

DIALOGUE

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Editorial



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All research laboratories have a brief to produce and disseminate knowledge, and DIAL is no exception. Since its establishment, it has played an extensive part in pushing back the boundaries of knowledge on economic development in France and worldwide. The association between French development research institute IRD and the University of Paris Dauphine, with the creation of Joint Research Unit UMR 225 in 2010, actively contributes to this by scaling up co-operation between research and the academic world. Researchers and academics have teamed up to pool their resources and increase their exposure.

Exposure obviously takes the form of published articles, but profile is also raised by attending and holding national and international meetings. In the past, DIAL has held conferences open to mainly French-speaking audiences (Agency for French-Speaking Higher Education Days (Journées de l'AUUF) in Paris in 2006) and specialised conferences in the research unit's areas of excellence (Rural Dynamics in Madagascar in 2007 and the Informal Sector in Hanoi in 2010, to name but two). Never before had DIAL held an international conference on a backbone subject reaching out to the community of both globalisation and development economists. This need was filled by the first international DIAL conference held at the University of Paris Dauphine on 30 June and 1 July 2011. This seminar on shocks in the developing countries was attended by some 130 researchers from the world over. DIAL, faithful to its policy of outreach with the Southern countries, saw to it that researchers from African, South American and Asian universities and research institutes were largely represented in the audience. The two days provided a fascinating overview of modern research in international and development economics. None of it would have been possible without the active support of partner institutions: Paris City Hall, French Development Agency, IRD and the University of Paris Dauphine. We thank them here. Plans are to hold the conference once every two years. So make a date for June 2013!

One of the channels we use to fund research is to submit projects. For example, DIAL is working on two "pilot" projects selected by the French National Research Agency (ANR) in 2011. Sandrine Mesplé Soms is coordinating the POLECOMI project on the Political Economics of International Migration and its Effects on Source Countries – Analysis of Senegal and Mali. And DIAL is a partner in the AFRISTORY project on Colonial History and Development, led by Denis Cogneau. These two projects come in addition to two programmes launched in 2010 on the effects of the earthquake in Haiti and on the Manaus Free Trade Zone in Brazil.

DIAL is also reaching the end of its negotiations with the European Commission regarding its NOPOOR programme (Enhancing Knowledge for Renewed Policies against Poverty), as selected by the 7th CFRP. This programme will have a team of 19 partners, including ten institutions from developing and emerging countries. It is slated to start in spring 2012.

This assertive drive would not have been possible without the active engagement of DIAL's researchers. It can only be taken forward if human resources are adjusted to this increase in workload...

Philippe de Vreyer

Impact evaluations in Sub-Saharan Africa: where are all the African researchers?

Thinking on development policies and their effectiveness has come a long way in the last ten years with a new pragmatic approach consisting of a thorough evaluation of the impact of development policies and measures before they are replicated and scaled up. These new development practices take their cue from medical experimentation techniques. They treat a target population and then compare the treated group with an untreated control group with identical initial characteristics. This produces a measurement of the treatment's impact, a parameter used to decide whether the measure should be scaled up. In the area of development and poverty reduction policies, the most developed impact evaluation studies are found in education, healthcare, agricultural development, microfinance and employment. Impact studies are reshaping today's debates on development aid effectiveness. They receive huge financial support from multilateral donors (World Bank, Inter-American Development Bank, etc.), bilateral donors (Afd, Dfid, Spanish Agency for International Development Cooperation, etc.) and foundations (Bill and Melinda Gates Foundation, Hewlett Foundation, etc.). The International Initiative for Impact Evaluation (3ie), founded in 2008, has the largest budget of all with nearly 70 million dollars to finance impact evaluations in the developing countries.

The Afd's Research and Evaluation Department and the IDRC asked DIAL to review impact evaluations in Sub-Saharan Africa, mainly to find out how involved African researchers are in designing and conducting these studies. Can impact evaluations unlock resources for African researchers to finance research work? Can they facilitate exchanges with Northern researchers working on this type of exercise? Can they help build the capacities of the African economic research centres?

This article sums up the main findings of this review written by Vibhuti Mendirata, with the assistance of DIAL's Xavier Oudin and Sandrine Mesplé-Somps. The review report was presented to the NONIE meeting held by the Afd in Paris in March 2011.

