SUPPORTING CAPACITY BUILDING FOR ECONOMICS EDUCATION AND RESEARCH IN AFRICA

Office of the Chief Economist
World Bank
June 10, 2005

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Introduction

In 1990 the World Bank’s Africa Region (AFR) launched a major initiative to support capacity building in Africa. It focused on capacity to analyze, adapt and manage change by building, over the long term, a critical mass of professional African policy analysts and economic managers and to ensure their effective utilization. This focus reflected the major concerns then over macroeconomic instability and policy mismanagement (distortions) as the prime issues obstructing the path to sustainable growth and that a strong sense of African ownership – empowerment- was critical for “policy sustainability”\(^2\). It was concluded that this sense of ownership can be supported and cultivated through first rate indigenous research and policy design. In addition to enjoining the support that the Development Economics Department (DEC) provided to the setting up of the African Economic Research Consortium in 1988, AFR facilitated the launch of a partnership based on a common framework to support capacity building in Africa under the African Capacity Building Foundation (ACBF). This framework provided for (i) a consultation forum for prioritization of capacity building activities, and processes for coordinating actions (African Capacity Building Foundation); (ii) an African Capacity Building Initiative Fund to finance activities for enhancement of indigenous capacity for policy analysis and research at the regional and national levels e.g regional networks and centers of excellence, national policy think tanks, universities, development management institutes and government policy units.

The second big push by the Bank and partners in 1995/96 was spearheaded by the African Executive Directors through an intensive consultation process with the African development community. It resulted in recommendations for a Partnership for African Capacity Building (PACT) from which the Bank prepared its own action program (1995/96) to implement these recommendations. Apart from expanding ACBF’s regional mandate to support capacity building in Africa, these recommendations also called for adapting Bank policies, instruments and operational practices at the country level to support capacity building in the region. The latter action was partly aimed at strengthening the demand for using local policy-analytical capacity and research by shifting away from an approach in which the Bank did things for African governments to one where the Bank and other partners would support the development of capacities of these countries to do things for themselves.

\(^2\) See WB (1989) – SSA From Crisis to Sustainable Growth, Washington D.C.
This paper, in line with the theme of the conference, will focus selectively on initiatives supported by the Africa Region of the World Bank that (i) aim at strengthening economics education and research capabilities; (ii) providing training (academic and professional); (iii) facilitating links among academics and between academics and policy makers; (iv) increasing access to scholarly research, data and peers world-wide; and (v) investing in virtual infrastructure (via information and communication technologies) to enable sharing of scholarly work and research findings within institutions, countries, the continent and globally (e.g. digital libraries, bandwidth consortia etc.).

2. Regional Initiatives

Over the last 25 years, the Africa Region of the World Bank in cooperation with other departments in the Bank has supported three major regional initiatives in response to urgent capacity needs for economics education and research in the region. These are: The African Economic Research Consortium (AERC) since 1988; the African Capacity Building Foundation (ACBF) since 1991; and more indirectly via the African Virtual University (AVU) since 1991. The guiding principles for the involvement of the Bank in all these initiatives were that: it is part of a coalition of development partners to support the initiatives, ensure Africa-based local ownership of these programs, and to make a long term commitment in providing financial and technical support to the initiatives.

The African Economic Research Consortium

Established in 1988, the African Economic Research Consortium is now a public not-for-profit organization devoted to advancing policy research and training in Africa. The principal objective of the consortium is to strengthen local capacity for conducting independent, rigorous inquiry into problems pertinent to the management of economies in Sub-Saharan Africa.

In response to special needs of the region, the AERC Research Program has adopted a flexible approach in order to improve the technical skills of local researchers. It allows for regional determination of research priorities, strengthens national institutions dealing with economic policy research, and facilitates closer ties between researchers and policy makers.

