

AGRODEP BULLETIN

AFRICAN GROWTH AND DEVELOPMENT POLICY (AGRODEP) MODELING CONSORTIUM

LEARNING WITH OTHERS

Key economic decisions are determined by people's preferences and beliefs. For example, the consumption of a certain vegetable by a household may reflect a taste preference for that product as

well as certain beliefs – such as a perception

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to social interaction.

about the nutritive properties of this commodity or the value placed by the household on some individual or social dimension (being in good health, achieving a level of social status, achieving a level of income or wealth, etc.). When these preferences are futureoriented - when they are motivators and are perceived as an ambition to reach specific outcomes - these are known as aspirations.

Aspirations play an important role in economic and social decision-making. For example, decisions concerning investment in education may be determined by aspirations, expectations about the likelihood of possible states of

the world, and current economic constraints.

Since aspirations are so important in determining key economic decisions (savings, education, investment, etc.), it is important to understand what

> influences aspirations themselves. They are clearly an

individual attribute, but they can either be determined by purely individual variables (until recently, this has been the traditional point of view in the economic literature) or be partially influenced by the characteristics or behaviors of other agents. Appadurai (2001) and Ray (2004) have concluded that an economic agent's aspirations are also determined by the behavior of other agents whom she/he can observe and/or with whom she can identify.1 Put slightly differently,

AGRODEP is a Modeling

Consortium of African researchers living and working in Africa with research interests ranging from economic modeling to regional integration and development to climate change, gender, poverty, and inequality. There are currently 118 members from 21 countries; our members work at top research institutions and universities in their own countries as well as various government agencies and non-profit organizations.

The benefits of being an **AGRODEP** member

include opportunities for research grants, free access to cutting-edge economic research tools, data, and training. Members also gain access and exposure to large global networks of economic researchers and experts. Click here to learn more.

Oxford University Press.

¹ Appadurai, A., 2001, The Capacity to Aspire: Culture and the Terms of Recognition, in V. Banerjee, R. Benabou and D. Mookherjee, eds., Understanding Poverty, Oxford, UK: Oxford University Press, and Ray, D., 2006, Aspirations, Poverty and Economic Change, in V. Banerjee, R. Benabou and D. Mookherjee, eds.,

social interactions influence individuals' expectations about the likelihood of links between an action and an outcome; in turn, these expectations can partially determine aspirations. For example, the aspiration for more education for our children may come from our belief concerning the link between a certain diploma and the chance to get a certain job, and this belief may be influenced by the interaction with people in our neighborhood or social circle.

An original experiment, recently conducted by researchers based in Africa. confirms the conjecture advanced by Appadurai (2001) and Ray (2004).2 This experiment was carried out in 64 villages in rural Ethiopia and featured video documentaries about successful individuals from similar communities. These video were broadcasted to randomly selected individuals. In some villages, additional individuals were selected, leading to further variations in those invited to the broadcast.

The project also implemented a placebo group consisting of individuals who watched only standard Ethiopian television shows.

Individual aspirations were measured both before and six months after the screening.

These measurements were based on an indicator summing up answers to a questionnaire related to personal income, wealth, social status, and children' education.

Concerning each dimension, individuals were asked the level they expect to attain and the level they wish to attain in 10 years. They were also asked the relative weight (importance) they give to each of these four dimensions.

The results of the experiment confirm the effectiveness of the video-based intervention. Six months after the screening, individuals who watched the documentary significantly improved their aspirations compared to those who watched only the standard television shows. Watching the documentary also significantly

increased individual expectations of the levels they could achieve in each dimension. The experiment's findings confirm the findings of growing recent literature on the impact of documentaries on perception and behavior.

However, the most innovative element in this experiment's findings is its confirmation of Appadurai (2001) and Ray (2004)'s conclusion – that aspirations are partly collectively determined. The experiment shows that the increase in the aspirations indicator is significantly higher when the documentary was watched with a higher number of peers. Therefore, while aspiration is an individual attribute, it nevertheless responds to social interaction. To sum - it is better to learn with others than alone. This important finding may provide a better understanding of the determinants of aspirations, a key element in understanding and reducing poverty.

> Antoine Bouet Senior Research Fellow, IFPRI

² Bernard, T., Dercon, S., Orkin, K., and A., Seyoum Taffesse, 2013, Learning with Others – A Field Experiment on the Formations of Aspirations in Rural Ethiopia, IFPRI Discussion Paper, forthcoming.

