

SAGA Annual Meeting Report

January 24-25 2006

Dakar, Senegal

The annual meeting of the USAID SAGA competition program was held the 24 and 25 of January 2006 in the Hotel Al Afifa in Dakar, Senegal. This was the third annual meeting of the program. Ten researchers, who are currently implementing the SAGA research projects in five of SISERA partner institutions (i.e., CERE, CIRES, CREA, DPRU and NEPRU), attended the meeting. Three resource persons including Dr. Eugene Kouassi (AERC, Nairobi), Prof. Francis Kern (Strasbourg University– France), and Prof. Stephen Younger (Cornell University, USA), were invited to discuss the papers and advise the researchers on how to improve the final drafts. SISERA staff composed Dr. Mohamed Marouani and Dr Diakalia Sanogo attended the meeting throughout.

Below is a summary of the different activities.

1. Tuesday, January 24

The senior program officer of SISERA, Dr. Diakalia Sanogo welcomed the participants to the meeting on behalf of SISERA and IDRC. He used the opportunity to thank USAID for its financial support, which made possible the proper execution of the Saga program. He then thanked the resource persons for their constant support to the implementation of the program. Dr. Sanogo recalled a previous observation made by SISERA's acting Executive Director on the importance of the various studies being conducted the need to produce high quality papers that could be used to support the decision making process in the countries concerned by these studies. In closing his welcome remarks Mr. Sanogo encouraged the researchers to welcome criticisms in a constructive manner in order to improve their works.

Following the intervention by Dr Sanogo, SISERA's Program Officer in charge of monitoring of the SAGA projects, Dr. Mohamed Ali Marouani, took the floor to present the objectives and the agenda of the meeting (see annex below).

The main objective of the meeting was to initiate among all concerned parties discussions and exchanges that would ensure that all the projects (except DPRU's project which ends in March) are finalised so that research papers and policy briefs are completed within a week after the meeting. Dr. Marouani observed that the drafts have improved a lot since the last saga meeting (July 2005), and that most of the comments made by the resource persons during that meeting have been taken into account. He suggested to the advisers to split their comments on each paper in two categories: comments that could be useful in the short-run for improving the final draft (which will be published as SISERA working papers) and comments that will need more time to be taken into account by the authors, and which will help the researchers in publishing their papers in the best economic journals in the field and in setting new research agendas following the saga research projects. Moreover, Dr Marouani proposed that the saga teams continue to exchange and

discuss their research findings even after the completion of the projects and the closing of SISERA. The SAGA program has helped create a network of highly qualified research teams, and the idea is to try to keep it working informally. This will certainly contribute in reinforcing the sustainability of applied economic policy research in Africa. Mohamed Marouani also raised the idea of the possibility of publishing a book from results of the various studies if funds could be secured for that purpose.

Presentation and discussion of the papers

Three presentations were made the first day of meeting by the research teams from CIRES (Côte d'Ivoire), CEREG (Cameroon) and CREA (Senegal). The paper from AIAE was only discussed after having being summarized by Dr Marouani because the team leader of the project cancelled his participation the day before the meeting.

The title of the CIRES project is, "The Causality Between corruption, poverty and growth: A Panel data analysis". One of the main interesting conclusions of the paper is that a lower Human Development Index (HDI) does not intensify corruption, which has relevant policy implications.

Dr Eugene Kouassi who was discussant for this paper recognized that the research topic was very interesting but that the paper could be improved. He highlighted that the HDI was not good proxy for poverty. He then suggested changing the title of the study to "the causality between corruption, human development and growth"?

For the long run, the resource person advised the team to perform sensitivity analysis for a better analysis of the policy implications of the study results. He also proposed to the team to try to re-estimate the model successively with the various components of the HDI (e.g., education, health). This would help a better understanding of the relationship between each of the variables and growth.

The CEREG project is aimed at understanding the Total Factor Productivity Growth (TFPG) in sub-Saharan Africa countries. The main conclusion of the paper was that Sub-Saharan African countries do not seem to be in a converging growth process. One of the criticisms of the advisers was about using annual data, which include business cycle effects, whereas the objective is to capture long run effects. There were also questions about the reasons explaining the high variations of TFPG between 1991-1995 and 1996-2000. The authors need to introduce more theory in the paper to put into context the purpose of the study, which would help the reader to better comprehend the empirical findings. It should be explained why the various variables are included in the model (e.g., in what sense physical capital accumulation is related to TPF?).

