

A Book Proposal by Stuart Block

“The Economic Cycle”



**An African Adventure in the Dismal
Science**

Table of Contents

1. Overview	3
2. Chapter outline	6
Introduction/Prologue	6
Chapter 1. South Africa - Life is Cheap in Africa's Richest Economy	6
Chapter 2: Botswana and Zambia – Resource Curse or Blessing and the Role of China in Africa	7
Chapter 3: Malawi and Zimbabwe - The Importance of Money	9
Chapter 4 Tanzania and Kenya – Reverse Innovation and the Impact of Mobile Phones in Africa's Economic Development	11
Chapter 5: Uganda – Making Economic Policy in Africa: not for the Faint Hearted	12
Chapter 6: Education in sub-Saharan Africa - The Economics of Education	13
Chapter 7: South Sudan – Gifts from the American People or Dead Aid?	15
Chapter 8: Gold-digging in Sudan	15
Chapter 9: Middle East – What can Religion tell us about Economic Development?	16
Chapter 10: The Economics of Sport over the Centuries	18
Chapter 11: Italy – Free Movement of Labour in the EU and its Unintended Consequences	19
Chapter 12: France and Belgium – the Common Agricultural Policy and its Impact on Africa	21
Chapter 13: London - The Olympics and their Legacy	22
Chapter 14 – Is Africa the New Asia?	22
Epilogue - Completing <i>The Economic Cycle</i>	24
3. Target market	25
4. Competitor analysis	28
5. Marketing and promotion plan	30
6. Delivery	31
7. Author Bio	32

1. Overview

In 2009, I left my job as an economist at Citigroup, Canary Wharf, to become an economics teacher. Two years later, I found myself sitting on a tandem bicycle in Johannesburg at the start of a 15,000km ride back to the London 2012 Olympics.

This is a story about that journey, the hundreds of people that joined me on the bike and what I learnt from them about the world that we live in and the economics of 21st Century Africa and Europe. It is a story that asks lots of questions and manages to provide a few answers.

I cycled with over 400 people in 19 different countries during my journey. It was an amazing mix of people: teachers in every country; farmers and bishops in Zambia; professional cyclists in Malawi; Somalian traders in Tanzania; Masai elders in Kenya; monetary policy officials in Uganda; policemen in South Sudan; street children in Sudan; Palestinians and American tourists in Israel; Lawrence Dallaglio and Freddie Flintoff in Greece; prostitutes in Italy; and Jim O'Neil of Goldman Sachs in London.

Each had a story to tell. I take those stories, apply accessible economic theories to them and explain what that can teach us about Africa, its development and future in the world economy. I set out to explore the role that education, bicycles and mobile phones play in economic development but many other issues are addressed. It is education through adventure, using experiences of the people that I met, overlaid with the insight of a cycling economist.

The Economic Cycle brings together three hot topics in today's society:

Firstly, interest in economics itself is booming, a legacy of the financial crisis of 2007-09. I worked as an economist at America's biggest financial institution in Canary Wharf as the crisis unfolded. I watched from my office as workers from Lehman Brothers left with their cardboard boxes and BlackBerrys. I'm now returning to the area to introduce the subject into a comprehensive school in Tower Hamlets. Traditionally a subject taught mainly in independent schools, the end of the book looks at what we should be teaching the next generation about our dismal science.

Secondly, since Victorian times, there has never been more interest in Africa

amongst economists, businessmen and politicians. Will it become the next Asia? Can it become the breadbasket for the World? How can a continent of 3000 ethnicities, carved up into 48 countries, successfully make use of its vast 'factors of production' of land and labour? What role can education, technology and foreign government intervention play? These are not new questions but I hope to provide a different angle to the traditional answers as I cycle through the continent, without forgetting, as Ryszard Kapuscinski reminded us, *'except as a geographical appellation, Africa does not exist.'*

Thirdly, thanks to a combination of our colourful Mayor of London, Wiggo and his 2012 exploits and a very modern type of mid-life crisis, cycling has become the new golf. It is now one of the fastest growing sports and pastimes in the UK and the Western World. In Africa, its use as a means of transport helps to boost household income and reduce poverty. Now the aspiring middle classes on the continent want a car. I explore the role of the bicycle in society during my journey thereby differentiating the book from the standard 'I cycled around the world' type journal.

