

Economics 172 – Issues in African Economic Development
Professor Edward Miguel
(emiguel@econ.berkeley.edu, 642-7162)

Description: This course will examine major current issues in development economics, with a focus on how they relate to Sub-Saharan Africa. The course is split in two major parts:

- I. Economic Theories and Issues
- II. History, Institutions and Politics

Prerequisites: At least one prior term of economics (Economics 100A or 100B), and some prior coursework in statistics or econometrics.

Grading: The course grade will be based on three components:
Four take-home Assignments, each worth 10 percent (40 percent)
Midterm examination (20 percent)
Final Examination (40 percent)

Office Hours: Wednesdays 8-10:30am, Evans 647

Teaching Assistant: Gustavo Bobonis (gbobonis@econ.berkeley.edu)

Reading packets of photocopied articles can be picked up at Copy Central.

I. Economic Issues and Theories

Week 1: The Debate on African economic development

World Bank. (2000). *Can Africa Claim the 21st Century?*, pp. 7-30.

Cooper, Frederick. (2002). *Africa since 1940: The Past of the Present*. Cambridge University Press, pp. 91-118.

(For daily online news from Africa, refer to: <http://news.bbc.co.uk/1/hi/africa/default.stm>)

Week 2: Theories of Economic Growth

Jones, Charles. (2002). *Introduction to Economic Growth (Second Edition)*. W.W. Norton and Company: New York. Chapters 1-2.

Easterly, William (2001). *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. MIT Press: Cambridge, MA. Chapter 3.

Weeks 3-4: Geography, Health and Development

Bloom, David, and Jeffrey Sachs. (1998). "Geography, Demography, and Economic Growth in Africa," *Brookings Papers on Economic Activity*, 2, 207-295.

Miguel, Edward. (2004). "Health, Education, and Economic Development", forthcoming in *Health and Economic Growth: Findings and Policy Implications*, (eds.) Guillem López-Casasnovas, Berta Rivera and Luis Currais, Cambridge: MIT Press. Sections 1, 3.

(Problem Set 1 due)

Week 5: The Impact of HIV/AIDS

Gordon, April A., and Donald L. Gordon (eds.). (2001). *Understanding Contemporary Africa (Third Edition)*. Lynne Rienner: Boulder, Colorado, pp. 207-212

World Bank. (2003). *HIV/AIDS: At a Glance*, pp. 1-6.

Miguel, Edward. (2004). "Health, Education, and Economic Development", forthcoming in *Health and Economic Growth: Findings and Policy Implications*, (eds.) Guillem López-Casasnovas, Berta Rivera and Luis Currais, Cambridge: MIT Press. Section 2.

Week 6: Human Capital

World Bank. (2000). *Can Africa Claim the 21st Century?*, pp. 103-131.

Kremer, Michael, Edward Miguel, and Rebecca Thornton. (2003). "Incentives to Learn", unpublished manuscript, Harvard University and U.C. Berkeley.

Week 7: Rural Poverty and Insurance

Udry, Christopher. (1990). "Credit Markets in Northern Nigeria: Credit as Insurance in a Rural Economy," *World Bank Economic Review*, 4(3), 251-269.

Miguel, Edward. (2003). "Poverty and Witch Killing" unpublished manuscript, U.C. Berkeley.

(Problem Set 2 due)
(Midterm Examination)

II. History, Institutions and Politics

Weeks 8-9: Historical Legacies of Slavery and Colonialism

Reader, John. (1997). *Africa: A Biography of the Continent*. Vintage Books: New York. Chapters 35-39.

Schraeder, Peter J. (2004). *African Politics and Society: A Mosaic in Transformation*. Thomas-Wadsworth Press. "Part II: Political and Economic Impacts of Colonialism", pp. 49-79.

Herbst, Jeffrey. (2000). *States and Power in Africa*. Princeton University Press: Chapters 1, 2, 3.

Weeks 10-11: Debates on Structural Adjustment and Globalization

Bates, Robert. (1981). *Markets and States in Tropical Africa*, Univ. of California Press. Chapters 1-2.

Easterly, William. (2001). *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. MIT Press: Cambridge, MA. Chapter 6.

Leonard, David K., and Scott Straus. (2003). "Chapter 2: Debt and Aid, Righting the Incentives", in *Africa's Stalled Development: International Causes and Cures*. Lynne Rienner Press. pp. 21-35.

Minot, Nicholas, and Lisa Daniels. (2002). "Impact of Global Cotton Markets on Rural Poverty in Benin", *International Food Policy Research Institute MSSD Discussion Paper #48*.

Week 12: Ethnic and Linguistic Divisions

Easterly, William, and Ross Levine. (1997). "Africa's growth tragedy: policies and ethnic divisions", *Quarterly Journal of Economics*, 112 (November), 1203-1250.

Laitin, David. (1992). *Language Repertoires and State Construction in Africa*. Cambridge University Press: New York. Chapters 1, 4, 5.

(Problem Set 3 due)

Week 13: The Political Economy of Development in East Africa

Barkan, Joel, ed. (1994). *Beyond Capitalism versus Socialism in Kenya and Tanzania*. Lynne Rienner Publishers: Chapters 1, 7.

Miguel, Edward. (2003). "Tribe or Nation? Nation-building and Public Goods in Kenya versus Tanzania", unpublished manuscript, U.C. Berkeley.

BBC. (2003). "Little to Celebrate as Kenya Turns 40", BBC News World Edition [<http://news.bbc.co.uk/2/hi/africa/3311505.stm>].

(For a collection of entertaining political cartoons from Kenya, refer to www.gadonet.com).

Weeks 14-15: Violence, Democracy, and Development

Dreze, Jean. (2000). "Militarism, Development, and Democracy," *Economic and Political Weekly*, April 1, 2000, 1171-1183.

Przeworski, Adam, and Fernando Limongi. (1997). "Modernization: Theories and Facts," *World Politics*, 49 (January), 155-183.

Diamond, Larry, and Marc F. Plattner. (1999). *Democratization in Africa*, Johns Hopkins University Press: Chapter 11, 13.

Acemoglu, Daron, Simon Johnson, and James Robinson. (2003). "An African Success Story: Botswana," *In Search of Prosperity: Analytic Narratives on Economic Growth*, Princeton U. Press.

(Problem Set 4 due)
(Final examination)



Map of Africa, today