

Abstract

Recent writing on industrial policy stresses the need for coordination between the public and private sectors. This paper examines the performance of one such coordination mechanism, Presidential Investors' Advisory Councils, in Ethiopia, Senegal, Tanzania, and Uganda. It finds that the councils have been better at focusing attention on a donor-driven agenda of regulatory reforms than they have been at addressing the binding constraints to private investment. Notwithstanding their name, the actual level of commitment to Presidential Investors' Advisory Councils varies quite substantially. None have established a track record of experimentation, effective implementation, and evaluation of the impact of decisions taken.

Keywords: aid, Africa, industrial policy, institutions, political economy

JEL classification: O25, L53, D73, F35

Acknowledgements: This paper was presented at the UNU-WIDER Conference 'Learning to Compete: Industrial Development and Policy in Africa', Helsinki, Finland 24-25 June 2013. The research was supported by the African Development Bank under its project 'Vision for Accelerating Growth and Structural Transformation in Africa'.