AERC has also launched a Training Program to augment the pool of economic researchers in Sub-Saharan Africa by supporting graduate studies (masters and Ph.D.) in economics as well as by

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3 There are several training initiatives that are shorter term and targeted to policy analysts, for example offered jointly with WBI, which are not include in this paper.
building capacities in economics departments of local public universities. AERC currently runs a very successful collaborative masters program in economics and has recently launched a collaborative Ph.D. program in economics. These programs and other AERC activities as well as their very impressive results are described very well in the paper prepared by Professor William Lyakurwa for this conference and will not therefore be repeated here.

The World Bank is a pioneer member of the Consortium and played a key role in leveraging other funders for AERC’s programs. It continues to be one of a number of international supporters and sits on the AERC Board of Directors. Although the Bank is not at present the principal source of funding for the organization, it served as an important catalyst in the early phases in bringing together international development partners and member governments towards a common goal and by its continued presence signals its assessment of how valuable AERC service continues to be in building Africa’s capacity in economics education and research; and in bringing in a wealth of knowledge and experience through networking and publications to bear on policy and development management.

**The African Capacity Building Foundation**

The African Capacity Building Foundation (ACBF) was established as an independent organization in Harare, Zimbabwe in 1991 through the collaborative effort of the African Governments, African Development Bank, the United Nations Development Program UNDP) the World Bank; and bilateral donors. It provides grants to national and regional institutions and programs aimed at strengthening economic policy analysis and development management within African countries. The establishment of the organization was in response to observed capacity needs in Africa in the face of globalization; and the challenge to invest in indigenous human capital and institutions in sub-Saharan Africa. Membership to the Foundation now comprises 21 African countries (Benin, Botswana, Burkina Faso, Cameroon, Chad, Côte d’Ivoire, Democratic Republic of Congo, Gabon, Ghana, Kenya, Malawi, Mali, Mauritania, Mauritius, Nigeria, Rwanda, Senegal, Tanzania, Uganda, Zambia and Zimbabwe); 11 non-African countries (Canada, Denmark, Finland, France, India, Ireland, The Netherlands, Norway, Sweden, the United Kingdom and the United States of America); and four multilateral agencies (the African Development Bank, the International Monetary Fund (IMF), the United Nations Development Program and the World Bank). Six additional African countries (Djibouti, Equatorial Guinea, Ethiopia, Guinea-Conakry, the Republic of Congo, and Sudan); and the European Union will soon complete the necessary formalities for membership, raising the membership to 39.
ACBF’s mandate was further expanded in 2000 when the Partnership for Capacity Building in Africa (PACT) was integrated into the Foundation. PACT is a new initiative started by African Governors at the World Bank in 1999 to respond to the continent’s persistent development challenge. In essence, it represented a renewed focus on the problem of inadequate capacity in all sectors of African economies, despite earlier efforts in ensuring sustainable capacity (Box 1). In 1999-2000 PACT objectives were formally integrated into ACBF program, thus expanding ACBF’s mandate to support capacity building in six core competence areas, with most resources going to the three first-mentioned areas: 1) Economic policy analysis and development management; 2) Public administration and management; 3) Professionalization of the voices of the private sector and civil society; 4) Financial management and accountability; 5) Enhancement and monitoring of national statistics; and 6) Strengthening of policy analysis capacity of national parliaments. Under the expanded mandate, ACBF’s objectives are to:

- Provide an integrated framework for a holistic approach to capacity building in Africa;
- Build a partnership between African governments and their development partners, which allows for effective coordination of interventions in capacity building and the strengthening of Africa’s ownership, leadership and responsibility in the capacity-building process;
- Build a partnership at the national level among all stakeholders to facilitate an inclusive and participatory approach to capacity building and national development; and
- Provide a forum for discussing issues and processes, sharing experiences, ideas and best practices related to capacity building, as well as mobilizing higher levels of consciousness and resources for capacity building in Africa.

