

AERC SESSION @ The Center for Effective Global Action (CEGA) 11th Annual Africa Evidence Summit

June 19-20, 2023

Nairobi, Kenya

The Center for Effective Global Action (<u>CEGA</u>) will host our 11th Annual Africa Evidence Summit in Nairobi, Kenya on June 19-20, 2023. The summit is an annual opportunity for East and West African scholars, U.S.-based faculty, policymakers, and practitioners to hear about new research and forge new connections. We are delighted to partner with the Network of Impact Evaluation Researchers in Africa (<u>NIERA</u>) and the African Economic Research Consortium (<u>AERC</u>) on this event.

CEGA's Global Networks program launched in 2011 with the East Africa Social Science Translation (EASST) Collaborative. EASST has built a robust network of talented East African scholars conducting rigorous impact evaluations of social programs in the region. Alumni of the EASST Collaborative established NIERA in 2018. In 2019, CEGA expanded to West Africa, where we partnered with the Ghana Institute of Management and Public Administration (GIMPA) to launch Development Impact West Africa (DIWA). For our 11th Annual Summit, we are delighted to bring these networks together and showcase evidence on East and West Africa from leading researchers.

African Economic Research Consortium (AERC) is a premier institution with over 30 years' experience in building capacity in research, training, and policy outreach. AERC has a wide network of universities, policy makers, researchers, educators, and international resource persons who participate in our research and capacity building activities. To enhance quality of training and research in Sub-Saharan Africa, AERC's mission is 'Bringing Rigour and Evidence to Economic Policy Making in Africa'. The Consortium is a major player in knowledge generation and creation that is a benchmark for high-quality research and evidence for sound economic policy decisions in SSA development agenda.

African Economic Research Consortium(AERC) is convening a policy panel and research papers at sessions at the Summit on the theme 'Prospecting Pro-poor Growth through Redistribution Amid Inequality in Africa". This session papers are generated from a collaborative project 'Re-examining Growth, Poverty, Inequality and Redistribution Relationship in African Economies' funded by Norwegian Agency for Development Cooperation (NORAD). The purpose of the project was to: investigate drivers of growth and inequality in different African contexts; to 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; to 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; and to build capacity to communicate research results to policy makers.



Policy Panel Session

'Prospects Pro-poor Growth through Redistribution Amid Inequality in Africa'

Panelists



Session Moderator

Dr. Scholastica Odhiambo is the Acting Director of Research at the African Economic Research Consortium (AERC). She provides strategic leadership for both Thematic and Collaborative Research Programmes. In her substantive role as the Manager of Research, her mandate involves managing thematic research and a number of collaborative projects that are inclusive of the Growth, Poverty, Inequality, and Redistribution Relationship. She is on leave of absence as a Senior Lecturer of Economics at the Department of Economics, School of Business and Economics, Maseno University, Kenya. She has formerly worked as a Technical Advisor for Health System Strengthening in Nyanza Province in Kenya, Health Economics Advisor for UNITID, University of Nairobi HIV Fellowship Programme, Health Economist Lead, SPIKE project on Maternal Health Care, Maseno University funded by INCLUDE. She has also worked as an Economist lead in the EU- UPSCALE Project, a Green Energy project funded by National Research Fund, Kenya. Scholastica holds a Ph.D. in Economics from the University of Nairobi and a Master of Arts in Economics from the University of Malawi.



Professor Germano Mwabu is a Professor of Economics at the University of Nairobi. His research interests are in poverty and inequality analysis, health economics, national transfer accounts, and development economics. He co-directed (jointly with Professor Erik Thorbecke), an AERC collaborative research project on poverty, income distribution, and labor markets in Sub-Saharan Africa from 1998 to 2005. He has held short-term research appointments at Gothenburg, Kobe, Brookings, Leuven, and the World Bank. He is a Kenyan national and earned a doctorate in economics from Boston University in 1984.



