NOVA SBE
NOVAFRiCA
Annual Report 2017

Building a world with more evidence and less poverty
# NOVAfrica Annual Report 2017

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We are very happy to report that, since its creation in 2011, the NOVAFRICA center has produced substantial output in the field of business and economic development in African countries. Specifically, we have undertaken a range of applied research projects, in partnership with governmental and non-governmental institutions, that allowed us to reach and improve the lives of thousands of people.

In the past year, our geographical focus has been countries such as Angola, Gambia, Guinea-Bissau, Kenya and Mozambique. The areas of specific research and policy interest have been diverse: they include studies on financial inclusion through the use of mobile money, international migration of people, management of natural resources, incentives for education and health workers, adoption of modern technologies in agriculture, entrepreneurial improvement interventions, and civic education and mobilization.

In the context of our projects, we gratefully acknowledge funding received from multiple international donor agencies. These include the 3ie, ATAI program at MIT, International Growth Centre at the London School of Economics, Islamic Development Bank, IZA, Portuguese National Science Foundation (FCT), USAID, and the World Bank. Ongoing collaborations with Carteira Móvel, VIDA NGO, and the World Bank were also crucial to very productive projects in the countries we are working in.

We are confident that keeping the high level of quality in our research projects will enable NOVAFRICA to keep winning internationally competitive research funding. We do, however, value and would like to strengthen our domestic institutional and private sector links in the next few years.

NOVAFRICA’s research initiatives allowed crucial investment in our student body that we are very proud of. Over the last years, we have involved dozens of Nova School of Business and Economics (Nova SBE) students in the fieldwork activities of our projects in Lusophone African countries. We believe this helped create a group of students that has hands-on experience in developing countries, and is eager to use these skills together with their academic background to make an impact in terms of research and in the world at large.

As a consequence, we can proudly report that in a few years we have managed to create a NOVAFRICA family, with a clear sense of common culture, which already allowed multiplying our hands doing research in Africa.

The big challenges ahead are twofold. First, we need to strengthen our faculty body, in the context of the broader strategy of Nova SBE for its international presence. Nova SBE already initiated this process, but this keeps being our primary concern to ensure the growth of our work, while keeping the same high quality standards. Second, through Nova SBE teaching programs, we need to welcome many more African students to NOVAFRICA.

We believe this is the way NOVAFRICA can contribute to transforming Nova SBE in a truly global school in business and economics, with a special connection to Lusophone African countries.

NOVAFRICA Management Team
Introduction
Founded in 1978, the Nova School of Business and Economics (Nova SBE) is the most prestigious school in the areas of Economics, Finance and Management, and a reference in research, teaching, and executive education in Portugal. The School’s reputation is recognized by the 5 Palmes of Excellence granted by Eduniversal to a single business school in each country, thus meaning that Nova SBE is a renowned Universal Business School with Strong Global Influence.

Moreover, Nova SBE is one of the few schools in the world to hold the Triple Crown accreditation by the three leading international institutions: EQUIS, AMBA and AACSB.

The School is the exclusive Portuguese member of the GBSN – Global Business School Network, and CEMS, allowing it to offer the CEMS Master in International Management, consistently featured by the Financial Times as one of the best pre-experience masters in management in the world.

Nova SBE international vocation is clear – with 3 master programs, executive education and MBA in the Financial Times rankings, the School is considered to be amongst the top 30 business schools in Europe. Additionally, Nova SBE Master in Economics was ranked by Eduniversal as the 5th best program in Europe.

At Nova SBE, students of 60 nationalities interact with professors from 25 countries. With 100% of its courses taught in English, the School has more than 150 exchange agreements with universities in 50 countries and delivers executive education programs in Europe, Brazil, Angola and Mozambique. In 2009, Nova SBE created an extremely successful business school in Luanda – the Nova Angola Business School.

The School has been focused on the production of international quality research on topics relevant to emerging economies in Africa, and has about 20 academic faculty members working on themes related to economic development. In 2011, in order to accomplish this goal Nova SBE created the NOVAFRICA knowledge center.
NOVAFRICA is a knowledge center created by Nova SBE in 2011. Its mission is to produce expertise with an impact on business and economic development in African countries. The Center has a particular focus on Portuguese-speaking countries, i.e., Angola, Cape Verde, Equatorial Guinea, Guinea-Bissau, Mozambique, São Tomé and Príncipe, and Timor-Leste.

NOVAFRICA develops research activities in the areas of economics and business management, with the purpose of collecting rigorous evidence that has real impact on people's lives. As a result of these activities, the Center produces academic publications of relevance to the development process, and publications that have a significant applied nature – including publications that contribute to manager training or to the design of public policies. The Center also promotes executive education programs, local capacity building activities such as internships and training initiatives, and offers consulting services in its areas of expertise.

Knowledge created by NOVAFRICA is based on the top-quality economic and management research produced by its members. This research is meant to reach all interested stakeholders through policy recommendations, operational and strategic advice to companies and organizations, consulting and capacity building. Several international institutions have funded NOVAFRICA research projects, including the World Bank, the Islamic Development Bank, USAID and DFID. Some of these projects have been managed in partnership with peer research centers such as the Centre for the Study of African Economies (University of Oxford), the International Growth Centre (London School of Economics) and Innovations for Poverty Action (Yale University).

