

Africa in the World Economy

Spring 2016

By William Easterly, Professor of Economics (Joint with Africa House, Co-director of Development Research Institute at NYU)

This class asks: Why is Africa poor? What must we do to end poverty in Africa? Who is we?

There is no textbook for the class, only the articles and chapter extracts below. The list of readings is longer than what you are required to know. You are required only to know what is presented in class lectures. I will distribute copies of slides for each lecture.

The articles are discussed from two points of view – (1) what do they tell us about Africa? (2) what are the strengths and weaknesses of the theory and evidence on these claims in each article?

Office hours will be available by appointment, please email me at William.Easterly@NYU.edu.

The grade for the class will be determined by a mid-term exam and a final exam. Each of these will consist of a take-home exam of 4-5 essay questions to be answered in about 10 pages, due 5 days after the exam is distributed. Class participation will affect the grade as a tie-breaker when you are the on the line between two possible grades. You may also participate by emailing questions to me before, during, or after the class (to William.Easterly@NYU.edu).

Introduction: African stereotypes and reality

Slides only

The theory of economic development and the history of the development idea in Africa

CHAPTER FOUR: RACE, WAR, AND THE FATE OF AFRICA, in Easterly, William (2014-03-04). *The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor* (p. 81ff). Basic Books. Kindle Edition.

Gollin, Douglas. 2014. "[The Lewis Model: A 60-Year Retrospective](#)." *Journal of Economic Perspectives*, 28(3): 71-88.

Kraay, Aart, and David McKenzie. 2014. "[Do Poverty Traps Exist? Assessing the Evidence](#)." *Journal of Economic Perspectives*, 28(3): 127-48.

Pre-colonial history and African development

Comin, Diego, William Easterly, and Erick Gong, “Was the Wealth of Nations Determined in 1000 B.C.?” , *American Economic Journal: Macroeconomics* 2 (July 2010): 65–97

http://williameasterly.files.wordpress.com/2010/08/60_easterly_comin_gong_wealthofnations_prp.pdf

Stelios Michalopoulos, The Origins of Ethnolinguistic Diversity, *American Economic Review* 2012, 102(4): 1508–1539

Stelios Michalopoulos and Elias Papaioannou, [Pre-colonial Ethnic Institutions and Contemporary African Development](#), *Econometrica*, 2013, 81(1): 113–152

Alsan, Marcella. 2015. "[The Effect of the TseTse Fly on African Development](#)." *American Economic Review*, 105(1): 382-410.

The slave trade and colonialism

CHAPTER SEVEN INSTITUTIONS: WE OPPRESS THEM IF WE CAN, in Easterly, William (2014-03-04). *The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor* (p. 155ff). Basic Books. Kindle Edition.

Nunn, Nathan, “The Long-Term Effects of Africa’s Slave Trades,” *Quarterly Journal of Economics*, 123 (2008), 139–176.

http://www.economics.harvard.edu/faculty/nunn/files/empirical_slavery.pdf

Nunn N, Wantchekon L. [The Slave Trade and the Origins of Mistrust in Africa](#). *American Economic Review*. 2011;101(7):3221-3252.

Sacerdote, Bruce. “Slavery and the Intergenerational Transmission of Human Capital.” *The Review of Economics and Statistics*, Vol. 87, Issue 2 - May, 2005.

<http://www.dartmouth.edu/~bsacerdo/wpapers/Slavery3.pdf>

Nathan Nunn, "Historical Legacies: A Model Linking Africa's Past to its Current Underdevelopment," **Journal of Development Economics**, Vol. 83, No. 1, May 2007, pp. 157-175, http://www.economics.harvard.edu/faculty/nunn/files/legacy_jde.pdf

Stelios Michalopoulos and Elias Papaioannou (2016), [The Long-Run Effects of the Scramble for Africa](#), *American Economic Review*, forthcoming

Culture and development in Africa

Stelios Michalopoulos and Elias Papaioannou, [National Institutions and Subnational Development in Africa](#), *Quarterly Journal of Economics*, 2014, 129 (1): 151-213

Nunn, Nathan, and Leonard Wantchekon, “The Trans-Atlantic Slave Trade and the Evolution of Mistrust in Africa: An Empirical Analysis,” *American Economic Review*, 2011, Vol 11, No 7, 5221-3252.
http://www.economics.harvard.edu/faculty/nunn/files/Trust_AER_Rev2.pdf

Nunn N, Alesina A, Giuliano P. [On the Origins of Gender Roles: Women and the Plough](#). *Quarterly Journal of Economics*. 2013;128(2):469-530.

