

Essays on Modeling and Evaluation of Pro-Poor Growth in Africa

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This cumulative dissertation presents 5 contributions that deliver novel insights on development issues and investment strategies in Africa. Chapter II and IV focus on the analysis of potential impacts of public health expenditures on productivity and hence future growth. In particular, chapter II provides an empirical analysis of the impact of public health expenditures on farmer's productivity using the Tanzania case study. In fact, in a context of tight budget constraint prevailing among the government agencies, reinforcing the synergies between the different sectors can help to maximize growth and poverty reduction. This paper combines a traditional agricultural household model with a health production function and shows evidence that health affects productivity. Heterogeneous impacts are found across disease types, productivity of agricultural inputs, categories of expenditures and Tanzanian districts. Likewise, I investigate the potential impact of out-of-pocket health expenditures on agricultural productivity and poverty in Chapter III and IV, respectively. Beyond public spending, private expenditures, especially out-of-pocket health expenditures, also have an impact on productivity, although having an impoverishing effect on households and constraining the productivity generating process when they became catastrophic. The issue on the impoverishment of out-of-pocket health expenditures is largely discussed in chapter III, which additionally used a conditional mixed process to estimate their determinants. Both chapter II and IV emphasize the need for greater investment in the non-agricultural health sector in order to both meet the social demand and generate productivity growth. Chapter V provides the second major contribution to this dissertation by analyzing the policy- growth linkages in addition to the growth-poverty linkages. It provides a method that identifies the key sectors and key policy programs by considering the cost issue of generating growth that is often overlooked. This method combines empirical and expert survey data to estimate a Policy Impact Function and uses Senegal as a case study. Beyond all the identification of economic and political solutions, the implementation of the budget allocation between the different sectors and the different policy programs is a crucial point in achieving targeted growth and poverty reduction. Chapter VI analyzes the impact of a Medium-Term Expenditure Framework (MTEF) – a multi-year budget programming tool - in Africa, with a special focus in Senegal. The analyses show despite having the potential to make public expenditures more efficient and effective the adoption of the MTEFs still remains incomplete. At a methodological level this dissertation approaches policy-growth linkages by conducting theoretically and empirically well-grounded analyses.