DATA

Recent statistics about Africa

A. Total Grabbed Area

B. Total Grabbed Water

Figure 1: Distribution of Grabbed Land and Grabbed Water Across Continents

A recent study entitled *Global Land and Water Grabbing* by Maria Cristina Rulli, Antonio Savori and Paolo O'Dorico, partly funded by AGRODEP, gathered land-grabbing data from multiple sources and used a hydrological model to determine the associated rates of freshwater grabbing. Based on data from 2008-2012 (accessed in May 2012), the study's authors conclude that land grabbing involves 62 grabbed countries and 42 grabber countries and affects all continents except Antartica. Land and water grabbing impact Africa in particular. During this time period, Africa represented 47 percent of grabbed land and close to 65 percent of grabbed water. In some countries, grabbed land may represent a non-negligible fraction of the country area, such as Sierra Leone (7.9%). However, grabbed land often still represents a large fraction of the country's cultivated area – in Sierra Leone, this number is 40.62%.

NEW AGRODEP TECHNICAL NOTE AND MODELING TOOLBOX

Technical Note Series Continues

AGRODEP recently published the ninth paper in its Technical Note series. <u>Guide to Microsimulations Linked to CGE Models: How to Introduce Analysis of Poverty and Income Distribution in CGE-Based Studies</u>, by Carmen Estrades, examines the different techniques available for capturing the micro effects of macro policies and external shocks. It also provides detailed instructions for implementing both a non-parametric microsimulation model and a representative household model using a specific example from Tanzania.

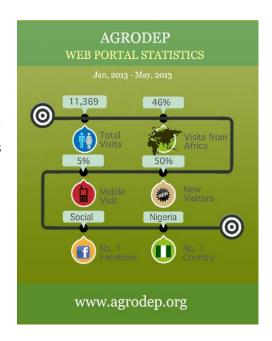
A related Micro-Macro Distributional Analysis Toolbox was also released and provides AGRODEP members with further guidance on applying these tools to their own CGE-based studies.

The AGRODEP Technical Note Series addresses the methodology, functioning, and use cases of a wide range of models and are designed to provide AGRODEP members with the most state-of-the-art tools to apply to their own research.

AGRODEP AND OPEN DATA

Consortium Highlighted at IFPRI D-8 Event

On May 1, AGRODEP team member Soonho Kim participated in IFPRI's side event to the G8 Conference on Open Data: D8 Open Data for Agriculture. As part of her presentation, Soonho showed how the AGRODEP website utilizes various open data sources to provide its members with up-to-date statistics, publications, and models. The presentation highlighted how the AGRODEP Consortium successfully uses open data to strengthen individual members' access to information and networks, promoting the Consortium's goal of positioning African experts to take a leading role in the broader economic growth and policy debate. View the full presentation.



AGRODEP TRAININGS

2013 Courses Begin in May

The first 2013 AGRODEP training course was held from May 13-18 in Dakar, Senegal. Impact Evaluation and Analysis of Development Interventions is the first of two one-week courses on the topic of impact evaluations. This first course provided AGRODEP members with the latest developments regarding both technical and topical aspects of impact evaluation. The course was conducted by Tanguy Bernard of IFPRI, Jenny Aker of Tufts University, Alan de Brauw of IFPRI, and Ruth Vargas Hill of IPFRI. Feedback from participants will be announced in the coming weeks. View images of the training course.

The second 2013 AGRODEP training course is scheduled for May 28-30. <u>Estimation of the Economic Impact of High Food Prices Using Micro Data</u> will be held in Dakar, Senegal and conducted by Miguel Robles of IFPRI; the three-day course will teach participants how to conduct estimations of the economic impact of simulated food price changes at the household level.

2013 CALL FOR MEMBERS

AGRODEP Membership Extension

In March, the AGRODEP team announced its fifth round of membership application. The <u>2013 Call for Members</u> wrapped up on March 24 and the newest members will be announced in the coming weeks. New AGRODEP members will be selected based on the level and nature of their technical skills, as well as their publications.

WHAT IS AGRODEP?

The African Growth and Development Policy (AGRODEP) Modeling Consortium is an initiative led by the International Food Policy Research Institute (IFPRI). The goal of AGRODEP is to position African experts to take a leading role in both (1) the study of strategic development questions facing African countries as a group and (2) the broader agricultural growth and policy debate, which traditionally has been dominated by external actors and concerns.

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