The Center includes a resident team of renowned professors at Nova SBE, and a team of established external members based on prominent international institutions, representing a diversity of backgrounds and a broad range of areas of expertise relevant to research on economic development in Africa, Asia, and Central/South America. NOVAFRICA also has an advisory board, which includes several experts on economic development policies in Africa and elsewhere, who support the center in transforming the knowledge it produces into policy impact. The NOVAFRICA Student Group is a student-led initiative that includes many dozens of students from Nova SBE who are interested in economic development in Africa, and who support the center's activities in a variety of ways, including interviews with NOVAFRICA visitors, discussion groups, and social media dissemination of the knowledge produced by the center.

NOVAFRICA organizes events such as conferences, seminars and debates in Lisbon and in various African cities such as Maputo and Luanda, with the purpose of disseminating knowledge produced by the center, and promoting exchanges and the creation of networks among the participants.
The International Growth Centre is a research institute that provides advice on economic growth to the governments of developing countries. It is based at the London School of Economics operated in partnership with the University of Oxford.

The IZA – Institute of Labor Economics is a private, independent economic research institute and academic network focused on the analysis of global labor markets. It was founded in 1998 with the support of the Deutsche Post Foundation.

Johnson & Johnson is an American multinational medical devices, pharmaceutical and consumer packaged goods manufacturing company founded in 1886. The corporation includes some 250 subsidiary companies with operations in 60 countries.

The Massachusetts Institute of Technology is a private research university founded in 1861. The MIT is often ranked among the world’s top universities.

The Stockholm School of Economics is one of Europe’s leading business schools. It offers BSc, MSc and MBA programs, along with highly regarded PhD and Executive Education programs. The School is accredited by EQUIS and is a member of CEMS.

The United States Agency for International Development is an independent agency of the US federal government that is primarily responsible for administering civilian foreign aid and development assistance.

The World Bank is an international financial institution that provides loans to countries for capital projects. It comprises the International Bank for Reconstruction and Development, and the International Development Association.

NOVAFRICA PARTNERS

NOVAFRICA has several partners from different areas that operate in the private and in the public sector.

3ie strives to improve lives through evidence-informed equitable, inclusive and sustainable development action in developing countries. Since its founding in 2008, 3ie has awarded over 300 grants in over 50 countries.

The Agricultural Technology Adoption Initiative is a collaboration between researchers at MIT’s Abdul Latif Jameel Poverty Action Lab and UC Berkeley’s Center of Evaluation for Global Action, supported by the Bill & Melinda Gates Foundation.

The Banco de Moçambique (Bank of Mozambique) is the central bank of Mozambique. Since its creation in 1975, it has been active in developing financial inclusion policy.

The Centre for the Study of African Economies has undertaken research on Africa since 1986, and is part of the University of Oxford. The Center applies modern research methods to economic problems in several developing countries.

The Fundação para a Ciência e a Tecnologia (Foundation for Science and Technology) evaluates and funds scientific research activities, in particular in the areas of natural sciences, exact sciences, social sciences and humanities in Portugal.

The Calouste Gulbenkian Foundation is a Portuguese institution under private law and of general public utility, perpetual in nature, with its statutory purposes spanning the arts, beneficence, science, and education.

The International Fertilizer Development Center is a science-based public international organization working to alleviate global hunger by introducing improved agricultural practices and fertilizer technologies and by linking farmers to markets.

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NOVAFRICA has designed and implemented impact evaluations of development interventions in a variety of sectors in Sub-Saharan Africa, including natural resources, education, health, agriculture, financial inclusion, international migration, and civic education.

The typical project entails a partnership with a relevant stakeholder, which is interested in knowing the impact of its innovative activities on indicators of living standards of the beneficiaries. These indicators are collected through surveys, behavioral games, and the analysis of administrative records. NOVAFRICA typically assesses impact through randomized controlled trials, enabling comparability of treatment and control groups, which constitute state of the art for establishing causality of development interventions.

From its headquarters in Lisbon and its office in Maputo, NOVAFRICA has already designed and implemented more than 30 projects in Angola, Cape Verde, Gambia, Guinea-Bissau, Kenya, Mozambique, Nigeria, and São Tomé and Príncipe, which confirms the technical, financial and logistical capacity of the center.

In addition to the staff based in Maputo, the Center also has a pool of field coordinators and teams in different countries that go to the field on a regular basis to collect data and implement development interventions, thus being familiar with firm-level and household surveys, face-to-face semi-structured interviews and focus group discussions.
Summary of activities
In line with the Nova SBE’s international strategy, NOVAFRICA aims to connect people, their knowledge and skills within the Portuguese-speaking world. This translates into in-country research, teaching and other capacity-building activities. Accordingly, NOVAFRICA organizes an annual conference alternating its location between Lisbon, Luanda and Maputo, enabling the dissemination of the knowledge produced in the center and bringing together researchers working on the frontier of development economics and business management.

The Center also organizes several policy workshops more focused on enhancing the practical impact of the center’s research in developing countries.

Additionally, NOVAFRICA organizes frequent seminars where it invites leading international researchers to come to Lisbon to discuss frontier research in development economics. These seminars promote networking among the participants in the Center’s activities, and enable the visibility of the knowledge produced in the Center.

NOVAFRICA has also developed a Working Paper Series with the objective of facilitating the public dissemination of the high-quality research by its external and resident members to the interested public.

Finally, NOVAFRICA promotes the gathering of quality datasets and the elaboration of country macroeconomic reports to support policy-making, and provides consulting services closely related to its core expertise in Portuguese-speaking African countries.
NOVAFRICA Seminars in 2017

NOVAFRICA has been holding seminars where it invites leading international researchers to come to Lisbon. These seminars allow dissemination of frontier research, while also promoting the networking among the participants in the Center’s activities, and enabling the dissemination of the knowledge produced in the Center to enhance its visibility.

