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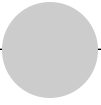
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African Successes, Volume III



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African Successes, Volume III
Modernization and
Development

Edited by

Sebastian Edwards, Simon Johnson,
and David N. Weil

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8. Unless otherwise determined by the Board or exempted by the terms of paragraphs 6 and 7, a copy of this resolution shall be printed in each NBER publication as described in paragraph 2 above.

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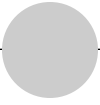
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Series Introduction

Sebastian Edwards, Simon Johnson, and David N. Weil

In the 1950s and early 1960s, there was a great deal of optimism about the prospects for economic development in sub-Saharan Africa. By early in the twenty-first century, the prevailing consensus had become much more negative—and for good reason. Decades of civil war, repeated state failure, corruption, and disappointing private sector performance characterized much of Africa’s postindependence experience. A wave of prominent papers in the economic literature tried to dig more deeply into the causes of these problems, with some scholars putting them in a broader comparative perspective and others focusing on the specifics of the African experience. There was no shortage of deep causes suggested as explanations for repeated African disappointments, including weak rule of law, a lack of democracy, colonial inheritance, the impact of the slave trade, the burden of tropical disease, some form of “resource curse,” and ethno-linguistic divisions among the population.

The NBER Africa project, conceived in the middle of the first decade of the twenty-first century, took a different approach. Rather than trying to understand the causes of underperformance in Africa, we decided to focus on finding and understanding more positive aspects of what was happening

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on that continent south of the Sahara, along several different dimensions studied by economists. Our timing proved good for three reasons.

First, scholars were turning their attention increasingly to the details of what was working well or at least better with regard to African development. This new wave of research involved working with or, in many cases creating, data sets suited to careful analysis—including sophisticated use of econometrics. We are fortunate to have involved and supported many leading empirical researchers as they broke new ground in multiple directions. Most likely some of this work would have happened in any case, but at the very least we can claim to have provided an appropriate catalyst for many projects.

Second, Africa is changing—and the prospects for nearly a billion people are looking up. A decade or more of relatively good performance does not a miracle make, but across a wide range of countries there has been better economic growth, considerable progress with improving public health and other social indicators, and a range of attempts to improve the performance of the state. Many of the chapters in this series of four volumes address some aspect of this profound and important transformation.

Third, the study of Africa is becoming much more integrated with the rest of economics. Just as happened earlier with research on Japan and China, a line of work that previously might have been seen as of purely regional interest can now appear in top journals. The broader trend, of course, has been the resurrection of development economics as a vibrant field. But also encouraging—and a central part of the NBER Africa project—has been the increase in interest among nonspecialists regarding what is actually happening on this dynamic and fascinating continent.

Volume I in this series focuses on the most basic building blocks of economic development, including the rule of law, civil conflict, and institutions more broadly. Volume II contains chapters on human capital development in Africa, including some important work on public health improvements, but also research into education on the continent. Volume III examines whether Africa can glean any advantage from being relatively late to economic development, including being able to bypass some large investments (for example, in fixed-line telephones or in traditional branch banking) or being able to learn from others (for example, in the development of an export sector). Volume IV looks at whether recent growth can be sustained, in terms of agricultural development and more broadly.

The research presented in these volumes covers a wide territory, in geographic and intellectual terms. However, our project was never intended to be comprehensive. Rather we attempted to act as a catalyst for rigorous and innovative thinking applied to recent African development. The work published here far exceeds our earliest expectations—a reflection, primarily, of how many serious scholars are now deeply engaged with these issues.

It has been a great honor for us, as program directors and now as editors of these volumes, to participate in and help to facilitate this surge in serious interest. In terms of making this possible, we must thank, first and foremost, the Bill & Melinda Gates Foundation for their willingness to encourage economists in this endeavor. We have worked with a range of officials at the Foundation over the past decade; their support has been unstinting and their perspective on development is always refreshing. We would specifically like to thank Sara Sievers for many of our early interactions and Oliver Babson for his subsequent engagement. We also greatly appreciate the ideas and energy of Geoffrey Lamb, Kim Hamilton, Negar Akhavi, Adam Gerstenmier, and Mumukshu Patel.