Since adopting this new mandate, ACBF has been striving to reposition itself as a knowledge-based institution capable of supporting the emergence of knowledge-based economies in Africa. The ACBF Strategic Medium Term Plan (SMTP) for the period 2002-2006 focuses on the Foundation’s role in generation, storage, dissemination and utilization of both explicit and tacit knowledge in capacity building and the management of economic and social policies and programs in the development process. It targets knowledge generated by the Foundation itself, institutions it supports, development managers, its partner institutions and development networks; and provides for the development of links to knowledge sources of partner institutions and the knowledge warehouses of other development organizations, which are relevant to its mandate.

As part of implementation of the SMTP, the Foundation has established knowledge-sharing networks at thematic and country levels to identify and document best practices; to share
ideas on policies, programs and capacity building strategies that have worked or that should be avoided; to monitor and document reflections by senior policymakers which otherwise would end up as tacit knowledge; and to publish and disseminate the documented materials.

Over the period of about 14 years it has been in existence, the ACBF has provided long term support to programs involved in developing human and organizational capacity in the areas of development policy analysis and management\textsuperscript{4}. It approved over 113 projects in 37 African countries, for a total of US$ 197 million, a third of which was for regional projects, including the AVU). The World Bank remains the major source of finances, its contribution amounting to US$158 million (40 percent) out of US$397 million committed for the 2001-2004 period\textsuperscript{5}. The Foundation has also emerged as one of the very few African organizations that provide long term funding for capacity building, covering not only project costs but also the recurrent and administrative costs of recipient organizations.

Recent independent reviews suggest that ACBF has been most successful in supporting semi-autonomous policy units – think tanks; and funding of national and regional graduate training programs. It also provides support to AERC’s graduate training programs in economics; and more recently, the Programme de Troisieme Cycle InterUniversitaire in West Africa.

\textit{The African Virtual University}

The World Bank began work on the \textit{African Virtual University} (AVU), as a satellite-based distance education program, in 1995. At that time, access to the internet in sub-Saharan Africa was virtually non-existent; yet, the developed world was preparing to move to the knowledge age. The objective of the program as it was then conceived was to leverage the power of modern information and communication technologies (ICT) to provide an opportunity to students and professionals in sub-Saharan Africa (SSA) to access quality educational resources world-wide; and to sow the seeds of transformation towards the knowledge age in African higher education institutions. The focus was on tertiary and continuing professional education (particularly science and engineering) as these were considered to be areas critical to economic development but ones that were at the time not adequately catered for by existing institutions. The program’s goals were to:

- Train a large number of African scientists, technicians, engineers, business managers, and employees in Africa;
- Encourage the further development of scientists, technicians, engineers, business managers, and employees;
- Provide an academic environment in which African educational institutions, faculty, and students can participate in the worldwide community of learning, research, and knowledge dissemination.

Economics education and research have also benefited from this initiative, and with the expanding network of universities to be served by the IT connectivity (bandwidth component), the AVU will be a key facilitator of effective networking among institutions of higher learning and researchers. The rationale for the AVU concept is rather obvious. With over 50% of the region’s population below 20 years of age, SSA had (and still has) by far the lowest Gross Enrolment Ratio (GER) in the world at the tertiary level (0.1-4%). Given high unit costs (>400% of per capita income on average in 1996) and overstretched government budgets, further expansion of tertiary education using the traditional approach is unsustainable. And yet, the demand for highly skilled manpower continues to be one of the major constraints to investment, particularly foreign direct investment.

Following a successful pilot phase, the AVU was established as an independent inter-governmental organization in Nairobi, Kenya in 2002. From its modest beginnings with six (6) Anglophone universities, AVU now has a network of 34 Learning Centers located in tertiary institutions in 19 SSA countries. Thanks to recent developments in the telecommunication infrastructure and ICTs in SSA, AVU has now moved away from satellite broadcasting to a fully internet-based learning platform backed up by powerful servers resident in individual learning centers as well as various forms of multimedia. This move has led to a drastic cost reduction making its course more affordable.

