Contents

List	of Figures of Tables of Contributors	Xiii XVii XiX
Jisi	Introduction: Africa, the Next Intellectual Frontier CÉLESTIN MONGA AND JUSTIN YIFU LIN	1
	PART I CONCEPTS	
1.	Prolegomena to Economics as an African Science: A Philosophical Meditation FABIEN EBOUSSI BOULAGA	29
2.	Households and Income in Africa Kathleen Beegle, Calogero Carletto, Benjamin Davis, and Alberto Zezza	46
3.	Transformation of African Farm-cum-Family Structures Catherine Guirkinger and Jean-Philippe Platteau	59
4.	The Economics of Marriage in North Africa: A Unifying Theoretical Framework RAGUI ASSAAD AND CAROLINE KRAFFT	72
5.	The Theory of the Firm in the African Context Christopher Malikane	86
6.	Markets and Urban Provisioning JANE I. GUYER	104
7.	Development as Diffusion: Manufacturing Productivity and Africa's Missing Middle ALAN GELB, CHRISTIAN J. MEYER, AND VIJAYA RAMACHANDRAN	115
8.	Employment, Unemployment, and Underemployment in Africa Stephen Golub and Faraz Hayat	136

9.	Inclusive Growth in Africa MTHULI NCUBE	154
10.	Poverty: Shifting Fortunes and New Perspectives Abebe Shimeles	175
11.	Dimensions of African Inequality Arne Bigsten	197
12.	Inclusive Growth and Developmental Governance: The Next African Frontiers RICHARD JOSEPH	219
13.	Economics and the Study of Corruption in Africa М. А. Тномаs	233
14.	Thoughts on Development: The African Experience François Bourguignon	247
15.	The Idea of Economic Development: Views from Africa Hippolyte Fofack	271
	PART II METHODOLOGICAL ISSUES	
16.	PART II METHODOLOGICAL ISSUES Principles of Economics: African Counter-Narratives CÉLESTIN MONGA	303
	Principles of Economics: African Counter-Narratives	303 334
17.	Principles of Economics: African Counter-Narratives CÉLESTIN MONGA Economics and Culture in Africa	
17. 18.	Principles of Economics: African Counter-Narratives CÉLESTIN MONGA Economics and Culture in Africa FELWINE SARR The Economics of Non-Cognitive Skills	334
17. 18.	Principles of Economics: African Counter-Narratives CÉLESTIN MONGA Economics and Culture in Africa FELWINE SARR The Economics of Non-Cognitive Skills LAURA CAMFIELD Modeling African Economies: A DSGE Approach	334
17. 18. 19.	Principles of Economics: African Counter-Narratives Célestin Monga Economics and Culture in Africa Felwine Sarr The Economics of Non-Cognitive Skills Laura Camfield Modeling African Economies: A DSGE Approach Andrew Berg, Shu-Chun S. Yang, and Luis-Felipe Zanna Measuring Economic Progress in the African Context	334 351 370

	CONTENT	S X1
23.	Measurement and Analysis of Competitiveness OLUMIDE TAIWO AND JULIUS A. AGBOR	453
	PART III HISTORICAL TRAJECTORIES AND ECONOMIC LANDSCAPE	
24.	Africa's New Economic Opportunities PAUL COLLIER	473
25.	Tigers or Tiger Prawns? The African Growth "Tragedy" and "Renaissance" in Perspective CHRISTOPHER CRAMER AND HA-JOON CHANG	483
26.	The Economic Legacies of the African Slave Trades Warren C. Whatley	504
27.	The Economics of Colonialism in Africa GARETH AUSTIN	522
28.	Public-Private Interface for Inclusive Development in Africa OLU AJAKAIYE AND AFEIKHENA JEROME	536
29.	Natural Resources in Africa: Precious Boon or Precious Bane? IBRAHIM AHMED ELBADAWI AND NADIR ABDELLATIF MOHAMMED	553
30.	Volatility and Vulnerability Xubei Luo	567
31.	Africa's Urbanization: Challenges and Opportunities Maria E. (Mila) Freire, Somik Lall, and Danny Leipziger	584
32.	Environmental and Climate Change Issues in Africa Tomonori Sudo	603
33.	Informality, Growth, and Development in Africa Ahmadou Aly Mbaye and Nancy Benjamin	620
34.	Capitalism and African Business Cultures SCOTT D. TAYLOR	637

