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RESEARCH SEEKING TO IMPROVE ECONOMIC AND SOCIAL CONDITIONS FOR THE POOREST
In the aftermath of the global crisis African governments are much less certain of their economic policies. In this environment there is a premium upon research connected to policy, which has been the rationale for the Centre for the Study of African Economies (CSAE). Most obviously, the appropriate regulation and supervision of the financial sector is now a matter of debate: our new annual workshop for Governors of African central banks was timely. Governors were able to discuss the options in an informal academic setting with experts such as Lord Adair Turner, head of the Financial Services Authority, and Professor Tim Besley of the Monetary Policy Committee of the Bank of England.

But the range of policy choice is far wider than just the financial sector: as budgets are tightened priorities for public expenditure must be reset. The randomised evaluations of different ways of delivering basic services that are now spreading around Africa, with the CSAE as an active participant, are well suited to feed into these difficult choices.

Similarly, the many new resource discoveries around the continent are providing large opportunities which historically have often turned into nightmares. The Natural Resource Charter (http://www.naturalresourcecharter.org/) draws heavily on CSAE research to set out the chain of economic decisions that determine whether natural resources are harnessed for sustained development. The Charter has been endorsed by the African Development Bank and was launched at its 2009 Annual Meeting in Dakar.

After a long period of stagnation, a brief period of commodity boom growth and the shock of the global crisis, Africa’s economic future is highly fluid. Relative to the scale of the opportunity there are still very few professional economists working on Africa, and few of these are the Africa-based Africans. The CSAE will play its part both in analysis and in building African capacity.

Paul Collier
DIRECTOR CSAE
CSAE research is funded by the World Bank, the Economic and Social Research Council (ESRC), the Department for International Development (DFID), the Bill and Melinda Gates Foundation, the Open Society Institute and the William and Flora Hewlett Foundation. The views expressed are not necessarily those of the funding bodies.

The CSAE’s turnover is approximately £1.5 million per year.

- **THE WORLD BANK**: The World Bank is a vital source of financial and technical assistance to developing countries around the world. Their mission is to fight poverty with passion and professionalism for lasting results and to help people help themselves and their environment.

- **ESRC**: The ESRC funds research and training in social and economic issues. It is an independent organisation, established by Royal Charter, but receives most of its funding through the Department for Business, Innovation and Skills.

- **DFID**: DFID is the part of the UK government that manages Britain’s aid to poor countries and works to get rid of extreme poverty. It is DFID’s job to make sure UK aid works its hardest to help the world’s poor.

- **Bill and Melinda Gates Foundation**: Bill and Melinda Gates’ belief that every life has equal value is at the core of their work at the foundation. They follow fifteen guiding principles, which help define their approach to their philanthropic work, and employ an outstanding leadership team to direct their strategies and grant making.

- **Open Society Institute**: The Open Society Institute works to build vibrant and tolerant democracies whose governments are accountable to their citizens by seeking to shape public policies that ensure greater fairness in political, legal and economic systems and safeguard fundamental rights.

- **The William and Flora Hewlett Foundation**: The William and Flora Hewlett Foundation’s programmes have ambitious goals that include: helping to reduce global poverty, limiting the risk of climate change, improving reproductive health and rights worldwide, improving education for students in California and elsewhere, and advancing the field of philanthropy.
The Centre for the Study of African Economies (CSAE), which is part of the Department of Economics at the University of Oxford, has sought to pioneer research with policy impact on Africa. While its focus is Africa, its staff are actively involved in research programmes on other countries, including India and China. The CSAE regards its remit as seeking to improve economic and social conditions for some of the poorest societies in the world.

As a research organisation, the CSAE’s contribution to this objective is to encourage the adoption of effective policies by the governments of developed and emerging countries, and to enable both people and governments to better understand the economic choices they face. Over the past year the CSAE has been using its funding from the Bill and Melinda Gates Foundation both to expand its activities and to extend its reach into the policy arena. This reach is dependent on the CSAE being a high-quality, reliable source of evidence that challenges orthodoxies and assumptions made within scholarly and policy-relevant debates.

In reaching into the policy arena we have been putting into place plans to disseminate findings and analysis in accessible and appropriate formats to audiences for whom our work will be informative given the nature of the policy choices they face. Over the past year this has taken the form of policy briefings, which can be found on our website csae.ox.ac.uk, workshops and seminars, at which the work we have done has been presented to a very wide range of audiences. This is a new area for us, and in this report we have sought to highlight some of the key aspects of the CSAE’s research and to indicate how it contributes to the ongoing policy debate about Africa’s future.

Our focus is both on the sustainable growth of incomes and on directly ameliorating social conditions. The opportunities for broad-based income growth differ quite radically between countries and so the focus of research should differ, country by country. Our approach is to conduct research that is potentially strategic, and to build networks which enable the ideas generated through this research to be seeded. By strategic, we mean research that has the potential for macro-significant economic change. Our approach to seeding ideas is to involve others in the research that generates them, and to build multiple advocacy channels for spreading them: what works for policy technocrats is evidently very different from what works for politicians and civil society.

As part of the extension of our outreach programme we have redesigned our research summary so that it shows how the work of the CSAE has an impact on a wide range of policy debates in Africa. In the sections that follow, we provide an overview of two broad areas of work feeding into policy debates. One on how governments can deliver better outcomes for their citizens and the second on policies and issues affecting the poor.
KEY QUESTIONS

How can mistakes like the oil spills in the Niger delta and the conflict diamonds in Sierra Leone be avoided in the future?
See page 5

Can you beat the election fraudsters?
See page 6

How is it that mothers still influence their children's well-being in adulthood?
See page 7

Can African farmers produce more crops?
See page 9

The impact of mobile phones on adult literacy in Niger – see page 24
During 2009 researchers at the CSAE and other institutions developed a set of easy-to-understand principles for governments of resource-rich countries. These principles are designed to help governments make well-informed decisions about the use of natural resources. At the same time, the researchers wanted citizens in all countries to have the necessary tools to hold their governments to account. The twelve principles are available at www.naturalresourcecharter.org.

Money generated by natural resources far outweighs that of aid budgets. The discovery of natural resources should be the answer to both rich countries’ and poor countries’ prayers. However, often the discovery of natural resources proves to be a curse rather than a cure for development illnesses. The problems come, on the one hand, from the numerous incentives for corruption that such large money inflows bring. On the other hand, the many complex decisions with long-term impacts pose their own challenges. Governments also face great uncertainties as, over time, the demand and prices for natural resources vary a lot.

The overarching aim of the principles is that all decisions should be made with the objective of improving the welfare of populations. One of the decisions that governments face is whether to leave the exploitation of natural resources for future generations. Should a government decide to exploit its country’s natural resources, it should develop a vision of what the money from natural resources is going to achieve and how that money is going to achieve that vision.