We must also recognize the founding insight and energy of Martin Feldstein, who emphasized, among many other relevant and helpful points, that there is an important link between raising the quality of economic research on an issue and improving the odds that policy discussions will become more informed. Since becoming president of the NBER in 2008, James Poterba has also provided us with great leadership and encouragement—including sage advice at every stage of the process.

Our four published volumes present results from thirty-nine research teams, with the findings organized along thematic lines. Of the 100 authors whose names appear on one or more of the chapters in our collection, nineteen are from Africa and thirty-two are affiliated with the NBER as either Faculty Research Fellows or research associates. They range from experienced specialists on African development to scholars who had never previously worked on the continent; in seniority they ran the gamut from newly appointed assistant professors to distinguished, established thought leaders.

Every project included a significant on-the-ground component. Some research teams combined money we provided with other funds, for example, to support the collection of very large field data sets. In other cases, funding from the NBER made it possible for researchers to interview policymakers, business people (both large and small), farmers, health workers, or others engaged in the process of economic development.

Results from the research project were presented at a series of conferences in the United States and in Africa. Given the large size of our project and our explicit goal of including scholars who had not previously been working on Africa, we began with a background conference in February 2008, at the NBER in Cambridge, MA, bringing together researchers and policymakers from the United States, Africa, and Europe. The conference featured presentations on current research and an overview of available data, aimed especially at scholars who were new to the area.

Our next meeting, also in Cambridge, MA, in February 2009 was a pre-conference at which preliminary findings from ten papers were presented. This was followed by a conference in December of the same year, again in

Cambridge, MA, that took a hybrid form: final versions of five projects were presented, as were preconference versions of another twelve projects.

This was followed in July of 2010 by a conference in Accra, Ghana, held in cooperation with the Institute of Statistical, Social, and Economic Research (ISSER). Our final research conference was held in Zanzibar, Tanzania, in August 2011, in cooperation with the Bank of Tanzania.

One goal of our project from inception, with full support from the Gates Foundation, was to help connect economic research with the African policy community. We arranged some interactions along these lines throughout our project, but we were fortunate to be able to make a special effort at the end, with a meeting devoted specifically to the Next Macroeconomic Challenges in Africa, held again in Zanzibar, in December 2012, also in cooperation with the Bank of Tanzania.

There are many people to thank for the successful completion of this project. Benno Ndulu, governor of the Bank of Tanzania, provided wise guidance throughout the process and particularly helped us to focus on narrowing the gap between research and policy, including our two fruitful meetings in Zanzibar. His team at the Bank of Tanzania was most helpful in many ways, and we have special thanks for Patricia Mlozi, Mechtilda Mugo, Msafiri Nampesya, and Pamella Lowassa-Solomon.

Our conference in Accra benefited greatly from the engagement and support provided by Ernest Aryeetey, Kwesi Botchwey, and Robert Osei. And we had great cooperation in many ways across the entire project with African Economic Research Consortium (AERC); thanks to Olu Ajakaiye, William Lyakurwa, and Lemma Senbet for making this possible.

We would like to thank everyone who attended our various conferences and who worked hard on all dimensions of these research projects. We are also most grateful for all the inputs received from members of the Advisory Committee, formed especially for this project: Robert Bates, Paul Collier, Martin Feldstein, Benno Ndulu, Franklyn Prendergast, Antoinette Sayeh, Nicholas Stern, and John Taylor.

The entire project ran smoothly due to the hard work, precision, and attention to detail of Elisa Pepe at the NBER. Elisa was with us from beginning to end, and words cannot sufficiently express our gratitude for all she has done.

Others at the NBER provided outstanding help on a wide variety of tasks. Our meetings in the United States and in Africa were organized with exemplary competence by Carl Beck of the NBER's conference department. For all their help in the production, management, and dissemination of research, we would also like to thank Alex Aminoff, Laura Bethard, Daniel Feenberg, Helena Fitz-Patrick, Wayne Gray, Steve Harriman, and Alterra Milone. And for their assistance with the data portal, we are grateful to Binh Thanh Le, Dimitry Legagneur, and C. Michelle Tejada.