development issues in Africa, based on the latest research findings in these fields and real policy cases that were implemented in Africa and other comparable countries, including the development projects and policies designed by governments and international organizations.

The course will consist of a lecture by the professor (students are encouraged to actively ask questions and be engaged), student’s presentation or a panel debate between student teams, and open discussion among students on the topic of the class. The country contexts and development project examples will be given to the students before the class. The students are required to actively participate in class discussion.

During the second half of the course, the students will learn key economics concepts and growth diagnostic frameworks that are often used in development fields. They will be asked to apply them in real country cases while conducting two team assignments and present them during the class.

**Evaluation**

* Attendance 10%
* Participation 20% (Each student is expected to take part in panel debates during the course. Each panel will consist of 2 teams of 2 or 3 students. Each team will present and defend an opposing perspective)
* Assignment 20% (2-3 students will work as a team and prepare 1 power point presentations to present their country case study)
* Mid-term 20% (essay)
* Final 30% (policy memo)

**Course outline and readings**

(to be updated before each course, required readings are highlighted in Italics)

1. Patterns of economic development in Africa
* *Acemoglu, D and Robinson, J.A.(2012), Why Nations Fail, Crown Business*
* McMillan, M. S., & Harttgen, K. (2014). What is Driving the'African Growth Miracle'? (No. w20077). National Bureau of Economic Research.
* Easterly, William (2002) The Elusive Quest for Growth: Economists’ Adventures and Misadventures in the Tropics.
1. Poverty and inequality
* *Beegle, K. et all (2016). Poverty in a Rising Africa.* World Bank. https://openknowledge.worldbank.org/handle/10986/22575
* Banerjee, A., R. B`enabou, and D. Mookherjee (2006) Understanding Poverty. Oxford University Press.
* Collier, Paul (2007) The Bottom Billion
* *Milanovic, B (2012). Global Income Inequality by the Numbers: in History and Now, Policy Working Paper 6259, World Bank* <http://documents1.worldbank.org/curated/en/959251468176687085/pdf/wps6259.pdf>
* *Sachs, Jeffrey D (2006). The end of poverty: Economic possibilities for our time*. Penguin, 2006
1. Social protection and jobs
* *Merotto, D., Weber, M., & Aterido, R. (2018). Pathways to Better Jobs in IDA Countries: Findings from Jobs Diagnostics. World Bank.*
* Useful resources at <https://www.worldbank.org/en/events/2019/03/18/social-protection-and-jobs-core-courses-2019#4>
* World Happiness Report (2020) <https://happiness-report.s3.amazonaws.com/2020/WHR20.pdf>
1. Technology, productivity, and development
* Aker, J. C., & Mbiti, I. M. (2010). Mobile phones and economic development in Africa. Journal of economic Perspectives, 24(3), 207-32.
* Aghion, P., Howitt, P., & Violante, G. L. (2002). General purpose technology and wage inequality. Journal of Economic Growth, 7(4), 315-345.
* *Choi, J., M., Dutz and Z., Usman (2019)* [*The Future of Work in Africa: A Companion to the World Development Report 2019 on the Changing Nature of Work*](https://www.google.com/url?q=https%3A%2F%2Fopenknowledge.worldbank.org%2Fhandle%2F10986%2F32124&sa=D&sntz=1&usg=AFQjCNFUDm2wplF9rtT7NKDgX2HCvvw3rw)*, World Bank, Washington DC*
* *World Bank. (2016). World development report 2016: Digital dividends.*
1. Industrial policies, globalization and development
* *Carol N. et al (2016), Manufacturing Transformation : Comparative Studies of Industrial Development in Africa and Emerging Asia, Oxford University Press*
* *Rodrik, Dani (2011), The Globalization Paradox: Democracy and the Future of the World Economy, Introduction “Recasting Globalization’s Narrative”, and Chapter 8, “Trade Fundamentalists in the Tropics”, pp. 159-183, W.W. Norton & Company*
* World Bank (2003), Making Services Work for Poor People, World Development Report 2004, World Bank and Oxford University Press;
* World Economic Forum, “Globalization as we know it has failed. Africa has an alternative”
1. Case Study: Growth and Job, the 2011 Arab Spring and Kosovo
* The cases will be provided to students before the class.
1. Case Study: Industrial Policies in Senegal and Ethiopia
* The cases will be provided to students before the class.
1. Mid-term : Policy Memo
2. Economic growth, geography, institutions
* *Acemoglu, D. (2012). Introduction to economic growth. Journal of economic theory, 147(2), 545-550.*
* Bloom, D. E., Sachs, J. D., Collier, P., & Udry, C. (1998). Geography, demography, and economic growth in Africa. Brookings papers on economic activity, 1998(2), 207-295.
* Helpman, E. (2009). The mystery of economic growth. Harvard University Press.
* Fafchamps, Marcel (2004) Market Institutions in Sub-Saharan Africa: Theory and Evidence. MIT Press.
* Rodrik, D., Subramanian, A., & Trebbi, F. (2004). Institutions rule: the primacy of institutions over geography and integration in economic development. Journal of economic growth, 9(2), 131-165.
1. Growth Diagnostics Methods -1
* *Hausmann, R., Rodrik, D., & Velasco, A (2008). Growth diagnostics. The Washington consensus reconsidered: Towards a new global governance, 324-355.*
* Rodrik, D. (2010). Diagnostics before prescription. Journal of Economic Perspectives, 24(3), 33-44.
1. Growth Diagnostics Methods -2
* *Hausmann, R., Klinger, B., & Wagner, R. (2008). Doing growth diagnostics in practice: a'Mindbook'. CID Working Paper Series.*
* Hausmann, R., & Klinger, B. (2008). Growth diagnostics in Peru. CID Working Paper Series.
1. Case Study : Growth diagnostics, Zambia
* The cases will be provided to students before the class.
1. Case Study : Growth diagnostics, Ghana
* The cases will be provided to students before the class.
1. Team project presentation and discussion
2. Final : Policy Memo