AVU currently offers undergraduate degree and diploma programs in Computer Science in collaboration with the Royal Melbourne Institute of Technology in Melbourne, Australia (English language) and from Universite Laval in Quebec, Canada (French language); and a Business Studies undergraduate diploma and degree program in collaboration with Curtin University in Perth, Australia (English language). The AVU also offers 8-10 week certificate courses in collaboration with overseas universities such as Georgetown University, New Jersey Institute of Technology (NJIT) and Indiana University of Technology. The ultimate objective is to have these courses delivered by and for SSA institutions themselves, once the requisite capacity is in place. To this end, AVU has recently
embarked on an aggressive program to develop the capacity of its member institutions to design, develop, deliver and support on-line courses in a flexible learning mode. In addition to training staff at these institutions, AVU has distinguished itself as the leader in a continent-wide effort to reduce bandwidth costs for educational purposes. A recently completed survey conducted by the AVU identifies availability and affordability of bandwidth as the critical factors to mainstreaming of on-line learning in SSA.

The AVU is funded by a number of multilateral and bilateral development partners as well as through its own revenue generated from the courses offered. Although the World Bank was the sole source of funds when the AVU started, the Bank’s financial contribution is currently less than one-third of total commitments. The Bank has a seat in AVU’s Board of Directors and continues to provide technical support to the organization.

Perhaps the most important achievement of the AVU has been in catalyzing the ICT culture in institutions of higher learning. Most of the six universities that were the pioneers in the AVU pilot phase are today leading institutions in ICT-enhanced learning in SSA. For some like Makerere and Kenyatta Universities, the AVU learning center was the first and only place on campus where one could access the internet during the first two years of the AVU. But challenges remain. Unit costs remain high relative to traditional programs due to low student numbers and costs of bandwidth and the supporting ICT infrastructure. The organization continues to rely heavily on donor funding; its own revenue constitutes only a small portion of needed funding.

3. National Initiatives – Growing the demand for Research and Analytical Capacity

In this section we provide two examples of how the Africa region has supported strengthening of demand for both economic research and skills.

National Policy Institutes

Rapid change in sub-Saharan Africa has rewritten the terms of debate over the direction of public policy. The process of democratization and devolution of authority to sub-national entities is raising pressure for more effective and accountable government. The adoption of market-oriented economic policies and more democratic governance in a number of African countries has given groups from entrepreneurs to trade unions a say in how they are governed. The region has also witnessed a new openness in the media, with the number of newspapers and radio and television stations rising rapidly — and, in turn, subjecting government policies to heightened scrutiny. The upshot has been tremendous pressure on governments to implement policies that will pave the way to prosperity and democracy.

Not surprisingly, these developments are increasing the demand for policy-oriented research and analysis. With government ministries low on resources, policymakers have been greatly assisted by the emergence — and ascendance — of local public policy networks and institutes. As mentioned earlier, at the regional level, the African Economic Research Consortium (AERC) has worked for the past eight years to foster the development of policy research and analysis throughout the region. Independent voices have risen to the challenge of framing policies appropriate to sub-Saharan Africa's new and more complex conditions.

Growing Pains Nonetheless, most African countries urgently need to strengthen their policymaking resources. Outside of government itself, capacity for policy analysis resides in universities, academically-oriented research institutes and, more recently, national policy institutes.

Through the ACBF’s core institutional support program the Bank and other partners have supported the establishment of a network of 40 national and regional policy analysis units throughout the continent. National policy institutes have recently been established in more than 20 countries in Africa. These institutes are different from the majority of African research institutes, which are usually associated with universities and tend to have a strongly academic orientation. National policy institutes have a mandate to work with government, and in many cases they receive financial support in return. National policy institutes also
encourage closer relations between traditional research institutes and government and serve as a conduit for bringing knowledge from research into the policy arena.

