

Economic and Development Problems in Sub-Saharan Africa



University of Stellenbosch

International Programmes Stellenbosch University

Outcomes

The aim of this course is to get you to think critically about some of the major developmental issues facing Sub-Saharan Africa today. While the purview of the course is by no means comprehensive, we have selected those topics that are both interesting to us, and of vital importance for development.

Only to the extent that one requires factual information to comment intelligently on the topics at hand will you be required to absorb factual information. We want you to think! Learning (and thus research) is far more than the mere regurgitation of facts. We expect you to think and reason critically, to ask questions, and to probe logic. Thus, while the course is explicitly about development problems in Sub-Saharan Africa, we will also be using this content as a platform to teach general academic (and life) skills. These problems range from education-, labor- and macroeconomic and financial faced by the domestic economy.

Critical thinking is foremost among these. Not all information is of equal value, so you will learn how to find and use the most relevant information.

Resources

We have created a resource DVD with all the required materials for the lectures. This includes audio interviews, video podcasts, video lectures, TED talks as well as the usual journal articles and book chapters. Those materials that are not provided on the resource DVD are marked with an asterisk (*) in the lecture schedule. The supplementary materials are for those students who wish to learn more about that topic, and are not compulsory for the lecture. The required reading is compulsory. Supplementary readings are often more advanced than the prescribed readings and may require some technical knowledge.

While we realize there are lots of supplementary resources – we do not expect you to read/watch/listen to all of these. However if you are doing your essay on one of these topics then we expect you to read all the supplementary material for that section (and obviously your own research).

Consultations

If you need a face-to-face meeting just email one of us to schedule one.

Method of Instruction

One three hour lecture per week (highly interactional – you will be marked on it). When we have group work, no group may ever consist of only males/females or only students from one country 1 (i.e. only Americans).

Lectures

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Course information

3 American credits; 6 ECTS credits

Venue: Wilcocks 3018

Time: 10:00-13:00

Evaluation

2x MCQ tests: 30%

MXIT book: 15%

Group assignment: 10%

Policy brief: 40%

Class participation: 5%

There will be no exam.

**The above is subject to change

Assessment

This is a continuous assessment course, with important due-dates spread throughout the semester. Class participation (questions, discussion, and debate) is included as an assessment criterion, and we expect active involvement from everyone in the class. At the beginning of class one or two students will be asked to verbally summarise or comment on that week's reading.

Policy brief

Write a 2-3 page doubled spaced memo to the Minister of Education of a SACMEQ country of your choice that identifies a problem of educational quality that needs immediate attention. Explain why this should be considered a problem (and not just the normal state of affairs), provide concrete and timely evidence to justify your claims (numbers are useful), two possibilities for solving the problem and your one recommendation. For example, you could identify a gap in reading achievement between urban and rural schools in Uganda, discuss the implications for the teacher supply in rural schools, note that the problem could be solved by either a rural-incentive system for teachers and principals, or by providing additional training and support to rural teachers and principals, and recommend an example of such an incentive system from Botswana's education system. Grading criteria below:

A	Clearly identifies a policy challenge (problem) in one country Provides concrete evidence about the likely effects of leaving the problem unsolved Provides concrete recommendations for solving the problem Provides logical rationale for why the preferred recommendation was chosen Is organized and written logically and clearly, without errors that may prohibit comprehension
B	Satisfies the basic requirements of the paper Argumentation about the importance of solving the problem is not clear May not reflect an original or unique analysis of the policy challenge May contain writing and organization errors
C	Identifies a policy challenge but demonstrates unsatisfactory logic in explaining its importance in the country Uses insufficient evidence to support argument
D	Shows effort to complete assignment but fails to clearly identify a policy challenge or provide evidence
E/F	Fails to address the basic requirements

A "+" grade will be awarded when a paper excels in one of the necessary elements at each grade level and/ or shows exemplary writing. A "-" grade will be awarded when a paper is deficient in one

(Lockheed, 2009)

- Lecture Schedule -

Part 1 : Nicholas Spaull - Education and Labour Economics

Week 1 – Introduction (8 Feb 2012)

Provide an introduction and overview of the course. Elaborate on the desired outcomes, method of instruction, means of testing, resource DVD, and any other miscellaneous administrative issues.

Week 2 – Understanding Foreign Aid (15 Feb 2012)

Required:

- Easterly, W. 2006. Chapter 1: *Planners vs Searchers*. In *The White Man's Burden*. Oxford: Oxford University Press.
- Sachs, J.D. 2005. *The End of Poverty*. Penguin Group. (Capitol Reader summary)

Supplementary:

- Easterly, W. 2002. *The Cartel of Good Intentions: The Problem of Bureaucracy in Foreign Aid*. *Policy Reform*, 2002, Vol. 5(4), pp. 223–250.
- Birdsall, N. 2008. *Seven Deadly Sins: Reflections on Donor Failings*. In Easterly, W. (ed.) *Reinventing Foreign Aid*. Cambridge, Mass: The MIT Press.
- Riddell, R. 2007. *Why aid isn't working*. In *Does Foreign Aid Really Work?* Oxford: Oxford University Press
- Sachs, J.D. 2008. Authors@Google (Video podcast)
- Sachs, J.D. 2005. *The End of Poverty* (Talk at the Carnegie Council). (Audio podcast)
- Easterly, W. 2006. Authors@Google (Video podcast)
- Easterly, W. 2008. *On Growth Poverty & Aid*. EconTalk. (Audio podcast)
- Moyo, D. 2009. *Dead Aid*. Penguin Press. (*)
- Intelligence Squared Debate 'This house believes aid in Africa has done more harm than good' (Video podcast) (we will watch this in class)
- (NB) Mwenda, A. 2010. *Africa and the Curse of Foreign Aid* (Video) Yale
- William Easterly (2008). "Can the West Save Africa? *Journal of Economic Literature*.
- Michael Clemens and Todd Moss (2005). *What's Wrong with the Millennium Development Goals?* CGD Brief.