**List of Readings**

**Books**

* *Acemoglu, D and Robinson, J.A.(2012), Why Nations Fail, Crown Business*
* *Banerjee, A., R. B`enabou, and D. Mookherjee (2006) Understanding Poverty. Oxford University Press.*
* *Carol N. et al (2016), Manufacturing Transformation : Comparative Studies of Industrial Development in Africa and Emerging Asia, Oxford University Press*
* *Collier, Paul (2007) The Bottom Billion*
* *Choi, J., M., Dutz and Z., Usman (2019)* [*The Future of Work in Africa: A Companion to the World Development Report 2019 on the Changing Nature of Work*](https://www.google.com/url?q=https%3A%2F%2Fopenknowledge.worldbank.org%2Fhandle%2F10986%2F32124&sa=D&sntz=1&usg=AFQjCNFUDm2wplF9rtT7NKDgX2HCvvw3rw)*, World Bank, Washington DC*
* *Easterly, William (2002) The Elusive Quest for Growth: Economists’ Adventures and Misadventures in the Tropics.*
* *Fafchamps, Marcel (2004) Market Institutions in Sub-Saharan Africa: Theory and Evidence. MIT Press.*
* *Helpman, E. (2009). The mystery of economic growth. Harvard University Press.*
* *Sachs, Jeffrey D (2006). The end of poverty: Economic possibilities for our time. Penguin, 2006*