An example of the role of national policy institutes serves to underscore the tremendous support these can bring to the policymaking process and indirectly to raising demand for research output. One of the key activities of the Economic and Social Research Foundation (ESRF) in Tanzania has been to canvass the public for its views on pressing issues and then to bring these findings to the policy debate. With its own small staff, ESRF responds to requests for policy analysis by mobilizing local talent to carry out necessary research. It maintains its own policy watch, comments on various policy issues and reviews current performance. By maintaining its own forward-looking research priorities, it seeks to proactively influence the policy agenda. Its close relationship with government, private sector and non-government entities appears to be very much in sync with the changing policy environment and bestows upon it a credibility of an honest broker. One illustration of ESRF’s integrative role is its effort to draw up a national development Vision for Tanzania through organized seminars and retreats. Another one is its recent hosting of the Independent Monitoring process for aid effectiveness and issuing a local equivalent of the Transparency International report covering variation in the preponderance of corruption across sectors and a wide range of government institution. The institute has greatly helped in retaining qualified economic researchers in the country and doing research.

**Growing Demand for University Training - The Innovations at Makerere University**

The *Uganda- Decentralized Service Delivery Makerere University Training Pilot Project* (P074078) is an innovative approach to building capacity in key areas for public administration by partnering universities and local governments to create the skills needed for administration, financial management, good governance, and other areas of service delivery. Universities themselves are also investing in research and curriculum improvement to improve its relevance to training and policy. The Project is co-financed by the Rockefeller Foundation, and grows out of RF capacity building experiences at Makerere
since the mid-1990. In addition to the US$ 5 million from the LIL, Rockefeller has contributed US$ 6 to the project to date.

The LIL is unique in addressing long-term training needs of individuals who work in local governments by providing some of them with the opportunity to obtain degrees in one of six priority areas while they retain their positions as local government employees. In six pilot districts, the project has worked with district human resource officers to identify candidates for sponsored full-time studies in Master's and undergraduate degree programs in one of six priority disciplines [health, agriculture, education, engineering, financial management, or governance/accountability/administration]. Ninety (90) Masters Students have been sponsored and 120 undergraduates, an average of 15 and 20 per district respectively. Most officials have become full-time students at Makerere, with a few at partner institutions. All students have returned to their positions during academic recess; the first Master's degree students finished their two-year degrees in December and have returned to their full-time positions in local government. Early evidence from project monitoring and evaluation indicates that this increase in skills and experience is bringing positive results. The program is very popular because the participants receive something of concrete economic and personal/social value--a university degree. As degree recipients return to their jobs in large numbers, the impact their skills make on the complex tasks of local government service delivery will rise, as should the quality and efficiency of the services delivered.

Another aspect of the project deals with restructuring of curricula within universities to improve course quality and especially relevance to challenges of local government service delivery. In some cases, the project has nurtured radical changes in the way faculties organize education: the Faculty of Medicine, for example, has completed abandoned "chalk and talk" instruction in favor of a new curriculum organized around "problem-based learning." Students acquire their general knowledge of medicine through a process which highlights how that knowledge will be used to solve the particular problems they will face with their patients. Satisfaction with the new curriculum is very high. The Faculties of Agriculture and Technology (engineering) are going through similar transformations, growing out of internal assessments of how best they can fulfill their mandate. Other
academic staffs, whose faculties may not have embraced these types of full transformation, have the ability to compete for funds for renewal or restructuring of academic courses (or creation of new courses) relevant to local government needs, and/or for research resources for related problems. All academic staff have access to courses on pedagogy, meant to improve general teaching/lecturing practices.

The Project is also changing attitudes of students, faculty, and most importantly, local government officials and society at large about the usefulness of Makerere and other universities. Before the project, Makerere and other institutions suffered from a sense of distance and isolation from national problems—the classic academic aloofness. People generally viewed these institutions as completely irrelevant to national needs and only as a drain on public resources. Now an increasing number of informed government (local and national) officials view universities as potential partners for solving their problems. Consciousness of the need to be relevant has also risen among a significant portion of students and professors. The Project sponsors a student summer internship that seconds degree candidates to supervised summer jobs with local governments in the six priority areas. Close to 3000 students have participated. They report having a greater understanding of challenges of local service delivery, but especially how their own education is relevant, and how it can be made more relevant by taking greater account of the practical problems they may face as graduates. It is likely that some will choose careers in local government based on their experiences, although we do not yet have reliable data on this. The internship program is one of several activities that are leading to this change in attitude.