During 2010 there will be consultation workshops all over the world on the Natural Resource Charter to finalise its content. Comments can also be made online. The UK government, the United Nations Industrial Development Organization (UNIDO), the African Development Bank and the African Economic Research Consortium all support the Natural Resource Charter.

Charter authors: Joseph Bell, Paul Collier, Robert Conrad, Thomas Heller, Karin Lissakers, Michael Ross, Michael Spence and Anthony Venables
In all countries, the political process has a substantial impact on the type of economic policies that are adopted. Getting economic policies ‘right’ is even more crucial in developing countries where so many people are on or below the poverty line. A new international dataset spanning 155 countries and nearly thirty years of political history has given insights into why politicians pursue certain types of economic policies. Researchers at the CSAE have been able to demonstrate that politicians who have been elected using dirty tactics have incentives to pursue bad economic policies. In countries with clean elections, pursuing growth-orientated policies prolongs a politician’s term of office by 40 per cent. However, for those politicians using dirty tactics to get elected, pursuing growth-orientated policies extends their time in office by only 23 per cent. And the incentives for cheating in elections are strong: the analysis shows that incumbents using illegal practices are likely to be in office for nearly sixteen years, rather than around six and half years if they participate in fair elections.

Given that the incentives for cheating appear to be so strong, the question then arises what can be done to counteract this. To analyse this issue, other CSAE research examines which types of dirty tactics are employed by politicians and how they can be counteracted. Targeted voter education appears to be key to countering dirty tactics. This conclusion is based on research carried out in Benin, Sao Tome and Principe and Nigeria. In Benin, incumbent politicians were very likely to use clientelism, that is, the promise of benefits if voted in, as their preferred tactic. In Sao Tome and Principe politicians who were not in office were more likely to use vote-buying, that is, the straightforward ‘cash for votes’ method. Generally, clientelism and vote-buying seem to be more effective among the less educated and with men than women. Therefore, voter education campaigns and encouraging women to vote may be effective strategies to reduce the effects of cheating on voting outcomes. Previous CSAE work in Nigeria has shown that voter education for the marginalised groups of society was most effective in counteracting dirty tactics.
Mothers matter to adults’ well-being

CSEA research in Kagera, near Lake Victoria in Tanzania, demonstrates that, if a child loses its mother before the age of 15, this will have lifelong effects on that child’s income, health and educational achievement. In particular, individuals who had lost their mothers before they were 15 years old were nearly two centimetres shorter, had a year less of schooling and were likely to be 8.5 per cent poorer over the course of their lifetime than their counterparts. The study tracked the effects of orphanhood on 718 children over a thirteen-year period. Within the sample, nearly one-fifth had become orphans over the time period. Kagera is a region with a high rate of HIV/AIDS.

These results mirror those of other studies more focused on the short-term effects of losing a parent on children’s education. These other studies have also indicated that a mother’s death has a greater effect on a child’s well-being than a father’s death. This CSEA study is unique because it demonstrates that there are long-term effects of becoming an orphan that cannot be remedied later on in life. This means that the high rates of orphanhood resulting from the HIV/AIDS epidemic are likely to have substantial concrete effects on the well-being of future Africans.

Although the effects of orphanhood are clearly demonstrated by this study, the resulting policy conclusions are not as clear-cut. One clear result is that orphan assistant programmes that target only those children who have lost a father should be reviewed. Second, it is clear that programmes to reduce the deaths of mothers should have a positive effect on both the health and educational outcomes of young Africans. However, in terms of public health budgets, programmes to reduce the deaths of mothers could be seen in competition with programmes designed to reduce the deaths of fathers – often the main income earners. Programmes to alleviate some of the consequences of the HIV/AIDS epidemic are already in place in Kagera. An evaluation of these programmes may help to give answers to some of these policy questions.

CSAE researcher: Stefan Dercon
For more information see: www.economics.ox.ac.uk/members/stefan.dercon

Left: Children unaware of how the loss of a parent could affect them in the long term
Jobs, skills and poverty reduction in Ghana

The central policy question facing both African governments and the development community is how poverty in Africa can be reduced. Ghana provides an interesting case study as it has already met the Millennium Development goal of reducing poverty by half. In 1991, the proportion of the population below the poverty line was 36.5 per cent; by 2005/6, this had fallen to 18.2 per cent.

How was this poverty reduction achieved? Work undertaken at the CSAE, in collaboration with Ghanaian partners, has provided part of the answer to that question. Jobs and skill creation have become a major preoccupation of African governments as there has been an increasing concern with both the extent and quality of job creation. The evidence, based on new data, points to a pattern of a steep rise in earnings for the unskilled. It is the increased earnings within jobs, rather than self-employment, that underlies the fall in poverty. Previous reviews, based on data up to 2000, had pointed to a pattern of rapid job growth in urban self-employment, not wage employment. However, more recent data for Ghana suggest a radical change to this pattern: a rapid growth in wage jobs in small firms. Employment in small firms, which is the low-paying occupation within the urban sector, increased from 2.7 to 6.7 per cent of the population. This represents an increase from 225 000 to 886 000 employees. Jobs in total have been increasing in line with the population, but the proportion of relatively low-paying ones increased markedly from 1998/9 to 2005/6.

So what role did education levels play in this rise in earnings in Ghana? Education, particularly at the post-secondary level, is associated with far higher earnings. However, there is no evidence that the increase in earnings that occurred over the period from 1998 to 2005 is due to increased levels of education or that the returns to education have increased.
A key reason for African poverty is the low productivity of much of African agriculture. How that productivity can be increased and what limits the choices made by farmers in African countries is an important policy issue which CSAE research seeks to inform. Numerous reasons have been advanced for the poor performance of African agriculture. It has been argued that farmers lack access to credit and thus use too little fertiliser, or that land rights are not well specified so farmers are unwilling to invest, or that farmers avoid modern techniques as they are too risky. Evidence for all these explanations has been advanced. To answer some of these questions we need data that allow us to test across alternative explanations and collecting such data has been an important part of the CSAE’s research programme. We have been carrying out a survey of cocoa farms in Ghana since 2004 and the findings are now enabling us to extend our knowledge of some of these issues.

How can farmers increase output?

