Introduction

The African Economic Research Consortium (AERC) is implementing a collaborative research project on “Re-examining the Growth, Poverty and Inequality Relationships (GPIR) in Africa”. Poverty remains an issue of global concern and interest both by global and national policy makers, researchers, multilateral institutions and non-state actors. By 2015 remarkable success in poverty reduction had been recorded at the global level and parts of sub-Saharan Africa (SSA). However, in 2020, COVID-19 led to 97 million more people being in poverty (Mahler et al., 2021). This is the first time for 20 years that global poverty rose. Although it appears that the pace of global poverty reduction is returning to the pre-pandemic trend, poverty is likely to increase in SSA countries in 2021 (Mahler et al., 2021). Overall, the disruptions of the COVID-19 pandemic have dampened growth, and recovery is compounded by fiscal pressures and high debt levels among other factors. Previously, strong growth performance and concurrent low poverty reduction in SSA has created somewhat a puzzle, and as such has given rise to a vast literature on drivers of pro-poor growth and the role of income distribution in the growth-poverty relationship. Recent research has shown that growth and inequality can affect poverty independently as well as jointly. In addition, poverty can also affect growth and distribution. Policies that reduce poverty can be good for economic growth and social equity. There might also be cases where policies that influence two or three of the Growth, Inequality, Poverty triangle may be prudent to pursue at the same time. Poverty reduction policies in the era of the Sustainable Development Goals (SDGs) and recovery from the adverse effects of COVID-19 requires understanding of the growth-poverty-inequality nexus. Against this backdrop, this project seeks to generate new evidence on the growth-poverty-inequality nexus in sub-Saharan Africa and how this nexus is affected by redistributive policies and strategies. The project will seek to generate new evidence on the nature and design of pro-growth poverty reduction policies and interventions in sub-Saharan Africa with a view to informing policy on inclusive and sustained growth in the region.

Specific Objectives

The specific objectives of the GPIR project are to:

i. Use the research capacity created by the “Poverty, income distribution and labor markets” project to investigate drivers of growth and inequality in different African contexts.

ii. Investigate the nature of the interactions between inequality and growth and to measure the effects of the interactions on poverty reduction at micro and macro levels across African countries or regions.

iii. Investigate the dynamics of the nexus between growth-inequality-poverty, as well as the determinants of the differences in the dynamics across African countries or regions.

iv. Build capacity to communicate research results to policy makers.
Two phases of the GPIR project

The GPIR project is implemented through framework research and country case studies. The framework research has been completed and 14 stand-alone high-quality papers that delve into the broader issues of poverty, growth, inequality, and redistribution in Africa using latest advances in understanding the nexus, policy reforms and global commitments to eliminate poverty have been generated. The next phase of this project is country case study research.

The call for country case study proposals

This call is for proposals from researchers, think tanks and research institutes/centres to undertake country case studies on the growth-poverty-inequality-redistribution relationships in Africa. Country case studies will seek to deepen understanding of the growth-poverty-inequality dynamics in selected African countries by paying greater attention to nuances in the specific countries (or group of countries). Country case studies encompass in-depth analysis of the issues covered at the framework papers phase and identify critical areas of policy interventions relevant for individual countries. Country case studies also provides unique opportunities for capacity building by introducing the authors including those from fragile countries and women to the most recent analytical methods, topical issues in the global debate, new insights into the frontier topics, etc. It is expected that case study papers will use existing datasets. Proposals for country case studies should focus on the relationships between growth-poverty-inequality in the context of COVID-19.

NOTE: The aim is to fund innovative and original proposals with a potential to produce high quality papers that could be published in prestigious economics or development journals. The AERC facilitates promising proposals to be published in such journals.

Proposal Requirements

The maximum page number allowed for a proposal is 20 pages with 1.5 spacing including tables, figures, references, and annexes. Each proposal should include the following:

- **A title**
  Reflects the main thrust of the proposed research project, preferably short, simple to understand and if possible inspiring.

- **An abstract (350 words maximum)**
  A highly condensed version of the entire project with a sharp focus on what the research project intends to do. Start with the objectives of the project (research questions/puzzle), type of data to be used (good to mention only if it is unique or novel) and methods. If preliminary results are available, it helps a lot to report them in the abstract indicating their potential implications to policy or further research.

- **An introduction (1 page)**
  Offers an insight into the richness and originality of the project. The following structure helps to develop the introduction section.
  1. Broad context of the study or motivation (1-2 paragraphs)
  2. Research questions and their relevance (1 paragraph)
  3. Hypotheses or empirical approach including methods (2 paragraph)
iv. A few sentences describing data to be used (1 paragraph)
v. The expected contribution of the study to the literature: what is new in the study relative to the topic and relative to the country that’s the focus of the study (1 paragraph)

- **A brief literature review (1 page)**
  Focus on the literature that made seminal contributions and are the foundations to the issue, and then move to the work done on Africa including the specific country concerned. Organize the literature review thematically. Avoid splitting this section into “Theoretical literature” and “empirical literature”; focus on what previous literature accomplished, state the gaps, and indicate how your project intends to close that gap.

- **Data and methods (1-2 pages)**
  This section makes a clear link between the theoretical/analytical/conceptual framework is linked with the empirical model is established.
  i. Theoretical or conceptual framework: this section outlines valid theoretical, analytical, or conceptual construct that frames the empirical work. That means it offers the workhorse or as is often described “the reduced form of the empirical model”. It is in this section that we get the hypothesis (e.g., expected signs of reduced form equations, parameter of interest for the empirical work, etc.).
  ii. Describe and motivate the specification of the empirical model.
  iii. Describe the econometric approach including the baseline model, issues of endogeneity (selection bias, reverse causality, omitted variable problem, etc), how it could be addressed and indications of robustness. Note that extensive mathematical descriptions of methods are not necessary at this stage.
  iv. Data and stylized facts from the data. Provide information on its relevance to answer the research questions, source, issues on sample properties, etc. Describe the data sources clearly and accurately. Present some stylized facts (trends, relationships, similarities, differences) on key variables/indicators that will be used in the study.

- **Expected findings (1/5 page)**
  Very brief since you have not done the analysis yet.

- **Work Plan and Budget (1 page)**
  Estimated expenditure by major line items (activity based), e.g., research assistance; travel; computer time; secretarial support; honorarium etc. Total budget should not exceed US$15,000.

**Experience of researchers, think tanks and research institutes/centres**

  i. Names and contact details of the researcher, research team or in case of a think tank, research institute/centre, organizational details including e-mail, postal address and telephone.
  ii. Expertise of the researchers, and in the case of think tanks or research institutes/centres, experience of the team leader’s organization and staff involved in the research and policy
engagement as well as capability and proven track record to develop and implement similar projects. Previous cooperation with relevant stakeholders. Please provide examples.

iii. The lead investigator must demonstrate, in their CV, that they have the capacity to lead the study by highlighting education levels, research experience, publications, and other information relevant to this call. The CV should not be more than 5 pages.

Submission and key dates
Complete proposals should be submitted to:
• AERC Director of Research at cresearch@aercafrica.org on or before 15 December 2021.
• The subject of your email should read “AERC-GPIR project-proposal submission”.
• Think tanks who submit applications that meet the necessary criteria stage will be invited to present their proposed papers in a workshop.
• The total duration of the study will be 12 months, and draft papers should be submitted within 6 months of inception of country case studies.

References