Several development economists based at the best universities in Africa, Europe and North America, but also at international institutions such as the World Bank and the IMF, are invited to present their papers in various topics twice a month at Nova SBE, facilitating the exchange of ideas and discussions between them and the School’s faculty and PhD students.

The following table summarizes the seminars that have been organized by the Center in 2017.

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KNOWLEDGE DISSEMINATION ACTIVITIES

Summary of activities

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Conference on Community Health and the Reduction of Maternal and Infant Mortality

On 11th December 2017, NOVAFRICA, in partnership with VIDA, organized the Conference on Community Health and the Reduction of Maternal and Infant Mortality at the Calouste Gulbenkian Foundation.

The conference was supported by UNICEF, Camões – Instituto da Cooperação e da Língua and Calouste Gulbenkian Foundation. In addition to a keynote presentation by Damien de Walque (Word Bank), there were three roundtables dedicated to the Impact of Community Health on the Indicators of Reduction of Maternal and Infant Mortality, Community Health Workers, and Implementation of Community health programmes – case study of Guinea-Bissau. These roundtables included several researchers – such as Andrea Guariso (Trinity College Dublin), Giuliano Russo (Queen Mary University of London) and Luís Varandas (Instituto de Higiene e Medicina Tropical), and practitioners – such as Agostinho N’Dumbá (Ministry of Health of Guinea-Bissau), Carmen Báez (Maternal and Child Health integrated Program (PIMI) in Guinea-Bissau) and Umaro Ba (UNICEF).

NOVAFRICA in Economia Viva Conferences 2017

NOVAFRICA organized two policy roundtables at Economia Viva Conferences 2017 on 15th and 16th February. The Conference’s week, managed by Nova SBE’s Student Union, is one of the most important in the academic year.

The first roundtable addressed the question What Paths for Development in Africa?, and included Maria Hermínia Cabral (Calouste Gulbenkian Foundation) Miguel Silvestre (Ministry of External Affairs of Portugal), Patrícia Maridalho (VIDA NGO), Paula Barros (Camões – Instituto da Cooperação e da Língua), and Pedro Vicente (Nova SBE), being moderated by Ana Paula Gomes (RDP África).

The second roundtable addressed the question Migrations – Bridges or Walls?, and included Cátia Batista (Nova SBE), Christian Dustmann (UCL) and Francisco Seixas da Costa (Ministry of External Affairs of Portugal), being moderated by José Conde Rodrigues (European Movement International).

Workshop on Globalization and Development

On 9th June 2017, NOVAFRICA, the World Bank and Banco de Portugal organized an all-day Workshop on Globalization and Development at Nova SBE. In addition to renowned economics scholars such as Beata Javorcik (University of Oxford), Daron Acemoglu (MIT) or Eric Verhoogen (Columbia University), the Center also had the honor to host the Ministry of Economy of Portugal, Manuel Caldeira Cabral, and the Rector of Universidade Nova de Lisboa, António Bensabat Rendas. The students showed an enthusiastic interest in the discussions, and there was also great participation from the audience in general.

The workshop was attended by:

- 17% Volunteers
- 23% Speakers
- 33% Registrations
- 19% Organizers
- 8% Discussant

It was organized by:
- Cátia Batista – Nova SBE
- Luca David Opromolla – Banco de Portugal
- Susana Peralta – Nova SBE
- Samuel Pienknagura – World Bank
- Joana Silva – World Bank
- Pedro Vicente – Nova SBE

The workshop was sponsored by:
- NOVAFRICA
- World Bank
- Banco de Portugal

Summary of activities

- KNOWLEDGE DISSEMINATION ACTIVITIES
- Workshop on Globalization and Development
- Conference on Community Health and the Reduction of Maternal and Infant Mortality
- NOVAFRICA in Economia Viva Conferences 2017
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- Joana Silva – World Bank
- Pedro Vicente – Nova SBE

The workshop was sponsored by:
- NOVAFRICA
- World Bank
- Banco de Portugal
**RESEARCH PROJECTS CURRENTLY ACTIVE IN MOZAMBIQUE**

### Usage of Electronic Payments by Small Business Owners in Mozambique

**Principal investigators:**
- Pedro Vicente (Nova SBE)
- Esselina Macome (Central Bank of Mozambique)

**Field coordinator:**
- Margarida Ortigão (Nova SBE)

**Project coordinator:**
- Aurora Bila (Central Bank of Mozambique)
- Rafael Francisco (Central Bank of Mozambique)

**Funder:**
- International Growth Centre

**Partner:**
- Bank of Mozambique

**Description:**
This study is part of a project concerning Electronic Payments in Mozambique with the purpose of diagnosing the access to banking and electronic payments (POS, Mobile Banking and Mobile Money) by small businesses in the cities of Mozambique. For this purpose, 1000 small firms were selected in the cities of Maputo and Matola to answer a baseline survey with the goal of analyzing which businesses use these services and what factors, regarding the business and the owner, are more likely to influence their usage.