**Articles**

* Acemoglu, D. (2012). Introduction to economic growth. Journal of economic theory, 147(2), 545-550.
* Beegle, K. et al, “Inequality in Africa”, Chapter 4, Poverty in a Rising Africa, World Bank, 2016, pp.117 – 141
* Bloom, D. E., Sachs, J. D., Collier, P., & Udry, C. (1998). Geography, demography, and economic growth in Africa. Brookings papers on economic activity, 1998(2), 207-295.
* Choi, J. (2020). [Service firm performance and foreign ownership](https://academic.oup.com/icc/advance-article-abstract/doi/10.1093/icc/dtz055/5873329), Industrial and Corporate Change <https://doi.org/10.1093/icc/dtz055>
* Choi, J., F.Amodio, G. De Giorgi, & Rahmanm, A. (2018) [Bribes vs. Taxes: Market Structure and Incentives](https://www.google.com/url?q=https%3A%2F%2Fpapers.ssrn.com%2Fsol3%2Fpapers.cfm%3Fabstract_id%3D3217484&sa=D&sntz=1&usg=AFQjCNGNnsDnlfMRVEbFkNYml1PZ-AKTvQ), IZA Discussion Paper No. 11668.
* Choi, J. (2017) [Create or Buy? Innovation Outsourcing and Firm Productivity](https://www.google.com/url?q=https%3A%2F%2Felibrary.worldbank.org%2Fdoi%2Fpdf%2F10.1596%2F1813-9450-8121&sa=D&sntz=1&usg=AFQjCNEx66Mpfu5dcr-AsVBZPf3VBIeGMg), World Bank Policy Working Paper N° 8121, World Bank, Washington DC
* Choi, J. & Cisse. F. (2015) [Do Firms Learn by Exporting or Learn to Export, Evidence from Senegal, Working Paper N° 191,](https://www.google.com/url?q=https%3A%2F%2Fwww.afdb.org%2Ffileadmin%2Fuploads%2Fafdb%2FDocuments%2FPublications%2FWorking_Paper_191_-_Do_Firms_Learn_by_Exporting_or_Learn_to_Export-_Evidence_from_Senegalese_Manufacturers%25E2%2580%2599_Plants.pdf&sa=D&sntz=1&usg=AFQjCNF6_Sol5ABUwJ055h7vlw_NhAhiyA) African Development Bank, World Institute for Development Economic Research (UN University- WIDER) 2015/057
* Cojocaru, A. (2017). Kosovo jobs diagnostic. World Bank.
* Hausmann, R., Rodrik, D., & Velasco, A. (2008). Growth diagnostics. The Washington consensus reconsidered: Towards a new global governance, 324-355.
* Hausmann, R., Klinger, B., & Wagner, R. (2008). Doing growth diagnostics in practice: a'Mindbook'. CID Working Paper Series.
* Hausmann, R., & Klinger, B. (2008). Growth diagnostics in Peru. CID Working Paper Series.
* Merotto, D., Weber, M., & Aterido, R. (2018). Pathways to Better Jobs in IDA Countries: Findings from Jobs Diagnostics. World Bank.
* Rodrik, D. (2010). Diagnostics before prescription. Journal of Economic Perspectives, 24(3), 33-44.
* Rodrik, D. (2018). An African Growth Miracle?, Journal of African Economies, 27(1), January, 10–27.
* Rodrik, Dani (2011), The Globalization Paradox: Democracy and the Future of the World Economy, Introduction “Recasting Globalization’s Narrative”, and Chapter 8, “Trade Fundamentalists in the Tropics”, pp. 159-183, W.W. Norton & Company
* Rodrik, D., Subramanian, A., & Trebbi, F. (2004). Institutions rule: the primacy of institutions over geography and integration in economic development. Journal of economic growth, 9(2), 131-165.
* World Bank (2003), Making Services Work for Poor People, World Development Report 2004, World Bank and Oxford University Press; Chapter 1 “Services Can Work for Poor People but Too Often They Fail”
* World Economic Forum, “Globalization as we know it has failed. Africa has an alternative” <https://www.weforum.org/agenda/2016/07/globalization-as-we-know-it-hasfailed-africa-has-an-alternative/>
* World Happiness Report, 2020, Edited by John F. Helliwell, Richard Layard, Jeffrey D. Sachs, and Jan-Emmanuel De Neve https://happiness-report.s3.amazonaws.com/2020/WHR20.pdf