Whilst I'm no leading expert in any of the above (see Bio, section 7) Keynes told us that *'the study of economics does not seem to require any specialized gifts of an unusually high order'*¹. An economist therefore needs to be somewhat a jack-of-all-trades – *'part mathematician, historian, statesman, philosopher... understanding symbols but speaking in words'*¹. Add to that the ability to camp, cycle and cook, and my journey from city to cycling economist is the reverse of what Adam Smith envisaged in his theory of specialization and division of labour. Similarly, the average African that joined me on my bike was multi-skilled - he needs to be able to build his home, farm his land and teach his children.

Hopefully though, I know enough about the three themes to bring them to life for the reader. I've owned a bicycle since I could run and have always been fascinated by Africa, having grown up amongst the artefacts collected by my parents during their eight years' living and travelling on the continent. I spent a year teaching and travelling in South Africa as an 18-year-old and wrote my university dissertation on the economic impact of land reform in Southern

¹J. M. Keynes "Alfred Marshall, 1842-1924" The Economic Journal, (Sept.,1924)

Africa. Moreover, I have been studying, working professionally or teaching economics for the last 17 years. My first teacher sold economics to me as the study of humanity. My first boss warned me that the first rule of economic forecasting is 'don't bother'. I've always worried about its move toward becoming applied maths and arguably forgetting its routes as a multi-disciplinary subject.

I hope that my book will help to bring humanity and humility back to a subject stripped of both by the most recent economic cycle of financial boom and bust.

After WWII, Keynes predicted that *'the day is not far off when the economic problem will take the back seat where it belongs, and the arena of the heart and the head will be occupied or reoccupied by our real problems — the problems of life and of human relations, of creation and behaviour and religion'*².

The Economic Cycle, told through the voices of people on the back seat of my tandem, will hopefully help to inform readers about both the economic and real problems we face today in our ever changing world.

²*First Annual Report of the Arts Council (1945-1946)*

2. Chapter outline

Introduction/Prologue

The trip, book and its inspirations are explained. From my parents' honeymoon from London to Cape Town in the 1970s to the warm-up cycle through Adam Smith's hometown as well my own journey from city economist to teacher, the introduction sets the scene for the book.

Before I set off, I meet with Jim O'Neil, Chief Economist of Goldman Sachs, who famously coined the BRICs phrase. We discuss the economic potential of Africa.



***The Economic
Cycle route***

***With Jim O'Neil, Chief Economist of Goldman
Sachs, 2011***

Chapter 1. South Africa - Life is Cheap in Africa's Richest Economy

*"I would have shot that f**king kaffer if that was me!" So declared an elderly Afrikaner witness to the high-speed crash. It was only day four of the trip and I had just pulled my two friends out of the windscreen of our overturned support vehicle. The 'f**king kaffer' was the uninsured driver of the minibus that had caused the accident. Fortunately no one was seriously hurt but had it been the over-crowded bus that had overturned, it would have been a different matter.*



The crash scene of day four

Not everyone in African road traffic accidents comes out alive

The chapter explores the value of life and how economists deal with this sensitive moral topic, comparing values in Africa to Europe and the US. Using the concept of revealed preference, I estimated that people I met valued their lives at between \$200 and \$5000. The UK Department for Transport, meanwhile uses a figure of £1.6m in its cost benefit analysis.

Later in the trip, I visit the slave markets in Zanzibar, the last place on the continent when an explicit value was put on an individual's life in 1873. A healthy adult slave then was sold for £5, cheaper than a donkey.

Insert – is cycling good for your health or a risk to your life!?

An economist's guide to working this out, using the latest cost benefit analysis and other fun techniques, citing the latest research from South Africa and the UK, as well as my own research.

Chapter 2: Botswana and Zambia – Resource Curse or Blessing and the Role of China in Africa

Blackson Banda grew up in Eastern Zambia but moved to the Copperbelt with his family in search of better economic prospects. I first met Blackson when I visited Janna School, Beyond Ourselves' first project, in the summer of 2010. He helps run the kitchen, mixing the Nsihma that is used as the main source of carbohydrate for the children's feeding programme. He lost his wife a few years ago and had been bringing up three boys on his own, somehow managing on a monthly income of 450,000 kwacha (=100USD). He greets me with his usual smile and Zambian handshake. "Good news and bad!" he tells me.