Methodology

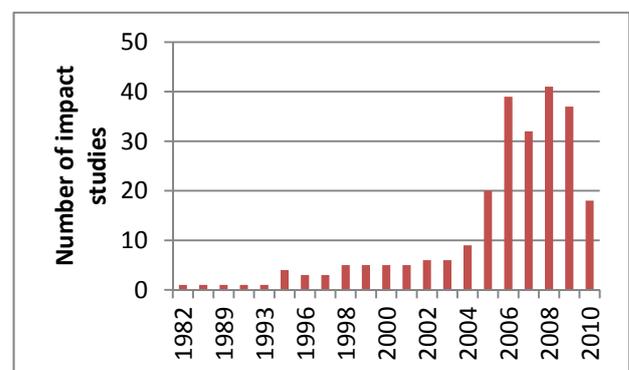
The review was conducted from Paris using documentation available online from research institutions, donors, NGOs and administrations

involved in impact studies. The following specific resources were used: World Bank Poverty Reduction and Economic Management (PREM) Unit, World Bank Development Impact Evaluation Initiative (DIME), Jameel Poverty Action Lab (JPAL), International Initiative for Impact Evaluation (3ie), Innovations for Poverty Action (IPA), Agence Française de Développement (Afd), and the Network of Networks on Impact Evaluation (NONIE), some of whose members were contacted personally. The analysis covered 257 impact studies conducted on the Sub-Saharan continent or ongoing in spring 2011. The dataset is available on the African Impact Evaluation Network's website². More details on the collection methodology can be found in Vibhuti Mendiratta's Report on Impact Evaluation in Sub-Saharan Africa (DIAL-IRD, 2011, 20 p.).

A recent development

Impact studies really took off in Africa in 2005 (see chart below). Over 77% were launched in 2004 and 58% of the impact evaluations studied are currently ongoing. This is because these studies generally take a number of years to perform. The first stage is conducted before the development programme is set up, with the production of a baseline situation, i.e. a finding on the ex-ante level of target indicators (state of health or standard of living, for example). A second survey is taken on completion of the project or once the policy has been put in place. This ex-post analysis may take place just after the launch of the programme or, to evaluate its longer term impact (which is preferable), a year or more after programme launch.

Chart 1: Impact studies in Sub-Saharan Africa
1982-2010.



1 see <http://nonie2011.org>.

2 <http://www.africaen.org/impact-evaluation-projects-dataset/>.

A high concentration in six English-speaking African countries

The vast majority (74%) of these studies are conducted in English-speaking countries. Evaluations in French-speaking countries account for just 19% of the total (the remaining 7% are in countries with other official languages). As shown by Table 1, these studies are performed most frequently in Kenya, Uganda, Ghana, South Africa, Malawi and Tanzania.

Table 1: Geographic spread of impact studies

Country	Freq	%	Country	Freq	%
Kenya	52	20.23	Rwanda	4	1.56
Uganda	22	8.56	Gambia	3	1.17
Ghana	20	7.78	Guinea	3	1.17
South Africa	18	7.00	Liberia	3	1.17
Malawi	17	6.61	Mali	3	1.17
Tanzania	13	5.06	Cape Verde	2	0.78
Ethiopia	11	4.28	Cote d'Ivoire	2	0.78
Madagascar	11	4.28	Eritrea	2	0.78
Benin	9	3.50	Mauritius	2	0.78
Zambia	9	3.50	Sudan	2	0.78
Nigeria	8	3.11	Angola	1	0.39
Burkina Faso	7	2.72	Burundi	1	0.39
Mozambique	7	2.72	Cameroon	1	0.39
Lesotho	6	2.33	Djibouti	1	0.39
Senegal	6	2.33	Namibia	1	0.39
Sierra Leone	5	1.95	Sub-Saharan Africa	1	0.39
Niger	4	1.56			
			Total	257	100

Note: Countries are ranked in decreasing order.