### Farmer participatory experimentation in Mozambique

**Principal investigators:**
- Cátia Batista (Nova SBE)
- Gharad Bryan (LSE)
- Dean Karlan (Yale University)

**Field coordinator:**
- Timóteo Simone

**Funders:**
- Islamic Solidarity Fund for Development of the Islamic Development Bank and the International Growth Centre

**Partners:**
- Innovations for Poverty Action and Centro de Investigação e Transferência de Tecnologia para o Desenvolvimento Comunitário, an agency of the Ministry of Science and Technology of Mozambique

**Description:**
The use of improved agricultural technologies (such as fertilizers or improved seeds) is very limited in Mozambique. We conduct a randomized field experiment to evaluate the impact of smallholder farmers’ own experimentation with new agricultural technologies on adoption of these same technologies. More than 5000 farmers in the North of the Zambezia province will be part of this study.
On the mechanics of the natural resource curse: information and local elite behavior in Mozambique

Principal investigators:
Alex Armand (Universidad de Navarra)
Alex Coutts (Nova SBE)
António Cruz (Universidade Eduardo Mondlane)
Pedro Vicente (Nova SBE)

Field coordinator:
Inês Vilela

Funders:
3ie – Transparency and Accountability Initiative and the International Growth Centre

Description:
Mozambique discovered substantial natural resources in recent years. Known gas reserves in the Rovuma basin have the potential to transform Mozambique into a global player in Liquefied Natural Gas exports. Being a recent democracy, and with relatively weak institutions, Mozambique also faces considerable risks of resource and revenue mismanagement in the future, particularly since media independence and penetration are low, and the level of political accountability is not improving.

This research project will evaluate the distribution of information about the management of the newly discovered natural gas in the Rovuma basin, and the holding of citizen meetings to deliberate on the main priorities for spending the revenues from these resources. Through the widespread provision of information about the management of natural resources in the country the resource curse can possibly be counteracted.

Entrepreneurship training in Mozambique: the role of business skills vs. aspirations

Principal investigators:
Cátia Batista (Nova SBE)
Julia Seither (Nova SBE)

Field coordinator:
Julia Seither

Funder:
International Growth Centre

Description:
Increasing the productivity of entrepreneurship and transforming micro-enterprises into SMEs in Mozambique is one of the major challenges facing local policy makers, international institutions, and NGOs. The aim of this research project is to provide experimental evidence on the mechanisms and possible solutions to support exactly this objective. For this purpose, a randomized controlled trial will be implemented among 600 small-scale entrepreneurs in the outskirts of Maputo.

Specifically, we will provide experimental evidence to answer the following key questions:
• Can entrepreneurship training positively affect productive microenterprises in low-income countries?
• Can the aspirations of entrepreneurs, i.e., the goals they set themselves, be changed in a positive way that leads microenterprises towards efficiency?
• Can synergetic productivity gains be obtained by combining entrepreneurship training with setting positive aspirations of micro-entrepreneurs?
RESEARCH PROJECTS CURRENTLY ACTIVE IN MOZAMBIQUE

Networks and Information: An Impact Evaluation of Efforts to Increase Political Participation in Mozambique

Principal investigators:
Macartan Humphreys (Columbia University)
Pedro Vicente (Nova SBE)

Field coordinator:
Tiago Almeida

Funder:
USAID

Description:
This impact evaluation explores two initiatives to increase voter turnout and political participation in Mozambique, a country with low participation rates. One of the possible explanations for low turnout and limited participation is insufficient information about political and public issues. In particular, there is a dearth of newspapers, and newspaper readership is extremely low in Mozambique. As such, this impact evaluation asks if distribution of a free newspaper with information about upcoming elections can increase voter turnout. In addition, given the commonality and effectiveness of voter turnout drives in many countries, Mozambican turnout and other political participation could also be increased through more concerted mobilization efforts. Increased access to information and communication technology offers a low cost and previously unavailable mechanism to promote such participation. As a result, this evaluation asks if SMS campaigns can increase political participation, and, if they can, what type of SMS campaign is most effective.

Health, Education and Economic Interventions for Orphans and Vulnerable Children

Principal investigator:
Dean Yang (University of Michigan)

Field coordinators:
Carolina Salvaterra
Faustino Lessitala

Funder:
USAID and University of Michigan

Description:
The HIV/AIDS crisis in Sub-Saharan Africa has left millions of children orphaned, and millions more suffer direct and indirect effects of the crisis. These children, who are potentially infected with HIV themselves, are highly vulnerable and face a number of serious risks to their health and overall well-being. The U.S. government via PEPFAR is funding a newly established program in Mozambique, "Strengthening Family and Community Support to Orphans and Vulnerable Children" (FCC), which aims to reduce the socio-economic impact of HIV/AIDS on OVC and their caregivers. The FCC program is carrying out a variety of health and economic interventions to help OVCs and the households in which they live. Health interventions involve a bundle of integrated programs aimed at identifying and referring children to public health centers for HIV testing and anti-retroviral therapy (ART). Economic interventions involve village savings and loan (VSL) programs to improve income, consumption, and risk-coping in OVC households. The objective of this study is to rigorously measure the impact of the FCC program on health care utilization, health outcomes, education outcomes, and household economic conditions. The study will be conducted in the Manica, Sofala, and Zambezia provinces.
RESEARCH PROJECTS CURRENTLY ACTIVE IN MOZAMBIQUE

Promoting Migrant Remittances using Mobile Money: Evidence from a Field Experiment

Principal investigators:
Cátia Batista (Nova SBE)
Pedro Vicente (Nova SBE)

Projects coordinators:
Stefanus Leeffers
Julia Seither
Inês Vilela

Funders:
IZA - Growth and Labour Markets in Low Income Countries Programme

Description:
A collaborative effort with Carteira Móvel and the Central Bank of Mozambique. The introduction of mobile money technology in Mozambique has created a sense of opportunity and interest in the Mozambican society, with the Government and the Central Bank of Mozambique paying close attention to its potential impact. While the success of mobile money experiences in other contexts generates great expectations, there is a lack of causal evidence to provide guidance on the consequences of introducing this new technology, particularly in rural areas without access to traditional banks. This research project implements the first randomized control trial to evaluate the potential impact of mobile payment technology in rural areas on the magnitude and frequency of urban-rural transfers, while also examining substitution patterns in the use of different remittance channels and the motives potentially explaining this substitution – namely reduced transaction costs and increased trust in the remittance channel.

