

SAGA Annual Meeting Report

July 11-14, 2005

Dakar, Senegal

The annual meeting of the USAID SAGA competition program was held from 11 to 14 July, 2005 in the Ivan Head conference room of IDRC regional office in Dakar, Senegal. This was the second annual meeting of the program. Thirteen researchers, who are currently implementing the SAGA research projects in six of SISERA partner institutions (i.e., AIAE, CERE, CIRES, CREA, DPRU and NEPRU), attended the meeting. Three resource persons including Dr. Eugene Kouassi (AERC, Nairobi), Prof. Touhami Abdelkhalek (INSEA, Rabat – Morocco), and Prof. Stephen Younger (Cornell University, USA), were invited to conduct a personalized workshop to assist the research teams address particular aspects in which they need help. SISERA staff composed Dr. Elias Ayuk, Mohamed Marouani and Diakalia Sanogo attended the meeting throughout.

The meeting began on Monday July 11 with the welcoming introduction and the presentation of the meeting format and agenda. Projects progress updates and technical presentations were made during the first two days. During the last two days, contracted resource persons conducted training sessions addressing specific issues identified during the presentations and the discussions of the various topics.

Below is a summary of the different activities.

1. Monday, July 11

The acting Executive Director of SISERA, Dr. Elias Ayuk welcomed the participants to the meeting. He highlighted the difference between this meeting and the previous one held last year. The distinction is that the present meeting includes a two-day workshop with the objective of providing tailor-made training to the research teams. Dr. Ayuk introduced the three resource persons who were going to carry out the training sessions. To conclude his remarks, Elias Ayuk observed that there were several topics on education among the ongoing studies. Education problems constitute a topical research issue in Sub-Saharan African (SSA) countries. That is why Dr. Ayuk thinks that it would be very interesting to publish the results of the ongoing research works with the aim of supporting the decision making process in the concerned countries. He underlined the need of high quality papers from the various studies that would allow SISERA to showcase its contribution to the policy debate and the decision making process in Africa. Elias Ayuk said he hopes that the researchers would take criticisms very well and in a constructive manner in order to improve their works.

Following the intervention of the acting Executive Director, the Program Officer of SISERA Dr. Mohamed Ali Marouani, in charge of monitoring of the SAGA projects, took the floor to present the objectives and the agenda of the meeting.

The main objectives of the meeting were to review the progress of the research projects by discussing their main shortcomings, identify ways to move forward and help the participants through specific training sessions. The saga program manager had already pointed out some weaknesses of the studies. He therefore asked the participants and especially the resource persons to give their assessments on these points, but also on any other aspects they found problematic.

Dr. Marouani explained that each presentation would last 45 minutes. He classified the presentations in three categories according to the methodologies used in the study: cross-country analysis (CIRES and CEREG), CGE-microsimulation modelling (AIAE) and econometrics of education based on large-scale database building (CREA, DPRU and NEPRU). It was decided that after each presentation, the resource person or the Saga projects manager would summarize the main points that needed to be discussed.

Three presentations were made the first day of meeting by the research teams from CIRES (Côte d'Ivoire), CEREG (Cameroon) and AIAE (Nigeria).

The title of the CIRES project is, "The Causality Between corruption, poverty and growth: A Panel data analysis". The main criticism of this paper was on the use of a variable that does not represent poverty (total private consumption in a country) as the "poverty variable" in the model. The resource persons identified other more technical econometric shortcomings that have to be addressed.

The CEREG project is aimed at understanding the Total Factor Productivity Growth (TFPG) in sub-Saharan Africa countries. The main weakness of the study is the use of a non-statistically significant variable (i.e., enrolment rate in the secondary school) as a proxy for human capital. It was proposed during the meeting to use a lagged variable, because productivity today depends on capital accumulation of yesterday. The resource person for this group also proposed the use of two distinct methodologies for the two parts of the study: time-series and panel econometrics (based on a panel of countries). He also advised the team to create groups of countries according to various relevant criteria (CFA/non CFA, in war/in peace, etc.)

The participants also found that the model used might have some problems because of some counter intuitive results. For example, the economy of the war torn Democratic Rep. of Congo was ranked as doing better than many other relatively stable countries with strong economies. The researcher was encouraged to look into this.

The AIAE project aims at assessing the impact of oil subsidies removal in Nigeria on the poor. The methodology of the study is based on building a microsimulation CGE model. The main issues raised were:

- How public capital should affect the production process (not as a classical factor of production)?
- The problem of double counting of implicit/explicit subsidies
- The problem of closure: how pays for the implicit subsidy?
- The problem of the Linear Expenditure System calibration.

During the synthesis session at the end of the first day of meeting, detailed activities were identified for the three teams, which presented that day:

1. CIRES:
 - a. Arrange the data problem
 - b. Model specification
 - c. Testing procedure
 - d. Sensitivity analysis
 - e. Results analysis

2. CEREG:
 - a. Data issue
 - b. Model specification
 - c. Focusing on time-series analysis
 - d. Panel data analysis (CFA/non CFA, the impact of war)
 - e. Choice of the time periods
 - f. Sensitivity analysis

3. AIAE:
 - a. Inclusion of public capital
 - b. Microsimulation (reconciliation of micro and macro data)
 - c. Consistent way of introducing subsidies
 - d. Household consumption function
 - e. Clarify points related to the CGE: static/dynamic, financial or not, etc.

2. Tuesday, July 12

During the second day, CREA researchers started with two presentations. The first dealt with the determinants of school performances in Senegal. The main critics were on the representativeness of the sample of pupils selected. The resource person for this group advised to take a selection from three classes rather than one to increase the variability of the observations. He also stressed the fact that the number of observations limits the number of variables estimated, which imposes a strict choice of the variables of the model.