Dr. Rose Ngugi is the Executive Director of the Kenya Institute for Public Policy Research and Analysis (KIPPRA). She is involved in providing technical guidance in public policy research and analysis as well as capacity building in promoting evidence-based policy making process with the overall aim of contributing to the achievement of the national development goals. Dr Ngugi was in April 2022 appointed as the Chair for Southern Voice, a network of 59 Think Tanks. Steering Committee. She has previously a Senior Advisor in the Office of Executive Director, Africa Group 1, International Monetary Fund, Washington D.C. Dr. Ngugi has been a member of Central Bank of Kenya, Monetary Policy Committee and has vast teaching experience from the University of Nairobi, School of Economics. She has published widely with research interests in public policy, financial sector, investments, public sector reform agenda and institutional issues. She holds a PhD from Business School Birmingham University, UK, Masters and Bachelor's degree in Economics from the University of Nairobi, Kenya.



Lusungu Kacheche-Dzinkambani is the Interim Head of AU Liaison office for Oxfam in Africa. Her professional expertise is in policy influencing. She has led policy advocacy and campaigns work on economic justice and inequality, governance, and public service delivery with various civil society organizations at global, continental, and national levels. She holds a Bachelor of Arts (Humanities) Degree from University of Malawi and a Master of Science Degree in Education for Sustainability from London Southbank University.



Mr. John Olela is a Director in charge of Sustainable Development Goals Coordination Directorate at the State Department of Economic Planning, Ministry of National Treasury and Economic Planning, Republic of Kenya. He has risen through the ranks as Director Economic Planning and formerly from Economist II and serving in several Ministries. Prior to his current posting at the SDG directorate, he was the Director of Planning and head of the Central Planning and Project Monitoring Department at the Ministry of Environment, Climate Change and Forestry. He has also worked at the Ministry of Tourism and Wildlife as well as the Ministry of Information and Communication in the economic planning function. Before joining the economic planning function, he worked in Turkana, Kericho and Bureti districts as the District Information Officer under the Department of Information. He holds a Master's and Bachelor's degrees in economics from the University of Nairobi as well as a Post graduate diploma in Mass Communication from the Kenya Institute of Mass Communication (KIMC). Mr. Olela has a wide experience in Economic Development Planning in the public sector; Policy Formulation and analysis; Monitoring and Evaluation of Programmes and projects; Budget development and management under the Medium-Term Expenditure Framework MTEF; Strategic Planning; and Performance Contract coordination, monitoring and reporting. At the Ministry of Environment and Forestry, he coordinated the Environment and Natural Resources Government-Development Partners working group as the secretary to the group among other key responsibilities.

Research Papers Session

Session Moderator: Prof. Germano Mwabu

Asymmetric response of poverty to growth and inequality in South Africa: implication for current and future shocks, **Nicholas Ngepah Professor of Economics**, **University of Johannesburg**.

Abstract

This research examines how economic growth and inequality affect poverty during times of recessions and depressions versus times of economic expansion in South Africa. The study investigates the effect of economic growth on poverty reduction given inequality at the micro-level, whether the poor suffer more losses of welfare during economic recessions and depressions than they gain during expansions, and the factors that can assist the poor to stay afloat during times of economic shocks. The study matches individuals in the NIDS dataset with municipality-level data from Quantec and uses various binary, truncated, panel, instrumental variables and quantile regression techniques in poverty and welfare models. The study finds that while economic growth reduces poverty, it is not enough to compensate for the poverty-raising effects of inequality. Moreover, economic decline raises poverty, but economic prosperity more than compensates, by attenuating poverty levels by a higher magnitude. The study also reveals that social grants and free healthcare and education policies have limited effects on poverty reduction during economic downturns. The findings call for policy measures that reduce inequality and promote economic growth to help cushion the poor during times of significant economic decline. Additionally, programs that provide good education up to tertiary level and access to the labour market are crucial for sustaining poverty reduction efforts in South Africa.