Week 3 – South Africa: Poverty and Inequality (22 Feb 2012)

Required:

- Adelaar, R., Spar, D., and Cousins, K. 2003. *Remaking the Rainbow Nation: South Africa 2002*. Harvard Business School case study
- Van der Berg. 2010. *Current Poverty and Income Distribution in the Context of South African History*. Stellenbosch Working Paper.

Supplementary:

- Institute for Justice and Reconciliation. 2009. *Poverty and Inequality*. Ch4 in Transformation Audit (*)
- Nattrass, N & Seeking, J. 2010. *The Economy and Poverty in the Twentieth Century in South Africa*. (more historical)
- Gumede, V. 2009. *Poverty in Post-Apartheid South Africa*. (Audio podcast)
- Easterly, W. 2008. *On Growth Poverty & Aid*. EconTalk. (Audio podcast)
- Hans Rosling. 2007. *New Insights on Poverty*. (Video podcast) – we will watch this in class so no need to watch it before.

Week 5 & 6 – South Africa: Education

Required:

- Van der Berg, S. 2008. *Poverty and Education* International Institute for Educational Planning (IIEP) Education Policy Series.
- Spaul, N. 2013. *South African Education in Crisis*. CDE Report.

Supplementary:

- Donaldson, A. 1992. *Content, Quality and Flexibility: The Economics of Education System Change*. S.A. Institute of Race Relations.
- Van der Berg, S. 2008. *How effective are poor schools? Poverty and educational outcomes in South Africa*. *Studies in Educational Evaluation* 34(3), September: 145-154
- Fleisch. 2008. *Primary Education in Crisis*. Juta & Co (Chapter 3 & 4)

Week 7 – Introduction to policy-briefs and data-analysis

(Practical session)

All students to bring their laptops to class (preferably with MS Excel.

Required: Watch the third screencast on this (<http://resep.sun.ac.za/index.php/training/>) website:

Part 2: Nico Katzke – Financial and Macroeconomic challenges

Week 8 – Social Media and its developmental role in South Africa: With special focus on MXit and MPESA.

Required:

- Wright, D.K & Hinson, M.D. 2012. *Examining how social and emerging media have been used in public relations between 2006 and 2012*. *Public relations Review* June 2012
- Zhang, M. & Jansen, B.J. 2009. *Twitter power: Tweets as Electronic Word of Mouth*. *ASIST*, 60(11): 2169 – 2188.

Supplementary:

- Etling, B., Faris, R. & Palfrey, J. 2010. *Political change in the Digital Age: The fragility and promise of online organizing*. *SAIS Review*, 30(2): 37 - 49

Week 10 – Chinese investment in Africa: Poison or Panacea?

Required:

- Cisse, D. 2012. *FOCAC: Trade, Investment and aid in China – Africa relations*. Centre for Chinese Studies Stellenbosch.
- Van Der Lucht, S. 2011. *The management of Chinese Foreign Direct Investment*. Centre for Chinese Studies Stellenbosch

Supplementary:

- Cisse, D. 2012. *“Going Global in growth markets – Chinese investments in telecommunications in Africa*. Centre for Chinese Studies Stellenbosch.

Week 11 – Recent Macroeconomic developments in SA, EU and around the globe

Required:

- Notes will be made available by the guest Speaker.

Week 12 – European Union - lessons for the African Union?

Required:

- Eichengreen, B. 2010. The Breakup of the Euro Area, in Alesina, A. & Giavazzi, F (eds). *Europe and the Euro*. University of Chicago Press.
- McCarthy, C. 2008. *The roadmap towards Monetary Union in Southern Africa – is the European experience commendable and replicable?* Presented at the third Garnet Annual conference in Bordeaux, September 2008.

Supplementary:

- Reserve Bank of Zimbabwe. 2011. *Integrated Paper on Recent Economic Developments in SADC*. Prepared for the Committee of Central Bank Governors in SADC.

Week 13 – The Nationalization debate: Should SA nationalize mines in South Africa?

Required:

- White, G. & Keeton, G. 2011. *Is the Nationalization of the South African Mining industry a good idea?* Rhodes University
- Megginson, W.L. & Netter, J.M. 2001. *A survey of Empirical Studies on Privatization*. Journal of Economic Literature 39(2): 321 – 289.

Supplementary:

- Karpoff, J.M. 2001. *Public versus private initiative in Arctic Exploration: The effects of incentives and Organizational structure*. Journal of Political Economy, 109(1): 38 – 78.

Week 14 – (Potentially Rudolph Gouws)

Overview and class feedback session. Also: Policy-brief due

Acknowledgements:

Parts of the above course outline follow the structure of “African Poverty and Western Aid” by Chris Blattman. His course outline can be found at: <http://chrisblattman.com/teaching/>, along with a variety of other resources and advice. Prof Blattman is a Development Economist at Yale University and his blog is worth following.