The Ghana cocoa sector has seen a remarkable doubling of its output over the last ten years. How was this growth achieved? It seems clear that most was not the result of increased productivity but of increased land use. However, there was some rise in land productivity, possibly as much as 40 per cent over an eight-year period. Understanding how this was achieved and why such gains remain limited might give important insights to policy-makers. CSAE researchers have been cooperating with the Ghana Cocoa Board and Cocoa Abrabopa (CAA). CAA is a firm in Ghana which provides fertiliser and other inputs to farmers based on the Hi-Tech package developed by the Cocoa Research Institute of Ghana. All the inputs were given on credit to groups of farmers, who were jointly liable for their repayment. In the first year of membership, farmers were given inputs applicable to a total of two acres of cocoa farm land. In addition, also during the first year of membership, farmers received training in input application methods, as well as bookkeeping skills and other aspects of business training. The business training was provided by TechnoServe Ghana. With this combined product, CAA has seen rapidly expanding membership: from an initial membership of 1440 in the 2006/7 season, to 6300 in 2007/8 to 10 923 in 2008/9. In a report on this project CSAE researchers found evidence of agronomic and economic returns to participation in the programme. CSAE estimates suggest that members’ output increased by 638.5 kg relative to estimated output levels had they not participated in the programme. This represents a substantial increase over previous production – of the order of a 20 per cent rise in the total production of the farm, including lands not directly receiving CAA inputs. Moreover, even after examining changes in labour and spot-market purchases of other inputs, it is estimated that there is an average rate of return on CAA loans of approximately 1.76 per cent. Taken on average, member farmers appear to benefit significantly from CAA membership. However, there is a substantial drop-out from the programme. Farmers who experience low returns as individuals are vastly more likely to drop out of the programme. The high drop-out rate shows a reluctance to continue using the new technology despite its apparent success. Why this is so is the focus of the next stage of the research.

CSAE researchers: Francis Teal and Andrew Zeitlin
For more information see: http://www.csae.ox.ac.uk/output/reports/pdfs/rep2008-01.pdf
Another line of research in the area of increasing agricultural output suggests that these schemes to encourage farmers to try out new techniques need to change the assumptions they make about farmers. The research questions the received wisdom about why many small-scale farmers in developing countries are reluctant to try out new technologies. Traditionally, this reluctance to try new technologies has been explained as farmers being wary of crop failure and therefore wanting to avoid increasing that already existing risk by using new technologies. However, even when insurance mechanisms to reduce the risk of crop failure exist, programmes to help farmers adopt new technologies have not always been a full success or the insurance has not been taken up.

The new research suggests that the explanation for not wanting to adopt new technologies may have more to do with both a reluctance to make a loss and other psychological factors than with a fully rational assessment of the risks of the technology to the farmer. For example, in games volunteers have shown that they are more worried about making a loss than not making a profit. So, in some cases, schemes which have protected farmers from losses, while leaving profits to be made at market rates, have shown success in encouraging innovation. Other schemes which offered incentives to adopt innovations at the point of sale of farmers’ products have shown more success than those offering the same incentives at a different time.

This may mean that schemes to encourage the adoption of new practices need to be carefully designed, not only to take away the risk of loss but also using marketing techniques to engage farmers when they are ready to listen. In addition, such programmes should explicitly consider the reinforcing effects of peer pressure.
FURTHER AREAS OF CSAE RESEARCH

The assessment: the political economy of development

Research in the field of economic development is increasingly engaged with questions of political economy and of how political choices, institutional structures and forms of governance influence the economic choices made by governments and citizens. We summarise recent developments in the field and introduce a set of papers that illustrate key themes and methodological innovations associated with the ‘new’ political economy of development.

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The macroeconomics of the global economic crisis

The origins of the current global economic crisis and the policy responses that followed are reviewed in this essay. The main contribution of the paper is to consider emerging issues in the fields of fiscal policy, macroprudential regulation, international policy coordination and the implications for the global financial architecture.

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Exchange rate policy

This paper offers a brief review of how exchange rate policy has changed in Africa in the last thirty years, from a situation in the 1970s and 1980s, when the prevailing economic orthodoxy on the continent asked both monetary and exchange rate policy to do ‘too much’ with disastrous consequences, to an environment today when, outside the CFA (Communauté Financière Africaine) zone, most countries operate under a monetary anchor or with some form of inflation-targeting regime, supported by a de jure freely floating exchange rate. The emerging challenges in the conduct of exchange rate policy facing these countries are reviewed in this paper.

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Fiscal inertia, donor credibility and the monetary management of aid surges

Donors cannot pre-commit to support scaled-up public spending programmes on a continuing basis, nor can governments credibly commit to curtailing expenditure rapidly in the event that aid revenues contract. An aid boom may, therefore, be accompanied by a credibility problem. When this is the case, the absorb-and-spend strategy recommended by the International Monetary Fund leads to capital flight, higher inflation and large current account surpluses inclusive of aid. The right policy package combines a critical minimum degree of fiscal restraint with reverse sterilisation.

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For more information: Journal of Development Economics, forthcoming.
Using real-time output gaps to examine past and future policy choices

Alternative measures of the UK output gap are considered for 1984–2007. The real-time series is strongly affected by the rolling-time estimation of the trend, and produces a picture of the business cycle which is not consistent with contemporary perceptions of the large fluctuations of the late 1980s and early 1990s. A new, ‘nearly real’, measure developed here may be better for estimating historical reaction functions. In the context of the current recession, none of these mechanically derived measures of the output gap are useful. Policy-makers should make careful estimates of the likely fall in potential output on the basis of other information.

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Aid volatility, monetary policy rules and the capital account in African economies

The properties of alternative monetary policy rules in low-income countries in the presence of an open private capital account are examined in this essay. We show that, although an open capital account facilitates smoother adjustment to temporary aid surges when an aid inflow is fully spent, volatility is magnified and the adjustment problems identified in our earlier work are likely to be exacerbated when aid inflows are accompanied by fiscal adjustment. Given this, the case for a managed float in such circumstances is strengthened.

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Monetary policy rules for managing aid surges in Africa

We examine the properties of alternative monetary policy rules in response to large aid surges in low-income countries characterised by incomplete capital market integration and currency substitution. Using a dynamic stochastic general equilibrium model, we show that simple monetary rules that stabilise the path of expected future seigniorage for a given aid flow have attractive properties relative to a range of conventional alternatives, including those involving heavy reliance on bond sterilisation or a commitment to a pure exchange rate float. These simple rules, which are shown to be robust across a range of fiscal responses to aid inflows, appear to be consistent with actual responses to recent aid surges in a range of post-stabilisation countries in sub-Saharan Africa.

