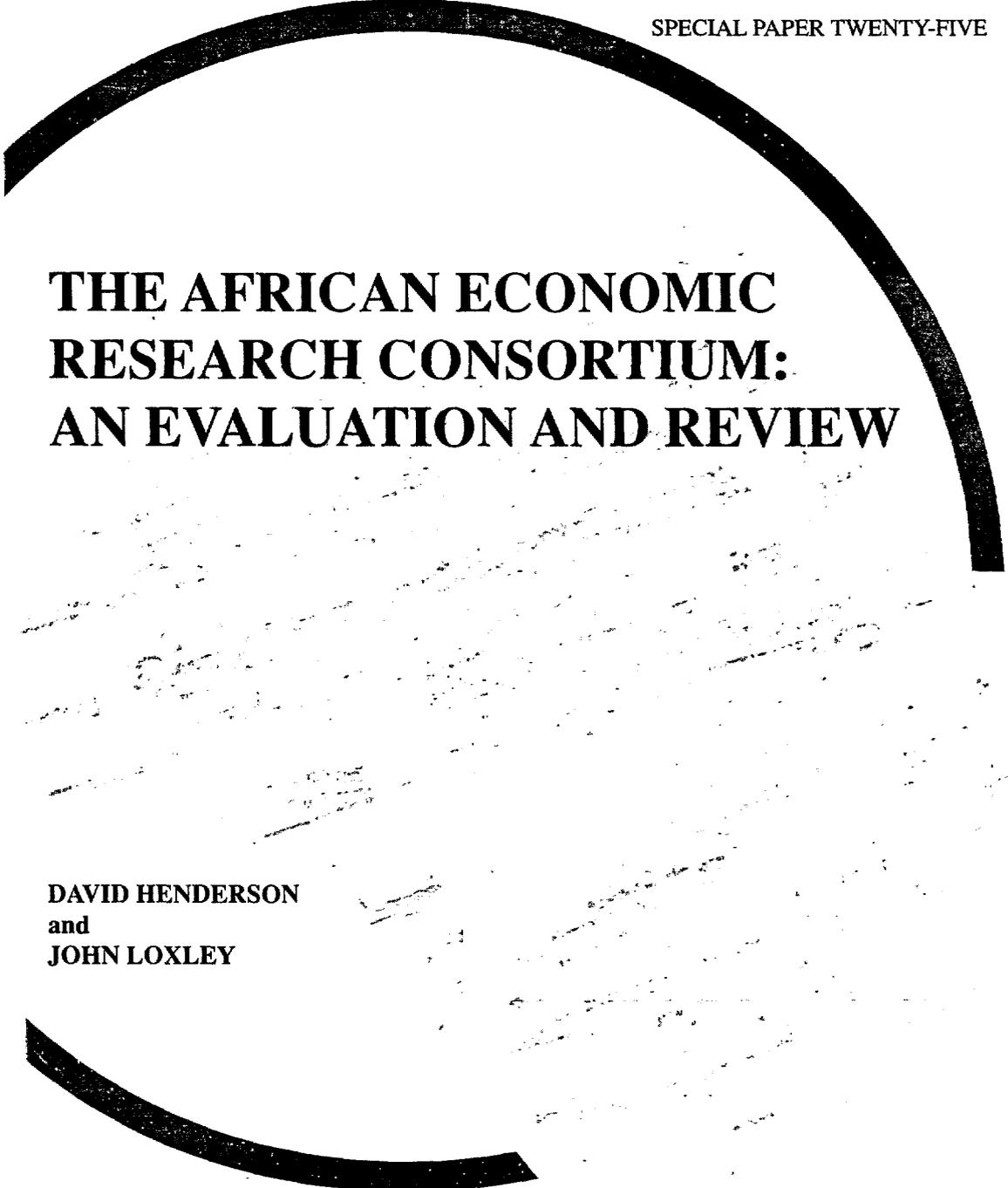


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# **THE AFRICAN ECONOMIC RESEARCH CONSORTIUM: AN EVALUATION AND REVIEW**

**DAVID HENDERSON  
and  
JOHN LOXLEY**

**AFRICAN ECONOMIC RESEARCH CONSORTIUM  
CONSORTIUM POUR LA RECHERCHE ECONOMIQUE EN AFRIQUE**

**The African Economic Research  
Consortium:  
An evaluation and review**

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Consortium:  
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David Henderson and  
John Loxley

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## Foreward

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The work and financing of AERC are planned in a succession of three-year phases. During the course of each phase the Board of Directors commissions an independent evaluation of AERC's activities so that it can satisfy itself that these activities are proving effective in promoting the organisation's objectives and that the donor agencies which make its work possible are getting good value for their contributions. The evaluations are also intended to provide pointers for future phases of work.

Over the years, AERC's publications programme has expanded considerably but none of its products has offered a rounded, independent view of the full range of the Consortium's work. To fill this gap, the Board decided, exceptionally, to publish the results of a recently conducted evaluation and review of Phase III, covering April 1994 to March 1997, by David Henderson, Professor of Economics at the University of Melbourne and John Loxley, Professor of Economics at the University of Manitoba. This evaluation examined all of AERC's activities and made recommendations to the Board about ways in which these activities might be shaped in the future. In addition, AERC's Advisory Committee, which has the agenda setting role for the design of the Research Programme, had earlier commissioned a more detailed appraisal of that aspect of the Consortium's work. This has already been published, and interested readers should read the present report in conjunction with Erik Thorbecke's Evaluation of the Research Programme of the African Economic Research Consortium (AERC Special Paper No. 21; January 1996). Between them, these two reports provide readers with high quality, independent and, it has to be said, very positive assessments of AERC's endeavours.

The Board is most grateful to David Henderson and John Loxley for the large amount of work (considerably more than they were originally led to expect!) that went into this report and for the high standards they applied. Publication does not, of course, mean that the Board necessarily agrees with every detail of their assessment and recommendations, but the authors can derive satisfaction from the fact that many of their suggestions are reflected in the programme of future work, which has since been approved, to take AERC into the next millennium.

Tony Killick  
Chair of the Board  
March 1997

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We wish to thank the many people who assisted us in the process of completing our evaluation, without implicating any of them in any way in any shortcomings there may be in the report that follows. The Board and Advisory Committee were most helpful and supportive and we benefited greatly from the opportunity to observe their proceedings at first hand. The staff of the Secretariat of the AERC in Nairobi organized our visits, interviews and access to materials with impressive efficiency and gave freely of their time, expertise and hospitality. In particular, Prof. Benno Ndulu, Dr. Ibrahim Elbadawi and Dr. William Lyakurwa ensured that we had complete access to all other staff and to relevant data and documents. As well, they spent a great deal of their time briefing us on all aspects of AERC operations and answering our innumerable questions. We benefited greatly from interviews with donor agencies, with resource people and researchers at the December 1995 workshop in Johannesburg, and with academics, government officials and others on our visits to Kenya, Uganda, Tanzania, Ghana and Cote d'Ivoire. We also had very useful discussions with Jeffrey Fine and Gerry Helleiner, whose associations with AERC go back to its beginnings.

# 1. Introduction and point of departure

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This introduction sketches out the background to our report – the timing of our appointment, the terms of reference we were given, and the procedures we followed in gathering evidence and forming our opinions. We then set out in summary terms our general view of AERC – its structure, its role up to now, its recent history, its achievement, and the constraints and limitations to which it is subject. This overall assessment provides the context, the point of departure, for the report as a whole; it is restated in a shorter and somewhat modified form, taking account of the sections that follow, in our final conclusions. We round off the introduction by outlining the sequence of the argument, and the approach we have taken, in the remaining four sections of the report.

## Background and procedures

We were appointed in May 1995 to carry out an evaluation of the whole programme and operations of AERC. Phase III of the programme runs from April 1994 to March 1997, and the following three-year period has been designated as Phase IV. The timing of our inquiry thus makes it possible for us to give a first assessment of developments within Phase III, and to provide information, ideas and suggestions that may help the Board of Directors of the Consortium, and the Advisory Committee, to formulate a strategy and programme for the succeeding phase — i.e., to the end of the decade.

Our terms of reference are broad, and were informally summarized at an early stage as covering “all aspects of AERC as a functioning entity”. Within this broad envelope, however, we were specifically instructed to consider and report on:

1. the responsiveness of AERC’s research modalities, themes and procedures to changing policy concerns and professional needs;
2. the effectiveness of the labour-intensive process that characterizes the programme of research, and hence ways in which effectiveness might be improved;
3. the impact of AERC research on policy, and ways in which the links between the research programme and the policy process might be strengthened; and
4. the implementation, up to the time of our report, of the collaborative MA programme (the CMAP), which was launched during Phase III.

Our inquiry was carried out in several stages. Following our appointment, we were able

to read and consider a wide range of documentary material provided by the Secretariat. We then paid a four-week visit to Africa, which in turn was divided into two phases. In the first of these, in Nairobi, we had intensive interviews and discussions with members of the Secretariat; we visited the Joint Facility for Electives of the CMAP, where we interviewed both staff and students on the course, and we interviewed a number of persons in Nairobi, most though not all of whom were members of the AERC network. Following this, we split up for a second phase of information-gathering and interviewing; one of us (Henderson) visited Ghana and Côte d'Ivoire, the other (Loxley) went to Tanzania and Uganda. Here again, the interviews extended to well informed outsiders, some of them in official positions, as well as to network members. On return from Africa, one of us (Loxley) held interviews with a number of Canadian officials who are familiar with AERC and its work. In December 1995, we returned to Africa as observers of two AERC meetings in Johannesburg – first, the Research Workshop, and second, a meeting of the Advisory Committee. In the course of the workshop, and later in one or two cases at the Advisory Committee, we conducted a further series of interviews with Board members, Committee members, researchers, resource persons and observers who are well acquainted with the AERC programme.

Among the many documents we have used, particular mention should be made of five other reports prepared on different aspects of the AERC programme and operations. First in chronological order, and highly pertinent for us, is the April 1993 evaluation study, reviewing Phase II and looking ahead to Phase III, that was carried out for the Board by Crauford Goodwin and Femi Kayode. The other four reports, which are both more specialized and more recent, are: the report to the Executive Director, by James Trowbridge, on AERC management structure and capacity; the two studies undertaken by Joseph Hoffman on the policy process in African countries, now synthesized in an AERC Special Paper entitled *Linking Economic Research and Policy Making: The Role of AERC*; the report by Samuel Wangwe and Fuad Cassim on the possible role of AERC in South Africa; and the report for the Advisory Committee by Erik Thorbecke, entitled *Evaluation of the Research Programme of the African Economic Research Consortium*. While we have not tried to summarize or review these documents, we have drawn on them at various points and have taken their conclusions into account.

## Starting point: The achievement and present situation of AERC

In viewing and judging the AERC programme, and the ways in which it might be modified, developed and improved, two features of the present situation are in our view fundamental. One is the continuing achievement of the Consortium, and the other is the increasingly strict resource limitations under which it is likely to have to operate. These twin considerations provide the point of departure for our inquiry, and have shaped our approach.

The achievement has been extensively and increasingly recognized. Professors

Goodwin and Kayode, for example, described AERC as “an excellent institution”; and both before and since their report, many other observers have paid tribute to the Consortium and its work. We shall quote some recent instances below. AERC is now widely viewed, with good reason, as a notable success story. It is worth considering briefly both the nature of this achievement and the factors that help to account for it.

### *Dimensions of success*

A central aspect of AERC’s success has been, and continues to be, the strengthening of the economics profession across the African continent. This has operated at the level both of individual teachers and researchers and of the profession as a whole: the two have gone together. As one group of researcher-interviewees expressed it, AERC has encouraged researchers to have confidence in themselves, developed their competence, broken down the previous isolation and helped to remedy the crippling absence of facilities. Both the research programme and, increasingly, the training programme have contributed to this set of outcomes.

The results of AERC’s main activities are to be seen not only in the increasing stock of published output from the research programme, but also in the establishment of the ‘network’. This is the growing community of economists in both anglophone and francophone Africa, who are linked by their participation in one or other of the AERC programmes and the meetings associated with these, through their consequent awareness of each other’s situation and work, and through the sense of a common membership of an international research community to which AERC has provided effective and continuing access. It is true – and we shall return to this point in the section that follows – that not all economists within the profession working in Africa, even in the countries where the research and/or the training programme operate, can qualify at present to participate in AERC-sponsored activities. All the same, it is not too much to say that in the space of little more than seven years the Consortium has transformed the situation of economics and economists in Africa. This was stressed by a number of the researchers we spoke with. As one of them put it: “What would have become of the economics profession in Africa without AERC? I hate to think”. The same thought is to be found in Erik Thorbecke’s report on the research programme, where he writes: “It is no exaggeration to claim that the Consortium provides the cement holding African researchers together”.

In our interviews, it was not only the direct beneficiaries of the AERC programme who paid tribute to this continent-wide impact. Two experienced African observers, neither of whom have been researchers and whose professional interests and experience are very different, each put this point to us in a rather similar way. One said that AERC has been “the most successful development within the economics profession in Africa”, and the other that it is “one of the best things that has happened on the continent of Africa”. To have achieved such results in so short a time, and with an annual budget that even now is only around \$7 million, is a remarkable feat.

Both an aspect and a contributing cause of AERC’s success has been the establishment

of, and insistence on, high professional standards. Since the earliest beginnings of the research programme applicants have had to meet strict criteria for the acceptance of proposals, followed by a series of evaluations and reviews before a final stage of publication is reached. The procedures involved, and the standards set, are the same for all, and they conform to accepted international practice. Within the CMAP, standards have been established – and enforced – for participating universities, while both the content and teaching of courses and the conduct of examinations are the subject of systematic procedures for evaluation and review. Not only has this concern for standards helped to ensure satisfactory levels of quality and performance in each of the two programmes, it has also served to establish the reputation of the Consortium, and hence of those who have become associated with its activities both as researchers and as teachers. AERC and the network have become increasingly recognized and viewed with respect, not only within Africa but also more widely.

A conspicuous mark of this recognition, and a highly positive development for AERC and the network, has been the recent decision by the International Monetary Fund to institute an attachment programme for African economists nominated by AERC, under which they are able to spend a period of three weeks attached to the Research Department of the Fund – and with the opportunity now of a further short spell in the Policy Research Department in the World Bank. At the Research workshop in December the Deputy Managing Director of the Fund – whose presence as a speaker at the Workshop was itself a tribute to the position AERC has attained – began his remarks by saying how pleased the Fund was with the operation of this scheme.

### *Developments during Phase III*

During the two years or so since Phase III began, the Consortium has both extended and refined its activities, with results that are clearly positive. The outstanding new development of this period has been the establishment of the CMAP, which has now emerged as the main single item of expenditure within the AERC programme as a whole – it is due to account for approximately 37% of recurrent spending for the financial year 1996/97. We say more about this major new undertaking in Section III, and it is in any case the subject of an evaluation study of its own. At this point we simply note that from all the evidence gathered during our inquiry, the CMAP has to be counted as a highly successful operation.

Other innovations or new departures in Phase III have concerned both the research programme and the activities that are listed by AERC under ‘publication and dissemination’. Common to both, though organizationally it falls under the latter heading, has been the institution of the Senior Policy Seminar at which African policy makers and members of the network are brought together to exchange views and ideas on current issues of policy that have been the subject of AERC thematic research projects; the first such seminar, viewed before the event as an experiment, was held in March 1995. It was clear from the evaluation of the seminar (following AERC’s usual practice), as also from a number of our interview sessions, that this meeting went extremely well. One of our

interviewees, a senior person, said that for him the seminar was “one of the most elevating experiences I ever had”. The success of this event is a notable feather in AERC’s cap.

As to matters that belong more strictly to ‘publication and dissemination’, several developments have taken place during Phase III. Two in particular should be noted as substantial steps forward. The first of these, which formed part of the strategy for Phase III and was actually instituted for the first Senior Policy Seminar, is that Executive Summaries of published Research Papers are now prepared, and issued in both English and French. The second is a major reorganization of the arrangements for publishing AERC documents, which went into effect during 1994. Up to the beginning of that year, editing was done in London and typesetting and printing at Oxford. Now all is local, with editing done in Nairobi (though contracted out), and documents issued through desk-top publishing by the Publications Manager and her assistant. As a result of these changes, the quality of the finished product has been maintained, while the process of publication is now both quicker and cheaper.

Within the main research programme, Phase III provided for consolidation and modest extensions, rather than major new developments; apart from the Senior Policy Seminar, which stands as a notable innovation, this has broadly been the pattern of these past 2-3 years. A significant recent achievement, and evidence of the extent to which the research programme has matured, was the August 1994 issue of the journal *World Development*, which consisted entirely of papers written by members of the network and originally prepared as AERC research projects.

Finally, there are developments to note for Phase III with respect to the internal functioning of AERC and its component parts. Relations between the Board and the Advisory Committee have been systematized, and measures have been taken to ensure continuity on the Committee. Within the Secretariat, this recent period has seen the further development of financial controls and of management methods and procedures. The Executive Director’s stated aim for Phase III was “to institutionalize good working practices”; both our own observation and a reading of the Trowbridge Report suggest that this has now been substantially achieved.

In short, Phase III has brought changes that have extended the scope of AERC training operations in what appears to have been a highly effective way. It has also brought a range of improvements to other aspects of the operations and to the ways in which these operations are planned, executed and monitored. The strategic goals that were set for Phase III seem to be on course for realization, while the reputation of AERC, not only within Africa but on the international scene, has continued to grow.

## *Factors in success and lessons for the future*

The factors that account for AERC’s success up to now are pertinent in considering its future. We believe that five interrelated elements are particularly worth noting .

1. The institutional structure of the Consortium – its constitution, so to speak – has functioned extremely well; as Goodwin and Kayode put it in their report, “AERC’s

record with institutional architecture and construction is quite remarkable". The tripartite interaction and division of labour among Board, Advisory Committee and Secretariat has proved well judged and effective. To this main structure one should now add the Academic Board, as a further well defined element though in relation to the Training Programme only. Arguably, the Consortium now has four main pillars rather than three, since in addition to Board, Advisory Committee and Secretariat there is the network as a whole. In this structure, the parts interact to good purpose, while the whole is more than the sum of the parts.

2. In the design and conduct of the programme, procedures are systematic and well considered. We have been impressed by the extent to which what AERC does is carefully thought out before the event and systematically reviewed and appraised thereafter; the establishment of the CMAP is a notable recent instance. The present procedures and working practices permit initiative and flexibility on the Secretariat's part, while providing for both clarity and accountability.
3. Professional standards have been consistently maintained. This has been true not only in relation to what is required of participants in the research and training programmes. It applies equally to the running of the Consortium itself, and to the activities of the Secretariat in particular. AERC has established a reputation for professionalism, both in the standards it imposes and in its conduct of business.
4. As is often the case, personal factors have been important. Success has resulted from a combination of commitment and leadership. These have come from members of the Board and the Advisory Committee, from the resource persons in the research programme, from Academic Board members and the teachers and examiners within the CMAP, and last but by no means least from the Secretariat.
5. A final element, which is particularly relevant in considering possibilities for the future, can perhaps be best summarized as organizational prudence. This has a number of aspects, which were well identified in the Secretariat's strategy document for Phase III in the following terms:
  - a sharp focus on an interrelated range of activities;
  - careful incremental expansion of activities in line with managerial and financial capabilities; and
  - a sober recognition of the Consortium's limitations as well as strengths.