Democracy and development in Africa

Tabellini, Guido, “The Scope of Cooperation: Values and Incentives,” *Quarterly Journal of Economics*, Vol. 123, 2008, pp. 905–950.

Persson, Torsten and Guido Tabellini, “Democratic Capital: The Nexus of Political and Economic Change”, *American Economic Journal: Macroeconomics*, 2010.

CHAPTER THIRTEEN LEADERS: HOW WE ARE SEDUCED BY BENEVOLENT AUTOCRATS in Easterly, William (2014-03-04). *The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor* (p. 307). Basic Books. Kindle Edition.

William Easterly and Steven Pennings, “[How Much Do Leaders Affect Growth? An Exercise in Growth Accounting](#).” March 2015

African Development and US Foreign Policy

Berger, Daniel, William Easterly, Nathan Nunn, Shanker Satyanath. [Commercial Imperialism? Political Influence During the Cold War](#). *American Economic Review* (2012).

Qian, Nancy and David Yanagizawa, “The Strategic Determinants of U.S. Human Rights Reporting: Evidence from the Cold War” *Journal of European Economic Association*, Vol. 2 No. 2-3, 2009 May-June.

Qian, Nancy and David Yanagizawa, “Government Distortion in Independently Owned Media: Evidence from U.S. Cold War News Coverage of Human Rights ,” Working Paper (2013) [PDF](#)

Aid to end African Poverty

Qian N. “[Making Progress on Foreign Aid](#)” (2015) *Annual Review of Economics*, Vol 7. 277-308

Nunn N, Qian N., [U.S. Food Aid and Civil Conflict](#), *American Economic Review*. 2014;104(6):1630-1666.

Evidence from Randomized Controlled Trials on Aid and Development interventions in Africa

Lant Pritchett, Michael Woolcock, Matt Andrews, Capability Traps? The Mechanisms of Persistent Implementation Failure, mimeo Harvard Kennedy School, 2010.
<http://www.hks.harvard.edu/fs/lpritch/NEW%20docs,%20ppts,%20etc/capability%20traps%20wpversion.pdf>

Vivalt, Eva. 2015. "How Much Can We Generalize from Impact Evaluations? Are They Worthwhile," Working Paper, Stanford, November 30, 2015.
<http://evavivalt.com/wp-content/uploads/2014/12/Vivalt-JMP-latest.pdf>

Young, Alwyn. Channelling Fisher: Randomization Tests and the Statistical Insignificance of Seemingly Significant Experimental Results, LSE, October 2015 <http://personal.lse.ac.uk/YoungA/ChannellingFisher.pdf>

Katherine Casey, Rachel Glennerster, and Edward Miguel, **Reshaping Institutions: Evidence on Aid Impacts Using a Pre-Analysis Plan**, *Quarterly Journal of Economics*, 2012, 127(4), 1755-1812

Abhijit Banerjee and Esther Duflo, **Under the Thumb of History? Political Institutions and the Scope for Action**, *Annual Review of Economics*, Vol. 6, August 2014

Deaton, Angus, **Instruments, randomization, and learning about development**, *Journal of Economic Literature*, 48 (June 2010), pp. 424-455
<http://www.princeton.edu/~deaton/downloads/deaton%20instruments%20randomization%20learning%20about%20development%20jel%202010.pdf>

Abhijit Banerjee and Angus Deaton debate, 2012, NYU Development Research Institute Annual Conference, Lecture on Banerjee and Duflo, *Poor Economics*, (video link to 35 minute lecture) <http://nyudri.org/events/past-events/annual-conference-2012-debates-in-development/>