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Some issues in modelling and forecasting inflation in South Africa

Inflation-targeting central banks will be hampered without good models to assist them to be forward-looking. Many current inflation models fail to forecast turning points adequately, because they miss key underlying long-run influences. The world is on the cusp of a dramatic turning point in inflation. If inflation falls rapidly, such models can underestimate the speed at which interest rates should fall, damaging growth. Our forecasting models for the new measure of producer price inflation suggest methodological lessons, and build in conflicting pressures on South African (SA) inflation from exchange rate depreciation, terms of trade shocks, collapsing oil, food and other commodity prices, and other shocks. Our US and SA forecasting models for consumer price inflation underline the methodological points, and suggest the usefulness of thinking about sectoral trends. Finally, we apply the sectoral approach to understanding the monetary policy implications of introducing a new consumer price index measure in SA that uses imputed rents rather than interest rates to capture housing costs.

CSAE researcher: Janine Aron
For more information: http://www.csae.ox.ac.uk/workingpapers/pdfs/2009-01text.pdf

Can we evaluate network brokerage initiatives using data that are byproducts of the network broking process?

Increasingly, development projects list social capital development and network brokerage among their objectives. How do we quantitatively evaluate such initiatives? Best practice, diff-in-diff methods may be impossible or too costly. Here, we try using data that are byproducts of the network broking process to evaluate the Challenge Program for Water and Food along this dimension. We find that, in accordance with its objectives, the programme is associated with bridging linkages between organisations in the water and food sectors and between the Consultative Group on International Agricultural Research (CGIAR) members and their counterparts in government and that, in the case of the former, the association may be causal.

CSAE researcher: Abigail Barr
For more information: http://www.csae.ox.ac.uk/workingpapers/pdfs/2009-18text.pdf

Games

Data from three bargaining games – the Dictator Game, the Ultimatum Game and the Third-Party Punishment Game – played in fifteen societies are presented. The societies range from US undergraduates to Amazonian, Arctic and African hunter–gatherers. Behaviour within the games varies markedly across societies. In this paper we investigate whether this behavioural diversity can be explained solely by variations in inequality aversion. Combining a single parameter utility function with the notion of subgame perfection generates a number of testable predictions. While most of these are supported, there are some telling divergences between theory and data: uncertainty and preferences relating to acts of vengeance may have influenced play in the Ultimatum and Third-Party Punishment Games; and a few subjects used the games as an opportunity to engage in costly signalling.

CSAE researcher: Abigail Barr
For more information: http://www.csae.ox.ac.uk/workingpapers/pdfs/2009-020text.pdf
Bridging the gender divide: an experimental analysis of group formation in African villages

Assortative matching occurs in many social contexts. We experimentally investigate gender assorting in sub-Saharan villages. In the experiment, co-villagers could form groups to share winnings in a gamble choice game. The extent to which grouping arrangements were or could be enforced and, hence, the distribution of interaction costs were exogenously varied. Thus, we can distinguish between the effects of homophily and interaction costs on the extent of observed gender assorting.

We find that interaction costs matter – there is less gender assorting when grouping depends on trust. In part, this is due to trust based on co-memberships in gender-mixed religions.

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FURTHER AREAS OF CSAE RESEARCH

Risk pooling, risk preferences and social networks

Using data from a field experiment conducted in seventy Colombian municipalities, we investigate who pools risk with whom when risk pooling arrangements are not formally enforced. We explore the roles played by risk attitudes and network connections both theoretically and empirically. We find that pairs of participants who share a bond of friendship or kinship are more likely to (i) join the same risk pooling group and (ii) group assortatively with respect to risk attitudes. Also, consistent with our theoretical finding that when there is a problem of trust the process of pooling assortatively with respect to risk preferences is perturbed, we find (iii) only weak evidence of such assorting among unfamiliar individuals.

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Directed technical change, the elasticity of substitution and wage inequality in developing countries

We develop a model of endogenous skill-biased technical change in developing countries. The model reconciles wildly dispersed existing estimates of the elasticity of substitution between more and less educated workers. It also produces an estimating equation for the elasticity, which allows us to produce overdue estimates for developing countries. With four types of data, elasticity estimates for developing countries are consistently about 2. In a skill-biased technical change framework, this estimate makes sense of what appears to be little or no correlation between relative skill supply and wage inequality.

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Trade flows, multilateral resistance and firm heterogeneity

We present a gravity model that accounts for multilateral resistance, firm heterogeneity and country selection into trade, while accommodating asymmetries in trade flows. A new equation for the proportion of exporting firms takes a gravity form: the extensive margin is also affected by multilateral resistance. If all countries reduce their trade frictions, the impact of multilateral resistance is so strong that bilateral trade falls in many cases. This is despite the larger trade elasticities implied by firm heterogeneity. For isolated bilateral changes in trade frictions, multilateral resistance effects are small for most countries, but are large when big importers are involved.

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Exports and logistics

Do better trade logistics reduce trade costs, raising a country’s exports? Yes, but the magnitude of the effect depends on country size. Applying a new gravity model to a comprehensive logistics index, we find that an average-sized country would raise exports by about 46 per cent after a one standard deviation improvement in logistics. Most countries are much smaller than average however, so the typical effect is only 6 per cent. This difference is chiefly due to multilateral resistance, which stresses that bilateral trade costs relative to multilateral trade costs matter for bilateral exports. Our method also distinguishes between the effects of logistics on the intensive margin (exports per firm) and the extensive margin (the number of exporting firms) of trade.

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Contract design in insurance groups

In many rural settings, informal mutual support networks have evolved into semiformal insurance groups, such as funeral societies. Using detailed panel data for six villages in Ethiopia, we can distinguish two types of contracts, in terms of whether payments are made only at the time of death or savings are accumulated by the group based on premiums paid ex ante. We characterise these contracts as the coalition-proof equilibria of a symmetric and stationary risk-sharing game, and we show numerically that a contract with savings makes higher demands on enforceability, leading to less cohesive groups finding it in their interest to choose the contract without savings and that coalition proofness is a necessary condition for the coexistence of both contract types. We show in the data that the type of contract chosen by groups is correlated with the level of trust and other enforcement-improving factors. We also predict that, among the observed contracts, those with group-based savings and ex ante payments will attain higher welfare in terms of consumption smoothing than those observed using no group savings. Using panel data, and controlling for household fixed effects and time-varying village-level fixed effects, we show that funeral groups are vehicles for risk-sharing and that contract type matters for performance in line with these predictions. The results appear robust to endogeneity of group formation and endogenous selection into contract types.

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For more information: http://www.csae.ox.ac.uk/workingpapers/pdfs/2009-04text.pdf
Lessons from Kenya’s introduction of free primary education

In 2003 Kenya abolished all fees in state primary schools to encourage poor parents to send their children to school. Research carried out by the CSAE at Oxford University and the Kenyan government shows that, since 2003:

• more of the poorest children in Kenya go to primary school;
• the number of children in private primary education has nearly tripled;
• school results and overall enrolment rates in some Kenyan state primary schools have fallen.