From the record of achievement and the list of elements that have contributed to it, two simple prudential morals can be drawn as to the next stage of AERC's evolution. First, we think that what Goodwin and Kayode said in their report about the research side can be applied to the Consortium's programme as a whole: because it has gone so well up to now, changes in it should be undertaken only with great care. This applies not only to the scope and content of the programme, but also to the way in which it is conducted

– the actual structure and operations of the Consortium.

Second, programme decisions must be made with resource availabilities and limitations clearly in mind. In large part, this is a matter of financing. The present and prospective financial climate is one in which donors are likely to be limiting or resisting new commitments and searching for reductions and economies, so that AERC's plans and ambitions for the future have to be framed accordingly. But availability of funds is not the only factor to be taken into account in relation to what is worth considering, or attempting, for the future: there is also a human aspect. It is clear that the leadership of the Secretariat is chronically over-extended at present, and that this also sets limits to what further initiatives can reasonably be planned or expected.

There is a risk that the very success of AERC may lead to unrealistic estimates of what is practicable at the next stage. In our review of future possibilities we have kept this in mind.

## Sequence and approach

The remainder of this report is set out in five sections. Sections II and III, respectively, deal with the two main components of the AERC programme, research and training. Section IV discusses issues of governance, financing and management, while Section V looks at the future evolution of the Consortium as a whole – its objectives, scope, constitution and role – and reviews some of the broader choices that now arise or may soon have to be faced. Section VI sets out our conclusions and recommendations.

Three features of our presentation are worth noting at this stage.

First, Section VI can be viewed as a substitute for an executive summary. It is designed to be self-contained, and can thus be read independently and on its own.

Second, we have not followed the practice of our predecessors (Goodwin and Kayode), or the standard form in which AERC activities are presented, by including a separate section on 'publication and dissemination' as a third heading of the programme, alongside 'research' and 'training'. The reason for this, which will become clearer from the section that follows, is that we think that policies and programmes relating to research, on the one hand, and publication and dissemination, on the other, ought to reflect an organization-wide view of AERC's role and objectives. They should be viewed not as separate headings, but as aspects of a common strategic design.

Third, while we make a number of recommendations, which are identified in the text and restated in the final section, these do not extend to most of the larger strategic issues that AERC now faces or may face in the near future. Most of our recommendations are specific and straightforward; they would not be difficult to adopt, and would lead (we think) to improvements at the margin in the conduct of AERC's programme as currently defined. When it comes to larger strategic choices about the size and scope of the programme, such as whether a collaborative PhD programme (CPP) should now be instituted, or whether the Consortium should now be viewed as entering into a 'steady-state', we have in general taken a more qualified and conditional approach. We have tried to outline and throw light on the choices as we see them, rather than taking a firm

position of our own.

In viewing and assessing possibilities for the future, we have kept in mind the twin principles stated above, that any significant changes in the programme should be fully considered, and that AERC's tasks and resources should remain closely matched. Past observance of these principles partly accounts for the Consortium's success so far, and in the present and prospective financial climate their relevance has become even greater.

## **II. The AERC research programme**

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In relation to research, we begin by outlining the current and immediately prospective situation of the AERC programme as a whole: its size, viewed in terms of total expenditure, its general effectiveness (drawing here on the Thorbecke Report to the Advisory Committee), and the balance within it as between different categories or modalities of research. We then review in some detail the main single element within the programme, the original core activity of AERC, namely thematic research. Under this latter heading, we consider in turn (a) the framework of procedures within which the thematic research programme is defined and carried out, including in particular the Research Workshops, and (b) the focus of the programme – i.e., the choice of eligible topics and subject areas within it. In doing so, we give some attention to the broad orientation of AERC research – not just the themes and topics treated, but also the intellectual scope of the programme – and to its policy content and relevance. We then consider more specifically and at greater length the various actual and possible interrelations between the AERC research programme as a whole, including all modalities, and the realm of economic policies. Finally, in the light of the previous discussion, we review some broad issues of the size, scope and composition of the programme, and consider in this context the role of AERC in relation to capacity building.

### **The present programme: An overview**

Our point of departure under this heading is the Thorbecke Report to the Advisory Committee, from which we have already quoted. A principal finding of the author is that: “After spending months evaluating the research program of AERC, I am left with the impression that, on the whole, it has been an extraordinarily successful operation”.

This conclusion is based on evidence presented in the report that suggests that the quality of the research output has been rising over time and that there has been an increasing cost effectiveness of research output throughout the life of the AERC. We were impressed by the evidence cited, and would concur with Professor Thorbecke’s favourable overall judgement of the programme, which is consistent with the evidence that we ourselves were given, some of which has been referred to above, and with our own reading and observation.

As we have noted, the research programme has not greatly changed in the course of Phase III, in either scale or composition. For the budget year 1995/96 total expenditure

within the programme is estimated in round terms at \$2.3 million, which is close to one-third of all AERC recurrent expenditure for that year. Of this total, rather more than \$400,000 is for purposes not linked to a particular research modality — essentially, programme management. Within the remaining \$1.9 million, about one-sixth only is assigned to forms of research other than thematic: collaborative research (\$211,000); comparative research (\$40,000); and non-thematic research (\$73,000). The remaining five-sixths of directly allocable expenditures go to the thematic research programme, which is clearly the dominant element. Here there are four main areas of expenditure: grants (\$495,000); costs of the twice-yearly workshop (\$866,000); costs of technical meetings (\$150,000); and thematic papers (\$52,000). The estimated total for thematic research thus comes to between \$1.5 million and \$1.6 million, as compared with rather over \$300,000 for the other modalities combined.

In addition to these amounts, there are expenditures listed in the accounts under “Publication and Dissemination” that are directly linked with the research programme. For 1995/96 a total of rather more than \$100,000 is shown for publication expenses of Research Papers, Special Paper and Executive Summaries, and these expenditures presumably arise from the programme of thematic research. A further item for the publication of books, amounting to \$50,000 in 1995/96, is probably accounted for in large part by collaborative research, though with some element attributable to thematic research. Including these items brings the total of research-related expenditures to nearly \$2.5 million, and leaves unaffected the dominance of thematic research within the expenditures that can be assigned to particular modalities.

Thematic research has pride of place within the AERC programme not only because it is much the largest element in terms of expenditure. It is the modality in which AERC itself has the deciding voice on what is done, since the Consortium is solely responsible for the financing and execution of the programme. By contrast, collaborative research projects are undertaken with other agencies, so that the extent of AERC financing and responsibility is more limited; AERC is seen as promoter, animator and joint participant, rather than as the main source of funds, and it is not necessarily (though it can be) the managing agency.

A notable feature of the AERC thematic research programme is that although it is financed by donor agencies the donors are not involved in the choice of projects. The division of functions between the Board and the Advisory Committee that was deliberately created at the outset, has been fully respected and has worked as intended. This is a leading instance of the Consortium’s success in designing for itself a constitution and set of procedures that have proved their worth.

Projected totals for 1996/97 show much the same size and breakdown of research-related expenditures as did the figures for 1995/96. On present indications, these twin elements of stability within the AERC research programme are likely to be maintained; there are no plans or clear intentions either to expand the programme or to make significant changes in the balance within it, as between different modalities. Such broad continuity on the research side fits well with the general description of the Consortium in the Secretariat’s Draft Programme of Work and Budget for 1996/97, where AERC is said to be approaching maturity and a steady-state level of operations.

Stability in this sense also appears consistent with the recommendations of the Thorbecke Report. That report chiefly proposes an extension and regrouping of thematic research — an aspect we deal with under the next heading — rather than an increase in the scale of the operation. True, it suggests the desirability of a somewhat longer research cycle, together with a stronger emphasis on building up new data sources, within the suggested new ‘thematic nexus,’ and over time, this might well add to the average cost per research project. However, any resulting increase in total programme expenditures seems unlikely to be great in proportionate terms. At the same time, the report does not point the way to any reduction in overall expenditure on thematic research, since it comes out in favour not only of a new thematic subject area but also of “retaining the peer review system”, which seems to imply maintaining the present scale of expenditure on the twice-yearly Research Workshops. Acceptance of the Thorebecke suggestions would thus have no radical implications for the prospective level of expenditures on AERC research, either upwards or downwards, even though the scope of thematic research would be broadened.

Looking ahead, one possibility is that collaborative research will come to form a larger element within the AERC programme, and during our discussions in Nairobi the Secretariat expressed the hope that this modality could be further developed. However, it is unlikely to challenge the dominance of thematic research, unless the latter is considerably scaled down. So far only one collaborative research undertaking, the project on regional integration and trade liberalization, has reached a stage of virtual completion, with a series of volumes now about to be published. Although this project seems to have gone well, it remains to be seen how the published output will be received by the profession and what influence the work may have more broadly. After completion and when the results can be assessed, there may be lessons to be learned from the conduct of this initial venture, which will no doubt be the subject of an evaluation of its own.

Besides being still at an early stage of development, the collaborative research modality is by its nature less closely attached to and less fully identified with the Consortium, and involvement in a collaborative project makes different demands on the Secretariat from those imposed by thematic research, the more so since each project may well have its own participating agencies, sources of funding, and mode of operation. Over the longer term, if this modality were to grow substantially in relation to thematic research, the role and *raison d'être* of the Consortium would have to change accordingly; on the research side at any rate, AERC would evolve into an operation of a different kind.

The other two modalities, comparative research and non-thematic research, are relatively small in terms of total costs but occupy important niches within the field of macroeconomic research. The comparative research has the merit of costing much less than thematic research since it lies outside the workshop framework. It usually involves seasoned researchers who have, in a sense, “graduated” from thematic research (although this need not be the case). One team member acts as a coordinator and the research team tends to follow an agreed upon common methodology in researching a given topic within their own country. Alternatively, the project consists of synthesizing research work already completed in each of the different countries. This helps build or cement collaboration and gives substance to the idea of a pan-African research community. It also helps throw

useful light on the comparative experience of different countries in a given policy area. So far, four such projects have been initiated, on the topics of foreign exchange markets, capital flight, financial resource mobilization and the use of CGE models in foreign trade analysis. There may be more scope for this research modality, especially in francophone Africa but also elsewhere, as the thematic research programme matures. There seems to be no strong case for rapid expansion at this time, however, and if the modality were to begin to rely heavily on new or relatively inexperienced researchers, there would be legitimate concerns about the lack of peer review.

Non-thematic research projects, presently confined to five per year, allow a degree of flexibility in the coverage of research topics. They could be used to test out the wisdom or desirability of moving into new thematic or comparative research areas, and as such, play a potentially useful, albeit very limited, role in AERC's overall programme. We support the current cautious and limited use of this modality and see no reason at this stage for putting more resources into it.

There are good reasons, then, why the thematic element will remain dominant within the AERC research programme as a whole for some time to come. We turn now to consider this element, and some of the more immediate issues it raises.

## The programme of thematic research

In viewing thematic research, we first consider the conduct of the programme and then move on to broader issues of subject matter. Under both headings, questions arise concerning the connections between research and policy, and the underlying aims of the programme.

### *Conduct and procedures*

A central and distinctive feature of AERC since its foundation has been the set of procedures governing the conduct of thematic research. These involve (to quote from a Secretariat document) "an integrated support system... featuring systematic peer review of proposed, ongoing and completed work; the provision of professional literature; regular contact with resource persons; and small targeted institutional grants..." A key element in this system, is the twice-yearly research workshops, which make possible not only the "systematic peer review" of research projects at successive stages but also a wider range of professional interactions. As noted above, the costs of the workshops to AERC at present make up approximately half the total expenditure directly attributed to the thematic research programme (including costs of publication).

The life of an AERC research project can be thought of as going through three phases: first, assessment of the proposal, with an eventual decision to accept or reject; second, for the proposals that have been accepted, the stages of drafting and revision up to the penultimate version, with participation in three workshops; and third, the production of

a final draft that is then subject to external review before publication as a Research Paper. We comment first on the pre-workshop and post-workshop stages, and then on the conduct of the workshops.

## Research projects: Initial selection and final review

It is clear that the process of reviewing and appraising research applications is carried out with care and objectivity. It involves preliminary screening by the Secretariat, consultation in most though not all cases with appropriate resource persons, and a final judgement by the Advisory Committee in the light of the recommendations made by its Research Sub-Committee. The system works well, and this is widely recognized. The comments we received from researchers were in general very positive, and appreciative in particular of the role played by the Secretariat. However, concerns were expressed by some interviewees about delays in responses or decisions. That there should be delays in some cases is not surprising, given the pressures both on the Secretariat and on resource persons (who receive only a nominal fee for their advice), and the Secretariat is aware that problems may have arisen from time to time. All the same, we think that it is desirable to take measures to reduce the likelihood of undue delay. Hence we recommend that there should be more systematic attention by the Secretariat to deadlines, with a system of records to ensure both that delays are promptly signalled and that resource persons are contacted whenever the time assigned to them for responding is about to run out.

At the final stage, a successful project typically emerges from its third and last workshop appearance with some further suggestions for change. The author (or team of authors) then produces a “final” version, which goes to the Research Coordinator who may have a few further suggestions for change. The version that is agreed between author and Research Coordinator is then transferred within the Secretariat to the Publications Manager, who sends it for external review by a resource person not previously involved in the project. Only after a favourable recommendation has been made by the external reviewer, for which further changes in the draft may be a condition, does the Publications Manager arrange for publication as a Research Paper.

In the interviews we held, two related aspects of these procedures were the subject of adverse comment. First, there were some complaints about the length of time that could elapse between completion of the final version and eventual publication. Second, the suggestion was made in a few cases that the external review could be dispensed with, as not justifying the time and cost involved given the extent to which successive drafts had already been subject to comment and revision. As to this latter point, however, other interviewees felt that the external reviews should continue, as a useful further assurance of quality.

We ourselves favour maintaining the requirement for a final external review before publication, since we think it should continue to be the case, and to be seen to be the case, that AERC standards for publication are fully consistent with international norms. At the same time, we think that, as in the case of delays in responding to submissions, it

would be helpful if the Secretariat kept records of the time elapsing at each of the stages after the author has sent the final version to the Research Coordinator, and if here also the external referees were reminded when necessary of deadlines. We recommend that a system of recording elapsed time should apply to this final stage of the cycle of thematic research, just as it does to the initial stage of reviewing submissions.

## The research workshops

Since the workshops are such a costly item in the programme, they have been subject to a good many reviews and evaluations. So far as we are aware, all such reviews have concluded that the present system should be maintained; this has been true of the Goodwin-Kayode report the Advisory Committee in its discussion of that report and the more recent assessment by Professor Thorbecke.

As part of our inquiry, we discussed with the Secretariat some ways in which the costs of the workshops could be brought down. These included (a) lower accommodation costs; (b) making the workshops regional, so as to reduce the cost of fares; (c) reducing the frequency of workshops to one a year; and (d) cutting out one of the three stages of attendance. As to the first of these possibilities, our impression is that the Secretariat is doing what it can: there is not much scope for further savings. One could envisage reducing the duration of the workshop, which would effectively reduce accommodation and related cost by about \$30,000 a day. There would be heavy costs associated with this, however, as even now it is difficult to fit in all that needs to be done, with resource people often working late into the night. Regional workshops would in our view be a mistake, since it is both a distinctive and an extremely valuable feature of the AERC programme that it brings together within a common network economists from the whole of sub-Saharan Africa. It would be misguided to give up this ecumenical role for a small saving in travel expenditures (of some \$84,000). Making the workshops annual rather than twice yearly would indeed bring a significant saving (\$387,000 a year), provided that the number of days assigned to a workshop stayed the same. But it would substantially reduce the scope for professional interactions and probably lead to longer project completion times. Perhaps the least unattractive of the options is the last: the saving in costs would be smaller than with (c) (at about \$255,000), but the damage done to the programme would be less worrying. There is room for debate – and differing views were expressed to us – as to which of the three stages should be omitted if AERC were to move down this path. Possibly the choice could be left in each case to the researchers themselves, in consultation with the Secretariat (for whom providing this advice would be an additional responsibility).

In our judgement, none of these economy measures promises cost savings that would warrant the corresponding loss of the benefits that the twice-yearly workshops now provide – through peer review, expert advice and contacts, access to information and ideas, and stimulus to people and institutions. Hence we agree with the conclusion reached in earlier reviews that the workshops should continue in very much their present form. In arriving at this view, we (like other observers) have been influenced by actual attendance at a

workshop: we were highly impressed by what we saw at the Johannesburg meeting of December 1995. We believe that the workshops have made, and are continuing to make, a substantial contribution to AERC's support for economic research, and the economics profession, in Africa. To this extent, going back to our terms of reference, we take the view that the labour-intensive process that characterizes the programme of research has proved and maintained its effectiveness.

At the same time, there are certain respects in which we think the research workshop could be improved within the present framework. We have four suggestions in particular, and while the last of these fits better under our next heading, since it relates to subject matter, the other three can be raised at this point.

First, we recommend that the conduct of the plenary sessions should be improved, with the speakers made subject to a more effective discipline. In particular, presenters of themes or papers should be firmly instructed beforehand, and reminded when a session begins, that they should stick to their time-limits and that they should speak clearly and deliberately. One reason for this latter suggestion is that the French translators, who for the most part are not economists, are often faced with an almost impossible task; indeed, from what we saw, speakers at the plenary sessions may be unaware that francophone economists are present. But the problem goes wider than ensuring that the francophone participants are not effectively excluded, as may easily happen now. The workshops offer many variants of spoken English, and speakers should be aware of the need to take extra care that what they say is fully intelligible to all their fellow-anglophones, as well as to the translators.

Second and more important, we felt from the sessions we attended that the group discussions, as distinct from the subsequent technical sessions for individual researchers, were sometimes less productive than they might have been because the presentations by the researchers left much to be desired. Two related problems are apt to arise: first, that the presenters go on too long; and second, that they provide a summary of the paper, rather than focusing on the specific issues where advice is needed and that are suitable for group discussion. Where this happens, the usefulness of the session is reduced, and the tendency for the discussion to be run by the resource persons, without much element of peer review, is increased. (By contrast, we felt that the technical sessions were well planned and conducted by the resource persons, and extremely productive.) We recommend that researchers should be provided, with brief written guidelines on how to get the best out of the group sessions – stressing in particular that these are not conventional seminars – and that the resource persons who are chairing the group sessions should make it clear to the presenters that time limits are to be taken seriously. In this, as in some other respects that we touch on later, there needs to be a broad view of what is involved in capacity building and professional development.

Third, it would be helpful to the Secretariat if participants were given an opportunity to assess the content and conduct of the workshops and encouraged to make constructive suggestions. We have found both researchers and resource persons to be very insightful and a systematic review of the workshops, at least once a year, is likely to be very fruitful. The review could easily be broadened to encompass all aspects of AERC's policies and operations, thereby helping deal with one perceived weakness in the governance structure,

to be dealt with in Section IV, that of being somewhat top-down in terms of decision making.

