Economic Growth’s Factors in the Sub-Saharan Africa Region

Yanzhao Chang
Faculty Advisor: Kathleen Bruhn
Department of Political Science, University of California, Santa Barbara

Introduction

The main question to be asked in this research is: “what makes some Sub-Saharan Africa (SSA) countries grow at a different pace?” This paper aimed to discover the reason behind different growth rate among SSA nations and find out the factors for two separate measurements: Fast Growth and Stable Growth. There were four hypotheses which included four dimensions for economic growth: Geological Features, the Development of Secondary Industry, the Regime Type, and the Economic Inclusiveness.

Methods

The research prepared models for two time-frame: one three-year model and one ten-year model. This separation was used to measure “Fast Growth” and “Stable Growth” in different timeframes. The DV was GDP Growth. For IVs, there were two sub-variables in the geological feature hypothesis, six sub-variables in the Regime Type one, and three categories of sub-variables in the Economic Inclusiveness variable.

Result

The result of the data analysis did not fit previous anticipation in the way that most of the variables showed neither significance nor correlation with GDP growth. However, the Secondary Industry Development always had a negative correlation with the GDP growth in both three and ten year models. Besides, one specific regime were also found strong correlation with GDP growth.

Case Study

To find out answers for the data result, the case study conducted a qualitative study on the case of Gabon. By using the process-tracing mechanism, the third chapter found out that heavy state involvement and dependence on oil industry were two crucial reasons for the negative correlation between the Secondary Industry and the GDP. The Competitive Authoritarian regime (CA) was the result of regime transition of Gabon. That’s being said, the transition to CA was the result of economic growth.

Discussion

This research revealed that the Economic Inclusiveness were not the dominant factor for Economic Growth. For future researchers, how to measure the potential influence of natural resources will be a key to understand the geological features on the Economic Growth. Perhaps the measurement of natural resources should be put on the capability for a certain nation to exploit its natural resources, rather than measure the amount of reserves. Moreover, the causal relationship between Regime Transition and Economic Growth was also worth noticing for future study to figure out what’s the trigger and what’s the result.

Main Literature Cited


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For further information

Please contact yanzhaochang@ucsb.edu. More information about this and related projects is available at: IICSB Political Science Department Website.