Further research in 2009–10 will test whether the main reason for these developments is the loss of local control that came with increased centralisation and free schooling.

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For more information: http://www.iig.ox.ac.uk/output/briefingpapers/pdfs/iiG-briefingpaper03-kenya-primary-education.pdf

Rethinking the provision of public services in post-conflict states

African governments inherited a common model of public service provision from colonial times. That model was rooted in how British and French governments were themselves providing public services during the 1950s. For the following half-century African governments struggled to make this model work. In many of them, and most particularly in those with the social stresses associated with being post conflict, that model has proved to be inappropriate. It is high time to try delivery systems which are better suited to the local context.

An independent service authority (ISA) is a design of public service delivery which may be particularly appropriate for post-conflict conditions. It need not be merely a temporary measure; it may evolve into a permanent organisation in the same way that independent revenue authorities have become permanent in much of Africa. Although all ISAs have some core features in common, they can take many different forms.

An ISA is not as good as the 1950s model when that model is deployed in ideal conditions. However, based on theory and evidence, it is likely to be more successful than the centralised ministerial approach under the conditions that actually prevail in post-conflict societies. Given the enormous attention that post-conflict societies and other fragile states are now rightly receiving, there is a strong case for experimenting with the ISA design on a pilot basis.

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Many developing countries periodically face large adverse shocks to their economies. We study two distinct types of such shocks – large declines in the price of a country’s commodity exports and severe natural disasters – both of which have occurred frequently in the recent past. Unsurprisingly, adverse shocks reduce the short-term growth of constant-price gross domestic product and we analyse which structural policies help to minimise these losses. Structural policies are incentives and regulations that are maintained for long periods, contrasting with policy responses to shocks, the analysis of which has dominated the literature. We show that some previously neglected structural policies have large effects that are specific to particular types of shock. In particular, regulations which reduce the speed of firm exit substantially increase the short-term growth loss from adverse non-agricultural export price shocks and so are particularly ill-suited to mineral-exporting economies. Natural disasters appear to be better accommodated by labour market policies, perhaps because such shocks directly dislocate the population.

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The rule of law and how it affects growth: case studies in Sierra Leone and Liberia

Since the advent of peace, democratically elected governments in both Liberia and Sierra Leone (with strong support from international donors) have strived to strengthen the rule of law. These measures have met with little success. This project investigates the effectiveness of two new, relatively untested initiatives to strengthen post-conflict legal institutions in Liberia and Sierra Leone. At the core of both interventions is the provision of pro bono legal services to rural villagers with limited access to formal justice systems by paralegals trained to work at the intersection of customary and formal law.

In Liberia, the project will conduct a randomised trial of mobile paralegals who provide legal advice and conflict mediation services to rural villagers with little access to formal legal institutions. In Sierra Leone, the project will evaluate a new initiative by an established local non-governmental organisation, Timap for Justice, to monitor conditions in police stations and prisons and provide free legal advice and help to the accused.

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Aspirations reflect an individual’s cognitive world, his/her zone of ‘similar’, ‘attainable’ individuals, also known as an individual’s aspiration window. This aspiration window is determined by the individual’s observations of his/her peers to form comparisons, as well as of the information and economic opportunities of the local environment. Ray (2006) argues that the aspiration gap forms the link between aspirations and individual behaviour. This aspiration gap represents the difference between a person’s contemporaneous ‘state’ and the ‘state’ he or she aspires to.

The CSAE work is focusing on documenting measurement issues and developing an instrument for measuring aspirations in a developing country context. More explicitly, it aims to:

- develop a measurement strategy of aspirations and related concepts;
- use an appropriately designed pilot to implement and test the measurement strategy developed.

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For more information: see the list of accepted papers at: http://www.csae.ox.ac.uk/conferences/2010-EdiA/default.htm

FURTHER AREAS OF CSAE RESEARCH

Is the lack of aspirations one of the explanations for continuing poverty?

Since the seminal contribution of Mankiw, Romer and Weil (1992), the growth empirics literature has used increasingly sophisticated methods to select relevant growth determinants in estimating cross-section growth regressions. The vast majority of empirical approaches, however, limit cross-country heterogeneity in production technology to the specification of total factor productivity, the ‘measure of our ignorance’ (Abramowitz, 1956). The central theme of this survey is an investigation of this choice of specification against the background of pertinent data properties when the units of observations are countries or regions and the time-series dimension of the data becomes substantial. We present two general empirical frameworks for cross-country productivity analysis and demonstrate that they encompass the approaches in the growth empirics literature of the past two decades. We then develop our central argument – that cross-country heterogeneity in the impact of observables and unobservables on output is important for reliable empirical analysis. This idea is developed against the background of the pertinent time-series and cross-section properties of macropanel data.

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Econometrics for grumblers: a new look at the literature on cross-country growth empirics

Since the seminal contribution of Mankiw, Romer and Weil (1992), the growth empirics literature has used increasingly sophisticated methods to select relevant growth determinants in estimating cross-section growth regressions. The vast majority of empirical approaches, however, limit cross-country heterogeneity in production technology to the specification of total factor productivity, the ‘measure of our ignorance’ (Abramowitz, 1956). The central theme of this survey is an investigation of this choice of specification against the background of pertinent data properties when the units of observations are countries or regions and the time-series dimension of the data becomes substantial. We present two general empirical frameworks for cross-country productivity analysis and demonstrate that they encompass the approaches in the growth empirics literature of the past two decades. We then develop our central argument – that cross-country heterogeneity in the impact of observables and unobservables on output is important for reliable empirical analysis. This idea is developed against the background of the pertinent time-series and cross-section properties of macropanel data.

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We investigate a ‘global’ production function for agriculture, using data from the Food and Agriculture Organization for 128 countries from 1961 to 2002. Our review of the empirical literature in this field highlights that existing cross-country studies largely neglect variable time-series properties, parameter heterogeneity and the potential for heterogeneous total factor productivity (TFP) processes across countries. We motivate the case for technology heterogeneity in agricultural production and present statistical tests indicating non-stationarity and cross-section dependence in the data. Our empirical approach deals with these difficulties by adopting the Pesaran (2006) common correlated effects estimators, which we extend by using alternative weight-matrices to model the nature of the cross-section dependence. We furthermore investigate returns to scale of production and production dynamics. Our results support the specification of a common factor model in intercountry production analysis, highlight the rejection of constant returns to scale in pooled models as an artefact of empirical misspecification and suggest that agroclimatic environment, rather than neighbourhood or distance, drives similarity in TFP evolution across countries. The last finding provides a possible explanation for the observed failure of technology transfer from advanced countries of the temperate ‘north’ to arid and/or equatorial developing countries of the ‘south’.