In the workshops, as more broadly in the initial vetting and later external review of projects, the resource persons play a key role, and we were most impressed by the teams we saw in action at Johannesburg. In this connection we have no actual recommendations to put forward, but we list a number of considerations, most of which arose in our interviews, relating to the choice and deployment of the resource persons. These are:

1. The total number of resource persons present at a workshop should not be too large, since otherwise they may dominate discussion in the group sessions to the exclusion of researchers. (In this connection, caution should also be exercised in bringing into the group sessions outside observers who are neither researchers nor resource persons.)
2. It is important to try to ensure sufficient continuity within the team of resource persons, both in order to build on experience within the AERC programme and to minimize the risk of researchers being given conflicting advice.
3. A number of researchers made the point that the most helpful resource persons had been senior scholars with extensive experience. There were also one or two complaints of cases in which insufficiently experienced people had been brought in.
4. One of the points to be taken into account in choosing resource persons, and keeping a good balance within the team, is policy experience; giving weight to this would help to ensure that policy relevance was given due attention in the programme.
5. A few interviewees felt that in the choice of resource persons – as perhaps in other ways too – AERC is too closely involved with the World Bank.
6. It is important to ensure a consistent approach for the four thematic groups – for example, in setting initial acceptance standards. At the Johannesburg workshop, a meeting of all resource persons was held to review this issue, since a query had been raised about one of the groups. We were able to attend this meeting. We felt that it was useful for all concerned, and that perhaps such a meeting, to consider not just consistency but any topics of common interest, should become a regular feature of the workshops.
7. We think consideration should be given to whether resource persons should be paid more for their services to the programme.

### *Subject matter: focus and coverage*

Since its inception the thematic research programme has concentrated on macroeconomic topics, though with an increasingly broad range of subject matter, and in handling these topics there has been a strong emphasis on the use of econometric methods. Not surprisingly, questions have been raised about the justification for this twofold concentration, as also about the broader professional orientation of the programme and of AERC activities more generally. We consider these issues at three successive levels of

generality: the use of techniques; the choice of subject areas for research; and the case for going beyond mainstream economics and even beyond economics as such. At each stage we touch on possible interactions between AERC research and the realm of economic policy, which are specifically dealt with a little later.

## The emphasis on techniques

None of the researchers we interviewed complained that too much emphasis was placed within the thematic research programme either on econometric methods as such or on the use of recently- developed techniques – though there were suggestions, in particular from some of the francophone researchers, that AERC should provide more basic instruction in quantitative methods. A number of appreciative comments were made about the technical workshops: for one interviewee, they had been “invaluable”.

Concerns about undue preoccupation with the latest techniques, or with technical sophistication as an end in itself, were expressed by a few of the resource persons. One of these referred to cases in which advanced methods were chosen, unwisely as it proved, by researchers who did not have a good grounding in basic quantitative methods. Another resource person, however, remarked dryly that among the AERC researchers the emphasis on techniques as such was no worse than in the profession as a whole, while the point was also made that young researchers are naturally drawn to what are seen, by them and others, as new and challenging ways of treating issues.

It seems to us that these are questions of professional judgement that have to be decided, within the thematic research programme, largely by the Secretariat and the resource persons. It is they who have the responsibility, subject to the broad directions given by the Advisory Committee, for advising and ruling on how particular topics should be handled and what methods are appropriate. There will always be a risk that researchers will become too preoccupied with new techniques as such, but the best way of dealing with this lies in careful selection of the team that is made up by the resource persons and the Secretariat leadership. Within this team, and in both groups, there has to be a suitable admixture of what one might term professional worldly wisdom, founded in part on actual experience of the policy process. Here as elsewhere, professional competence has more than one dimension, and this is one lesson that Secretariat and resource persons alike can convey to enthusiastic researchers.

As AERC Research Papers are highly technical documents, this is bound to affect their readership, and the nature and extent of their influence on the policy debate. This is one aspect of the general issue we take up below.

## The choice of subject areas

A central and immediate question for the Consortium concerns the possible broadening of thematic research, so as to extend it beyond the areas of macroeconomic policy within which it has so far been largely confined. Since this question has been fully reviewed in

the Thorbecke Report, whose main conclusions we broadly agree with, we deal with it only briefly here.

In our interviews, widely different views were expressed on the question of broadening. Among resource persons in particular, some argued that the macroeconomic areas were now played out, so that a broadening was essential if creative momentum was to be maintained within the programme. This is also the view of Professor Thorbecke. However, several of those who took sides felt, to the contrary, that a great deal of scope remained for fruitful research on macroeconomic issues, which in any case were constantly evolving and taking new forms. Besides this positive emphasis on macroeconomic themes, two cautionary arguments were made in favour of what might be termed a conservative approach to changes in the thematic research programme: first, that AERC is still a new organization, which for the time being should be concerned with consolidation rather than branching out; and second, that to broaden extensively would create unmanageable problems: "You can't build up the profession at large, it's too compartmentalized".

The objections to radical change are at least partially met by the approach suggested in the Thorbecke Report. Accepting the Report's main recommendations would imply a gradual evolution within the programme, through which a new subject area, focusing on questions of poverty and labour markets, would be introduced and developed, while at the same time the existing thematic areas would be rationalized, redefined and reduced in number from four to three. There would still be four groups, but one would be new and the others more clearly specified. The pool of potential researchers would be somewhat widened, without greatly narrowing the opportunities of those who now comprise it but who did not wish to be involved in the new areas.

To proceed on these lines may well be the best way forward. It seems clear that the proposed new range of topics is of interest alike to policy makers and a wider public in African countries, to donor agencies, and within the international research community. It should be possible to chart a course that enables AERC to move with due care into these subject areas, without prejudice to the professional standards that it now applies and while maintaining an active and continuing programme of macroeconomic research.

However, a partial and gradual broadening of this kind would arguably still leave substantial gaps in the AERC programme. As noted above, the macroeconomic remit has been broadly defined: in effect, issues of sectoral policy are admissible as topics for research when they can be set in an economy-wide context. All the same, microeconomics remains largely excluded, and much of it would remain so under the Thorbecke reforms. Few of those we spoke to saw this as a problem; either they did not view the omissions as worrying, or they felt that too wide a diffusion of interests and themes would risk undermining the effectiveness of the programme. In the course of some francophone interviews, however, stronger concerns were expressed; one informed observer took the view that there are well qualified economists in Africa, at any rate in the francophone countries, who are at present effectively excluded from the network by reason of their professional interests.

There are two distinct though interrelated aspects here: the possible neglect of worthwhile research issues, and the risk that capable African researchers will either become concentrated on macroeconomic issues or barred from the AERC fold. Although as already

noted we agree with the view that the AERC programme as a whole, and the thematic research within it, should be subject only to incremental and well considered changes, we think that these risks should be borne in mind. It may be that a collaborative research project with a comparative microeconomic focus – on infrastructure, for example, or experience with privatization – might be a useful way of broadening the present scope of research, and extending the network, without attempting too much. Looking ahead, a further broadening of thematic research should not be ruled out – especially if this would strengthen the contribution AERC is able to make to policy debates. We have in mind here particularly the possibility of work on issues of regulation, privatization and the improvement of public sector efficiency. It is true that AERC's success to date has been due in part to the decision to focus on a limited area of research; it may also be the case that the economics profession is too compartmentalized to be supported as a whole. All the same, AERC's well-authenticated claim, and a large part of the justification for its existence, is that it has helped to sustain and rebuild the profession as a whole in sub-Saharan Africa. It therefore needs to guard against the possibility that it is itself increasing the extent of compartmentalization.

On a related issue, one of the four thematic research groups, AT-Regional Integration, Trade and Trade Policy, has encountered a number of teething problems, the main symptom of which is a relatively high rejection rate of proposals. There is no single or simple reason for this, but the resource people involved point to the broad scope of the thematic area, the diversity of proposals, which sometimes cover subject matter and techniques outside the expertise of the resource people, the general dearth in Africa of a body of research upon which to build proposals, and the relative lack of preparedness of researchers in this area relative to other research areas. We are persuaded by these arguments and wish to offer a modest proposal to help give AT a little more focus, while at the same time addressing the question of the preparedness of participant researchers. We feel that consideration should be given to building a collaborative dimension into this area of AERC's thematic research. Possible research topics and appropriate methodologies could be introduced at the workshop, in plenary or in AT sessions, perhaps with interested researchers being invited specially for these sessions. A group of researchers would then be appointed to work in cooperation on a similar theme in their own country. They would remain in contact with resource people and each other between different phases of the research and would meet together to present findings and discuss theoretical, methodological or empirical questions they might have encountered in the course of their work.

This slight adjustment to the modality of undertaking thematic research might solve some of the current problems in AT by narrowing the focus of research in this group, ensuring that resource people have the required expertise for adequate supervision and that they share that expertise with potential researchers from the very outset of the research endeavour; and building a greater collaborative element than is usual in the thematic area. Careful thought would need to go into the selection of researchers invited to participate, and into the phasing of technical sessions, but these are details best left to senior staff. It goes without saying that not all proposals under AT would be handled in this way and researchers would still be eligible to submit individual thematic proposals,

but this suggestion would, hopefully, ensure a strong central core of guided thematic research in this area.

## What kind of economics? Is economics enough?

Two related but wider questions, raised in both the Goodwin- Kayode and the Thorbecke reports, are 1. whether the focus of AERC economics is too orthodox, too mainstream, and 2. how far there should be a conscious attempt within the AERC programme to introduce or take account of disciplines other than economics. As to the former aspect, Goodwin and Kayode felt that not only is the focus of AERC ‘macro’, but it is overwhelmingly respectable mainstream macro. As to the latter, they noted the absence in the programme of the other disciplines that often interact with macroeconomics, and suggested that this narrowness may be limiting. These concerns were remarkably similar to ones raised in the 1990 AERC evaluation by Knud Erik Svendsen. He remarked that the research output at that time had “what some have called an IMF flavour” (p. 6), recounted arguments that “more of the research should be more descriptive and concrete” (p.8), and mentioned that there was some debate about the need for more “political economy” approaches to research (p. 9). So the concerns of Goodwin and Kayode are not new ones.

We also interviewed some who shared these concerns, but they were very much in a minority. Nor did we find, or hear of, any evidence that the flow of potentially fruitful research proposals was being curtailed or diverted because the AERC sifting mechanism, and those who operate it, are too mainstream. Some might argue that this is merely a reflection of AERC’s established mainstream bias. There is no doubt in our mind, based on what we saw and were told, that AERC has ensured intellectual coherence within its programme, and a well functioning network of contacts with the international profession. Whether or not it has restricted in any serious way the scope for worthwhile research within its chosen areas is more difficult to say, because it may be that researchers with a somewhat different world view simply do not apply for assistance. We did not encounter such researchers, but again this may have been because our main contacts were through AERC.

In any case, if the research agenda is broadened to include inquiries into poverty in Africa, along the lines set out in the Thorbecke Report, this is likely at the same time to extend the range of economic ideas that are brought to bear within the thematic programme and to involve, in some research projects at any rate, collaborative work with non-economists. Interestingly, the possibility of pursuing this new direction for research, which may well help to address what some perceive to be shortcomings in the operations of AERC, was raised by Svendsen six years ago (p. 9).

All the same, we think AERC should consider carefully ways of exposing researchers to ideas and ways of thinking – whether from within the subject but outside the mainstream, or from other disciplines other than economics – that differ from those that are typical of the international (and cosmopolitan) research community of the economics profession, into which they are drawn through the Consortium’s agency. We agree with Goodwin

and Kayode that a window of opportunity exists here, through the plenary sessions of the research workshops. These are already used as a vehicle for raising and discussing broad issues of policy, with the participation of distinguished guest speakers from outside the network. So far, however, and on present plans for future workshops, it is from the research community that the outside speakers have been drawn, while the topics arise directly from the AERC research agenda. While this is generally appropriate, it need not, and perhaps should not, be the formula that is followed at every workshop, and in each of the four sessions that normally make up a plenary. We think it would be a good idea to introduce deliberately into each plenary a session of a different kind, featuring a speaker of distinction who does not fit into the common mould, and who is consciously outside the research community (though possibly an ex-member of it). In particular, the opportunity could be taken to bring in senior policy makers who could speak at first hand about the policy process and give their own reflections, based on experience, concerning the practical utility of economic analysis and economic research. To introduce such fleeting glimpses of other worlds and other viewpoints would be no more than a minor element in the thematic research programme as a whole; but if skillfully planned and handled, in the best AERC style, it could at the same time bring greater variety to the workshops' agenda and help reduce the risks of professional narrowness or solipsism.

If it were deemed desirable to broaden the research agenda or to provide for more eclecticism in the approach to economic research, then this would need to be reflected, at the margin at least, in the selection of resource people.

## *Links with policy*

We discuss this central issue under three headings. First, we set out what are in our view the unavoidable limits to the direct impact of the AERC research programme on economic policies. Second, we suggest reasons why, even within these limits and without further changes, the influence of the Consortium is likely to make itself increasingly felt in relation to issues of policy. Finally, we make some suggestions for modest changes within the programme that could increase the extent of policy relevance while respecting the limits that arise from the very nature of the research programme and the status of AERC.

## Limits to policy involvement

The underlying aim of the Consortium is to influence economic policies in sub-Saharan Africa – to make them better informed, and better judged, than would otherwise be the case. The chosen means to this is the promotion of locally based research, and the direct goal of AERC is thus to strengthen local capacity to conduct independent research into problems pertinent to the management of economies in sub-Saharan Africa. Hence it is in the very nature of the operation that the research sponsored within the programme, and the institutions and relationships that are built up as a result of it, should be concerned

with issues of economic policy and linked in some way to the continuing debates on these issues.

Right from the start, the Consortium has kept the underlying goal in mind and has tried to ensure that the research programme is attuned to it. This concern is reflected in the choice and treatment of research topics, in the various measures that have been taken to communicate the results of the research, and in sponsored studies of the policy process and the ways in which AERC could become more involved in it. Although we make some proposals for modifying the present approach, in order to increase the extent to which considerations of policy are brought in, we would like to pay tribute to what has been done. Here as elsewhere, the AERC record is impressive.

Nevertheless, and even if policy relevance were to be given more weight than now, there are clear limits to what the AERC research programme can reasonably be expected to achieve in this respect. These limits chiefly arise from the orientation and proximate aims of the programme, which we think should not be changed.

The final output of the research programme, in all its modalities, is professionally acceptable published work – books, monographs and articles that have passed the test of systematic professional review. All these documents are planned, composed and published with an eye to a restricted and exclusively professional audience. They are influenced by, directed towards, and in the first instance read and reviewed by, members of the research community; the measure of their success is, and has to be, the extent to which they achieve attention and recognition within that community. For most AERC research, and nearly all the thematic research, the goal is publication in a well recognized journal. Journal articles are the end-product. The whole research process is tailored to that end, while capacity building in this context means the acquisition of the basic knowledge and skills, and the wider range of effective professional contacts, which will enable researchers to become fully-fledged members of the research community and regular contributors to journals.

In this process, even though the subject matter of the documents may relate to economic policy, direct communication with persons outside the research community is not a prime consideration, nor could it be. Journal articles are not written for lay people, and it is safe to say that only a small fraction of policy makers, and an even smaller fraction of interested persons within the wider public outside official circles, could read a typical AERC Research Paper. Indeed, in many cases the interested parties within the economic policy arena, whether inside or outside government, are not for the most part economists. This situation is not peculiar to Africa, nor to economics; it is to be found in other disciplines, and across the world, in so far as the roles and preoccupations of scholarly communities and men and women of affairs are different. Even when the research that is written for professional audiences can be understood by people outside the particular research community concerned, or when (as with the AERC Executive Summaries) efforts are made to make it more generally accessible, its usefulness for immediate policy purposes is often slight, since in general it is not designed to be timely or to respond to the events and pressures of the day. It has its own time-table and gestation process, set by what the research process imposes and not by the current preoccupations of policy makers.

Hence there is an element of tension, of trade-off, between the twin objectives – the

direct objective of promoting locally-based academic research and building up the capacity and cohesion of the economics profession in Africa, and the ultimate objective of contributing to a better informed policy debate in African countries. Taking a longer view, the two goals are more fully consistent, and we consider this aspect under the next heading. But in the short term, the tension cannot be eliminated – though it can be reduced, and has been significantly reduced within the AERC programme, by focusing research on policy-related topics. The basic problem arises because there are two largely distinct audiences.

The choice of primary audience that AERC has made is in our view appropriate. From its inception, the Consortium has concentrated on rebuilding and strengthening the economics profession in sub-Saharan Africa as an integral part of the international research community. It has therefore seen the promotion of research that measures up to internationally recognized standards as the centrepiece of its activities, and its research programme has been designed and operated accordingly. We think that this emphasis was, and continues to be, the right one: professional rehabilitation remains the main immediate aim, and the research programme is the principal means for realizing it. It would be wrong to modify the aim, or redesign the programme, simply because, in Africa as elsewhere, the characteristic end-product reflects the interests and criteria of the research community rather than those of a wider public. The limitations of the AERC research output, as a direct influence on current policy debates, should not only be recognized but accepted with equanimity, the more so as the same limitations apply elsewhere.

These limits appear less constraining, and a matter of less concern, if account is taken of the indirect and continuing ways in which the Consortium's activities, past as well as current and prospective, can be seen to contribute to the policy debate. This is the aspect to which we now turn.

## A growing influence for AERC

In considering how AERC activities may impinge on economic policies, and on the ways in which these are discussed and decided, it is a mistake, in our view, to focus too closely, on the one hand, on the current output of studies and Research Papers, and on the other, on a limited number of "policy makers" identified as such. Both the products and the markets go beyond this.

As to the products, the AERC programme yields not just a flow of publications in journals and other scholarly outlets, but also a growing stock of professionals who from their AERC involvement become better trained, better informed, and more attuned to developments in other African countries and in the world as a whole. Increasingly, their contribution to the policy debate, both as individuals and as a community of professionals, goes well beyond their AERC-sponsored research output. Perhaps the main single creation of AERC is this network of graduates. And the network is growing not only in numbers, but also in seniority and experience; some of its members have already joined the ranks of the policy makers, and others will certainly follow.

As to the possible markets for their products, opinions and advice, the policy community is not limited to a small circle of well-placed persons in government departments and central banks. It extends -increasingly – to business organizations, trade unions, civic and religious groups, the media, legislative bodies, and the growing number of policy institutes on the African scene. Again, writings on economic policy are not limited to journal articles or immediate official memoranda, but may include a range of other outputs, from newspaper articles to policy-related studies designed for a wider audience than the academic community.

Putting together the products and markets, it is possible to foresee that members of the network will increasingly assume a variety of roles and functions in the policy debate - as advisers, consultants and publicists, both within governments and more widely. In few cases, perhaps, will this be directly linked to particular pieces of AERC-sponsored research; rather, it will result from the fact that as a result of AERC participation researchers will have become, and will be seen to have become, better qualified to participate in the policy arena. Among other things, staffing possibilities for government departments and other agencies have now been improved, while the network can be expected to provide both staff and outside authors for the new policy research institutes. Even if AERC were to close down tomorrow, these effects of what it has already achieved would continue to make themselves felt over the years to come. In the course of time, it is increasingly through the agency of the network that the impact of AERC on policies is likely to be made – not just within official circles, but in influencing the general climate of opinion. At any given time, the current flow of AERC research publications could well be a minor element in all this; if so, this would not at all represent a failure in the programme.

To say this is not to play down the possible influence of the research publications. There is evidence that some of these have had an immediate readership in policy circles. Here again, it is not just the immediate impact that counts. Not only the stock of well qualified researchers, but also the stock of AERC published studies, is building up. Already, and increasingly, the Research Papers are used as a source of teaching material in African universities, including within the CMAP. Moreover, research does not necessarily have to be commissioned for immediate and transient purposes to become relevant to policy. The issues of trade policy covered in the first AERC collaborative project are continuing ones, and the results of this and similar studies could affect the climate of opinion over a period, even though their direct readership among hard-pressed policy makers might be insignificant.

