

Jeffrey D. Sachs, John W. McArthur, Guido Schmidt-Traub, Margaret Kruk, Chandrika Bahadur, Michael Faye, and Gordon McCord
“Ending Africa’s Poverty Trap”
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Tropical Africa is stuck in a poverty trap. This paper outlines a theory of Africa’s poverty trap and the structural conditions and history that led to it. We identify how key public investments could enable well-governed African countries to meet the United Nations’ Millennium Development Goals and thereby begin to extricate themselves from the trap. We outline the specific sets of investments needed to achieve these goals in three African countries, and we estimate the corresponding financial costs. We also propose a new operational framework through which the international community could help African countries make the needed investments.

JEL classification codes: O1, O4