It was recommend that in the short run the authors should reorganize the paper and highlight the most important results of the study. The authors were also advised to try to make their policy implications section more consistent with the findings of the paper.

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 criticism was that the literature review was too long compared to the analytical section of the paper. Moreover, the author does not describe the household database and the microsimulation technique used. A resource person advised the author to look at the results of the survey to know who is consuming petroleum (and would be hurt by removing of subsidies) and to what extent Nigerian firms will take advantage of the reform. He pointed out several indirect channels, which could be explored to assess the effects of this reform. He also questioned the foreign closure used and advised to vary the amount of the subsidy change.

The last paper presented is from CREA (Gaye Daffé and Fodiyé Doucouré). The paper deals with the determinants primary schooling in Senegal. One of the interesting findings is that the child's gender does not seem to make a difference in the schooling decision. This paper is still a work in progress.

At the general comments session, many points were raised. The most important was a reminder for the authors to pay attention not only to the statistical significance of the variables, but also to make a better use of the regression coefficients that help appreciate the extent of the effects of the explanatory variables included in a model.

2. Wednesday, 25 January

During the second day, four presentations were made by the research teams from CREA (2), NEPRU and DPRU.

The first presentation of the day by the CREA team deals with the determinants of learning in primary schools in Senegal. The objective of the paper is to appreciate the average level of students and the existing disparities between them. The study also aims at evaluating the progress of performances. The analytical work was performed using the hierarchical models.

The discussant for this paper observed that the article has improved a lot since the last saga annual meeting. He then raised the problem of the endogeneity of the entry age at school: parents send to school as early as possible their children who seem to be the cleverest. He also advised to address the sampling issue, and finally he warned the authors to be careful in interpreting their results because of the interaction between variables.

The second paper analyses the determinants of dropouts in primary schooling in Senegal. The resource person advised to decompose the effects so as to know who is to blame, the school or the family.

The third presentation by the NEPRU team was on the impact of education quality on rates of return to education in Namibia. The paper raises two main questions about:

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

The main conclusion of this study is that, the pupil/teacher ratio and teachers' qualifications do not seem to have a significant impact on returns to education. The most significant variables are family background and pre-primary schooling.

One of the questions raised concerning teachers' qualification was how it is possible to compare teachers' training before and after independence given the global increase in teachers' qualifications since independence. Another question was about the selection bias introduced by the authors' choice to assess the returns to education of those who have found jobs. If we consider the unemployed, returns to education would be much lower.

Moreover, a resource person advised the authors to include race and gender in the equations. Among the long run possible improvements of the paper, the authors could use semi-parametric regressions to capture possible thresholds at which the proxies of the quality of education start to have a significant impact.

The last presentation made by DPRU was on "Human Capital Outcomes in South Africa: The Role of Primary and Secondary Schooling Institutions".

One of resource persons found that the research team did a good job in compiling a very rich database for this study. However, he thinks that because too many independent variables of various natures are included in the model used, one would hardly be able to properly infer the causality from inputs to schooling outcomes.

The other two resource persons were more receptive to the methodology used and the available partial results. Both of them suggested few other analyses that could help in better understanding the schooling resources effects in shaping schooling outcomes. One of these two resource persons also advised the DPRU team to price the different elements that would enable the authors to perform inputs costs calculations, which are very relevant for policy making.

Conclusion

This very last annual meeting of the Saga program achieved its main objective thanks to the quality contributions of all the participants and the openness of all involved researchers. The research team from CIRES made the necessary corrections and provided a revised version of the paper before leaving Dakar the day after the meeting. The teams

from CEREG, NEPRU and CREA sent the revised versions of their paper by 3 February 2006. Dr. Marouani sent the comments on the AIAE's paper to the principal researcher for this study who promised to finalize the paper by the end of February 2006. The DPRU research team is also planning to turn in two papers by the end of February. The Secretariat will make efforts to publish all the papers received in early March as SISERA's Working Papers.