Hence the main impact of AERC research on policy should be viewed in broader terms than the immediate relevance of current research output: many other channels and mechanisms are involved. The longer-term and less direct influences on policy are varied, numerous and hard to trace in full. To a considerable extent, they will make themselves felt through a process of natural evolution, and in ways that need not and often cannot be provided for within AERC's plans and programmes. Generally speaking, the process does not require formal participation by the Secretariat, nor would it be realistic to think in terms of a degree of involvement that went much beyond what is now provided for. The limits to what is possible or desirable here will continue to be set by (1) the need to ensure that the Consortium is seen as objective and non-partisan, and hence not taking

sides in policy debates, and (2) the fact that the Secretariat has available at present no more than a trio of full-time professional economists, all of them with heavy continuing responsibilities for the Consortium's core research and training activities. This means that initiatives outside these core activities, and involving AERC more directly with questions of policy, have to be selective and judicious. In this connection, we would like to offer some words of both encouragement and caution.

We noted earlier that we attach particular importance to the Senior Policy Seminar. As an imaginative venture by AERC, and if effectively followed up and developed, the seminar could make special contribution to the policy debate. One could imagine the seminar establishing itself as a regular event, recognized across the continent as a useful and distinctive high-level policy forum, and becoming increasingly well known. This would be a major success for the Consortium, and a lot of time, thought and effort should go into trying to bring it about – and at this next stage, therefore, into ensuring the success of the second seminar. One or two of the recommendations we make below bear on this subject.

The Senior Policy Seminar is one element in a varied set of Secretariat activities designed to make the results and the policy significance of AERC research more widely known and to contribute more broadly to a better-informed policy debate in Africa. In part, these activities come under the heading of “publication and dissemination”, as for example in the Executive Summaries, and the idea – which seems to us a good one – of instituting a research newsletter. Another important aspect, however, is participation in meetings and conferences of various kinds, of which a notable example is the National Policy Workshops that AERC has itself convened, or is now planning to convene, in a number of countries. Broadly, this portfolio of activities appears to be well chosen. Within it, we think that there should be a continuing systematic build-up of AERC mailing lists and that these lists should be extended to include people outside government and academic circles. The knowledge of members of the network can increasingly be tapped for deciding what should be circulated to whom.

On the side of caution, we would make three main points. First, we doubt whether it is realistic to think of AERC running its own journal, or starting a new publication designed to be read by senior policy makers. Second, we think that the case for AERC sponsorship of National Policy Workshops, as distinct from participation in them, needs to be looked at carefully in the light of other demands on Secretariat resources and of other possibilities for sponsorship. In particular, it may well be that meetings of this kind can be viewed increasingly as falling within the responsibility of the newly-established policy research institutes. Third, we think that it would be unrealistic to think in terms of AERC establishing an ever more extensive network of well defined institutional linkages across the continent. In particular, too much time and effort should not now go into trying to establish and codify relationships with the new policy research institutes. For the time being at least, these relationships can be kept informal, and left to the Secretariat to work out within the present framework of accountability and reporting.

In short, AERC should continue to support, and to be involved with, policy inquiries and discussions that go outside its main basic programmes. Hence there should be a continuing extension of contacts on the part of the Secretariat, both directly and through

the network, and a continuing readiness to sponsor or take part in selected policy-directed meetings. However, these activities need to be defined and conducted within the limits that are set, not only by the need to avoid policy advocacy, but also by the Secretariat's own modest resources. Here as elsewhere, it should not spread itself too widely – the more so, since its influence will continue to depend on maintaining the reputation for all-round professional competence that it has so successfully established. Care should be taken to ensure the success of a limited number of AERC initiatives, including in particular the Senior Policy Seminar. Past success in handling a complex set of relationships should not now become the basis for over-commitment.

To sum up under this heading: the Consortium's impact on policy should not be viewed solely, or even mainly, in terms of the direct relevance to policy makers of current published research. Both the outputs of the programme and the prospective audiences should be seen in wider terms, and over a longer period of time. Increasingly, it is the indirect effects that will count, and to a large extent these effects will be achieved through processes and mechanisms that need not be devised or operated by AERC, and with which, in many cases, it should not try to become formally or directly involved.

At the same time, we do not wish to conclude that there are no improvements that can be made in the current programme with respect to the handling of policy issues. We think that while the present set of activities need not be either redesigned or greatly extended in order to strengthen the links with policy, some changes of emphasis would be helpful for this purpose. We now turn to this aspect.

## Making the links closer

Our suggestions here are for changes, not so much in the programme, but in the way that it is viewed and presented. They are to be seen as a package.

1. Policy relevance should be stressed in the choice and design of research projects, as also in workshop discussions of work in progress. This aspect has to be kept in the minds of resource persons.
2. As already noted, policy experience, and “feel”, should be an important consideration both in the choice of resource persons and in making appointments to the top Secretariat posts. Without this, suggestion (1) is largely empty.
3. Also as noted, policy makers should be brought into the plenary sessions as leading speakers. These should not normally be eminent academics spending an interlude on leave in an agency, and they should include non-economists. An attempt should be made to build up a short list of well qualified speakers who represent disciplines other than economics.
4. AERC should move further away from the misleading notion implied by the term “dissemination”, which suggests that finished products – in this case, Research Papers – are to be given a wider circulation in their existing form. It should be more fully recognized – though the Executive Summaries are a good start – that if

the results of research are to be made interesting and usable to those outside the research community, they normally have to be redesigned for the purpose, in ways that will depend on the audience and the occasion. It should be clearly brought home to researchers that to recognize what is needed in this respect, and to be able to give prompt effect to it, are important dimensions of professionalism.

5. Arising from (4), it should be more fully recognized that the purpose of a policy seminar is not solely, nor even primarily, to present to policy makers a given menu of research studies and results. Such awareness is a precondition for developing the potential of the Senior Policy Seminar (though to be fair, the success of the first seminar suggests that in this connection AERC practice has been more imaginative than the language of its documents suggests!).
6. Consideration should be given by the Secretariat to widening the catchment area of economic researchers, to those from trade unions, parliamentary research units, churches, NGOs, the parastatal sector and the private sector. It is not known how many economists are employed in these institutions and there may indeed be very few. But widening the net of involvement would help broaden the policy debate in Africa and help strengthen the organic link between AERC researchers and those shaping or seeking to shape economic policy. It might also help bring more rigour into the research activities of organizations of civil society while it exposes academics and researchers employed by government to the problems being grappled with by more grassroots organizations.
7. In the workshops and elsewhere it should be emphasized that the connections between research and policy are complex, varying and often uncertain.
8. The notion of "capacity building" should be defined, consciously and explicitly, in broader terms; for economists who wish or expect to be involved in policy, it goes well beyond the ability to write acceptable journal articles.

None of these precepts is revolutionary, and most if not all of them are already accepted by the Secretariat. But applying them more explicitly and more consistently would in our view help not only to strengthen the links with policy but also to ensure that AERC's principal aims were more fully realized.

One final note on the growing influence of the AERC on policy formulation. The Secretariat is steadily evolving as a clearing house for institutions, both local and foreign, wishing to hire the services of African economists in consultancy, advisory and academic positions. We examined no fewer than 33 of these requests for the years 1994 and 1995 from such institutions as IFPRI, SAREC, the Harvard Institute for International Development, the ADB, the IMF and many overseas universities. This suggests that these agencies have a high level of trust and confidence in the Secretariat and in AERC as a whole. This evolving role gives the Consortium an unusual degree of indirect influence on a wide range of research and consultancy projects that in turn are likely to influence economic policy in Africa. The extent of these inquiries is impressive and is yet another indicator of AERC's success.

### **III. The training programme**

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The AERC training programme has a number of distinct components, all of which share the common aim of improving the skills of young African economists. The largest of these components is the collaborative MA programme, which assists the training, within anglophone Africa excluding Nigeria, of about 100 students a year at the master's level. This programme extends institutional support to participating universities and financial and other assistance to individual students. The Consortium also provides institutional support to African economics departments that are not participants in the CMAP. It finances a limited number of PhD fellowships to overseas universities and a somewhat larger number of thesis research grants for PhD students studying both in Africa and abroad. Finally, the AERC facilitates short-term attachments to institutions overseas, most notably the IMF.

The total cost of the training programme in 1995/96 was approximately \$4.5 million. Of this amount, operating grants for participating universities accounted for \$627,000 (of which \$248,500 was an MA thesis grant component), start-up and institutional grants for \$130,000, scholarships to MA students for \$269,000, PhD research grants for \$167,000 and doctoral fellowships for \$312,000. The balance of \$2.2 million was accounted for by expenditures on course development and evaluation for the CMAP (\$0.2m), on running the annual offerings of elective courses in Nairobi (\$0.9m), on administering the training programme generally (\$1.0m), and on building up a reserve fund (\$0.4m). Directly or indirectly the CMAP accounts directly or indirectly, for over 80% of the expenditures on training in AERC.

#### **Preliminary review of the collaborative MA programme**

The collaborative MA programme began operations in 1993 as a mechanism to strengthen staff development in economics departments of African universities. The programme was introduced in response to a grave crisis facing many African universities, a feature of which was a virtual collapse of postgraduate programmes. While AERC initially sponsored the studies that ascertained the need to strengthen master's programmes, the Consortium was reluctant to become involved in administering or providing training directly. Eventually, under pressure from donors and others, it agreed to work with existing departments of economics to develop economics programmes in Africa that would meet international standards, that would be relevant to local needs and that could be sustained from local resources. The number of first time students registered in the programme has

increased from 65 in 1994/95 to an anticipated 100 in 1996/97. The intention is to stabilize the intake at this level.

The CMAP is a collaborative arrangement in three respects: Departments of economics able to offer core graduate courses in economics (macro and micro theory and econometrics) host students from other universities. All participating universities agree that students will sit most of their electives at the Joint Facility for Electives, offered in Nairobi between July and September each year. Finally, the programme is governed by an Academic Board whose membership is drawn from participating universities and the AERC Secretariat.

Since only two intakes of students have graduated to date, any evaluation of this programme can only be tentative and preliminary. Nonetheless, the strong impression we have is that it is remarkably successful. It is producing graduates who have been exposed to rigorous courses taught and examined at standards that are high by international terms. Their exposure to a combination of theory, quantitative technique and policy relevant courses yields immediate returns in terms of improving the quality of undergraduate teaching and lays the foundations for further graduate studies. As the programme exhausts staff development needs at universities, MA students will be drawn increasingly from other institutions in both public and private sectors. The enthusiasm for the programme from these employees is as great as that of the universities themselves, suggesting that their needs are also being met or are expected to be met by the programme.

We have been impressed by the very high standards maintained by the programme, in both academic and administrative terms, and we fully endorse continued support for the CMAP. What follows elaborates on this general assessment and also suggests a few areas of detail where minor adjustments might be considered.

## *Academic management of the programme*

### AERC and the Academic Board

Responsibility for the academic dimensions of the programme lies with an Academic Board whose membership is composed of the heads of departments of all participating universities, of which there are 20 at this time. The AB elects its own chair, and the manager of the CMAP in the AERC Secretariat serves as Secretary to the Board. The Board meets twice a year and is responsible for approving all academic requirements for the programme, for the content and examination of all courses, for the appointment of lecturers and external examiners for electives, and for setting and maintaining academic standards to be met by Category B universities. It has four sub-committees that concentrate on specific aspects of these terms of reference: core courses, electives, institutional and professional development and programme evaluation. Minutes of the proceedings of the Academic Board are submitted to the Advisory Committee.

The AB appears to work very well, as will be evident in the assessment of academic performance of the programme that follows. Only one weakness has been brought to our

attention - that of the relatively high turnover rate of its members. This is unavoidable given the short terms of office of heads of departments and the many demands made of senior African academic economists. We were informed that the Secretariat has done a fine job so far of preserving the institutional memory of the Board and of briefing new members, so that possible problems of lack of continuity have been minimized.

## Selection and monitoring of participating universities

Universities participating in the CMAP qualify for Category A or Category B status. Entry into the former category enables economics departments to participate in the Board and to enrol their staff, with AERC financial support, as students in MA programmes at Category B universities. Category A departments also qualify for institutional support grants, of between \$20,000 and \$30,000, from AERC to help improve the quality of their undergraduate programmes. Entry into Category A is determined by the quality of undergraduate teaching and the availability of qualified staff in economics. AERC monitors this carefully by following the performance of their graduates in the collaborative MA programme. Thirteen African universities now participate as Category A institutions.

There are three criteria for entry into Category B status (which is, in effect, the degree awarding status within the CMAP): the availability of sufficient numbers of suitably qualified staff, the projected intake of a sufficient number of students over the coming four year-period and the continuous operation of an MA programme over a number of years before applying for entry. Successful departments qualify not only for the institutional support available to Category A departments, but also for start-up grants of up to \$80,000 to purchase equipment and supplies, as well as grants to finance recurrent spending associated with running a successful graduate programme. These consist of annual operating grants (to a maximum of \$6,000 for each Category A student and \$4,000 for each Category B student) and thesis year grants (\$6,000 per Category A student and \$3,000 per Category B student). Entry into Category B status carries with it, therefore, substantial financial support.

To date, only seven universities have qualified for Category B status and two applications (from Makerere and Zambia) were recently rejected. It is a very positive reflection on the Academic Board that it is able to make such difficult decisions and to do so in a way that has not alienated the university departments whose applications were rejected. On the contrary, Makerere has responded to the decision by making plans to adopt the core syllabus of the collaborative MA in its own MA programme and sees this as strengthening its programme. A good deal of the credit for the diplomatic way in which such a sensitive issue is handled must be given to the AERC Secretariat, which undertakes the evaluations for submission to the Board and which carries a great deal of credibility in setting and maintaining academic standards.

The ongoing monitoring of standards at Category B universities takes the form of evaluating the performance of students in the Joint Facility for Electives, as well as assessing the content, teaching and examination of the core courses by external examiners.

To date, no university has lost its Category B status and our reading of external examiners' reports confirms that all are generally performing up to standard, with only the occasional, remediable problem that one expects in all universities.

Each Category B department of economics is supposed also to establish a liaison committee consisting of departmental and other university officials, representatives of the ministry of education, key economic ministries and the central bank, and representatives of the private sector. The purpose of these committees is "to monitor the content of the department's master's programme and the performance of its students, with a view to ensuring that the programme is of high quality and responds to national needs." The Committees are also supposed to generate local and donor support for the programmes. These committees have not been a huge success and only a couple are operational. On reflection, it is difficult to see busy officials and business persons giving the MA programme any degree of priority, especially as the responsibilities of the liaison committees are couched in such general terms and their means of influencing the programme are so constrained. More thought needs to be given to whether or not the committees can play any useful role in the programme, beyond public relations. This issue will be addressed below.

## Programme and course content

Category B universities agree to offer three core courses following common course outlines and reading lists. After successfully completing the core, students then attend the Joint Facility for Electives, and there choose two electives. Category B universities agree to recognize courses completed successfully at the JFE in fulfilment of their MA degree requirements. The structure of the programme, the content of the core courses, and the selection of fields for and the course content of electives are approved by the Academic Board. The AERC commissions experts to develop courses that are appropriate from the point of view of analysis and policy relevance in the African context. It organizes workshops to review the experience of teaching both the core courses and the electives and to consider revision of course content. The content of core courses was reviewed and revised at a workshop held in August 1994 that brought together those who had taught the courses and other specialists, both African and non-African. In July 1995, a similar workshop was held to revise the content of three electives, policy analysis and economic management, international economics, and environmental economics. Participants also drew on comments and suggestions made by external examiners. There are plans to review other electives next year.

The process of determining and revising course content in the light of experience seems to be a very sound one, drawing on both local and non-African expertise. Minutes of the workshops suggest that changes to course content are made only after issues are discussed carefully and thoroughly, including suggestions of external examiners, and this is as it should be.

AERC has developed eight courses offered as electives: monetary economics, public

finance, international economics, industrial economics, agricultural economics, labour economics, environmental economics and policy analysis and economic management. In response to student demand, two more will be added, advanced econometrics and health economics. These seem to be very sensible additions, the former because it will be used by students intending to pursue an academic career and the latter because of the importance of health issues in public policy.

Students have a wide range of options, therefore, subject to scheduling constraints, which the AERC tries to minimize by planning the timetable on the basis of declared student preferences for courses. Students from Botswana have expressed a desire for financial economics to be offered as an elective but AERC has no plans to do this at this stage. It may be worth pointing out that Botswana is the only Category B university that does not require students to study electives additional to those offered in the JFE. Rectifying that anomaly might enable the university itself to offer its students this particular elective.

Once they have completed their electives, students return to their degree-granting universities to complete a thesis that is also examined by an external examiner.

By international standards, five or more courses and a thesis are a very rigorous and demanding set of requirements for an MA degree and, accordingly, it takes somewhat longer to complete this programme than it does equivalent MA programmes in Europe and North America.

## Selection of students

AERC plays only an indirect role in student selection, requiring a minimum of an upper second to qualify for entry and successful completion of core courses before entering the JFE.

There has been concern, however, about the low and falling enrolment numbers for women. In 1993, only 9 out of 58 students in the JFE were women; in 1994 only 7 out of 61 and in 1995 only 8 out of 84 were women. The proportion of women has fallen, therefore, from 16% to only 9%. AERC has attempted to address this under-representation, which is also an issue on the research side of its activities, by among other things holding a special workshop on gender issues. The conclusion of the workshop was that the basic problem goes back to secondary school and undergraduate levels with women avoiding math and economics. Once women actually enrol in economics their performance is at least as good as that of men, but there are some gender specific obstacles to women pursuing postgraduate training; financial constraints, accommodation, child care and lack of women professors are some of these. AERC cannot be expected to remedy all these problems but it has agreed to “design limited catalytic interventions” and, accordingly, has awarded MA scholarships to all females who applied and who met the necessary qualifications. It has adopted gender balance as one of its selection criteria and makes explicit mention of this in its recent promotional material. More concretely, it has taken a number of steps, including the provision of medical care, to assist a pregnant student studying for the electives and has persuaded McGill University to make provision

for child care in its ACBF-supported MA in Economic Policy Management.

While recognizing the limited mandate of AERC one wonders whether there is more it could do to promote capacity building among female economists. One person interviewed thought that AERC ought to invite representatives of ministries of education to subsequent workshops on the question to seek their assistance in dealing with structural obstacles encountered by women at earlier stages of their education. This idea is worth pursuing but one could also envisage AERC being a little more activist than this, perhaps awarding small annual scholarships to women students entering undergraduate economics programmes, arranging for remedial math programmes (perhaps even taught by women where this is the choice of students and where it can be arranged) for women completing their first degree, encouraging women to teach core courses and arranging for them to teach elective courses where possible, and ensuring that attention is paid to gender issues, where appropriate, in core and elective courses.

## Selection and monitoring of teachers

Selection of teachers for the core subjects is the responsibility of Category B universities, but monitoring their performance is not left to the universities alone. AERC funds the external examiners of core courses and both the Secretariat and the Academic Board review examiners' reports. AERC has also requested Category B universities to organize student evaluations of lecturers of core courses but that is not always done.

Selection and monitoring of those teaching electives is a responsibility shared by the collaborating universities and AERC. Advertisements are placed widely throughout Africa and elsewhere and applications are vetted by the Secretariat with formal decisions made by the Academic Board. Monitoring teachers' performance is achieved by the use of external examiners and by student evaluations. Examiners' reports and summaries of student evaluations are submitted to AERC and the Academic Board and are considered in the appointment of teachers in subsequent years. Teachers and their heads of departments (where they are staff members of collaborating universities) also receive the external examiner's report and the summary of teaching evaluations. Only the Secretariat of the AERC receives all the detailed comments from students.

