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Challenges for Food Security in Eritrea: A Descriptive and Qualitative Analysis

Ravinder Rena

Abstract: Food security is about ensuring that all people at all times have both physical and economic access to the basic food they need. In a number of African countries chronic malnutrition and transitory food insecurity are pervasive. Like most African countries, Eritrea is also a victim of the problem of food insecurity. Based on this historical and recurrent food insecurity in Eritrea, an attempt is made in this paper to assess the possible causes of food insecurity in the country. Furthermore, the paper captures the available food security policy proposals of Eritrea and eventually draws conclusions and extends possible recommendations and policy remedies suited to the country.

General Equilibrium Approach for Poverty Analysis: With an Application to Cameroon

B. Decaluwé, L. Savard and E. Thorbecke

Abstract: In this paper we use a computable general equilibrium model to study the impact of a trade shock and a tariff reform on household poverty for an archetype developing country. Unlike other studies, we present the income distribution of each household group as a Beta statistical distribution. In contrast to other studies, this paper presents the poverty lines as being endogenous. With this specification, the poverty line will change following a variation in relative prices. With the new distributions and poverty line, the poverty levels of the base year are compared with the ex-post values. Foster, Greer and Thorbecke's (1984) poverty measures are used. We work with the Cameroon household survey data of 1995–96. We consider two scenarios. The first is a 30 percent fall in the world price of the country's export crop and the second is a reduction of 50 percent in the country's import tariffs. For the first simulation, results indicate a drop in all household incomes and a decrease in the poverty line. Unilateral trade liberalization also has negative consequences on all household incomes. As in the first simulation, the poverty line decreases with a unilateral trade liberalization. In the trade liberalization simulation, the poverty line effect counters the income effect in most cases analyzed. In the other simulation, the poverty line effect attenuates the decrease in the poverty measures.

Une modélisation des déterminants des décisions de scolarisation primaire des ménages au Sénégal

Abdoulaye Diagne

Abstract: This study describes enrolment rates and constructs an econometric model for primary education demand in Senegal, relying on the results of the QUID survey realized in 2001. A sequential probit model is constructed to explain the different choices made by the households in relation to their children's education, namely: decision to enroll or not, choice of the type of school (public or private schools, if private, religious or secular schools), decision to allow the children to attain the last grade or not. A dozen of explanatory variables relating to children and households' characteristics and availability of education supply, are retained in this model. Simulations based on the model estimation results show the discrimination endured by rural children compared to urban ones whatever their gender, and by girls relative to boys, in terms of the probability distribution of the dependant variable of the model.

Résumé: Cette étude est consacrée à la description et à la modélisation de la demande d'éducation primaire au Sénégal. Les choix des ménages relatifs à la scolarisation de leurs enfants (scolarisation ou non de l'enfant, type d'école retenu pour cette scolarisation, poursuite ou non à son terme de sa scolarité par l'enfant), sont décrits et expliqués simultanément dans le cadre d'un modèle probit séquentiel. Les simulations effectuées avec ce modèle montrent entre autres résultats, la discrimination subie (en termes de probabilité d'être scolarisé et de terminer cette scolarité) par les enfants ruraux par rapport aux enfants des zones urbaines, quel que soit leur sexe, et celle subie par les filles par rapport aux garçons, quelle que soit leur zone de résidence.

The Impact of Increased School Enrollment on Economic Growth in Tanzania

Holger Seebens and Peter Wobst

Abstract: Two different positions prevail in the recent discussion on the impact of education on economic growth: those who support a positive correlation between schooling and economic growth rates and those who claim that the impact of schooling on growth has been overstated. What is intriguing about this discussion is that both positions are based on theory and the results from empirical studies. We examine the long-term effects of increased school enrollment (and effective attendance) on economic growth in Tanzania using a dynamic computable general equilibrium (DCGE) model. We find that an increase in human capital formation in the long run leads only to a moderate increase of economic growth rates but to a substantial improvement of factor

incomes to low-education households, while overall income effects are Pareto efficient.

Exchange Rate Regime, Real Exchange Rate, Trade Flows and Foreign Direct Investments: The Case of Morocco

Jamal Bouoiyour and Serge Rey

Abstract: We study the behavior of the Real Effective Exchange Rate (REER) of the dirham against the European currencies (the EU15), over the period 1960–2000 (annual data). We measure the volatility using standard deviation, and the misalignments as the difference between the actual REER and the equilibrium REER (the NATREX model). We show that a rise in the volatility of the dirham reduces the trade flows (exports and imports). The misalignments also affect the trade flows: an overvaluation leads to a reduction in Morocco exports, to an increase in Morocco imports, and globally to a deterioration of the trade balance with the European Union. On the other hand, neither the volatility nor the misalignments have an effect on foreign direct investment in favor of Morocco.