ANNEX 1

SAGA Annual Meeting Dakar - Senegal *January 24-25, 2006*

AGENDA

Tuesday, January 24

- 09:00-09:15 Welcome and introduction by *Diakalia Sanogo*, Senior Program Officer
- 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)
Discussant: Eugène Kouassi
- 11:00-11:30 *Coffee Break*
- 11:30-13:00 Understanding total factor productivity in sub-Saharan African countries by *Ousmanou Njikam* (CEREG, Cameroun)
Discussant: Eugène Kouassi
- 13:00-14:30 *Lunch*
- 14:30-15:15 Discussion of the paper "Does subsidy removal hurt the poor?" (written by Manson Nwafor, AIAE, Nigeria) by **Francis Kern** and **Steve Younger**
- 15:15-16:00 Déterminants de la scolarisation primaire au Sénégal by *Fodiyé Doucouré* and *Gaye Daffé* (CREA, Senegal)
- 16:00-16:30 *Coffee break*
- 16:30-17:30 General comments by resource persons on the presentations

Wednesday, January 25

09:00-09:45 Déterminants des apprentissages dans l'éducation primaire au Sénégal, by *Abdoulaye Diagne, Ismaël Kafando and Moussa H. Ounteni (CREA, Senegal)*

Discussant: Steve Younger

09:45-10:30 Pourquoi les enfants quittent ils l'école ? Un modèle hiérarchique multinomial des abandons dans l'éducation primaire au Sénégal, by *Abdoulaye Diagne, Ismaël Kafando and Moussa H. Ounteni (CREA, Senegal)*

Discussant: Steve Younger

10:30-11:00 *Coffee break*

11:00-12:30 The impact of education quality on rates of return to education in Namibia, by **Tekaligne Godana** (NEPRU, Namibia)

Discussant: Steve Younger

12:30-14:00 *Lunch*

14:00-15:30 Human capital outcomes in South Africa: the role of primary and secondary schooling institutions (DPRU, South Africa)

Discussant: Francis Kern and Steve Younger

15:30-16:30 General comments by resource persons and concluding session

ANNEXE 1 (suite)

Réunion annuelle SAGA

Dakar - Sénégal

24-25 janvier 2006

ORDRE DU JOUR

Mardi 24 janvier

- 09:00-09:15 Mot de bienvenue et introduction par *Diakalia Sanogo*, Administrateur principal de programme
- 09:15-09:30 Objectifs de la réunion par *Mohamed Ali Marouani*, Responsable du programme SAGA pour SISERA
- 09:30-11:00 The causality between corruption, poverty and growth: a panel data analysis par *Felix Nzué* et *N'guessan Coffi José* (CIRES, Côte d'Ivoire)
Discutant : Eugène Kouassi
- 11:00-11:30 *Pause café*
- 11:30-13:00 Understanding total factor productivity in sub-Saharan African countries, par *Ousmanou Njikam* (CEREG, Cameroun)
Discutant : Eugène Kouassi
- 13:00-14:30 *Déjeuner*
- 14:30-15:15 Discussion du papier "Does subsidy removal hurt the poor?" (de Manson Nwafor, AIAE, Nigeria) par **Francis Kern** et **Steve Younger**
- 15:15-16:00 Déterminants de la scolarisation primaire au Sénégal, par *Fodiyé Doucouré* et *Gaye Daffé* (CREA, Senegal)
- 16:00-16:30 *Pause café*
- 16:30-17:30 Commentaires des personnes ressource

Mercredi 25 janvier

- 09:00-09:45 Déterminants des apprentissages dans l'éducation primaire au Sénégal, par *Abdoulaye Diagne*, *Ismaël Kafando* et *Moussa H. Ounteni* (CREA, Senegal)
Discutant: Steve Younger
- 09:45-10:30 Pourquoi les enfants quittent ils l'école ? Un modèle hiérarchique multinomial des abandons dans l'éducation primaire au Sénégal, par *Abdoulaye Diagne*, *Ismaël Kafando* et *Moussa H. Ounteni* (CREA, Senegal)

- Discutant:** Steve Younger
- 10:30-11:00 *Pause café*
- 11:00-12:30 The impact of education quality on rates of return to education in Namibia, par **Tekaligne Godana** (NEPRU, Namibia)
- Discutant :** Steve Younger
- 12:30-14:00 *Déjeuner*
- 14:00-15:30 Human capital outcomes in South Africa: the role of primary and secondary schooling institutions (DPRU, South Africa)
- Discutant:** Francis Kern et Steve Younger
- 15:45-17:00 Commentaires généraux des personnes ressource et conclusions

ANNEX 2

Liste des participants/ Participant list Réunion annuelle SAGA / Saga Annual meeting

Dakar, 24-25 janvier 2006 / January 24-25, 2006

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