Source: Database of Impact Evaluations in Sub-Saharan Africa, DIAL-IRD 2010

Is this due to a strong social and political demand driven by a transparent debate on national development policies by politicians and civil society in these countries? Or is it because all the conditions required for “good” impact evaluations are found in these countries? This is an important question since, in addition to the fact that not all development policies lend themselves well to impact studies, the following requirements have to be in place for impact evaluation systems to be set up:

1. The operators in charge of setting up the projects and programmes have to agree to their impact being measured. There are all sorts of operators ranging from NGOs, local government bodies and ministries through to international co-operation agencies. This

approach calls for motivation and even a certain code of ethics since it could challenge long-standing practices and thereby the positions of the operators themselves;

2. The funds need to be available to finance the evaluation mechanism. Impact evaluations are often expensive as they call for a multi-round survey of large samples representative of the target populations (treated and control groups);
3. Impact study expertise needs to be available. These evaluations call for skills in survey techniques and statistical and economic analyses that may be lacking in certain African countries.

Last but not least, this concentration could also be due to the fact that the research centres conducting the impact studies are more inclined to work in certain countries than in others. It is hard to separate out causes here, as this last explanation is most probably related to the others. Moreover, our review turns up no information on the studies’ specific settings or the environment in the countries in which they are conducted. However, as shown by Table 2, 85% of the studies for which we identified a study implementing structure (176 of the 257 studies) were conducted by three institutions – Jameel Poverty Action Lab (JPAL), the World Bank and Innovations for Poverty Action (IPA) – and three-quarters of them were conducted in the six abovementioned English-speaking countries. For example, out of the 55 impact studies conducted by JPAL, 25 were in Kenya, seven in Uganda, five in South Africa and four in Malawi. Table 2 also shows that just three studies were carried out by African structures: two by Ghana’s Food Security Ministry and one by Gambia’s Agriculture Ministry. In addition, the vast majority of these studies were clearly conducted by American structures.

Kenya is the most striking case, with 52 impact evaluations conducted in the country. The World Bank reports that the Kenyan government has a strong demand for these studies. Yet it may be that the World Bank office in Kenya has played a driving role in incorporating these types of studies into the projects it funds. The partnership set up with JPAL, IPA and local NGOs subsequently fosters the launch of new studies. For example, a large number of impact studies are concentrated in Busia District.

Studies concentrated in healthcare

A full 27% of the impact studies are on healthcare, a sector that lends itself easily to such practices and where action to combat chronic illnesses has risen sharply in recent years. This same trend is found in Southern Asia, a region of the world where, as in Africa, illnesses such as malaria are still rife. However,

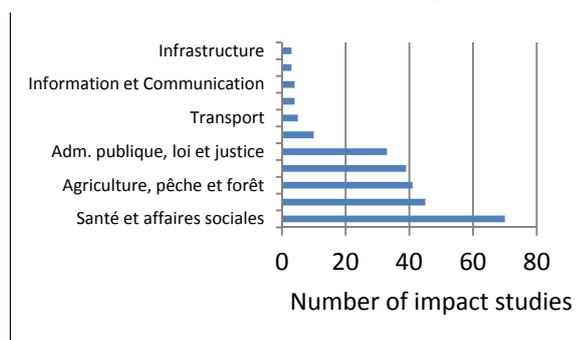
Table 2: Number of impact studies by structure in charge and by area

Structure name	English-speaking country	French-speaking country	Other official languages	Total
CEDREF (France)	0	1	0	1
DIAL-IRD (France)	0	2	0	2
Agriculture Ministry (Gambia)	1	0	0	1
Economic Development Initiatives (USA)	1	0	0	1
IPA (USA)	32	1	0	33
IRIS (UK)	0	2	0	2
JPAL (USA, France, India)	49	5	1	55
Mathematica Policy Research (USA)	3	5	1	9
Michigan State University (USA)	0	0	1	1
Food Security Ministry (Ghana)	2	0	0	2
National Opinion Research (USA)	4	2	0	6
Paris School of Economics (France)	1	0	0	1
Stanford University (USA)	0	0	1	1
World Bank	38	16	7	61
Total	131	34	11	176

Note: Missing data: 81

Source: Database of Impact Evaluations in Sub-Saharan Africa, DIAL-IRD 2010

Chart 2: Sector distribution of impact studies



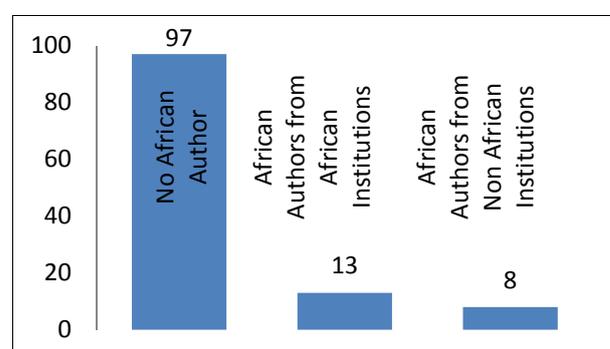
impact studies in Africa have branched out in recent years into agriculture, microfinance and governance, among others.