The second paper deals with the determinants of school failure. Dropouts and repeated class rates are very high in Senegal. A discussion took place on the use of hierarchical models with discrete variables. The resource person explained that this was possible, but it would impose a big constraint, that of assuming the error terms are uncorrelated. He also told the CREA team that they don't have the data for all the issues they wanted to study. Finally he advised to use the following indicator: the year of school you're in divided by the year of school you should be.

The third presentation by the NEPRU team was on "The Impact of Education Quality on Rates of Return to Education in Namibia". Two main questions were raised:

- The relationship between school resources and education quality
- The effect of quality on returns to education.

The main issue discussed is the risk of persistence of the effects of discrimination for those who have been hired in bad jobs during apartheid. On a methodological point of view, the modalities for the matching of old data on schools for people in the labor market are still unclear.

The last presentation was on “Human Capital Outcomes in South Africa: The Role of Primary and Secondary Schooling Institutions”. The DPRU researcher presented mainly the data gathering and cleaning processes. He was advised to use the DEA or frontier methods for the next phase.

3. Wednesday, 13 and Thursday, 14 July

During these two days, every team worked with its resource person on its own project. At the end of the two days we organized a synthesis session, where each group presented its progress to date and the timetable for the remaining activities to complete the project.

SAGA Annual Workshop

Dakar - Senegal

July, 11-14, 2005

AGENDA

Monday, July 11

- 08:30-09:00 Transfer of participants from Novotel to IDRC
- 09:00-09:15 Welcome and introduction by *Elias Ayuk* (Acting Executive Director SISERA)
- 09:15-09:30 Objectives of the workshop by *Mohamed Ali Marouani* (officer of the SAGA program for SISERA)
- 09:30-11:00 The causality between corruption, poverty and growth: a panel data analysis by *Felix Nzué* and *N'guessan Coffi José* (CIRES, Côte d'Ivoire)
- 11:00-11:30 *Coffee Break*
- 11:30-13:00 Understanding total factor productivity in sub-Saharan African countries by *Ousmanou Njikam* and *Simon Tachi* (CEREG, Cameroun)
- 13:00-14:30 *Lunch (on the last floor)*
- 14:30-16:00 Does subsidy removal hurt the poor? By *Manson Nwafor* (AIAE, Nigeria)
- 16:00-16:30 *Coffee break*
- 16:30-17:30 General comments by resource persons on the presentations and identification of potential training topics
- 18:00 Transfer from IDRC to Novotel

Tuesday, July 12

- 08:00-09:00 Transfer from Novotel to IDRC

- 09:00-09:45 La scolarisation primaire au Senegal, *Gaye Daffé* and **Malick Sane** (CREA, Sénégal)
- 09:45-10:30 La transition dans l'éducation primaire et secondaire au Sénégal, *Gaye Daffé* and **Fodiyé Bacary Traoré** (CREA, Sénégal)
- 10:30-11:00 *Coffee break*
- 11:00-11:45 Les déterminants de l'apprentissage primaire au Sénégal, **Abdoulaye Diagne** and **Salimata Faye** (CREA, Sénégal)
- 11:45-12:30 Les déterminants de l'abandon dans l'éducation primaire au Sénégal, **Abdoulaye Diagne** and **Djibril Gassama Barry** (CREA, Sénégal)
- 12:30-14:00 *Lunch (on the last floor)*
- 14:00-15:30 The impact of education quality on rates of return to education in Namibia; **John Ashipala** and **Christoph Stork** (NEPRU, Namibia)
- 15:30-16:00 *Coffee break*
- 16:00-17:30 Human capital outcomes in South Africa: the role of primary and secondary schooling institutions; **Morne Oosthuizen** (DPRU, South Africa)
- 18:00 Transfer from IDRC to Novotel

Wednesday, July 13

- 08:00-09:00 Transfer from Novotel to IDRC
- 09:00-11:00 Training session 1
- 11:00-11:30 *Coffee break*
- 11:30-13:00 Training session 2
- 13:00-14:30 *Lunch (on the last floor)*
- 14:30-16:00 Training session 3
- 16:00-16:30 *Coffee break*
- 16:30-17:30 Training session 4

18:00 Transfer from IDRC to Novotel

Thursday, July 14

08:00-09:00 Transfer from Novotel to IDRC

09:00-11:00 Training session 5

11:00-11:30 *Coffee break*

11:30-13:00 Training session 6

13:00-14:30 *Lunch (on the last floor)*

14:30-15:00 Synthesis session (by group)

15:00-16:00 Presentation of the state of progress of groups 1 and 2

16:00-16:30 *Coffee break*

16:30-16:45 Presentation of the state of progress of group 3

16:45-17:30 General concluding session

18:00 Transfer from IDRC to Novotel

Composition of the training sessions

The objective of the training sessions is to provide a technical support to the different groups depending on their subjects and methodologies of investigation.

Group 1: Training on panel data econometrics

Trainer: ***Eugene Kouassi***

Researchers: Felix Nzué, N'guessan Coffi José (CIRES) and Ousmanou Njikam, Simon Tachi (CEREG)

Group 2: Econometrics of education

Trainer: ***Steve Younger***

Researchers: John Ashipala, Christoph Stork (NEPRU) and Abdoulaye Diagne (CRES), Ismael Kafando (CRES), Salimata Faye (CREA), Dribril Gassama Barry (CRES), Moussa Hamani (CREA)

Group 3: Microsimulation and CGE modelling

Trainers: *Touhami Abdelkhalek and Mohamed Ali Marouani*

Researcher: Manson Nwafor



Liste des participants/ Participants list

Réunion annuelle SAGA / Saga Annual meeting

Dakar, 11-14 juillet 2005 / July 11-14, 2005

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