The experimental research design allows measuring the impact of introducing mobile payment technology in rural areas on the magnitude and frequency of urban-rural transfers, while also examining substitution patterns in the use of different remittance channels and the motives potentially explaining this substitution – namely reduced transaction costs and increased trust in the remittance channel.
In order to reach a comprehensive analysis, we propose to measure not only outcomes that illustrate students’ cognitive abilities, such as the ones employing standardized written tests, but also mediating outcomes, namely those related to teacher and student motivation and absenteeism rates, parents’ expectations and satisfaction, and students’ non-cognitive skills such as confidence, cooperation and self-knowledge.

An impact evaluation of the Fundo de Apoio Social em Angola

Principal investigators:
Vincenzo Di Maro (World Bank)
Pedro Vicente (Nova SBE)
Danila Serra (Southern Methodist University)

Project coordinator:
Miguel Lino Ferreira

Field coordinators:
Bruno Spellanzon
Stefanus Leeferds
Frederica Mendonça
Ornella Dellacio
Timothy Brennan

Funder:
World Bank

Partners:
Fundo de Apoio Social, an agency of the Ministry of Territorial Administration of Angola, and the World Bank

Description:
Fundo de Apoio Social (FAS) provides support to local decision-making institutions while financing local infrastructures (schools, health centers). In collaboration with the Development Impact Evaluation Initiative of the World Bank, we are designing and implementing an impact evaluation project of the capacity building component of the current phase of FAS. This will span across the province Cuanza-Sul, and will include thorough measurements through primary data collection and household surveys. We will be able to advise the government of Angola in very specific terms regarding local development policy options, not only for the future activities of FAS, but also for other local development government and non-governments agencies.

ProFuturo: Evaluating the impact of the technology-based program Aula Digital in primary schools

Principal investigators:
Pedro Vicente (Nova SBE)
Teresa Molina (Nova SBE)
Joana Cardim (Nova SBE)

Field coordinator:
Carine Canonici Costa

Partner:
ProFuturo

Description:
Primary school coverage has been increasing in many developing countries. Angola is no exception. However, learning indicators such as literacy and numeracy rates are not as optimistic. Many programs have been trying to improve education quality in developing countries, some using technology as part of new pedagogical methods. Computer hardware combined with adaptive-learning software can potentially have a strong positive impact on student achievement.

ProFuturo is one of these programs. Through its own pedagogical vision, it goes well beyond the provision of technologic hardware, as it offers an innovative and personalized approach to teaching and learning.

This study aims to evaluate the impact of the ProFuturo – Aula Digital program in the specific context of the capital city of Angola, Luanda, through a randomized controlled trial. The core purpose of the evaluation is to measure the impact of the program Aula Digital, revealing its main strengths, and in which aspects improvements can be made.
**Agricultural intervention: the impact on livelihoods and social capital of subsistence farmers in Guinea-Bissau**

**Principal investigators:**
Pedro Vicente (Nova SBE)
Rute Martins Caeiro (Nova SBE)

**Field coordinator:**
Rute Martins Caeiro

**Funders:**
European Union and Camões – Instituto da Cooperação e da Língua

**Partners:**
VIDA, NGO (Voluntariado Internacional para o Desenvolvimento Africano)

**Description:**
The large majority of Guinea-Bissau population lives in rural areas and is highly dependent on subsistence agriculture.

This research project evaluates the impact of an agricultural intervention program for farmers implemented by the partner organization VIDA, in the northwest of Guinea-Bissau.

The intervention fosters cooperation between farmers, provides agricultural technical training and inputs, and promotes linkages to local markets. The team conducts a randomized field experiment to evaluate the impact of this intervention on the level of social cohesion between farmers, adoption of agricultural technology, production patterns and living standards. Moreover, the team also examines the role of social networks in the agriculture adoption process.

**Incentives of Community Health Agents in Guinea-Bissau**

**Principal investigators:**
Pedro Vicente (Nova SBE)
Teresa Molina (Nova SBE)

**Field coordinators:**
Mattia Fracchia
Melisa Rodrigues

**Partners:**
VIDA, NGO (Voluntariado Internacional para o Desenvolvimento Africano)

**Description:**
The health sector in Guinea-Bissau faces a severe shortage of health workers and lack of access to health facilities.

Therefore, the Guinean government and its national and international partners defined a national strategy to reduce maternal, infant and juvenile mortality and to increase access to basic health provisions, in which community health initiatives play a crucial role. In this context, VIDA, together with the Ministry of Health created and organized a system of Community Health Agents (CHA) in the Autonomous Sector of Bissau.