This system of appointment and monitoring of teaching staff has been given a great deal of thought and seems to work very effectively. It might, however, be tightened up slightly to ensure that all exams of core courses are sent to external examiners prior to the exam being sat. AERC might also be a little more insistent on the evaluation by students of core course teaching; perhaps this should form part of the legal contract between AERC and Category B universities.

## AERC's contribution to improving teaching quality

The careful vetting of universities, the development and refinement of common core courses and joint electives, the selection of the best available teachers for the electives,

and the monitoring of them by both external examiners and students, can all be said to contribute to improving the quality of the teaching of economics at the graduate level in Africa. Beyond this, however, a major objective of the collaborative MA programme to produce the next generation of university lecturers; again, this should further improve teaching standards over time.

In addition, the AERC Secretariat has paid some attention to techniques of teaching. In the August 1993 workshop on core courses, sessions were held on small group teaching techniques, led by staff from the Faculty of Education, Makerere University. Since university lecturers are the only teachers at any level not required to learn how to teach or to demonstrate that they have any ability to teach before being hired, AERC's initiative in this direction is to be commended. It was not repeated, however, in the 1994 workshop and nothing similar has been offered to those teaching electives. AERC might wish to do more in this area.

There is a conviction among some of those involved in teaching the programme that there is no scope for innovative approaches to teaching. Thus, in the July 1995 workshop on the teaching of electives courses, it was stated with regard to the teaching of international economics that "the group observed that class size and time constraints did not allow the use of non-conventional approaches". Furthermore, in the 1994 core courses teaching methods workshop, there seemed to be general agreement that "even though an active method of teaching was desirable, the current syllabus of the core courses is so crowded that only a passive method of teaching (lectures only) was feasible". There is much that can be done to involve students more actively in the learning process and quite creative approaches to classroom teaching and to in-class and out-of-class assignments, including both individual and group work, have been developed in recent years. Some, but by no means all, of this involves computerized quantitative assignments or macroeconomic simulations. AERC might wish to investigate these developments in teaching techniques and facilitate exposure to them by, at least, the faculties of Category B universities.

## The teaching/research/policy nexus

There is some overlapping of the collaborative MA programme with the research arm of AERC in that most teachers of the core courses and joint electives are past or current beneficiaries of AERC research support. AERC research reports are finding their way into the syllabi of MA courses and one can expect this to become increasingly the case as the backlog of research reports is addressed and as study findings are published in journals.

There are also linkages between the MA programme and the policy-making process. Quite a large proportion of students, over one-third of the 81 attending the 1995 JFE, are employed by government ministries and might have some connection, however tenuous, with the policy-making process. More directly, several of the teachers are known to serve as policy advisers to governments and international agencies and this may well be reflected in their teaching. These synergies between research and teaching and policy making could be strengthened by inviting policy makers to address students at the JFE,

and the Secretariat has already initiated public lectures there that could be given a policy slant. In this way, policy makers would be further exposed to the work of AERC generally, while students would benefit from exposure to current policy issues and possible ways of addressing them.

There is, perhaps, another way of building such synergies that might also go some way towards solving the problem of how best to involve possible employers of graduates in the activation of liaison committees. This is by requesting public and private sector representatives on these committees to suggest possible thesis topics for MA students and to facilitate the necessary research by providing access to data, files, etc. Since the theses involved are more in the nature of extended research papers, and since they are completed normally well within a year, they might well be capable of addressing economic issues of topical concern. Such an approach would give public and private sector members of the liaison committees at least one concrete reason for attending meetings. These would still need to meet acceptable academic standards and be supervised in the normal manner but within these academic parameters scope would remain for addressing some of the pressing matters facing decision makers, be they of a theoretical, policy or practical nature. AERC might wish to suggest that this be attempted in one Category B university on a trial basis with a view to applying it more generally if it proves successful.

## Extending geographic coverage of the collaborative MA programme

In the past, AERC has been reluctant to offer the collaborative MA to universities other than those of anglophone Africa outside of Nigeria. Instead, it has opted to play a catalytic role, assisting francophone African universities and those of Nigeria to develop appropriate programmes along the same lines but with each having its own government and management structure. AERC involvement has taken the form of drawing on the expertise of its senior staff and on its financial resources to fund the planning and preparation of the programmes. In March 1995 it also helped form the Committee of African Regional Graduate Programmes in Economics (CARGPE), which will provide a forum for consultation and cooperation among the regional programmes. Given the size of these master's programmes and the heavy commitments already shouldered by AERC, limiting the Consortium's role in this way seems eminently sensible as far as francophone Africa and Nigeria are concerned.

It appears that the Wangwe/Kassim report on South Africa envisages AERC playing a similar catalytic role there. Senior staff of AERC feel that they can manage the extra work involved and see it as an important contribution to capacity building that will draw on accumulated skills and experience. We would endorse these views and encourage AERC to become involved in helping develop an appropriate collaborative MA programme in South Africa, one delivered by an organization based in that country that would cooperate with other regional programmes through the newly formed CARGPE. We note, however, that the academic community in South Africa is quite fragmented and

cooperation among universities may not be accomplished easily or quickly. We note also that some of the “black” universities have expressed a preference for joining the CMAP. In the circumstances, AERC might wish to consider designating one or two of these universities as Category A universities, allowing a limited number of their staff to register in the CMAP in existing Category B universities. This could be justified as an interim arrangement that would be terminated once a national scheme was operating properly. AERC’s main emphasis, however, should remain that of helping build the national programme.

With the possible exception of this interim arrangement for South Africa, the existing geographic limitations of the CMAP should be retained. The programme should not be extended to cover Nigeria or francophone Africa as this would overtax the managerial capabilities of AERC and would undermine the original intent of building up regional capabilities.

### *Administration of the programme*

While an assessment of the administration of the Collaborative MA Programme is must inevitably be somewhat impressionistic, it is our belief that it is running exceptionally smoothly. The Coordinator is well organized, efficient and reflective and is supported by able staff. A flexible approach to management has been adopted, one that seeks feedback on performance and adjusts when necessary. Attention has been given to building up operating systems, which should ensure continuity should there be turnover in staff, and performance is closely monitored. All in all, the programme appears to be very well managed and both teaching staff and students support this view.

### Financing institutions, needs and controls

There was unanimous agreement among the faculty and students we met that AERC funding had transformed the facilities in Category B departments, providing access to facilities — teaching aids, computers, copying machines, fax machines, paper and even chalk — that are often taken for granted elsewhere in the world. Funds have greatly facilitated field research and have freed up senior staff for teaching on the graduate programme by allowing part-time teachers to be hired for some undergraduate courses.

Funding of Category B universities has indeed been generous, to the point where it has exceeded the absorptive capacity of the recipients. Accordingly, the Secretariat has gradually reduced both annual operating grants (AOGs) and thesis year grants (TYGs) in the light of experience. The maximums for AOGs have been reduced from \$9,000 to \$6,000 for Category A students and from \$6,000 to \$4,000 for Category B students, and the intention is to reduce them further to \$5,000 and \$3,000, respectively. The maximums for TYGs have been reduced from \$4,000 to \$3,000 for Category B students, with the intention to drop them to \$2,000, while those for Category A students have remained at \$6,000, with a plan to reduce them to \$5,000. The maximum potential impact of the total

of all these reductions on the cost of the programme would be around \$0.5 million once the programme is operating at full capacity, so the savings are very significant.

Some Category B universities have challenged the notion that they are having difficulties absorbing funding, claiming instead that they are merely being prudent and phasing in expenditures slowly. The AERC Secretariat disputes this and points to consistent underspending at year end and to the tendency of some departments to “pad” their budgets by including payments to students and to university administrations for “overheads” that were not supposed to be funded by AERC. Even then, they emphasize, there are still unspent balances at the end of the budget year.

Students from Category B universities felt that the AERC assistance had made a huge difference to their programmes in terms of access to books, periodicals and computers. Students attending B universities from A universities complained about the poor facilities and access to materials in their home universities and asked about the possibility of AERC assisting them further. The AERC did provide institutional support to 7 of the 12 Category A universities between 1993 and 1995, totalling some \$138,000. The amounts involved are relatively small compared with start-up grants for Category B universities, but the returns seem to be very high. Perhaps more resources could be devoted to this and related areas of need to assist Category A universities in “graduating” to B status.

There were also some concerns among Category B universities that budgeted maximums may be insufficient to allow annual upgrading of libraries. The Secretariat contests this, pointing out that actual allocations of funds are not based on standard amounts per student but on detailed budgetary requests, justified item by item, and the provision for books will continue. The per student amounts are simply maximums within which detailed budgets must fall. They stress also that all departments, whether or not they are in the collaborative arrangement, are free to apply for special institutional support grants on the basis of demonstrated need.

AERC monitors Category B universities closely to ensure that monies are spent according to budget, even requiring them to maintain separate accounts for AERC funds with their own disbursement procedures. AERC staff visit campuses and perform on-site inspections to verify purchases of equipment, books, etc. University administrations have, on occasion, objected strongly to having to account separately for AERC funds, but in the straightened circumstances in which most universities find themselves today, these controls appear to be eminently reasonable in terms of satisfying AERC and donor accountability.

## Financing students

The level of student support, in the form of scholarships for students from Category A universities attending Category B universities, ranges from \$4,000 to \$5,590 per year, depending on the cost of living. These are also adjusted in the light of actual experience, with some, e.g. Ghana, being raised in 1994/95 and others, e.g., Botswana, being reduced slightly. Students did not complain about this level of support; on the contrary, they asked whether it might be extended to some students from Category B universities who

have failed to obtain sufficient financial support from elsewhere. In reality, some students from Category B universities also receive scholarships that are rolled into an annual operating grant. The AERC is discouraging this practice as it conflicts with the requirement for the MA programme ultimately to be self-sustaining. In the coming year there will be sharp reductions in annual funding for this purpose, forcing either more local financing or, in some cases, reductions in student intake.

## The joint facility for electives

Both students and teaching staff spoke in glowing terms about how well the arrangements for the JFE are organized and how suitable the facilities are for living and studying. The training facilities at Karen (a Nairobi suburb) are exceptionally well maintained and the AERC Secretariat plans its requirements in the most minute detail. These plans, with exact dates by which specific actions must be taken, are carefully specified in annual operating reports together with a review of any problems encountered in execution in the previous year and what might be done to avoid them in the future. These documents meticulously spell out the logistics for bringing together about some 100 staff and students from various parts of Africa, housing and feeding them, and providing for classroom instruction, health care and social facilities for a three month-period. They testify to how well organized the programme is, and would permit new staff to see at a glance the precise nature of tasks to be performed in preparation for upcoming programmes.

The relative isolation of Karen, which makes it an attractive place for intensive studying, does cause a few problems for the social life of lecturers, but AERC has attempted to solve the transport problems involved and, in any case, lecturers do not consider this to be a major problem.

## Books, articles and the library

The AERC Secretariat pays particular attention to the literature needs of both staff and students in the JFE on the grounds that no time should be wasted looking for appropriate materials. Lecturers submit their requirements for textbooks and articles to AERC, and with the cooperation of the AERC library all reading materials are purchased or photocopied in time for the JFE. A small library, maintained within the training facility library at Karen for the exclusive use of JFE participants, houses multiple copies of all prescribed and recommended readings. Students speak very highly of this arrangement as it provides them with unparalleled access to current literature, maximizing the time available for studying.

## Lecturers and examiners

The Secretariat has had no difficulty finding sufficient qualified persons to serve as lecturers and examiners. In fact, there appears to be strong interest in teaching the electives, even though the remuneration is not especially generous. Lecturers and external examiners had nothing but praise for the quality of the AERC's administration, in terms of arranging travel, accommodation, reimbursement of expenses and payment of remuneration.

## Cost effectiveness relative to overseas programmes

It is not possible to determine with any precision how cost-effective the CMAP is in comparison with the alternative of sending students abroad, because we have no reliable data on the cost of offering the core programme at Category B universities. What can be said is that the AERC portion of the costs is well below what donors would pay if they were willing to finance the same number of students overseas. AERC estimates that a two-year overseas MA programme costs approximately \$50,000 per student. This is consistent with the \$77,000 (Canadian) per MA student incurred by the University of Manitoba/Botswana programme. At the moment, the CMAP costs are approximately \$32,000 per student and will decline to about \$25,000 as start-up costs come down. We have already noted the tight management of operating and related grants so that cost-effectiveness of the CMAP is monitored closely and is improving with experience.

Perhaps more importantly, it is unrealistic to think that donors would be prepared to fund 100 MA students in economics a year to study overseas, so the comparison is misplaced. Furthermore, the capacity building aspects of the AERC programme extend well beyond the individual recipient of the MA degree, and include institutional supports of a kind that overseas programmes do not provide. The importance of these cannot be overemphasized in the context of the crisis situation in which so many African universities now find themselves. Finally, it is unlikely that overseas programmes would be tailored as closely to the needs of local personnel as is the CMAP; hence the products are sufficiently differentiated to warrant caution in making cost comparisons.

We are persuaded that offering the CMAP within Africa was a sensible move, one that has enabled most of the student intake to obtain graduate education of a quality and relevance that would not be available to them otherwise. We are also persuaded that the CMAP provides invaluable institutional support to both Category A and Category B universities.

## *Sustainability of the programme*

AERC initiated the CMAP on the clear understanding that graduate programmes in economics would have to stand on their own feet ultimately. The Secretariat feels, correctly, that some progress has already been made in this direction. Thus, the number

of students funded by other than AERC scholarships will increase this coming year to 75 compared with 45 in 1993/94. This demonstrates the commitment of sponsoring institutions to the programme. Category B universities already pay the salaries of those teaching core courses and provide them with housing. They also handle selection of students themselves, administer examinations, and are responsible for procurement and the efficient running of libraries.

There is a synergy between the CMAP and other AERC training programmes that seek to strengthen the teaching and research capabilities of Category A and B universities. If successful, these other programmes would eventually allow the JFE to be closed and replaced by course offerings within departments themselves. We now turn to examine these.

## Support for PhD training

### *PhD thesis research awards*

AERC offers about 15 thesis research awards a year to African PhD students as part of its capacity-building efforts. Successful applicants must be affiliated with an institution in Africa connected with teaching, training, research or public policy; the intent is that the students will return to their home institution on completion of their studies. In their application for financial support students must include a fully developed research prospectus, letters of support from their home institution and their thesis supervisors, and a detailed budget. The thesis topic must lie within the discipline of economics but not necessarily within the areas of AERC thematic research.

The applications are processed by the training arm of the Secretariat with assistance from the research staff and, on occasion, outside resource people. They are reviewed from the point of view of their objectives, methodology, familiarity with relevant literature, policy relevance and expected results. In this respect, AERC is providing an additional advisory service to students (and their supervisors!). Proposals that meet AERC's criteria and are considered reasonable are submitted to the Training Sub-Committee of the Advisory Committee. On occasion, the sub-committee has turned down proposals on grounds, for instance, of being too abstractly econometric.

Students from all over Africa are eligible for these grants; about 30% of recipients have been Nigerian and 17% from francophone Africa. Of the 83 grants awarded between 1988 and 1994, six went to women. The average grant is just over \$9,000 and the main uses of the funds are for travel back to Africa and/or to the field for research, the processing of data, and the preparation of theses. A total of 35 grants was awarded between 1993 and 1995; in 22 of these cases, the degree awarding institution was in Africa and all but three of the students were sponsored by African universities. Since funding for PhD research is not otherwise available in most African universities, it is not difficult to appreciate why representatives of the African economics departments we interviewed were so enthusiastically supportive, and professors and students in other disciplines so

envious of this initiative. Such funding is also very difficult to come by in Europe and North America, and the thesis research grants make it possible for students to undertake research in their home continent.

The grants also appear to have an impact beyond their period of study, as over a quarter of the recipients have since joined the AERC network.

There has not yet been any resource constraint on the number of grants awarded, as the number of acceptable proposals has so far fallen within the budgeted amount. This can be expected to change in the not too distant future as some of those successfully completing the CMAP progress to doctoral studies. At that time, AERC might have to restrict the range of eligible research fields or reconsider the balance between this form of assistance for PhD students and a second form, the PhD fellowships, to which we now turn.

### *PhD fellowships*

AERC offers a limited number of fellowships for those pursuing PhD studies, under which support is made available for a period of up to four years. By 1995 a total of 11 fellowships had been awarded, with an annual cost of about \$312,000. All recipients are studying at overseas universities. Applications are processed by a panel in Nairobi that interviews those who are short listed and forwards its recommendations to the Sub-Committee on Training.

Fellowships are considered to be an important aspect of staff development for African universities. They are open to all universities in Sub-Saharan Africa but to date no francophone applicants have been successful.

We detect some ambivalence among Board members about the desirability of financing fellowships because of their cost and because they involve a commitment that extends beyond the normal budgeting period. This may explain the cautious approach taken by AERC in extending this aspect of PhD support, an approach that we would endorse. To date the Consortium has not faced any immediate and binding resource constraints, so that the modest funding of this component has not undermined the ability to fund other aspects of training. Secretariat staff inform us that should the funding situation become more tight in future, as is likely to be the case, then the funding of fellowships would not be given a high priority within the training envelope. We would support this judgement.

### *A regional collaborative PhD programme?*

AERC has commissioned a number of studies “with the ultimate objective of introducing a PhD programme in SSA drawing on the experience of the Collaborative MA Programme both in terms of academic content and material support” (Annual Report, 1994/95, p. 15). We have had access to one regional report, that on eastern and southern Africa by Professor M.S. Mukras, and to a draft of some preliminary proposals by Jeffrey Fine, the overall coordinator of the studies. Both of these suggest that there is strong support for

introducing a collaborative PhD programme and that the Board of AERC will soon have to deal with a proposal to sponsor such a programme, building on the accomplishments of the CMAP. At this point, however, there is no concrete proposal for us to examine and until a final report is prepared containing a clear delineation of the options and preferred way of proceeding, it would be inappropriate for us to express any firm view on the desirability of this initiative or on how best it might proceed. At the same time, we recognize that this is the biggest single policy issue likely to face the Board in preparation for Phase IV of the Consortium, one that would have a profound impact on the AERC budget, senior management staff and general structure of governance, and we feel that this behooves us to offer some general observations on the possibility, based on what we have read and on the interviews we have conducted.

There are a number of good reasons why the idea in general should be given serious consideration, whatever specific proposal is made by the consultants:

First of all, there are strong indications that the demand for PhD graduates in economics in sub-Saharan Africa is large and will remain so well into the next century. Professor Mukras has estimated a demand, over the next decade only, for 245 graduates in five eastern and southern African countries alone. At the moment these countries have only 51 students in PhD programmes, well over a half of these in universities outside the continent (Mukras, 1995, pp. 61ff). This reported demand may be a little on the high side, since universities account for no more than 112 or 46% of the total, and one would expect them to be the single largest employers of PhD graduates. This suggests that the methodology of assessing demand may be prone to inflation or exaggeration by some employers who are subject to a misguided attachment to “credentialism”. Nonetheless, there can be no denying that a demand is there and that it greatly exceeds the current capacity of African institutions to meet it.