Authors' Bio



Professor Nicholas Ngepah is a leading expert in economics and inclusive growth within the University of Johannesburg. With a PhD in Economics from the University of Cape Town and over eighteen years of experience in research, policy, and management, Prof. Ngepah is an Economics professor at the University of Johannesburg. His expertise spans quantitative research techniques, economic development, policy impact assessments, and a wide range of modern econometric techniques. His work centres on development issues such as poverty, inequality, labour market dynamics, and inclusive economic growth, extending to agriculture, health, gender, climate change, trade, and industrialization.

Prof. Ngepah has conducted studies and provided policy inputs for prestigious organizations like the World Bank, African Union, OECD, UK Overseas Development Institute, and South African Government. Recently, he has examined the growth, poverty, and inequality relationships in South Africa in the context of COVID-19 and explored climate change's impact on gender inequality in the labour market. A key contributor to development policies and speaker in high-level forums, Prof. Ngepah is the founder of the African Institute for Inclusive Growth, a think tank dedicated to inclusive development.

Research Papers Session

Examining poverty dynamics in Ghana: evidence from longitudinal and repeated cross-sectional data, **Dr. Dede Gafa, Fellow, United Nation Economic Commission for Africa, Bernardin Senadza, University of Ghana and Louis Hodey, University of Ghana, Legon.**

Abstract

This article examines poverty dynamics in Ghana using a synthetic panel based on repeated cross-sectional data (the Ghana Living Standard Surveys (GLSS)) and actual panel data from the Ghana Socio-Economic Panel Surveys (GSPS). It provides insight into the extent of poverty mobility and persistence in Ghana, and the factors that explain poverty transitions. The results show that upward mobility has been a significant feature of poverty transitions between 2006 and 2019 in Ghana. However, there is still a high probability of poverty persistence among initially poor households and a significant likelihood of downward mobility for non-poor households. The study further identifies existing heterogeneities in poverty transitions across socio-economic characteristics and the opportunity deprivation status of the household head. The findings suggest that poverty is more chronic in rural areas and the northern parts of Ghana compared to urban and southern regions, respectively, and among households headed by persons from opportunity-deprived backgrounds. Furthermore, the gender of the household head, his/her occupation, and level of education, as well as the number of dependents in the household are important determinants of poverty persistence and downward mobility in Ghana. Hence, addressing chronic poverty in Ghana requires targeted policies that foster more inclusive and sustainable growth, especially in rural areas and northern parts of Ghana, opportunity-deprived households, the unemployed, and those in vulnerable employment.

Authors' Bio



Dede Gafa specializes in development economics. She is a professional fellow at the United Nations Economic Commission for Africa, Addis Ababa, and a researcher with the African Economic Research Consortium and Poverty Reduction, Equity and Growth networks. She worked recently as a research fellow at the University of Lomé, Togo. She obtained her PhD degree in development economics from the University of Ghana and served as a PhD intern at United Nations University-World Institute for Development Economics Research (UNU-WIDER), Helsinki. Her research interests include economic inequality, opportunity distribution, poverty alleviation and energy economics.



Louis Hodey currently works as a Research Officer with the Institute of Development Studies (IDS), University of Sussex, working on the Foreign, Commonwealth and Development Office (FCDO) funded Better Assistance in Crises (BASIC) Research programme. Prior to joining IDS, Louis worked as a Principal Research Assistant at the Institute of Statistical, Social, and Economic Research (ISSER), University of Ghana. Louis' research interest spans poverty analysis, impact evaluations, trade and development, the economics of education, climate change and biodiversity, and rural livelihood strategies. He is highly experienced in the design and implementation of household surveys in Ghana and other African countries. His passion is to contribute meaningfully to improved livelihoods in rural communities through cutting-edge research and policy interventions.



Bernardin Senadza is an Associate Professor at the Department of Economics and Acting Principal, Takoradi City Campus, University of Ghana. He holds a Ph.D. in Economics from the University of Ghana. Bernardin is a development economist with research interest in rural household livelihood strategies, poverty and inequality, trade and development, energy economics, and the economics of education.