Very few African researchers involved

Although bodies such as the World Bank's Development Impact Evaluation Initiative (DIME) would like local partners and decision-makers to take part in the impact study design and development processes, our evaluation of involvement based on the number of African authors who contribute to writing the study reports finds that there is still a long way to go... A mere 21 of the 118 studies for which reports have been published have been written or co-written by African authors. Thirteen of these African authors work for an African research centre or structure, and eight work for institutions outside the African continent. These are mainly impact studies ordered by the World Bank or the International Development Association (IDA).

Admittedly, this is a partial observation as information was not available for all the impact studies completed and obviously not at all for the ongoing studies. However, it does show that there is not enough ownership of these studies in Africa, either by decision-makers or civil society. This is a shame, as it substantially reduces their import and their value. In the future, we can but hope to see similar experiences in Africa to those that emerged in France, for example, with the debate triggered by the impact evaluation of the inclusion benefit scheme (RSA), and in India with the controversy over the impact of microcredit. Moves to involve African researchers and disseminate conclusions beyond expert circles therefore need to be fully encouraged.

Chart 3: Number of impact studies where African authors are involved in writing the evaluation report



Contact: Sandrine Mesplé-Somps, DIAL (mesple.dial.prd.fr)

ANR AFRICASTORY, Colonial History and Development in Africa

The French National Research Agency's Africastory programme is led by Denis Cogneau, IRD Senior Research Fellow and Associate Professor with the Paris School of Economics. The programme is partnered with DIAL, the Institute of Political Studies, Paris, and the University of Belfort-Montbeliard.

The Afristory project proposes to make a substantial progress in quantitative knowledge about the economic history of French colonization, and in parallel, for comparative purposes, on some aspects of the British colonization in Africa. It also aims at producing original contributions to development economics, allowing to better specify the causal channels through which historical shocks exert a long-lasting influence on African economic trajectories. To be reached, these objectives require to start with a large program of data construction from existing archives, given that the lack of historical data constitutes the main obstacle to overcome. Indeed the shadow areas and the bias of the literature cannot only be explained by the absence of available and exploitable data, but at least as much by the lack of research efforts. The scientific program will be decomposed in three tasks. The first task is devoted to colonial investment in the French colonial Empire (Sub-Saharan Africa, North Africa, Indochina), and to some comparisons with British Africa. An extensive data collection in the colonial administrative archives will fill the

blatant gaps existing in the objective knowledge of the cost and financing of colonial investment between 1850 and 1960. The second task touches upon a domain where quantitative data is extremely scarce: the living standards of indigenous populations under colonial rule and their evolution over the long run. It mainly relies on the collection and analysis of large samples of individual files from the archives of the French colonial conscription, as well as on the exploitation of similar micro-data from British African regiments. The third task matches these first-hand colonial data with contemporary data on formerly colonized regions, at a very disaggregate level (small areas). It builds and statistically assesses analytical narratives about the impact of colonial rule in Africa, on various dimensions of development, by exploiting a number of natural experiments offered by historical experience. This alliance between history and economics of development seeks to exploit some comparative advantages of European research, stemming from a better access to the colonial archives and to the African fieldwork, as well as from a long tradition in quantitative history. Apart from academic objectives, we also hope that these pieces of knowledge will help the public debate, whether at the national or international level, about the consequences of the colonial past for the former colonizers, for the former colonized, and for the construction of their future relations.

Free zones as a development strategy: the Manaus Free Trade Zone (MFTZ)

The Manaus FTZ project is managed by Jean-Marc Siroën with input from Marta Menendez, Aude Sztulman, Marta Castilho and Ayçil Yücer.