Second, there is strong support among African academic institutions and among African professors of economics for the idea of a collaborative PhD programme along the lines of the CMAP, while a number of donor institutions are favourably inclined to it. This support stems partly from the evident success of the CMAP from the point of view of both employers, who speak favourably of the improved capabilities of staff who have successfully completed the CMAP, and graduates, who uniformly praise the quality of education and the financial and technical supports they received while enrolled in the CMAP. On this, Professor Mukras’ report is entirely consistent with our own findings. Both employers and graduates recognize the need for further training to the PhD level and see the CMAP model as an appropriate one for the more advanced degree. The support also stems in part from the desire of African universities to see more donor resources invested in upgrading African educational institutions. While any recommendation to proceed is, at best likely to involve funding only a small handful of what could well be termed “Category C” universities, with a staff sufficiently strong to permit offering course work at the PhD level, the perceived benefits of such institutional upgrading are considered to be continent-wide.

Third, a number of African universities currently offer PhD degrees in economics, albeit usually modelled on the British approach, i.e., by thesis only. There is a belief that the quality of these degrees could be enhanced by the introduction of course work offered

in some collaborative fashion with funding support from AERC.

Fourth, sending students overseas for PhD training is very expensive. One might want to retain some overseas component in a regional collaborative programme, however, such an approach could well be more cost-effective than sending students abroad for the whole of their programme. Moreover, since the number of scholarships for study overseas has fallen noticeably in recent years, an improved local programme may be the only feasible way forward in the future.

Fifth, some would say there are sound non-financial reasons, for not wanting to send PhD students out of the continent for their studies. Many students simply do not come home once they have completed their studies. For those who do return, questions may be raised about the number of years spent away from home, suggesting that programmes may be lengthened simply because students are residing overseas. Often, returners have salary expectations, conditioned by their sojourn in developed economies, that are unrealistically high in their home countries. This can lead to disgruntlement. There are also complaints that foreign programmes are too abstract, too highly specialized, and not relevant to African academic or policy needs. While one must be careful not to reduce the purpose of education at the PhD level to narrow functional requirements of governments or donors, there is nonetheless a real need to produce graduates who can contribute in some way to dialogue about development policy options. The opportunity cost of funding any type of PhD training, at home or abroad, is high and governments and donors alike are under some pressure to demonstrate the social returns from such spending. When students trained overseas return with skills that cannot easily be employed, this is understandably a matter of some concern to funders. The implication of this perspective on overseas training is that a programme organized locally would be expected to be designed and taught in such a way that it would avoid being too abstract.

These are arguments that justify a careful study of the general idea of improving the quality of local PhD training in economics using a regional collaborative model. There are, however, strong reservations in some quarters that must be taken seriously as AERC Board considers the idea in general and the design of any specific proposal for implementing it.

First, many people believe that Africa's brightest and best economists ought to continue to have access to the world's most prestigious institutions for their doctoral training. A collaborative PhD programme is considered to be a form of import substitution, a strategy not much favoured these days by some who are close to AERC, and one that is seen as a threat to access to the global market in PhDs. There is a suggestion in this reservation that no African student would be allowed to study overseas if a collaborative programme were put in place. This need not be the case and the ideal situation would be one in which the most promising students had the option of enrolling in the collaborative PhD programme or of studying on scholarship at the more prestigious universities overseas. For the very best students, this choice could be a realistic one. There is also an implication that a collaborative programme could not, somehow, create linkages with overseas institutions so that at least a portion of the degree being offered could be studied abroad. Yet the two reports we have read both imply that such an overseas linkage is both possible and desirable. For the majority of African PhD students, i.e., those not considered to be

the brightest and the best, this type of arrangement, if feasible in its practical details, would permit a degree of exposure to overseas institutions that might not otherwise be available.

Second, there are doubts that any single African economics department can at present attract a sufficiently large critical mass of top class scholars to make the launching of a PhD with course work feasible. This need not imply that the idea of a collaborative PhD programme is unworkable, but it would imply that steps would have to be taken to make possible the recruitment of suitably qualified staff, from Africa or from outside.

Third, there are concerns that a collaborative PhD programme would be an expensive proposition for which it might be difficult to secure stable funding. PhD programmes need a least four to five years for a single throughput of graduates, a period well in excess of normal three-year budgeting cycles. No African institution can be expected to commit itself to sponsoring a new course-based degree programme within a budget time frame of only three years. This would expose it to contingent liabilities that few institutions anywhere could bear, leave alone ones in Africa. Launching a collaborative PhD programme with any degree of financial uncertainty might thus prejudice the financial stability of other aspects of AERC's training programme. No one we talked to put a higher priority on a PhD programme than on the existing AERC programmes and no one was prepared to contemplate undertaking this new responsibility in a manner that might prejudice the continued operation of existing programmes. The concern is nonetheless real and serves to underscore the need for some degree of financial commitment before proceeding with this innovation.

Fourth, it is quite apparent that any proposal that would imply a significant expansion of the responsibilities of the Secretariat must be accompanied by provision to expand the management resources available to the Secretariat. Senior staff are already overburdened with responsibilities and there is no spare capacity at this time to absorb a large new initiative. Again, we found no one who suggested otherwise.

Weighing all these factors together we would accept that there are sound reasons why a regional collaborative PhD programme might be instituted. It would, however, be a major and risky undertaking that would have far-reaching implications for the funding, the staffing and the organization of the Consortium. It would require a large commitment of dependable, long-term financial resources. Access to such funding would, therefore, be a *sine qua non* of a new programme.

Instituting a collaborative PhD programme would make significant new demands on the Secretariat, demands that could not be borne with the existing staff complement. The nature and strength of these demands would depend crucially on the precise format and structure of the programme, but the broad outlines of the tasks that would need some degree of input from the Secretariat are reasonably predictable. They would encompass setting standards for student selection, assisting with student funding and course development, vetting staff and courses, and assessing institutional development needs, including books and reading materials, equipment and research funding needs, and staff development requirements. Should the proposal involve a period of study overseas, then AERC would be involved in negotiating institutional arrangements, covering the myriad of organizational details that overseas study entails – from travel to financing, from visas

to health insurance, and from liaison with overseas academics to mediating between local and overseas universities. This range of responsibilities could not possibly be handled with the existing staff resources of the Training Programme. Although much of the expertise acquired in developing the CMAP would certainly be of help in implementing a PhD programme, a new section of the Training Programme would be needed with its own core of staff to deal specifically with the PhD programme. Unless the Board is prepared to see the administrative costs of the AERC rise sufficiently to enable the creation of such a new unit, the proposal should not proceed.

Finally, the key to the successful implementation of any proposal for a new PhD programme would lie in ensuring the highest standards. This would have important implications for governance of the programme and, by extension, for the governance structure of the Secretariat. Some body similar to the Academic Board would be needed to ensure the careful selection of departments, staff and students for participation in the programme and the setting and maintenance of academic standards. Given the possibility of overseas linkages and of the need to rely partially, at least in the formative years of the programme, on foreign teaching staff, the existing Academic Board may not be the appropriate vehicle of governance. There seems to be some agreement that, were the programme to proceed, a governing body containing some overseas experts would be an asset for much the same reasons as apply in the case of the Advisory Committee on the research side. The maintenance of standards at the PhD level is generally interpreted to mean the maintenance of international standards, and proponents of the PhD programme acknowledge the desirability of this even as they argue for a programme that might be more relevant to pressing African problems than are most overseas programmes. The comparison with AERC's research operations is apt, as the research programme also strives for both local relevance and international acceptability. Given the critical role that PhD graduates would play in the future training of African economists, one could argue that quality control would, if anything, be even more crucial in the PhD programme than it is in the research programme.

We conclude by reiterating that the proposed collaborative PhD programme should proceed only if (1) reliable longer-term funding is made available; (2) the staffing of the Secretariat is expanded to enable it to cope; and (3) strong evidence is presented that the programme would carry academic credibility internationally and that an appropriate governance structure would be developed to guarantee this.

## **IV. Governance, financing and management**

### **Governance**

There are four decision-making bodies within AERC, each with its own clear mandate. The Board has formal, legal authority for all aspects of AERC activities, including staffing, budgeting and general policy direction. The Advisory Committee concentrates on the technical and professional side of research and training activities, and the Academic Board deals with the academic management of the CMAP. The final body is the Secretariat, which has the responsibility for the efficient day-to-day running of the Consortium. The Secretariat has a considerable influence on the other three decision-making bodies, and on the basis of a proven track record of efficiency, sound judgement and reliability has been given a substantial amount of discretion .

The main issues of governance, it seems to us, are ones of board membership, the division of labour among the various governance bodies, the delegation of authority and the continuity of membership.

A number of questions have been raised about the composition of the Board. The first is the restriction of membership to those contributing a minimum capital amount of \$100,000; in this respect, the issue of governance is inseparable from that of finance. While we have heard very little disagreement with the general principle, this requirement has so far effectively excluded Africans from Board membership and has resulted in some problems of continuity due to the occasionally high turnover of officials representing governments and agencies. The question of African representation reduces to the lack of African institutions able or willing to contribute capital to AERC. Some approaches have been made to the African Development Bank and, notwithstanding the problems being faced by this institution, we would support these efforts. Membership by pan-African organizations, such as ADB or ECA, would serve to indicate a long- term commitment by Africa to AERC. Some central banks, such as those in South Africa, Zimbabwe or Botswana, may also be in a position to contribute financially and could be approached, as could some national development banks.

The presence on the Board of institutions from a select few, relatively well off African nations, in a context in which others would like to join but lack the capital, could lead to political problems for AERC. It could result in the issue of representation becoming a problem and in the capital requirement being challenged as an appropriate regulator of board membership. More importantly, it might give rise to a much greater preoccupation with the allocation of AERC activities and resources among individual African countries

than is healthy. On the other hand, there is so much goodwill attaching to AERC because of its demonstrated professionalism and impartiality that we are inclined to encourage efforts to achieve participation in funding AERC from both pan-African and national African institutions, although we are not sanguine about the potential rewards to these efforts.

African participation on the Board need not mean direct African capitalization of AERC. The recent innovation to permit the appointment of members-at-large is a welcome one. We are informed that a senior African official will join the Board through this mechanism and we applaud this development. There is also scope for donors to choose suitably qualified Africans to represent them, from among their staff or from outside their organizations. Donors could also consider channelling some or all of their contribution to AERC through an African organization that would then qualify for representation under existing rules. There are, therefore, ways of achieving African representation on the Board without tying it to capitalization and the Consortium has already begun to move in this direction. It is our impression, though, that the division of labour, as it has evolved, has deflected attention from the Board composition because there is perceived to be adequate scope for African input into the operations of the Consortium through the Advisory Committee and the Academic Board. It is also not unimportant that the senior staff of the Secretariat at this time are all African, although there is no presupposition among those whom we interviewed that this should necessarily always be the case. Finally, some Board members are concerned that any African membership on the Board not be interpreted as tokenism; this would suggest support for maintaining existing rules for Board membership.

If we appear to be ambivalent on this question it is because opinions are divided and we have attempted to reflect this diversity of thinking. We do think that efforts to increase African representation on the Board are worthwhile and that more could be done within the existing constitution, with or without capital contributions from African institutions. At the same time, it seems to us that there is so much support for the Consortium that the requirement for it to ensure the conditions for its continued success weigh more heavily in peoples' minds in Africa than does the question of Board representation.

The appointment of members-at-large will also help reduce problems of Board turnover due to transfer of government officials, and in some cases donors have avoided the problem by appointing non-officials to represent them. At this point, therefore, we do not view turnover as a major problem for the Board.

The form of incorporation of AERC as a not-for-profit corporation chartered in Delaware, USA, prevents some donors from giving funding directly and hence, from participating on the Board. This has not, to our knowledge, prevented interested donors from making financial contributions indirectly and we are not aware of any unhappiness that this situation precludes Board membership.

A major reason why Board membership has not been more of an issue is that the Board has delegated substantive responsibility to the other governing bodies of the Consortium. These do have significant African representation and are seen to be influential and to exercise a high degree of relative autonomy in practice.

Though formal executive authority resides with the Board, it has been a great strength

of the Consortium that the Board has allowed the other bodies a considerable degree of discretion and autonomy in carrying out their mandates. There are a number of reasons why this has proven to be an enlightened approach to governance. First, the Board would not be an appropriate forum for dealing with detailed decisions concerning research grants, training support or the operation of the master's programme. It does not have the expertise or the time, even if it had the inclination. Second, the division of labour that has evolved allows Africans with academic and professional expertise the opportunity to shape the substantive research and training programmes of the Consortium without being Board members. Third, and closely related, the institutional structure provides a necessary degree of distance between governments and agencies funding the Consortium and the setting of the research and training agenda. There are sound substantive reasons why this distance is desirable – but it is also sensible in light of the political sensitivity of research and training issues in the African context.

That the division of labour has worked so well is due in no small part to the commitment of donors to the philosophy underlying it and to their willingness to let the other bodies get on with their job. At the same time, the Board has responsibility for appointing members of the Advisory Committee and the senior staff of the Secretariat, and thus retains indirect influence on the AERC's academic and professional direction. The Board also retains full responsibility for the three-year strategic plans and annual programmes of work and budgets. These are, however, the product of extensive consultation by the Secretariat with significant input from the Advisory Committee and Academic Board, so that a balance is maintained between Board responsibility on the one hand and the need for academic and professional input on the other.

From firsthand observation, we are impressed with the seriousness with which the Advisory Committee carries out its tasks. The Committee has a blend of African and non-African expertise, a strong sense of responsibility and autonomy and, like the Board, no wish to micro-manage the institution. Continuity on the Committee is assured by allowing members to serve up to two terms of three to four years and by staggering the terms. The Committee has developed an effective working relationship with both the Board (it now sends summaries of its minutes to the Board, and the chair is invited to Board meetings) and the Secretariat and, as far as we can see, no substantive issues of governance revolve around its operations.

The Academic Board is an essential interface between AERC and the participating universities. Its composition and structure were dealt with in Section III and as we concluded there, apart from an inevitable turnover of membership, it appears to work well. In this case, the Secretariat plays an important role both in ensuring adequate servicing and in helping maintain a sense of continuity of the whole.

The Secretariat plays an important role in the governance of AERC. The three senior staff provide reliable and efficient support services, including detailed and timely flows of information, to the other three bodies, enabling them to conduct their responsibilities in an informed manner. They are often the source of policy proposals and suggestions for improving the operations of the Consortium and they subject their own activities to rigorous examination for efficiency and cost-effectiveness. The transparency with which the activities of the Consortium are conducted is a testimony to the open management

style that has been in place since AERC's inception and which has been strengthened as time has gone by. The senior staff command the respect of the Board, the Advisory Committee and the Academic Board and for this reason are influential in shaping the agenda, debate and decisions of these bodies – which nonetheless retain full authority over their respective areas of jurisdiction.

One area in which slight improvements might be made is that of securing more systematic input into decision making by both researchers and MA students, the direct “consumers” of AERC services. There is no provision for this in the formal structures, i.e., the Advisory Committee or Academic Board, and one might argue that this would be difficult to achieve given the relatively high rate of turnover of both groups in their respective programmes. Provision could be made, however, for the systematic evaluation of AERC programmes by researchers when they assemble in workshops and by students as they assemble at the JFE. Small representative committees could be elected or appointed for this purpose, and they could solicit input from their colleagues. Or the Secretariat itself could solicit written feedback on its policies and operations. Ideally, whatever approach is taken should be inexpensive and non-bureaucratic. We do not believe that the lack of formal representation is considered to be a problem by participants themselves because the Secretariat has very effective informal avenues for keeping in touch with its researchers and students, but this could easily change with a change of senior staff and possible problems could be averted by some modest actions now.

We see no major difficulties or concerns in the area of governance. The structure works well; all the relevant bodies take their responsibilities seriously; the division of labour is sensible and functional; the senior staff of the Secretariat are central to the efficient working of the whole governance structure and are, in many respects, the glue that holds it all together. The composition of the Board has been a discussion point but if African representation is still considered to be a problem, there are ways of addressing it within the existing constitution. Consideration should be given to securing more systematic and more formal feedback from researchers and students on the policies and activities of the Consortium.

## Financing

Financing has not yet been a binding constraint on the activities of the Consortium, but we note that Phase III was planned in the expectation of a more difficult aid environment. Phase IV will undoubtedly see even greater pressure on aid budgets than in the recent past but we have no sense of any impending large cuts in support. In the case of at least one aid agency experiencing budget reductions there are no plans to cut back assistance to what they consider to be “the best African organization”. Board members themselves would be better placed to forecast likely future trends in funding. Here we make only some general observations on financing.

The first is that efforts to address the possibility of tighter budgets should continue, through enhanced cost-effectiveness of activities and increased efforts to broaden the funding base. The recent approaches to Finland, Australia, Japan and the African

Development Bank for funding contributions are to be applauded and consideration now needs to be given to other possible sources, both internationally and within Africa.

The second is that it appears to be somewhat easier to raise funding for training activities than it is for research or core activities and some donors earmark their funds for this purpose. This is both understandable and regrettable. Donors can make the political case for training more easily than they can for economic research, but the *raison d'être* of AERC is to raise capacity of Africa to undertake policy relevant research. The earmarking of funds for specific programmes reduces the management flexibility of the Consortium, and may lead to complications and duplications (and thus increased expense) in recording and reporting expenditures. Donors should be encouraged to make ongoing commitments to core and research funding and to refrain as much as possible from earmarking. An exceptional form of earmarked funding from a research point of view, however, is support for the collaborative research modality. Imaginative use of this modality may enable some additional funds to be mobilized from interested donors, old and new.

The third observation is that the three-year planning period for the Consortium is not particularly satisfactory for a research and training institution. Ideally, a five-year planning horizon would be preferred and even that would be insufficiently long if a PhD programme were introduced. We recognize that it is the financial imperatives of donors that drive this time horizon, but it does subject the AERC to great uncertainty and, in our opinion, over-frequent evaluations of performance. It also creates an uncertain climate for staff and could, at some point, undermine the ability of the Consortium to recruit first-rate replacements for senior staff.

Fourth, we applaud the efforts of the Board to build up a reserve fund. This is a prudent move from the point of view of potential revenue instability in any given year and in terms of the obligations that would have to be met in the event of a final winding up of the Consortium. There have been suggestions that AERC as a whole or perhaps just a portion of its activities, such as the proposed collaborative PhD programme, be funded through an endowment arrangement, the ultimate in reserve fund. While this would be ideal from the point of view of the Consortium, it is highly unlikely to have much appeal to donors, and we do not feel that staff should put much energy into pursuing the idea.

## Administration

The management capacity and systems of AERC have been reviewed three times since inception, and improvements made where they seemed needed. The last such review, by James Trowbridge in 1995, concluded that “all is proceeding quite well. There are no major problems of management relations or procedures. To the contrary, operations are smooth and transparent; financial, personnel and administrative procedures are in place; communications are very good, and delegations of authority are working well. Only some minor matters need fine tuning” (Trowbridge Report, May 1995, p. 4). Trowbridge argued that staffing levels were adequate for the time being and that it was unnecessary to add planned positions of assistants to the Training and Research Programmes.

Our own view of the administrative side of the operations of the Consortium conform generally with those of Mr. Trowbridge. We were particularly impressed with the open system of management that has evolved, the accessibility of the senior staff, the clear delegation of authority and responsibility, and the efficiency with which administrative matters are handled. In this last case, the organization of the workshop we attended in South Africa was excellent, and especially so given that it was held away from the head office where the main administrative supports are located. We also had the opportunity to see at first hand the way in which the collaborative MA operates and particularly the Joint Facility for Electives. It is apparent to us that the administrative side of the MA has evolved as the programme itself has expanded and has adjusted to meet deficiencies and snags that have been identified in the annual administrative review of the JFE. The strengthening of staff and procedures has been carried out quickly, sensibly and modestly in terms of expenditures.