PART IV THE ECONOMICS OF POLITICAL TRANSFORMATION

35.	The Impact of Democracy on Economic Growth in Sub-Saharan Africa, 1982–2012 Takaaki Masaki and Nicolas van de Walle	659
-	The Economics of Authoritarianism in North Africa Raj M. Desai, Anders Olofsgård, and Tarik M. Yousef	675
	The Potential Economic Dividends of North African Revolutions Mustapha Kamel Nabli and Hakim Ben Hammouda	689
•	The Economics of Violent Conflict and War in Africa Anke Hoeffler	705
	The Causes and Consequences of Terrorism in Africa JULIET ELU AND GREGORY PRICE	724
•	The Political Economy of the New Arab Awakening Mustapha Kamel Nabli and Hakim Ben Hammouda	739
•	Democratic Decentralization and Economic Development ROGER B. MYERSON	756
	The Economics of Happiness and Anger in North Africa NADEREH CHAMLOU	770
	ne Index	785
Sub	ject Index	795

LIST OF FIGURES

2.1	Do rural income patterns in Africa compare with others?	55
2.2	As income grows, sources of income shift for African households	56
5.1	The impact of an increase in the probability of outage on production	92
5.2	The demand curve	95
5.3	The equilibrium position of the firm	96
5.4	A fragile equilibrium of the firm	98
5.5	A low-level equilibrium trap	99
7.1	Labor productivity and employment share for selected sectors, Zambia and Mexico	121
7.2	Gini coefficient of weighted productivity distribution vs. average productivity based on macro data (upper panel); Gini coefficient of value added per worker and GDP per capita based on firm survey data (lower panel)	122
7.3	Gini coefficients of income and consumption inequality vs. GDP per capita (1950–2011)	124
8.1	The Lewis model of labor market dualism	144
8.2	The Harris–Todaro model	145
9.1	Africa's middle of the pyramid: distribution of the African	
	population by classes	156
9.2	Africa Infrastructure Development Index, 2010	165
10.1	Trends in extreme poverty by region	176
10.2	Log per capita GDP and per capita GDP growth for Africa: 1960–2011	183
10.3	Lowess estimate of proportion of African countries with at least one growth acceleration	184
10.4	Change in middle class status on the basis of household wealth/asset for selected African countries during 1990–2010	185
10.5	Multidimensional asset-based poverty and per capita GDP for selected countries in Africa	187
10.6	Poverty in agriculture, services and industry sectors by the level of aggregate poverty	188
10.7	Gini index for asset (wealth) and educational achievements	102

14.1	GDP per capita in developing regions: 1960–2012	249
14.2	GDP per capita in developing regions as a proportion of that of the	
	USA: 1960–2012	249
14.3	Poverty in the world and developing regions: 1980–2010. Proportion of	
	population below 1.25 ppp 2005 USD per person and per day	250
14.4	Real price of oil: 1875–2010	256
14.5	Real price of non-oil commodities: 1865–2010	257
14.6	Terms of trade of African countries: 1980–2012 (2000 = 100)	263
14.7	Sectoral structure of GDP in sub-Saharan Africa: 1970–2012	265
15.1	The evolving path of development theory	276
15.2	A framework for sustainable development in sub-Saharan Africa	288
16.1	Maintaining subsistence income or schooling children? Cornelian tradeoffs in Burkina Faso	311
16.2	Good jobs generate a virtuous circle of economic and social benefits	317
19.1	Responses to an aid surge under different reserve accumulation policies	382
19.2	Effects of two investing approaches for natural resource revenue	386
19.3	Debt sustainability of public investment scaling-up under external commercial debt	387
21.1	The Economic Vulnerability Index, 2005–2009 and 2011–2012 versions compared	
	The Physical Vulnerability to Climate Change Index (PVCCI)	411
21.2	Freedom in the World, 1972–2013	416
22.1		431
22.2	Africa: Average Polity 2 Score, 1960–2010	431
22.3	Africa's visible and invisible political worlds	432
22.4	A dynamic model of comparison of political well-being	442
23.1	TWV and relative GDP per capita 1981–1990	463
25.1	Manufacturing, value added (% of GDP)	493
25.2	Manufacturing, value added (constant 2005 US\$)	493
25.3	Diversification of exports, Mozambique	494
25.4	Diversification of exports, Ethiopia	494
25.5	Roads, total network (km)	495
25.6	Gross value added in construction	497
25.7	Government investment	497
25.8	(A) Gross enrolment ratio (Primary) (%). (B) Gross enrolment ratio (Secondary) (%). (C) Gross enrolment ratio (Tertiary) (%). (D) Tertiary graduates in science, engineering, manufacturing	
	and construction.	498