CHA programs are becoming increasingly popular in sub-Saharan Africa. In recent years, community health workers have become an essential part of national and international health strategies on the delivery of health care in the region. At the same time, there is a concern that the low motivation of CHAs may threaten the potential benefits of investing in CHA programs. This study wants to investigate to what extent a model in which non-financial incentives are offered on top of basic monetary benefits can result in a sustainable and effective system to incentivize CHAs in developing countries. First, we study incentives activating intrinsic motivation of the agents, related to the pro-social characteristics of the CHA role and non-monetary rewards targeting the extrinsic motivation of the agents, such as social recognition in the community. Second, this study wants also to test whether the dissemination of information on CHAs’ work in targeted communities could improve the effectiveness of the program.

Finally, the team will also devote attention to the possible complementarity between the different non-financial incentive schemes and to the complementarity between informed beneficiaries and appropriate incentive schemes.
**Understanding Willingness to Migrate Illegally: Evidence from a Lab in the Field Experiment**

**Principal investigators:**
Tijan L Bah (Nova SBE)
Cátia Batista (Nova SBE)

**Field coordinator:**
Tijan L Bah

**Funder:**
Nova SBE/NOVAFRICA

**Description:**
Illegal migration to Europe through the sea, though risky, remains one of the most popular migration options for many Sub-Saharan Africans. This study aims at improving our understanding of the determinants of the willingness to migrate illegally from West Africa to Europe.

We implemented an incentivized lab-in-the field experiment in rural Gambia with a sample of male youths aged 15 to 25 years old.

According to our data, potential migrants overestimate both the risk of dying en route to Europe, and the probability of obtaining legal residency status. The preliminary results from our study indicate that the migration decisions of potential migrants are likely to actively respond to relevant information.
Testing Classic Theories of Migration in the Lab

Principal investigators:
Cátia Batista (Nova SBE)
David McKenzie (World Bank)

Project coordinators:
Rui Mascarenhas

Funder:
World Bank

Description:
We use incentivized laboratory experiments to investigate how potential migrants make decisions between working in different destinations in order to test the predictions of different classic theories of migration.

We test theories of income maximization, migrant skill-selection, and multi-destination choice and how the predictions and behavior under these theories vary as we vary migration costs, liquidity constraints, risk, social benefits, and incomplete information. We show how the basic income maximization model of migration with selection on observed and unobserved skills leads to a much higher migration rate and more negative skill-selection than is obtained when migration decisions take place under more realistic assumptions. Second, we find evidence of a home bias, where simply labelling a destination as “home” causes more people to choose that location.

Thirdly, we investigate whether the independence of irrelevant alternatives (IIA) assumption holds. We find it holds for most people when decisions just involve wages, costs, and liquidity constraints. However, once we add a risk of unemployment and incomplete information, IIA no longer holds for about 20 percent of our sample.
NOVAFRICA RESEARCH INTERNSHIPS IN 2017

Following the successful experience of the NOVAFRICA research internship program initiated in 2012, several students from Nova SBE worked in several research projects in the field from July to September 2017. These research interns contributed to the successful implementation of the research projects by integrating the local teams that conducted fieldwork.

Specifically, in the summer of 2017 there were ten Nova SBE students working in Angola (two), Guinea-Bissau (five) and Mozambique (three), integrating the research teams of the following projects:


“Entrepreneurship Training in Mozambique: The Role of Business Skills vs. Aspirations” in Maputo, Mozambique;

“On the Mechanics of the Natural Resource Curse: Information and Local Elite Behavior in Mozambique” in the Cabo Delgado province, Mozambique;

“Farmer Participatory Experimentation in Mozambique” in the Molumbo district (Zambeze Province), Mozambique;

“Incentives of Community Health Agents in Guinea-Bissau” in Bissau, Guinea-Bissau;

“Agricultural intervention: the impact on livelihoods and social capital of subsistence farmers in Guinea-Bissau” in Susana, Guinea-Bissau.

The feedback of the NOVAFRICA research interns over the past years highlights how this experience contributes to developing their sensitivity to the needs and specificities of local development strategies, ultimately helping the interns to develop their research skills and to strengthen their motivation to contribute towards promoting local businesses and fostering economic development at large.

CONSULTING PROJECTS

The partnership between Banco Millennium Atlântico (BMA) and NOVAFRICA aims to transform AGE – Atlântico Global Economics into a top-tier research center in southern Africa with a strong technical and analytical capacity. The objective is to make BMA the leader in the production of knowledge about the evolution, prospects and opportunities of the Angolan economy in an international context.

All the deliverables are the result of close and ongoing collaboration between the NOVAFRICA members based in Lisbon, and their BMA colleagues based in Luanda, thus creating a single team work. While NOVAFRICA ensures the scientific and executive coordination of the project given the expertise of its members in the production of international macroeconomics analyses, BMA uses its capacity to bring local information together with access to institutional data sources.

The AGE team produces quarterly reports about the Angolan economy, plus a series of short texts about specific issues. The partnership was initiated in March 2016 and will last at least two years, with an option to renew the agreement.

Lusophone Management Development Institute (MDI) for Health Care Organizations

NOVAFRICA organized the first Lusophone Management Development Institute (MDI), which is a one-week intensive training designed to enhance the leadership, management and governance skills of program managers and leaders of sub-Saharan organizations, governmental and non-governmental, that are devoted to delivering health care services to underserved populations. The program has been designed to specifically assist African ministries of health in implementing their particular national health priorities.