In short, the Executive Director and his staff have set standards of administrative performance that are as high as, if not higher than, those set in relation to the research and teaching activities of the Consortium. Indeed, a sound administrative structure is essential to the maintenance of high standards of professional performance and the Consortium is unusual, if not unique, in Africa on both scores.

The one area where we might disagree somewhat with Mr. Trowbridge is on the need for an Assistant on the Research side of the Consortium's activities. We consider that the Research Programme lacks the depth of staff resources currently available on the training side. There are some signs of over-extension here, with the odd complaint about delays in responding to proposals, some indication that suggestions for improving papers are not always followed before papers are presented or re-presented to workshops, and sometimes a long lag between submission for final publication and receipt of comments from referees. None of this is serious and in many cases the reasons for problems are not simple or explainable only in terms of internal problems. We recognize this, and we wish to emphasize that we feel the Research Coordinator does a fine job of maintaining professional standards while at the same time managing to conduct his own impressive research programme. He also draws on a part-time assistant and, increasingly, on outside resource people. We simply ask whether or not the time has come, in terms of the growing workload on this side of the Consortium, to strengthen in-house capacity by appointing a full time assistant coordinator.

There is also another sound reason, in our minds at least, why the research staff may need strengthening and this has to do with the question of the relationship of the Consortium with francophone Africa. There seems to be general agreement that AERC should continue to serve research needs in francophone Africa. A case could also be made for the Consortium increasing its involvement in these countries by trying to attract francophone researchers for comparative and collaborative research projects and by encouraging more participation in research activities by female francophones. Yet the Secretariat is not well equipped to handle even its current level of involvement with French, having only one bilingual staff person, who is an administrative assistant. We have already commented on the problems of translation during workshops, and we feel this is symptomatic of an under-representation of francophones on the staff of the

Secretariat. We feel, therefore, that a strong argument could be made for recruiting an assistant coordinator of research who is either francophone or, as a second best solution, is at least bilingual in French and English. We are aware that at least one francophone member of the Advisory Committee does not share this view, arguing instead that it is important for francophone researchers to learn to converse in English, but we feel otherwise. There is ample opportunity for francophones to converse in English with their anglophone counterparts at workshops, but a truly pan-African research organization ought to be able to deliver services in both main languages and this is particularly important when discourse is of a highly technical nature. Not only linguistic ability is in question; the need is for a staff person who is familiar with the very different institutional structure and culture of francophone Africa. Ideally, the assistant would also bring to the Consortium other assets that would add complementarity and balance, in terms of past experience and interests within economics, to the already considerable attributes of the senior staff.

We would conclude, therefore, that the administrative side of the Consortium is in fine shape but that consideration ought to be given to hiring a full time Assistant Coordinator of Research who is fluent in French and familiar with French-style institutions and ways of working. The case for this has to be viewed in the light of our observations elsewhere on the francophone elements of AERC's programmes.

Should the Consortium move to introduce a collaborative PhD programme, the administrative capacity of the Secretariat would need to be increased. Our preference would be for the programme to be administered as a separate division of the Training Programme, with a programme manager reporting to the Training Coordinator. Staffing needs beyond that would depend very much on the precise structure of the programme and its relationship with other African and overseas universities, details of which are not known at this time.

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## V. The role and future of AERC

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We start with some broader issues, and then turn to questions concerning the future size and structure of the AERC programme. Our concluding theme is the case for reinforcing success.

### The institutional context

Any discussion of how AERC might evolve in future needs to be situated within the broader institutional context in which it operates, for it is this that shapes the scope and need for AERC interventions and determines the competition the Consortium is likely to face when seeking donor support. In a report of this kind it is neither possible nor desirable to explore the institutional setting in any depth, but a brief overview will help establish the context in which AERC operates, as a basis for formulating a 'vision' of how the Consortium might develop in future and for assessing the likelihood that additional donor support will be forthcoming.

In francophone Africa, for example, there is the Industrial Policy Network, commonly called the *Réseau*, which operates on similar lines to AERC, issuing small grants and providing specialized training and support to researchers. Its focus, however, is on industrial policy and its methodological approach is quite quantitative. There is at present no overlap with AERC except to the limited extent that francophone researchers seek funding through AERC in the AT thematic area. Overlap is likely to remain insignificant unless the *Réseau* decides to branch out into the macroeconomic research area.

Also in francophone Africa is *Programme de troisième cycle interuniversitaire* (PTCI) – the francophone equivalent of the collaborative MA programme. The division of labour between AERC and the PTCI, which is located in Ougadougou, is even clearer than that between Consortium and the *Réseau* and, indeed, AERC helped set up the PTCI.

The African Capacity Building Foundation, which helps finance both AERC and the PTCI, has also financed two other regional programmes in training at the MA level in economic policy management – at McGill University in Canada and at CERDI of the University of Clermont-Ferrand in France. Both these programmes which have been controversial in Africa since they were first proposed, are also funded by the Economic Development Institute (EDI) of the World Bank. Both will, eventually, be repatriated to African universities. There is some overlap between these programmes and those supported by AERC/PTCI and it is hoped that plans to repatriate them will be coordinated very closely with AERC/PTCI.

The ACBF has also funded a number of national policy institutions, in Kenya, Tanzania, South Africa, Nigeria, Senegal, Uganda, Zimbabwe, Zambia, Ethiopia, Ghana, Mali and Namibia. Each has a different mandate but all have responsibility to increase the local capacity to formulate economic policy, through research and dissemination. Several have a clear mandate to train in the fields of policy analysis and research methodology.

There are, as well, a number of institutions attached to universities throughout Africa that deal in whole or in part with economic research. The Economic Research Bureau in Tanzania, the Institute of Statistical, Social and Economic Research in Ghana, CIRES in Côte d'Ivoire and the Makerere Institute of Social Research are examples. These bodies conduct or have conducted research at both the macroeconomic and microeconomic levels, but many have been hit badly by fiscal constraints so that their operations are severely impeded. In some cases, AERC has supported their staff, making it possible for the institutions to gain access to computers and other research supports that would otherwise not have been available.

AERC might also be said to compete for donor funding with a number of regional bodies that have a somewhat broader mandate, going beyond macroeconomic research and sometimes beyond economics. The Institute for Economic Development and Planning (IDEP), the OAU's Economic Development and Cooperation Department, and the ECA would be examples of the first. CODESRIA, the Council for the Development of Economic and Social Research in Africa, located in Dakar, would be an example of an inter-disciplinary research institution. But CODESRIA undertakes research on structural adjustment programmes and was, in fact, encouraged to do so by AERC.

AERC also competes for donor attention with a number of other networks, actual or proposed, in related fields of intellectual and policy endeavour. There are two educational research networks in Africa, a technology policy network and a network to promote the strengthening of municipal government. There is a proposal for an environmental economics network for eastern and southern Africa. All have received encouragement and support from donors. A detailed study of these for the IDRC ("The governance of networks: The experience of IDRC's social science division in sub-Saharan Africa", Philip English for the IDRC, September 1995) concluded that "Overall, AERC still represents the only truly successful model" (p. 45).

The success of AERC in the field of economics has also raised the question of why donors do not extend the concept to research and training in other disciplines, such as sociology, law or political studies. Why not, indeed?

Finally, AERC could be considered to compete for resources with a whole panoply of training institutions and programmes geared towards meeting the needs of economists. Most central banks and economic ministries have some provision for enhancing their in-house capacity, often arranging courses in specialist topics that will also find a presence in the syllabus of the CMAP. In-house research may also overlap with some of that conducted by AERC, and may sometimes be funded by donors.

AERC is fully conversant with this broader institutional environment and, indeed, has been remarkably sensitive to it. This was reflected in its initial reluctance to undertake the CMAP, its willingness to assist the PTCI and the would-be Nigerian MA programme, and its caution in approaching programming possibilities in South Africa. AERC retains

contact with many of the institutions mentioned, especially the regional ones, and has been scrupulous in avoiding any hint of “imperial” ambitions. Even in expressing concern over the ACBF’s funding of MA programmes outside the continent, the Consortium was clearly reflecting concerns that had been raised by representatives of African universities rather than seeking to expand its own responsibilities.

## Identity, purpose and constitution

Goodwin and Kayode examined the possible future of AERC in terms of two alternative models, two “polar positions”. In Model I, the Consortium would be “mainly a post-doctoral training program to prepare a substantial body of African economists to serve directly their governments in middle-level professional roles with policy-relevant research and to serve governments and international organisations also as consultants...” Under Model II, AERC would “serve with policy-relevant research not just governments and international organizations... but all parts of a pluralist society including... the private sector, the mass media, and the many institutions of civil society...” Goodwin and Kayode suggested that with increasing political liberalization in Africa, the second model was becoming more relevant, and that AERC “should move steadily closer to Model II than to Model I”. This would be achieved by a gradual broadening of the “target audience” beyond the academic and official communities, with a corresponding extension over time in the range of publications and meetings sponsored by AERC.

We fully share the judgement of our predecessors that policy relevance is not to be viewed or defined with reference only to government departments and central banks, and that AERC should be concerned with improving the flow of information and ideas to a wider public. Nevertheless, our view as to the role and objectives of the Consortium is rather different from theirs. On the whole, it is more conservative, in the sense of remaining closer to the status quo, but in one respect we favour a broadening of functions that goes in the same direction, and possibly even somewhat beyond what they had in mind.

As to not departing too far from AERC’s mission as presently defined and interpreted, we are influenced in particular by the following considerations.

First, and as noted in Section II, we think that over time the AERC research and training programmes as presently constituted will contribute to a wider and better informed public debate, through channels that are for the most part informal and indirect. In particular, it is through the actions and writings of members of the network that these effects will chiefly be felt. In many if not most cases the Consortium need not be directly involved, either as initiator or participant, in the varied array of meetings and discussions, and of documents published and unpublished, through which a widening debate will take shape.

Second, AERC is too small to play a leading part across the continent in a wide range of projects and programmes. Its three top administrator-economists, to whom the triple tasks of programme leadership, creative planning at Secretariat level and representing the Consortium must largely continue to fall, are already chronically over-extended. It cannot hope to maintain formal links, or to take part in joint activities, with too extensive

a range of organizations and institutions. Beyond the research community, the main focus has to continue to be on the agencies that are most directly concerned with economic policies – i.e., ministries and central banks.

Third, AERC's success in the future will depend, as in the past, on maintaining its reputation for professional excellence across the whole range of its operations. This can only be ensured if the portfolio of tasks and activities is well matched to the resources available.

Fourth, AERC needs to retain, for the foreseeable future, a core of activities that it controls and finances itself. These serve to establish its identity, its image. And precisely because it is in control, they make up an area within which it can ensure that its professional standards are maintained. At present the two core activities are the thematic research programme and the CMAP. We think that the main focus should continue to be on these, and on initiatives such as the Senior Policy Seminar, which not only grow out of them but are clearly identifiable as AERC products. Such a continuing focus is fully compatible with involvement in a possibly growing range of other activities, including collaborative or comparative research projects and joint meetings and conferences, in which AERC shares responsibility with other agencies. But these other activities should not be pushed to the point where there is a loss of cohesion and identity.

We therefore agree with the view that was expressed in the Advisory Committee when the Goodwin-Kayode report was reviewed, that "caution should be exercised" with respect to "expanding outreach to the wider community", and we doubt whether it would be right to define AERC's future direction with reference to a gradual evolution towards "Model II". At any rate, as far ahead as the end of Phase IV, the present core activities will and should remain – nor can they be defined or conducted so as to involve, or cater for, a growing range of largely non-professional audiences. In particular, we consider that the principal target audiences for AERC research should remain, first, the international research community, and, second, those who are closely involved with economic policies in Africa.

At the same time – and here our view is more in line with the thinking of our predecessors — we think that AERC should concern itself more explicitly and more consistently than at present with ensuring that its research and training activities contribute to a more considered and informed discussion of economic issues, not just in official circles but in the community at large. As we have noted, this goes well beyond writing acceptable journal articles, and indeed beyond "research" as such. It means making ideas accessible in timely form to a wider readership than the research community, and developing the professional skills and the breadth of interest and outlook that are required to make a success of this. In this context, we have made some specific recommendations. In relation to the future role and objectives of the Consortium, the key notion, which we would re-emphasize here, is that the concept of capacity building should be defined more broadly. It should go well beyond developing the ability to write good research papers for an audience of fellow-professionals; an awareness of these wider dimensions should permeate all AERC thinking and activities.

Such a broadening is fully consistent with keeping unchanged the professional character of the research output, together with its prospective readership. In two other

respects also, we think that no substantial change is needed in the Consortium's present role and ways of functioning.

First, and as stated in Section II, we think that the main immediate aim of the research programme should continue to be to produce a flow of research publications that measure up to international standards, and in so doing (1) to integrate African economists more fully into the international research community and (2) to raise the status and increase the coherence of the economics profession in Africa. In the future as in the past, this flow of publications has to be channelled first and foremost to a restricted professional readership; it is not necessarily a matter for concern that much of it may not directly and immediately be an input into the policy process.

Second, we consider that the constitution of AERC, and the relationships and balance of functions among Board, Advisory Committee and Secretariat, are in good working order. While there are questions of financing and management that need continuing attention, there are no serious problems of "governance" that have to be dealt with.

Within the present broad framework of AERC programmes and procedures, which we think should be maintained, there is of course scope for changes. We have already made some specific suggestions for change, in each of sections II, III and IV. We turn now to consider some of the broader aspects of the programme as a whole, drawing at various points on what has been said in these previous sections.

## Steady-state, expansion or incremental changes

As noted above, the Secretariat has recently expressed the view, in a planning document for the Board, that AERC is "approaching maturity and a steady-state level of operations". Against the background of such a possibility, we consider three aspects or dimensions within which expansion might be considered in relation to Phase IV: geographical (country coverage); subject areas (within the research programme); and the collaborative PhD programme where we restate in this broader context the conclusions reached in Section III. We then draw together the threads that emerge from this brief threefold review.

### *Country coverage*

Under this heading, we make three points. One of these is cautionary, while the other two could point towards a limited extension, over the next few years, of AERC's present scope and activities.

As to the former aspect, we agree with the view that has so far been taken by the Advisory Committee and the Board, (1) that the scope of the CMAP should remain restricted to anglophone countries other than Nigeria, and (2) that AERC should not become the financing or managing agency for a counterpart to the CMAP in any other country or region. Hence in this context we see the AERC role in Nigeria as remaining one only of advising on and facilitating the development of a local counterpart to the

CMAP. Subject to the reservations expressed above in Section III, we take the same view in relation to South Africa. Thus within the training programme we would favour keeping the CMAP at or close to its present size, and neither extending it to other major countries or groups of countries nor replicating it under AERC auspices.

On the research side, we would be less categorical. The present portfolio of activities could well be extended at the margin, in ways that would make the geographical coverage within sub-Saharan Africa without either adding greatly to costs or compromising the effectiveness of AERC programmes. Here there are two main headings to be considered.

First, we think it was a good idea to bring South African economists into the AERC research programme, a process that is now well under way. The Secretariat considers that this extension of coverage will involve little by way of additional expenditures or greater pressures on the Research Coordinator and his staff. Over time, however, the full participation of a country as large as South Africa, together perhaps with an extension of the programme to some other smaller countries that have not so far been much involved, may well bring forward the date at which, in the thematic research programme at any rate, a choice would present itself between a higher expenditure ceiling and additional economies or rationing devices. This may depend, however, on the extent to which the subject coverage of the programme is widened, an aspect that we touch on below.

A second possible area for limited extension of the present research activities is the francophone countries. Here the right course may depend, to a greater extent than in anglophone Africa, on AERC's relationships with the other agencies and institutions that finance economic research. This is an aspect that we can do no more than note, since our own inquiries concerning the situation and possibilities in the francophone countries were limited in scope. In the course of our interviews one well informed non-African observer made the remark, in a critical spirit, that AERC has at present no considered strategy for the francophone countries. Another outside expert took the view that this, if true, was at least for the time being an advantage, because of the risks of the Consortium becoming viewed as over-assertive; he considered the scope and content of the present research programme in these countries as appropriate, at any rate for some time to come.

From our own observation and interviews we would make three points in this connection. First, it is not only a distinctive feature of the AERC research programme, but a considerable asset, that coverage extends to both anglophone and francophone countries. It is therefore worth continuing to give special thought and effort to making sure that the francophone elements in the programme are well judged and well handled. Second, it is clear that the francophone participants in the programme are enthusiastic about it, and that they have benefited from it in much the same respects as their anglophone counterparts; this adds weight to the first point. Third, there are specific ways in which AERC could do more to help its francophone researchers, in particular by the virtually costless route of improving the intelligibility of workshop plenary discussions, as suggested above, and through better provision of translation services (which would certainly not be costless). This latter issue was raised at length in virtually all our francophone interviews, and appears to be the main single current preoccupation of AERC researchers in these countries. We recommend that the Secretariat should first take steps to make sure it fully understands the researchers' viewpoint and concerns, and then

report to the Advisory Committee on the action it thinks might be taken.

Finally under this heading, it is inevitable that the francophone side of the programme should be (so to speak) a minority interest within the AERC programme, the more so since there is no francophone counterpart of the CMAP within the Consortium and because the Secretariat is situated concentrated in an anglophone country. This underlines the importance of ensuring that the Secretariat has solid capacity for dealing with francophone countries.

## *Subject coverage*

Extending the range of topics covered in the thematic research programme would not necessarily give rise to a significant increase in programme expenditures. As noted above, the recommendations of the Thorbecke Report imply a regrouping of the present subject headings, and the introduction of a new area of research, within a total programme that would remain at much the same size. Any increase in costs, if there were one, would result from a longer average completion time for research projects. The number of thematic research grants approved annually, which at the moment is 32, would not increase.

Over time, in our view, the case for an increase in the number of grants should be kept under consideration. This is due in part, perhaps largely, to the increasing participation in the research programme by economists in South Africa. But as noted in Section II AERC should be sensitive to the possibility that by limiting the range of permissible topics within the programme it may be (1) excluding well qualified researchers, (2) imparting too strong a bias towards particular areas of research, or (3) sustaining only a part of the profession in Africa, rather than the whole. It is not that a change within the prospective (post- Thorbecke) programme, or a significant expansion of it, is clearly called for at this stage; rather, we would like the Secretariat and the Advisory Committee to keep further possible developments in mind, and to review from time to time the current limits on the scope and subject matter of AERC research. In particular, as noted already, we think that there should be scope in both the collaborative and thematic research programmes for policy-related studies on issues of regulation, privatization and raising the efficiency of the public sector.

At some stage, though probably not in the near future, the combined effects of more extensive geographical coverage and a wish to extend somewhat further the range of research areas may lead to a reconsideration of the present limit on the number of thematic research projects that can be accepted in a year. These same developments might also justify a readiness on the part of AERC to join in financing collaborative research projects in subject areas that at present might not be as eligible for support.

## *A collaborative PhD programme?*

Looking ahead to Phase IV and beyond, the main single decision to be taken in relation to AERC's future is whether or not to proceed with a collaborative PhD programme.