DIAL has long taken an interest in these zones. Jean-Pierre Cling, Mireille Razafindrakoto and François Roubaud worked together on the Madagascar EPZ. The aim of the French National Research Agency (ANR) project is primarily to shed more light on these zones and quantify their effects on trade. However, the sheer range of zones of this type also calls for a more local focus on them. The project has chosen to study an atypical, extreme example: the Manaus Free Trade Zone in Brazil. It is atypical since it is descended from the import substitution strategies. However, like the other zones, it is set up to process (often assemble) imported inputs to satisfy the Brazilian domestic market rather than foreign markets.

This unlikely "import" processing zone, designed to develop and populate the region, is extreme in terms of its location in the heart of an Amazon forest stripped of its rubber economy and with no road access. Despite these arguably adverse conditions, the Manaus Free Trade Zone has become the number two high-tech cluster in the country after São Paulo! This real, albeit fragile industrial success can claim to stand as a model, granted specialised despite its imports of inputs and the presence of multinational firms (Honda, Philips, Foxconn, etc.), but centred on satisfying domestic demand all the same. However, the zone's contribution to the economic and social development of the region and Brazil as a whole is not as clear. Hence the reason for this research to identify the zone's effects on trade and growth, poverty and inequalities, and social development.

POLECOMI

The objective of this project is to understand the political economy implications of migration and collective remittances in the cases of Mali and Senegal. More precisely, our aim is to explore two different but related aspects of this issue.

We first intend to focus on migrants' attitude towards democracy. To this end, we will investigate the political participation and political activities of Malian and Senegalese migrants in their destination and origin countries. We will use existing data that have been recently made publicly available from the TeO survey (*Trajectoires et Origines*, Insee 2008) as well as data from the MIDDAS survey conducted by DIAL and FIERI and funded by the ANR through its call for proposals "Les Suds" (2007-2010). We will also take profit of the 2012 Malian and Senegalese presidential election to qualitatively explore both the political involvement of Senegalese and Malian migrants in France and Italy and the campaign orchestrated by national political parties from Mali and Senegal among the expatriate community. This first part of the project will help us to better understand the way migration affects migrants' attitude towards politics in the destination countries and at home. We reckon that this is crucial to understand the political implications of migration for the origin country.

This first part will also include a qualitative analysis of the way African States have progressively taken into account migration in shaping their institutions and the political implications of this process. Pushing further the idea that migration to democratic countries may modify the migrants' attitude towards democracy,

we also intend to explore whether these changes in political behavior spread to origin countries. More specifically, we will take profit of the forthcoming Malian presidential elections to implement a randomized experiment aimed at examining whether the migrants play a role in a process of democratic diffusion by transferring their new political beliefs, practices, and ideas to their country of origin.

Second, we will focus on the origin countries, Mali and Senegal, and provide a set of quantitative and qualitative studies on the political economy consequences of migration. One obvious channel through which migration may influence homeland politics is through the migrants' provision of local public goods in origin communities. We will therefore analyze the link between the funding of public goods by hometown associations (HTAs) based in France and Italy and the local provision of public facilities in Mali and Senegal. More specifically we will investigate whether and to what extent HTAs' provision of local public goods improves performance and accountability in local government. A related question is whether migration experience of individuals influences their political and associative investment in their origin country, hence implying that migration would contribute to change the socio-economic composition of the local elite. These questions will be explored both quantitatively and qualitatively using a national representative community survey in Mali and in-depth interviews among local leaders of six Malian and Senegalese case studies.

In the news

Public debt: a topsy-turvy world

Just ten years ago, Argentina and Turkey's debt crises were headline news. Argentina, the country for which the Paris Club was set up in 1956, appeared to be living up to its reputation as a serial defaulter.

What a difference today! Although the Argentine crisis has still not really been resolved, the industrialised countries are now in the hot seat: Greece, obviously, Ireland, other eurozone countries, and even the United States with its downgraded credit rating. The only thing needed to complete the reversal would have been the election of Agustín Carstens (Mexican finance minister) to the head of the IMF instead of Christine Lagarde. A Mexican managing the eurozone countries' debt crisis would have been highly symbolic.

Meanwhile, the developing countries are getting through the crisis without too much collateral damage. Their main problem is actually a massive influx of capital, which could undermine their competitiveness. Most of them have built tidy reserves to fall back on in the event of a repeat of the 1997 crisis. And China stands as something of a saviour for stepping in to buy the debt of some European countries.