The training is very cost-effective, because of its reliance on local educational institutions governed by local price structures. While definitive data are not yet available, it is also likely that the cost-per-classroom hour of "training" is very low compared to other training courses, and that there are spill-over effects of being in a degree program rather than in one or a series of discrete, short-duration training courses.
Conclusions: Lessons from Experience

The World Bank’s role in capacity building in Africa has been not only financial but also (perhaps more importantly) that of an honest broker – with its ability to bring together development partners, governments and the civil society to focus on a common capacity need. In all the examples discussed in this paper, the World Bank’s Africa Region partnered with others to support four types of interventions to strengthen economics education and research: regional facilitators of capacity building e.g. ACBF, regional networks for policy analytical research e.g. AERC, national and sub-regional policy capacity and management institutes, and tertiary education institutions e.g. Makerere.

Three main lessons can be drawn from these experiences. First given that Capacity building needs in Africa far outstrip the resources available there is need not only to be selective in supporting but also to look for cost effective approaches. The networking approach adopted by AERC and other regional initiatives in training economists and conducting research, as discussed earlier, provides one such cost-effective means. In addition by not supplanting existing local institutions – rather strengthening them- this approach enhances the sustainability of the whole system. ICTs present a potentially another valuable way to provide increased access by Africans to global knowledge resources and enhance cost-effectiveness in the delivery of economics education. However, existing technical and financial constraints need to be addressed before the full potential can be unleashed. In this regard the AVU is a long term and futuristic initiative, which is now turning into an effective networking instrument supporting the adoption of an ICT -based learning architecture. It builds on the comparative strengths of existing tertiary education institutions while also supporting capacity development in this approach to delivery of higher education. With the adoption of the open, distance and e-learning (ODE-L) methodology, this learning architecture holds great promise for enhancing the capacity of higher education institutions to meet the large demand cost-effectively.

Secondly, although long-term original research is deemed valuable, there is a major emphasis in donor support of policy-oriented research. And often there is a fairly high degree of impatience to see policy impact. Policy think tanks are playing a particularly important intermediary role in improving accessibility of research to policy and channeling demand for research in the other direction. Building on the accomplishments of the national policy institutes and regional think tanks, four measures appear to be key to forging links between research and policy across Africa and worthy of support:

- Enhancing the credibility of research as a means to increase policy influence: through production of high quality, accurate research
• *Improving the usefulness of research for policy purposes by ensuring relevance and accessibility as well as responsiveness to current and prospective policy concerns.*

• *Nurturing closer relationships between researchers and the broader policy community through policy seminars to bridge the gap of suspicion between academics and policymakers and showcase for local talent in policy analysis.*

• *Involving the media to bridge another divide that separates researchers and journalists.* As the press continues to increase its influence on policymaking in the region, access to the work of independent policy institutes will become even more important. It is vital that research institutes and networks tap the press as an avenue for disseminating their findings and raising the profile of their recommendations.

Finally, capacity building support requires a long-term commitment and flexible forms of financing. Pooling of resources, flexibility in funding both investment and recurrent costs, and using a common framework for accountability substantially reduces transactions costs of receiving institutions. A major lesson learnt from the experience to date is that capacity building initiatives take a long time to become self-sustaining. Given the public good nature of capacity building, sustainability is not simply a matter of self-financing, rather more a matter of diversified funding of activities and sustained high demand for the output from these initiatives. Measuring and monitoring impact and demand or use of the products has been a central requirement to show worthiness of continued support.