Since this issue is not one for immediate decision, and has already been made the subject of an extensive set of inquiries that at the time of writing have not yet been completed, it would not be appropriate for us to make recommendations as to whether and when such a programme might be launched – all the more so since it is clear that expert opinion, both among resource persons and within the Advisory Committee, is at present divided on the subject. We make three observations only.

First, we have suggested already that AERC, at present and for some time to come, should retain a core of activities for which it is clearly and exclusively responsible, and that activities not closely related to this core should be embarked on selectively, because of resource limitations and to ensure cohesion in the programme. In this context, we think that a collaborative PhD programme is to be viewed as a core and not a “fringe” activity. It would be financed within the AERC budget and run by the Secretariat subject to the same forms of reporting and accountability that operate in the main research programme and the CMAP. It would thus not be open to the objection that it represented an extension or redefinition of AERC’s role. It could indeed be thought of, to quote a phrase used by one of our interviewees, as “completing the spectrum” of Consortium activities.

Second, the fact that the CPP would be a core activity does not make it a less costly or risky. While considerations of organizational logic may seem to favour it, or at least not to tell against it, they do not go very far towards establishing a case for going ahead. It has to be shown that the CPP is both practicable and cost-effective.

Third, and as we stressed in Section III, the programme should not be started unless two necessary (though not sufficient) conditions for success have been established: first, that the extra staff resources required within the Secretariat have been approved by the Board; and second, that commitments have been secured for financing the programme for a period further ahead than many donors would normally be prepared to consider.

### *The picture as a whole*

So long as a new development as ambitious as the CPP remains as a serious possibility for AERC, it would be premature to think in terms of the organization having clearly entered into a “steady-state”. Adoption of such a programme would bring with it a new phase of innovation and adaptation, together with a further growth in the total budget by perhaps one-third. The steady-state could remain as an accepted goal, but its timing would be put back and its content much altered. Aside from the CPP, however, and in relation to the rest of the continuing programme, it is indeed possible to think of consolidation combined with gradual evolution; broadly speaking, for the reasons set out at the beginning of this section, this is the approach that we would favour in relation to formulating a strategy for Phase IV. We believe that AERC has established a well chosen portfolio of activities that are managed effectively within a constitution, a framework for governance, that is sound. This argues for incremental change, rather than redefining goals or changing the present portfolio substantially.

Over a longer period, AERC, could well evolve into a quite different kind of institution.

Various possibilities can be imagined. For example, one of our interviewees sketched out a future in which the Consortium would have transformed itself into an African counterpart of the National Bureau of Economic Research in the US. It would then have a considerably larger number of researchers, who would be more autonomous and less dependent on advice and support from resource persons, together with a wider range of research topics; and co-financing of projects would be a normal procedure. Alternatively, one could envisage the Consortium moving out of the labour-intensive business of supporting individual research projects, and evolving into a body that supports other economic research institutes, regional or specialized. In this second vision, it would become a central agency for financing and providing technical and managerial assistance to other institutions. It would also serve to monitor their performance and provide periodic evaluations. Yet a third possibility would be for AERC to concentrate on comparative and collaborative research, again eventually moving away from the funding of individual projects and from the peer review and workshop process, as a significant cadre of African researchers graduate from the current system.

On the training side, we can envisage a time when AERC will gradually devolve the teaching of electives to Category B universities as faculty members complete their PhD training. We also envisage a gradual increase in the number of Category B universities, so that the costs of training students at the MA level will fall steadily as more students obtain training in their home countries. Students might be drawn increasingly from sectors other than government, as might participants in the research activities funded by the Consortium, so that the institutions of civil society might begin to participate more fully in economic policy debates.

The AERC might, by that time, find itself more heavily involved in supporting collaborative PhD level training, from which it would take longer to extricate itself, than in MA training.

All of this, however, is speculation about a future that lies well ahead, and while it may be useful for the Board to have a vision of paths the Consortium might eventually take, it seems to us that such prospects are too distant, and too debatable, to be made the starting point for planning the next stages of AERC's future. Leaving aside the specific issue of the CPP, which in any case will take time to consider and resolve, there is a strong case for viewing the next stage in terms of incremental changes within a programme and structure, that will remain substantially the same.

At the same time, we do not think that the term steady-state expresses well either the current situation of AERC or the norm that it should now aspire to. On the contrary, we believe that AERC's success will depend in the future, as it has in the past, on a continuing readiness to innovate in well considered ways. Phase IV should thus be viewed in terms of innovation as well as consolidation. Some of the innovations need not involve, or point towards, a larger programme envelope; this is true of at least some of the specific recommendations we have made. However, we think that the possibility of changes in both the size and composition of the programme, even without taking the CPP into account, should not be ruled out.

## Building on success

As we have made clear, we do not advocate either a major extension of AERC's role and activities or a large expansion of its present expenditures on what it already does. We have borne in mind the need to take account of the Consortium's limits as well as its strengths, and we are conscious that for good reasons the tendency of donors may well be to look for reductions, rather than sanctioning increases, in its total budget. Nevertheless, we believe that there is a case for being prepared to think in terms of a continuing modest growth in total spending, and of corresponding internal changes. We think that the prevailing attitude should be positive, rather than simply restrictive.

The main point here is a straightforward one: success deserves to be not only recognized but also reinforced. In the long list of aid projects in sub-Saharan Africa over the past half century, the number of clear success stories is depressingly low. AERC is acknowledged, by virtually all who have become familiar with its programme and ways of working, to be a highly successful undertaking; there can be few recently-created institutions in the world for which such a range of tributes from informed observers can be placed in evidence. In the space of a few years it has established itself both in Africa, and on the wide international scene. In doing so, it has learned from experience and evolved as an institution, so that it has already – thanks in part to a well devised initial endowment of aims and procedures –reached a stage approaching maturity. Teething troubles appear to be largely over, and the organization is well placed to pursue aims that are strongly endorsed by both the donor community and national governments.

In this situation, and with this outstanding record, it seems appropriate to think of what more could be done, as well as focusing on the ways in which programme economies could be made. If up to now the average return on expenditures within AERC has been so high, why should not the prospective marginal rate be high also? This general argument becomes stronger if one bears in mind that the total annual programme costs, even after the expansion that has resulted from the establishment of the CMAP, are on the order of only \$7 million a year. The risks involved in being ready to consider a continuing modest increase in expenditures, for purposes that would in each case be carefully reviewed and evaluated under established well functioning procedures, would be small indeed.

These considerations lead us to think that the Secretariat should be encouraged to develop new ideas and new proposals, rather than working too strictly within the constraints suggested by the notion of a steady-state. This is not a radical idea; on the contrary, it would mean a continuation of past AERC practice, rather than a departure from it. But in our view it would be helpful if at this stage, with planning for Phase IV about to begin in an environment of financial stringency, the principle of reinforcing success was explicitly recognized.

Building on success will not be easy, and among the many factors involved we draw particular attention to the role and staffing of the Secretariat. The outcome of the next few years will depend critically on maintaining the quality of leadership in Nairobi, and ensuring that the Executive Director and his small group of senior economist-colleagues form a balanced and effective team that has both the capacity and the opportunity to manage creatively.

## **VI. Conclusions and recommendations**

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1. AERC is a remarkably successful institution. It has helped create a network of competent African macroeconomic researchers, bringing them into contact with each other and with experts from across the world. It has helped restore the institutional base of economic research in Africa and allowed the continent to retain the services of many economists who might otherwise have emigrated. It has created a collaborative MA programme that, though still in its formative stages, is showing every sign of meeting the ambitious goals set for it. It has strengthened the capacity and resources of participating universities while at the same time giving individual African graduates an opportunity to study in a high quality programme with ready access to qualified teachers and to the full range of academic, financial and other supports they require. AERC has also provided much needed financial support for PhD thesis research, assisted a number of African PhD students to study abroad and arranged for a number of African economists to enjoy short term attachments with international institutions. In short, AERC has had a very marked and overwhelmingly positive impact on the opportunities for research and post graduate study facing African economists.
2. This success is the result of a combination of factors. These include a sound institutional structure; systematic and well thought out procedures for the design and conduct of activities; the setting and maintenance of high professional standards; a high degree of commitment by staff, members of governing bodies, resource persons, teachers and examiners; and organizational prudence in maintaining a restricted focus of activities, while extending the scope of activities only with great care and with due regard to the Consortium's limitations as well as its strengths.
3. Because of this success, which would be remarkable anywhere but is especially so in Africa, the tendency may be to place new and additional demands on AERC in the next phase of its operations. There will certainly be increasing demands from researchers, employers and students for the services offered. At the same time, financial resources are likely to be still more constrained than they have been, while the senior staff of the Secretariat are already over-extended. For these reasons, and drawing lessons from AERC's success, further changes in the mandate or operations of the Consortium should be undertaken only with great care.
4. In particular, the proposal for a collaborative PhD programme should proceed only if the necessary financial and staff resources can be assured over a substantial

period and the establishment and maintenance of appropriate international standards can be guaranteed.

5. The expansion of AERC's operations geographically should also be approached with caution. We would recommend against extending the collaborative MA programme to either francophone Africa or Nigeria. In the case of South Africa, some limited cooperation in the programme with what used to be called "Black Universities" may be in order until the academic situation there is more settled.
6. The Research Programme should, however, continue to serve all parts of sub-Saharan Africa including South Africa. Broadly, the programme continues to function in a highly effective manner. We think that there are a number of related respects in which the programme could usefully be strengthened, but these are all improvements at the margin.
7. Within the programme, the workshop arrangement should, as far as possible, be retained in its current form as it has proved extremely effective. However, some changes need to be made. In particular, plenary sessions should be improved in terms of discipline and clarity of presentation, with due attention given to the translation needs of francophone participants, and more emphasis placed on raising the quality of presentations in group discussions and ensuring consistency of approach among the four thematic groups. Workshop participants should be given the opportunity to evaluate the conduct and content of workshops and the policies and activities of the Consortium in general.
8. We were much impressed by the contribution made to the programme by the resource persons. The choice of these is critical to success, and may need to be given more time and attention. A difficult balance has to be maintained, between continuity as against the need to provide for new faces and new research themes, and between academic and technical excellence as against policy experience. It could be helpful, in encouraging more female participants among researchers, to have role models among the resource persons. Care should be taken not to become too dependent on people closely identified with a single world view.
9. On the balance of research modalities, we do not either anticipate or recommend any major shifts in the present headings. The main emphasis should remain on thematic research. Comparative research will remain limited but efforts should be made to involve more francophone researchers. Non-thematic research will also be limited but can play a useful role in providing flexibility and in serving as guide to possible future thematic or collaborative research projects. Collaborative research is likely to grow in importance because of the outside professional and financial benefits it brings.
10. Within the thematic research programme, more systematic attention needs to be given to the delays that are said now to occur in the initial assessment of research proposals, and between the receipt of the "final" text from a researcher and eventual clearance for publication.
11. The expansion of the research themes covered by AERC should be approached carefully and incrementally. We would broadly endorse the recommendations of the Thorbecke Report that AERC extend its thematic coverage to include questions

of poverty, income distribution and labour markets, while at the same time retaining only four thematic areas by rationalizing the existing four into three. However, consideration should also be given to extending research support to other important policy areas closely related to existing thematic specializations, such as issues of regulation, privatization and improvement of public sector efficiency.

12. The gradual and carefully considered broadening of themes in this way should help address concerns that AERC's approach has been somewhat narrow, restricting participation in research not just to economists, but to macro economists working in limited sub-fields and within a highly technical, mainstream paradigm. The new theme proposed by Thorbecke should serve to widen the net of researchers willing and able to participate, including some with a more micro or political economy bent. There might also be some scope for cooperation with specialists in other disciplines. The further thematic areas that we propose for consideration might attract economists with a more institutional inclination, which need not imply any diluting of rigour or analytical standards. Again, the watchwords in branching out in any of these directions should be caution and incrementality.
13. In introducing new themes, the plenary sessions of the workshops could be used to expose researchers to new topics, and to different ways of thinking about economic systems and how to study them. And as noted, the choice of resource persons should be sensitive to emerging thematic and methodological needs.
14. The AERC should acknowledge, and accept with equanimity, that in general its research output is likely to have only a limited direct and immediate influence on current policy debates. The present emphasis, rightly in our view, is on publication of research results in recognized professional journals and similar outlets. Such writings are not and cannot be designed for a wider general readership. The main impact on ideas and events of AERC research is likely to be indirect and longer term, and it will be felt through a variety of channels, many of which lie outside the control of AERC as an organization. The capacity of the Secretariat to become directly involved in this wider process is very limited; because of this, and for prudential reasons also, initiatives along these lines should be selective and judicious. As part of this deliberate approach, AERC should not attempt to build a formal network of institutional relations with policy research bodies, and should exercise caution in sponsoring, as opposed to participating in, national policy workshops.
15. Within these limits, the links with policy can be strengthened without any major changes in current operations. We think that more emphasis could and should be placed on policy relevance in the choice and design of research projects; that more weight should be given to policy experience in the balance of attributes sought in resource persons; that greater use should be made of policy makers, economists and non-economists alike, in plenary sessions; that research results should be made available, not always or necessarily by AERC, in a variety of forms tailored to specific audiences and occasions; that capacity building should be defined in broad terms, so that it includes the ability to communicate ideas and results to wider audiences than the research community; and that efforts should be made to involve

- economic researchers employed by organizations of civil society in AERC projects, as they too should have a role in influencing the formulation of economic policy.
16. The main single aim of AERC, and of the Research Programme in particular, is to integrate African economists, and African universities and research institutes, into the wider international research community. To this end, the focus has rightly been, and should continue to be, on the production of research that will meet accepted international academic standards and which can be published in recognized professional journals. At the same time, however, AERC should bear in mind, more consistently than at present, that the ability to produce good journal articles is only one aspect of professionalism, and that others besides research economists are involved in, and may have something to contribute to, the policy debate.
  17. The collaborative MA programme is still in its infancy, but the strong impression we have is that it is remarkably successful. We have been impressed by the high standards being maintained in both academic and administrative terms, and we fully endorse continued support for the programme. The CMAP is low-cost as compared with equivalent programmes overseas, yet it offers additional capacity building advantages.
  18. With the possible exception of interim assistance to formerly “Black” universities, the existing geographic coverage of the CMAP should be maintained. The Secretariat should be encouraged, however, to continue giving assistance to the formation of similar programs in Nigeria and South Africa, and to the improved implementation of the francophone programme, if requested to do so. Within the existing geographic coverage, consideration should be given to providing Category A universities with additional resources to facilitate their graduation to B status.
  19. AERC has taken some steps in the direction of encouraging females to study economics, but it might wish to be a little more activist, perhaps by offering small scholarships, arranging for remedial math courses for women, encouraging qualified women to teach core and elective courses, and ensuring that appropriate attention is paid to issues of gender in MA courses.
  20. AERC might wish to be more insistent, perhaps by writing into the legal contract, that Category B universities send examinations in core courses to external examiners prior to the exam being sat, and that opportunity be given for students to evaluate core course teaching. It might also consider facilitating the exposure of staff of Category B universities to recent developments in teaching techniques designed to secure more active student involvement in learning.
  21. The CMAP already has strong links to policy makers and policy making. These might be strengthened by regularly inviting policy makers to address the students at the JFE and by giving liaison committees a more active role in the design and facilitation of research projects of MA students. As with the plenary sessions in the research workshops, there should be a conscious attempt to expose students to ways of thinking that are not those of typical academic economists.
  22. Training assistance at the PhD level is modest, but is considered very useful. In the event of increasingly tight resource constraints, preference should be given to

- thesis research awards over PhD fellowships. Consideration might also have to be given to limiting the range of thesis research fields eligible for research assistance.
23. The biggest single policy issue facing AERC in Phase IV is that of whether to implement a collaborative PhD programme. There are a number of arguments in favour of introducing such a programme. The demand for graduates is certainly there; the proposal appears to have strong support among African academics and universities; it could well have financial and non-financial benefits relative to overseas training; and it would serve to strengthen existing thesis-only programmes. On the other hand, two interrelated concerns have been voiced. First, there are doubts as to whether a critical mass of suitably qualified academics exists at present, or could be established and maintained, in any African institution; and second, there is an obvious risk that funding would not be made available in sufficient amounts and over a sufficiently long period. Some well informed observers hold strongly to the view that for PhD training African students should enrol in the well established international programmes outside Africa. We feel that any such proposal as this - and we have not had access to a detailed one at this time - ought to proceed only if reliable longer-term funding were made available, if the staffing of the Secretariat were strengthened appropriately, and if it seemed clear that the international credibility of the programme could be established and maintained. An appropriate governance structure would be needed for the programme.
  24. The governance structure of AERC works effectively; we see no major problems in this area. There is a clear division of labour between the different decision-making bodies and each takes its responsibilities seriously. The Board appears unique, in that it is a donor board that has, apart from overall executive authority, a clear responsibility for fund raising while delegating responsibility for project choice. The requirement that Board members be funders has meant that until recently it had no African representation; but now the situation has changed, since the African Capacity Building Foundation has appointed a member and the constitution now permits the judicious use of members-at-large. With these developments, Board composition is not likely to be an issue. If more African representation is felt to be needed, it can be achieved within existing Board rules.
  25. The Advisory Committee and Academic Board do have strong African representation and maintain clear authority over the content of the research programme and MA programme, respectively. Both bodies appear to function well, though with some problems of turnover. Though there is no provision for representation of researchers or students on these bodies, this might be difficult to achieve given the short duration of research and MA programmes. If greater formal input from these groups into decision making by AERC is deemed desirable, it could be accomplished by establishing representative bodies that would meet at workshops and the JFE and solicit input from their respective constituencies. Alternatively, the Secretariat could itself administer written evaluations and questionnaires to seek more formal feedback.
  26. The Secretariat is a key element in the governance structure, both in its own right and in the support it gives to the Advisory Committee and Academic Board. Much

of the Consortium's success is due to the all-round professionalism the Secretariat has shown. The choice of senior Secretariat personnel and the quality of leadership in these posts will be critical for the future of AERC.

27. Management procedures and relations within the Secretariat appear to be working well. In general, staffing levels seem appropriate for existing functions. But there is no doubt that the Executive Director and his two Coordinators are chronically over-extended. We think that there is a good case for appointing a full-time Assistant Research Coordinator, preferably one fluent in French and familiar with the culture and institutions of francophone Africa. This would help to deal simultaneously with two matters of concern.
28. Although there is great uncertainty surrounding levels of foreign aid generally, we have no sense of any impending large cuts to AERC funding. Phase IV should, however, see a continuation of efforts to improve cost-effectiveness and to diversify the funding base. Ideally, donors should move to a five-year planning (and evaluation) cycle and should avoid earmarking funds. The decision to build up a reserve fund was a sound one, but not too much energy should be put into pursuing endowment funding. Efforts to raise funds within Africa should be stepped up.
29. AERC is a highly successful organization that has reached a stage approaching maturity. This success deserves to be recognized and built on. In this connection, we express two hopes for the next stage.
30. First, we consider that for the future, as in the past, AERC's success will depend on a continuing readiness to innovate in well considered ways. The Secretariat should therefore be encouraged to maintain an innovative approach, and to work up new ideas. While keeping to its well tried working philosophy of organizational prudence, AERC should continue to be receptive to new possibilities.
31. Second and more fundamentally, we would hope that in planning for Phase IV donors will give weight to the widely acclaimed achievement of AERC, and to the high probability that a modest extension of its role and activities, within the framework of institutions and procedures that has served it well, would prove to be a sound use of resources.