To extend the geographical reach of the program and meet the leadership and management needs of Lusophone Africa, the MDI was launched in Mozambique in December 2017, in partnership with the Global Business School Network and supported by Johnson and Johnson. This was the first Portuguese edition of a program that already exists in Ghana, Kenya, Senegal and South Africa.
Research work completed in 2011–2017
A selection of international quality research on topics relevant to emerging economies in Africa conducted by resident faculty at Nova SBE in 2011-2017 follows:

**PUBLISHED ARTICLES**

- Delavande, A., Sampaio, M., Sood, N. (2014). HIV-related social intolerance and risky sexual behavior in a high HIV prevalence environment. Social Science and Medicine, 111, 84-93;


• Hurd, M.D., Martorell, P., Delavande, A., Muller, K. and Langa, K. (2013). Monetary costs of dementia in the United States. The New England Journal of Medicine, 368 (14), 1326-1334;


NOVAFRICA WORKING PAPERS


NOVAFRICA ACTIVITY HIGHLIGHTS

NOVAFRICA Highlights Between 2011-2017

- **Organization of 50+ seminars on economic development with top international academics and practitioners such as:**
  - Joshua Angrist, MIT
  - Abhijit Banerjee, MIT
  - Emily Breza, Columbia University
  - Paul Collier, Oxford University
  - Christian Dustmann, University College London
  - Marcel Fafchamps, Stanford University
  - Cláudio Ferraz, PUC-Rio
  - Jessica A. Goldberg, University of Maryland
  - Eliana La Ferrara, Bocconi University
  - Horacio Larreguy, Harvard University
  - Karen Macours, Paris School of Economics
  - Jeremy Magruder, University California-Berkeley
  - David McKenzie, World Bank
  - Sandra Sequeira, London School of Economics
  - Jakob Svensson, Stockholm University
  - Alessandro Taroza, Universitat Pompeu Fabra

- **Organization of annual international conference on economics development**
  - 200+ submissions following international open calls for papers.
  - 75+ speakers from academia, private sector and policy making, including a Nobel Prize Winner.
  - 200+ participants from Europe, US, Africa and other international regions.

- **Various partnerships in Guinea Bissau, Mozambique and Angola**
  - With Universities, Government, Private Sector, Independent Foundations and NGOs, which strengthen relations and help generate strong local impact.

- **Organization of other conferences, seminars and workshops in Angola, Mozambique and Portugal**
  - With international speakers from academia, private sector, public regulators and governmental officials.

- **Strong development research network**
  - Research collaboration with a number of leading academic scholars working on development economics and based at institutions such as the London School of Economics, Oxford University, Stanford University, Yale University or the World Bank, among others; these collaborators are affiliated to NOVAFRICA as external fellows or belong to its advisory board.
  - In 2017, 12 PhD candidates were directly working in NOVAFRICA projects.

- **African macroeconomics research project**
  - Partnership between Banco Atlântico and NOVAFRICA that aims to create a top-tier macro research center in southern Africa with a strong technical and analytical capacity.

- **50+ Internships in Angola, Guinea Bissau and Mozambique**
  - Research Internships where several students from Nova SBE, local and international universities participate yearly in NOVAFRICA research projects, developing research skills that promote local businesses and foster economic development.
  - Professional Internships in collaboration with local private companies, NGOs or public institutions, that aims the exchange of different experiences and bring added value and new dynamics to existing businesses.
NOVAFRICA ACTIVITY HIGHLIGHTS

NOVAFRICA Highlights Between 2011-2017

Research projects, typically randomized impact evaluations measuring changes in the life and business of thousands of Mozambicans, Guinean and Angolans


Employing several dozens of recent graduates from Mozambican universities and Nova SBE graduate students.

30 + publications of scientific articles Various partnerships in Guinea Bissau, Mozambique and Angola


17 Working Papers
4 Book Chapters
8 Policy Reports
NOVAFRICA people
NOVAFRICA People

MANAGEMENT TEAM

Cátia Batista
Associate professor of economics at Nova SBE, co-founder and scientific director of NOVAFRICA.

Cátia has conducted research including randomized and lab-in-the-field experiments on topics related to mobile money and financial innovation, international migration and remittance flows, entrepreneurship and technology adoption, including agricultural modernization, in countries such as Cape Verde, the Gambia, Ireland, Kenya, Portugal, Mozambique and São Tomé and Príncipe. Her research has been published in international peer-reviewed development journals such as the Journal of Development Economics, or the World Bank Economic Review.

Cátia holds a PhD in Economics from the Department of Economics of the University of Chicago. She is affiliated as a researcher with CREAM (University College London, UK) and IZA (University of Bonn, Germany). Previously, Cátia has taught at the University of Chicago, University of Oxford, Trinity College Dublin and Notre Dame University. She has worked as a consultant for the International Growth Centre and for the World Bank.

Pedro Vicente
Associate professor of economics at Nova SBE, co-founder and scientific director of NOVAFRICA.

Pedro researches on development economics, with an emphasis on political economy issues, and a special interest in Africa. He designed and conducted field work (including a number of randomized field experiments) in Angola, Cape Verde, Mozambique, Nigeria, and São Tomé and Príncipe. He has published articles in top journals such as the Review of Economics and Statistics, the Economic Journal, and the Journal of Development Economics.

Pedro holds a PhD in Economics from the University of Chicago, an MSc in Economics from the London School of Economics, and a BSc in Economics from Universidade Católica Portuguesa. Pedro is affiliated with BREAD (Duke University, USA) and with the CSAE (University of Oxford, UK). He is Lead Academic for Mozambique at the International Growth Centre, and a consultant for the World Bank.

Miguel Lino Ferreira
Executive director of NOVAFRICA.