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As formalised by Montgomery (1991), referral by employees improves efficiency if the unobserved quality of a new worker is higher than that of unreferred workers. Using data compiled from army archives, we test whether the referral system in use in the British colonial army in Ghana served to improve the unobserved quality of new recruits. We find that it did not: referred recruits were more likely than unreferred recruits to desert or be dismissed as inefficient or unfit. We find instead evidence of referee opportunism. The fact that referred recruits have better observed characteristics at the time of recruitment suggests that army recruiters may have been aware of this problem.

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Although cultural practices often have important consequences for household consumption and economic performance, they are seldom studied by economists. To fill this gap we study the impact of taboos on agriculture and poverty. Madagascar is a good case study for this purpose given the prevalence of taboos in everyday life and the variation in cultural practices across the country. We examine the relationship between observance of work taboos (fady days) and agriculture and consumption. Using cross-sectional data from a national household survey, we find that 18 per cent of agricultural households have two or more fady days per week and that an extra fady day is associated with a 6 per cent lower per capita consumption level and a 5 per cent lower rice productivity – controlling for human, ethnic and physical characteristics. To deal with the possible endogeneity of fady days, we present instrumental variable estimates as well as heterogeneous effect regressions using village fixed effects. We find that smaller households and those with less education employ less labour in villages with more fady days.

Determinants of the choice of migration destination

In this paper we examine migrants’ choice of destination conditional on migration. The study uses data from two rounds of Nepal Living Standard Surveys and a Population Census and examines how the choice of a migration destination is influenced by various covariates, including income differentials across possible destinations. We find that migrants move primarily to nearby, high population density areas where many people share their language and ethnic background. Better access to amenities is significant as well. Differentials in average income across destination districts are significant in univariate comparisons but not once we control for other covariates. Differentials in consumption expenditures are statistically significant but smaller in magnitude than other determinants. It is differentials in absolute, not relative, consumption between destination districts that are correlated with the destination of work migrants. Except for the latter, results are robust to different specifications and datasets.

What is the effect on children’s well-being of divorce or separation?

Economic literature in developing countries has failed to investigate the effect of the dissolution of the household on the material and psychological welfare of children. Research at the CSAE provides insight into the areas that a long-term research project looking at the well-being of children might investigate when assessing the effects of divorce/separation on children.
Testing unilateral and bilateral link formation

The literature has shown that network architecture depends crucially on whether links are formed unilaterally or bilaterally, that is, on whether the consent of both nodes is required for a link to be formed. We propose a test of whether network data are best seen as an actual link or willingness to link and, in the latter case, whether this link is generated by a unilateral or bilateral link formation process. We illustrate this test using survey answers to a risk-sharing question in Tanzania. We find that the bilateral link formation model fits the data better than the unilateral model, but the data are best interpreted as willingness to link rather than an actual link. We then expand the model to include self-censoring and find that models with self-censoring fit the data best.

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Political violence and social networks: experimental evidence from a Nigerian election

Political accountability and participation are taken as key ingredients for development. In this context voter education and informational campaigns are becoming popular with donors. We followed a large-scale randomised campaign against electoral violence sponsored by an international non-governmental organisation during the 2007 Nigerian elections. Substantial direct effects on perceptions about violence and voting behaviour are reported for this campaign. This paper is devoted to the assessment of the network effects of this intervention. Comprehensive measurement of the links between households allows us to estimate reinforcement effects on the treated subjects in campaign locations, and diffusion effects on untreated subjects in campaign locations. These effects are derived with reference to suitable comparison groups in untreated locations. We find evidence for both network effects using different estimation techniques. Namely, we document the importance of kinship and geographical distance in spreading perceptions associated with the campaign. We do not find clear network effects on behaviour.

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Need, merit or self-interest: what determines the allocation of aid?

Previous studies of aid allocation have concluded that foreign aid is allocated not only according to development needs but also according to donor self-interest. We revisit this topic and allow for donor as well as recipient specific effects in our analysis. In addition to comments on the statistical significance of our results we assess the relative economic importance of recipient need, merit and donor self-interest. Our results indicate that all bilateral donors allocate aid according to their self-interest and recipient need. However, most bilateral donors seem to place little importance on recipient merit. Less than 1 per cent of the variance of aid is accounted for by merit, ceteris paribus. The UK and Japan are key exceptions: they allocate more aid to countries with higher growth, higher democracy scores and fewer human rights abuses.

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State failure and conflict recurrence

About 1 billion people live in failing states. Their lives are plagued by insecurity and poverty. Failing states are marginalised and, if current trends continue, they will be lagging even further behind in the future, trapped in a vicious cycle of underdevelopment and violent conflict. Thus, the definition of state failure focuses on two main aspects: failure to provide security and failure to provide economic opportunities. State failure is costly in human and economic terms. It imposes costs to the citizens of their own state and even higher costs to other states in the region. Turning around failed states is an enormous challenge. Ultimately, the change has to come from within the country but we also discuss what the international community can do to assist.

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Paradise lost: The costs of state failure in the Pacific

Globally, state failure is hugely costly. We estimate the total cost of failing states as being of the order of $276 billion per year, although, of course, any estimate is inevitably highly imprecise. In this paper we apply our global framework and methodology to analyse the cost of failing states in the Pacific Ocean. Globally, failing states on average inflict very large costs on their neighbours. This both requires and justifies regional intervention in decision processes that would normally be the sovereign domain of nation states. Our analysis suggests those failing states that are islands are distinctive in that they do not have neighbours in this economic sense. In this respect, the Pacific region differs from other regions: since its countries are islands the neighbourhood spillovers that normally generate these costs do not apply. Owing to the lack of spillovers we estimate the cost of state failure for an island is much lower than for other states, being of the order of $36 billion. However, our results also indicate that state failure is more costly to the state itself, as opposed to its neighbours, if the state is an island. This may be due to the greater openness of islands, implying greater flight of financial and human capital. We conclude that, because neighbours are not directly affected by state failure in the Pacific, any possible interventions should be centred on the humanitarian concern rather than be guided by self-interest of the other countries within the Pacific region.

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The causes of civil war

Since the Second World War about 16 million people have been killed in ‘civil’ wars. What causes these civil wars? Why is there costly violent conflict when most people would be better off by settling their disputes peacefully? What makes individuals take up arms and risk their lives in an insurgency? Economists, among other social scientists, have tried to investigate these important questions by using economic theory as well as empirical tests. These analytical searches are driven by the hope that if we can gain a better understanding of the causes of civil war we may be able to prevent future violent conflict and help to resolve ongoing wars.