Prevalence of violent conflicts in Africa and Europe, 1400–1939

Trend for countries with the most vital incidents

710

731

732

38.3

39.1

39.2

GNI per capita

LIST OF TABLES

2.1	Diverse income-generating activity is the norm in Africa	54
4.1	Hypotheses on the relationship between females' characteristics and marriage outcomes and correlations between marriage outcomes	<i>7</i> 9
6.1	Urban growth in Africa, 1950–2010	108
8.1	Distribution of employment by sector, selected African countries	138
8.2	Indicators of labor costs, selected regions and countries	140
9.1	Africa GDP per capita and GDP per capita adjusted for inequality (2006–2010)	164
9.2	Some indicators for inclusive growth	170
9.3	Inclusive Growth Index (IGI) for Africa (2006–2010)	172
10.1	Regression of growth by quintiles of initial per capita GDP in each period for of Africa	181
10.2	Transition matrix by wealth status for African countries	185
10.3	Multidimensional asset poverty for selected African countries	186
10.4	Decomposition of poverty by sector of employment in Africa	187
10.5	Two-step GMM estimate of the relationship between poverty and sectoral shares of employment	189
15.1	Annual growth rates of GDP and per capita GDP by decade	278
18.1	Examples of non-cognitive skills	353
18.2	Examples of economic analyses of measures of non-cognitive skills in	
	longitudinal datasets	367
19.1	Baseline calibration	379
19.2	Government consumption multipliers: baseline calibration	383
19.3	Public investment multipliers: different investment efficiency	384
21.1	Economic Vulnerability Index (EVI): level in 2011 and	
	change from 2000 to 2011	412
21.2	Components of the Economic Vulnerability Index (EVI) in 2011	413
21.3	The Physical Vulnerability to Climate Change Index	416
21.4	Components of the Vulnerability to Climate Change Index	417
23.1	TWV and REER 1998–2010	465

xviii LIST OF TABLES

27.1	Number of working days required of an unskilled urban African to equal average annual per capita revenue in British African colonies,	506
	1910–1938	526
27.2	Foreign investment in sub-Saharan Africa, 1870–1936	528
27.3	Manufacturing in selected African countries, 1960	529
27.4	Real wages as ratios of "family subsistence basket" in the capital	
	cities of British colonies, 1900s to 1950s (peacetime decades)	530
27.5	Infant mortality in selected African countries	531
29.1	Key economic variables around the second oil price	
	boom (2000–2005)	557
29.2	Democracy checks, and balances as indicators of credibility	
	and inter-temporal commitments	560
31.1	Current distribution of population by type of settlement	598
31.2	Projected urban populations	599
32.1	Climate change trends and impacts	610
32.2	Number of visitors to parks and game reserves in Kenya 2005–2009	613
33.1	Informal sector as a share of non-agricultural employment	
	in selected African countries	624
35.1	The impact of democracy and democracy duration on GDP	
	per capita growth	666
35.2	Sensitivity tests	669
37.1	Egypt and Tunisia: GDP growth and unemployment (%)	693
38.1	Severity of violent conflicts, 1946–2012	707
30.1	Terrorism income and number of incidence in Africa	730