Miguel has managed and conducted fieldwork (including randomized field experiments) in Angola and Mozambique. Miguel holds an MSt in Diplomacy from the University of Oxford, and a BSc in Economics and a BSc in Management, both from Nova SBE. Miguel is affiliated with the Oxford University Foreign Service Programme (Oxford, UK). He is also a consultant for the World Bank in Africa and the Middle East.

Raquel Fernandes
Coordinator of NOVAFRICA.

Raquel Fernandes has worked in Luanda as Human Resources Director, coordinating the HR department in companies with interests in various business areas. In Mozambique, Raquel has collaborated with the NGO Equipa d’Africa in the field of health and education. Raquel holds an executive master in Management from Nova SBE – Executive Education. She has a BSc in Clinical Psychology from the Instituto Superior de Psicologia Aplicada.
ADVISORY BOARD

The NOVAFRICA Advisory Board includes a number of experts in implementing and advising on policies that promote sustainable economic development in Africa. The board provides overall strategic guidance and supports the implementation of activities in research, capacity building and policy outreach.

As of 2017, the advisory board members were the following:

**Luís Amado**
Former Foreign Affairs Minister of Portugal and Organizer of the 2007 Africa-EU Summit.

**Paul Collier**
Professor of Economics at the University of Oxford.

**Luísa Diogo**
Chairwoman of Barclays Mozambique, Former Prime Minister and Finance Minister of Mozambique.

**Jorge Braga de Macedo**
Professor of Economics at Nova SBE and Former Finance Minister of Portugal.

**José António Ferreira Machado**
Vice-Rector of Universidade Nova de Lisboa and Former Dean of Nova SBE.

**Roger Myerson**
Professor of Economics at the University of Chicago and Nobel Prize in Economics laureate 2007.

**José Octávio Serra Van-Dúnem**
Professor of Philosophy and Sociology of Law at the Faculdade de Direito da Universidade Agostinho Neto.

EXTERNAL MEMBERS

With a diversity of backgrounds and areas of expertise, the NOVAFRICA external members are the network of researchers outside of the Nova SBE who collaborate in the implementation of NOVAFRICA’s activities.

As of 2017, the external members were the following:

**Adeline Delavande**
Professor at the University of Essex.

**Ana Margarida Fernandes**

**Dean Karlan**
Professor at Northwestern University and President of Innovations for Poverty Action (IPA).

**Dean Yang**
Professor at the University of Michigan.

**David McKenzie**

**Elsa Morais Sarmento**
Principal Evaluation Officer at the African Development Bank.

**Marcel Fafchamps**
Senior Fellow at the Center on Democracy, Development, and the Rule of Law, Stanford University.

**Paulo Santos**
Lecturer at Monash University.

**Pedro Carneiro**
Professor at the University College London.

**Pedro Silva Martins**
Professor at Queen Mary, University of London.

**Sandra Sequeira**
Lecturer at the London School of Economics.

**Tilman Brück**
Founder and Director of International Security and Development Economics at IGZ.
With a diversity of backgrounds and areas of expertise, NOVAFRICA resident members are the core of researchers affiliated with Nova SBE who collaborate in the implementation of NOVAFRICA activities.

As of 2017, the resident members were the following:

João Amador
Cátia Batista
Filipa Castanheira
Alexander Coutts
José Crespo de Carvalho
Miguel Pina e Cunha
Cláudia Custódio
Francesco Franco
Sofia F. Franco
Emanuel Gomes
Miguel Lebre de Freitas
Carmen Lages
Luís Filipe Lages
José Mata
Guido Maretto
José Mata
Teresa Molina Millán
Pedro Neves
Susana Peralta
Luís Brites Pereira
Ana Balcão Reis
Giuliano Russo
Maria do Carmo Seabra
André Castro Silva
Daniel Traça
Pedro Vicente

With a diversity of backgrounds and areas of expertise, NOVAFRICA resident members are the core of researchers affiliated with Nova SBE who collaborate in the implementation of NOVAFRICA activities.

As of 2017, the resident members were the following:

Sara Almeida
Tijan Bah
Rute Caeiro
Joana Cardim
Ornella Dellaccio
Riccardo D’Ercole
Mattia Fracchia
Matilde Grácio
Ana García Hernandez
Stefan Leeffers
Frederica Mendonça
Julia Menge
Carolina Nogueira
Matteo Ruzzante
Julia Seither
Xaver Schenker
Carine Spellanzon
Bruno Spellanzon
Fabio Stohler
Inês Vilela

The NOVAFRICA Student Group (NSG) is managed by post-graduate students from Nova SBE and its main objective is to promote a fruitful connection between those junior researchers/students and the Center, by encouraging participation in the internships, and by promoting and supporting the Center’s activities and projects.

The group organizes discussion series on a biweekly basis with Nova SBE professors, allowing them to discuss relevant issues in development economics and frontier research in related topics. The aim is not only to serve as a platform for knowledge sharing, but also to increase networking between faculty members and all types of students interested in the field of economics.

As of 2017, the resident members were the following:

Sara Almeida
Tijan Bah
Rute Caeiro
Joana Cardim
Ornella Dellaccio
Riccardo D’Ercole
Mattia Fracchia
Matilde Grácio
Ana García Hernandez
Stefan Leeffers
Frederica Mendonça
Julia Menge
Carolina Nogueira
Matteo Ruzzante
Julia Seither
Xaver Schenker
Carine Spellanzon
Bruno Spellanzon
Fabio Stohler
Inês Vilela