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For more information: Chapter 1 Oxford Handbook of the Economics of Peace and Conflict, forthcoming.

Insurance networks, subjective expectations and choices of economic activities: evidence from rural Malawi

It is common to find rural households in Africa primarily engaged in low-risk/low-return activities. Is this because they underestimate the return potential of non-traditional high-return activities; because they rationally expect low returns owing to their own lack of skills or experience; or because they perceive the return to these activities as very risky? In the case in which they perceive these activities as high-risk/high-return, would they take them up if they could better insure against shocks?

In order to improve our understanding of poor households’ activity choices we have designed and administered an innovative baseline survey which gives us direct information (i) on people’s subjective expectations about return and risk of different activities and on perceived correlations between returns of different activities and (ii) on people’s complete network (based on actual and hypothetical transfers). In addition, we have information on the perceived correlation of the household’s income with the income of each of the other households in the network.

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The impact of mobile phones on adult literacy in Niger

Despite decades of experience with primary education and adult literacy programmes in sub-Saharan Africa, there is limited empirical evidence that these programmes have improved the functional literacy of adult populations. One of the potential reasons for this is the limited availability of reading materials in local languages, especially in countries with a relatively high number of local languages. Even if reading material is available, it might not provide the information that adults want or need in their daily lives, thereby constraining their willingness to adopt literacy skills. Our work provides evidence that mobile phones, mainly via short-messaging service (SMS), can improve adults’ literacy outcomes in local languages in sub-Saharan Africa. We make use of a multi-year programme in Niger, whereby villages were randomly assigned to mobile phone-based or normal literacy classes over a two-year period. The results indicate that participants in mobile phone-based literacy classes improve their reading test scores by over 32 per cent compared with the control group, and have numeracy skills that are 30 per cent higher. We also provide evidence of the mechanisms behind these improvements in literacy outcomes, finding that mobile phones increase literacy skills mainly by improving retention, rather than motivation.

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The impact of the Kenyan post-election violence on the Kenyan flower export industry

An analysis of Kenyan flower exports quantifies the impact of the post-election violence in 2007–8 on the Kenyan flower industry. This industry was Kenya’s largest foreign exchange earner in 2007 and it is an exclusively export-orientated industry. The key results are that:

- the violence reduced the exports of Kenyan flower exporters by nearly one-quarter on average, and by nearly 40 per cent for firms located in conflict areas;
- diversification of export channels provides some protection against loss of income.

Future work will include an evaluation of the Ethiopian government’s support to develop an Ethiopian flower industry. Data from other flower auctions within East Africa will add to a broader picture.

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Ugandan men become idle in camps

Ugandan politics has been characterised by conflict in the north of the country. In response to the resulting insecurity in 2005 around 1.75 million people, or 80 per cent of the population in the north of the country, lived in camps for internally displaced people. A unique survey of just under 900 households looked at the effects of camp life on the employment of men and women. Contrary to most research, this study concentrated on the issues affecting displaced men. The main finding was that the longer a camp had existed the less likely men living in that camp were to work. This was not true for women.

This is explained by the development of different social norms for men and women.

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KEY Activities

The CSAE communicates the outcomes of its research to a broader non-academic audience. See page 27

In addition to its regular annual conference in March, the CSAE also hosted a variety of events to reach out to new audiences. See page 28

The ‘Africa Means Business’ training is designed to encourage a vibrant financial press in Africa, addressing what is seen as one of the obstacles to economic growth in many African countries. See page 29
In addition, the CSAE is working to build new networks to facilitate exchange with non-governmental organisations (NGOs), both in individual countries and at international level. In many cases, researchers build close links with NGOs running projects in particular countries. However, NGOs are also represented on the CSAE’s policy committee and the CSAE is working to increase its outreach to national and international NGO networks. The CSAE communicates the outcomes of its research to a broader non-academic audience. To facilitate this type of outreach, training in communications techniques is being offered to both CSAE and partner institution academics. This training feeds into the production of the twice-yearly newsletter, a set of concise briefing papers and media work undertaken by CSAE researchers with African, UK and international media.

On the academic side, the CSAE has a long-standing collaboration with the African Economic Research Consortium (AERC), based in Nairobi. Centre staff work with the AERC in a wide range of activities to build an international network of research, training and teaching. Particular emphasis has been placed on African academics: they have a crucial role to play in developing an informed constituency within the continent. A number of Centre staff attend the AERC’s meetings and make important contributions to both the design and the evaluation of the research programme. The AERC and the CSAE have jointly researched trade liberalisation, regional integration and the sources of economic growth in Africa.

The CSAE also has links with a number of other institutions in individual countries in order to facilitate its research and enable Africans to participate fully in the work. These include:

- the Ministry of Finance of the Government of Zambia to provide advice on macroeconomic policy;
- the Statistical Office of the Government of Ghana for collaboration in the collection and dissemination of information on the country’s manufacturing sector;
- the Economic Policy Research Centre, Makerere University, Uganda;
- the Economic and Social Research Foundation (ESRF) in Dar es Salaam, Tanzania.

In addition, the CSAE is working to build new networks to facilitate exchange with NGOs, both in individual countries and at international level.
Publications

The CSAE seeks to disseminate research to the wider community and to stimulate debate on African policy issues by means of its publications. The CSAE undertakes the following five major sets of academic publications:

• The Journal of African Economies (JAE) was launched jointly with Oxford University Press (OUP) in 1991. The Journal has established itself as the principal forum for applied economic research on African economies. The Department for International Development (DFID) has given financial support for distributing JAE within Africa.

• A twice-yearly supplement to the journal that brings together the papers presented at plenary sessions of the AERC.

• A Working Paper Series that allows CSAE researchers to present sometimes preliminary versions of their research to a wider readership.

• A series of monographs on African economies published in partnership with Macmillan (now appearing under the Palgrave imprint).

• A series of edited volumes collaborating with African Central Banks, published in partnership with OUP.

Publications aimed at a wider audience

• Twice-yearly newsletter giving an overview of recent CSAE research and events.

• CSAE and Improving Institutions for Growth (iiG) briefing papers on particular research topics. Nine such papers were published during 2009. They can be found at http://www.csae.ox.ac.uk/output/briefingpapers/default.html and http://www.iig.ox.ac.uk/output/briefingpapers/default.htm.

Conferences and workshops

Since its inception, the Centre has held a regular series of conferences aimed at policy-makers, other academics and institutions of civil society. Programme details for all conferences organised by the CSAE are on the website (http://www.csae.ox.ac.uk/conferences/).