Rating agencies and international investors seem to have lost sight of which way is up. In July 2001, Standard & Poor's was rating Chile, Botswana and South Korea respectively A+, A- and A, better than Romania (BB+), Portugal (BBB-) and Greece (CCC). South Africa (BBB+) and Mexico (BBB) had higher ratings than Portugal.

In October 2010, Mexico, another serial defaulter, borrowed on the international markets at 6.1% for one hundred years, whereas Greece had to pay double.

This turnaround in the financial world is reaching as far as the low-income countries, boosted by their growth rates and the cancellation of a large part of their debt. In 2007, Ghana managed to break through the glass ceiling that prevents these countries from accessing the international financial markets. It was followed by the Democratic Republic of the Congo in 2008. And, this year, it is the turn of Nigeria and Senegal, with its five times-oversubscribed \$500 million bond issue. Tanzania, Kenya and Zambia are stepping up to do the same.

And there may well be bigger surprises still to come. Today, to calm the "markets", Greece and other European countries are being shouldered with austerity measures on a par with those that the IMF and the World Bank started propagating in the developing countries in the 1980s. You would think the international institutions and investors might have learnt something from the "lost decade" in Latin America and from the debt reductions that had to be granted to the emerging countries (Brady Plan) and to the low-income countries after 15 years of adjustment plans that were supposed to restore their solvency. Apparently not.

Marc Raffinot

List of working documents 2011
These documents can be downloaded on the site of DIAL
(www.dial.prd.fr)

- DT 2011-01 ***Going multinational and ownership: evidence from French matched firms.***
Alexandre Gazaniol, Frédéric Peltraut
- DT 2011-02 ***L'associationnisme sénégalais en Italie: une revue de la littérature.***
Cecilia Navarra, Ester Salis
- DT 2011-03 ***The Curse of the Elders? Aid Effectiveness and Gerontocracy in Developing Countries.***
Marc Raffinot, Baptiste Venet
- DT 2011-04 ***Politics and the geographic allocation of public funds in a semi-democracy. The case of Ghana.***
Pierre André, Sandrine Mesplé-Somps
- DT 2011-05 ***Ethnicity and Election Outcomes in Ghana***
Thomas Bossuroy
- DT 2011-06 ***Individual Determinants of Ethnic Identification***
Thomas Bossuroy
- DT 2011-07 ***The Impact of MERCOSUR on Trade of Brazilian States***
Jean-Marc Siroën, Aycil Yucer
- DT 2011-08 ***Conditions de vie dans un quartier pauvre de Djibouti : analyse de l'enquête de référence pour évaluer l'impact d'un projet de développement urbain intégré à Balbala.***
Sandrine Mesplé-Somps, Laure Pasquier-Doumer
- DT 2011-09 ***Intergenerational transmission of self-employed status in the informal sector: a constrained choice or better income prospects? Evidence from seven West-African countries.***
Laure Pasquier-Doumer
- DT 2011-10 ***Informal Sector Dynamics In Times Of Fragile Growth: The Case Of Madagascar.***
Michael Grimm, Jann Lay, François Roubaud, Julia Vaillant
- DT 2011-11 ***Éducation et marchés du travail à Brazzaville et Pointe Noire (Congo-Brazzaville)***
Mathias Kuépié, Christophe J. Nordman
- DT 2011-12 ***Newtoning financial development with heterogeneous firms***
Rafael Cesar
- DT 2011-13 ***Report on Impact Evaluation in Sub-Saharan Africa***
Vibhuti Mendiratta

DIAL Development Conference
1st edition

Shocks in Developing Countries

Almost a hundred papers were presented during the conference which was organised by DIAL and took place at the University of Paris-Dauphine.



Ann Harrison (University of Berkeley and NBER) gave a talk on competition and industrial policy.

Financial crisis, climate change, natural disasters, political conflicts, globalisation of the economy or public health challenges, poor countries are undergoing considerable transformations. This theme of shocks in developing countries gathered about 130 researchers around 86 papers, in 27 parallel sessions. Two internationally renowned researchers kindly accepted to present their work in two plenary sessions. An importance place was reserved for researchers from universities and research centres from Africa, Latin America and Asia.



Stefan Dercon (University of Oxford) presented his work on the issue of insurance for the poor.



Photo credit: Annick Aing