In 2009, in addition to its regular annual conference in March, the CSAE also hosted a variety of events to reach out to new audiences. This included a Central Bank Governors’ Roundtable and a pilot workshop entitled ‘Africa Means Business’ to jointly train both African journalists and academic economists. Other events included a workshop on ‘Does Education Really Help People Get Jobs?’ and an intercontinental webconference on research on cocoa productivity.

The Roundtable meetings were initiated to enable governors of central banks in Africa to meet and discuss pertinent issues, following the Bank of International Settlement meetings in Basle. It is an informal meeting with a central theme, designed to encourage frank discussion.

The 2009 Roundtable focused on ‘The New Financial Environment: Challenges for African Central Banks’ and was attended by
governors and staff from fifteen central banks. The discussion was strengthened by the mix of participants, which included less experienced bankers along with governors who have been in post for several years. The keynote speech was given by Lord Adair Turner, Chair of the Financial Services Authority.

The Roundtable was sponsored by JPMorgan and the Bill and Melinda Gates Foundation, and hosted at Exeter College and All Souls’ College. The next Roundtable will be held in Oxford in June 2010.

The lack of a financial press is seen as one of the obstacles to economic growth in many African countries. The Africa Means Business training is designed to encourage a vibrant financial press. Without critical economic journalism, the public is less able to hold governments to account. The CSAE has entered into a partnership with the AERC, the Thomson Foundation and the Wincott Foundation to form the Africa Means Business project, looking to introduce academic economists to business journalists and offering a week of intense media and interview skills training to both groups, focusing on current economic issues.

A pilot workshop was held in Nairobi in early June 2009 to coincide with the AERC biennial meeting. Participants were selected from a number of institutions and included academic economists, central bankers, and business and finance journalists. The success of the training has led to a proposal to the Bill and Melinda Gates Foundation to scale up the project, with workshops planned for Accra and Dar es Salaam in 2010.

CSAE scholars will be attached to the CSAE and will usually be supervised by members of the research team.

The doctoral programme

The core funding for long-term research has enabled the CSAE to build up a substantial doctoral programme: there are currently thirty-one doctoral students from around the world. Detailed information on doctoral thesis topics as well as staff research interests can be found in a separate publication entitled ‘CSAE Members – Research Interests and Publications’.
Ugandan men tend to become idle in camps, whereas women do not – see page 25.
POLICY COMMITTEE

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Mr Robert A Annibale, Global Director, Citi Microfinance
Mr Charles Badenoch, Chief Executive, World Vision
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Dr Greg Mills, Director, The Brenthurst Foundation
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RESEARCH TEAM AND THEIR AREAS OF SPECIALISATION

Dr Christopher S Adam: Reader in Development Economics and Official Fellow of St Cross College: macroeconomics and applied macroeconometrics

Dr Janine Aron: Research Officer: international economics, monetary economics, applied macroeconometrics on the South African economy

Dr Monazza Aslam: Research Officer: economics of education and microeconomics

Dr Abigail Barr: Research Officer: behavioural and experimental economics applied to development issues

Dr Alberto Behar: Research Officer: labour demand, cross-country growth spillovers, skill-biased technical change

Dr Tessa Bold: Research Officer: development economics, applied economic theory

Professor Paul Collier: Director CSAE, Professor of Economics, Professorial Fellow of St Antony’s College: governance in low-income countries, political economy of democracy, growth in Africa, civil war, aid, globalisation and poverty

Professor Stefan Dercon: Professor of Development Economics and Fellow of Wolfson College: microeconomics, poverty and welfare analysis

Dr Markus Eberhardt: Research Officer: ESRC Post-doctoral Research Fellow

Professor Marcel Fafchamps: Deputy Director CSAE, Professor in the Department of Economics and Professorial Fellow at Mansfield College: applied microeconomics

Dr Anke Hoeffler: Research Officer: macroeconomics, growth and economics of conflict

Dr Christopher Ksoll: Research Officer: family networks which take care of orphaned children and the impact of infrastructure on economic growth

Dr Kim Lehrer: Research Officer: development economics, applied microeconometrics, project evaluation, the economics of education, labour economics and gender issues

Dr Justin Sandefur: Research Officer: labour economics, programme evaluation

Dr Francis Teal: Deputy Director CSAE: microeconomics of firms and labour markets

Dr Andrew Zeitlin: Research Officer: development economics, applied microeconomics

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Rose Page: Administrator

Richard D W Payne: Information Services Officer
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Dr S Bandyopadhyay: development economics (Oxford Department for International Development)
Dr S Bhalotra (Universities of Cambridge and Bristol): applied microeconomics, health, education and gender and the family in low-income countries
Professor Arne Bigsten (University of Gothenburg): rural development and Kenya
Professor D Fielding (Leicester University): macroeconomics
Professor P Guillaumont (CERDI)
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Professor Jan W Gunning (Free University of Amsterdam)
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Dr John Hoddinott (IFPRI)
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Dr Bereket Kebede (UEA)
Dr Bill Kinsey (Free University of Amsterdam): economic anthropology
Dr Pamela Krishnan (Fellow of Jesus College, Cambridge): labour economics
Dr Adeel Malik: Lecturer in development economics (Oxford Department for International Development)
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Dr Alexander Moradi: Lecturer, School of Social Sciences and Cultural Studies, University of Sussex
Professor B Ndulu (World Bank)
Professor S O’Connell (Swarthmore College): macroeconomics
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Dr R. Reinikka (World Bank): macroeconomics of trade liberalisation
Dr Elizabeth J Z Robinson (Tanzania): environment, resource and agricultural economics
Dr Christian Rogg: asset portfolios, precautionary savings and risk management
Dr Pieter Serneels: microeconomics, behavioural and labour economics
Dr Mans Söderbom: microeconomics, labour markets, productivity, investment and firm performance
Dr C Soludo (University of Nigeria, Nsukka): Nigeria
Dr D Stasavage (London School of Economics): politics of macroeconomic policy, political economy of emerging markets, monetary integration, corruption and development
Dr Kang Tan: international macroeconomics, adaptive learning and applied econometrics
Professor John Toye: Senior Research Associate, development economics and the political economy of development (Oxford Department for International Development)

VISITING ACADEMICS

Mahmudu Bawumia, Ghana, November 2009 to November 2010
Richard Brown, University of Queensland, June 2008 to April 2010
Thomas Flochel, University of Edinburgh, October 2009 to April 2010
Olayinka Idowu Kareem, University of Ibadan, Nigeria, October to December 2009
Christian Kingombe, UNCTAD, July 2009 to March 2010
Issidor Noumba, University of Yaoundé II, Cameroon, January to April 2009
Miriam Omolo, University of Nairobi, Kenya, January to April 2009
Joachim de Weerdt, October 2009 to September 2010

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Construction in Addis Ababa, Ethiopia
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