Good news was that he had remarried earlier in the year and I was delighted to meet his new wife. I was saddened, however, to hear of his younger sister's death at the tender age of 34, the same age as my own sister. Blackson told me that Cecilia had died of asthma, leaving four orphans to be looked after by an already stretched family in his home village in the Eastern Province. He hadn't been able to travel to the funeral, a return journey equating to a month's salary. Given that I was going to be cycling past, I suggested he got a lift with me!



Setting off on the Great

Life is cheap in Africa

Eastern Rd with Blackson

Through conversations with the likes of Blackson, the topical debate about resource endowment is discussed. Firstly in Botswana, the only African country to grow at the same per capita GDP rate as China in the last 20 years due to diamond mining and then Zambia where the situation is more complex. I meet various people affected by mining industry and influx of foreign capital, especially from China. The focus of the chapter is on the Copperbelt region of Zambia, which generates much of the country's foreign exchange but is still desperately poor. I speak to many people affected by resources and China's involvement, from Zambian mineworkers to Chinese managers. As I leave Zambia for Malawi, joined for the last week by Blackson, Michael Sata is about to win the presidential election. His manifesto is partly based on ensuring the wealth creation from Chinese investment is better shared amongst the population. On return to Zambia in 2013, I explore whether he has been successful.

Insert – Poaching in Africa: an Unintended Consequence of the Growth of China

One of the side effects of China's growth has been the rocketing price of ivory and rhino horn. I cycled through several game parks en route, with some amusing encounters with wildlife: bumping into several elephants in Botswana, racing a herd of giraffe in Tanzania and having a crocodile walk into my camping area on Lake Malawi. Through these encounters and conversations with rangers and

conservationists, I will investigate the economics of this trade, its consequences and potential policies to improve it.

Chapter 3: Malawi and Zimbabwe - The Importance of Money

“Mzungu, give me ‘Munee’ ” is the daily request from kids running alongside the road as I cycle up the length of Malawi, dubbed the ‘warm heart of Africa’. Even after an enjoyable day’s cycling with two of Malawi’s top-five road cyclists, dressed in their sponsored lycra and admirably trying to cycle their way out of poverty, they ask me for money! Finally, as I was cross the border into Tanzania, I am robbed by two clever foreign exchange traders. Thankfully I have some reserve dollars hidden in the frame of my tandem...

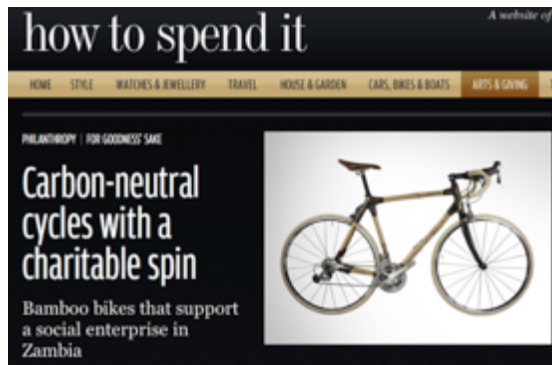


“Munee” – give me money

Sindidwe Banda, Malawi’s no 1 cyclist: probably the strongest stoker of the trip

Through encounters similar to the above, I explore the role of money in society, linking to Chapter 7 on aid, and tracing the history of its introduction into Africa. In 2011, the scarcity of foreign exchange means that there is virtually no fuel in the country as I cycled through, crippling the economy. I also ‘venture’ into Zimbabwe to explain the perils of hyperinflation, told through meetings with Zimbabweans now trying to make a living in neighbouring countries: from the elderly white couple eking out a retirement income running the tea shop next to the crash scene in Chapter 1, to successful commercial farmers in Zambia and the man who installed my sky dish back in the UK.

Insert: The Importance of Bicycles in Economic Development?



**[Zamboo bikes](#) in the *Financial Times*: *The bamboo bike factory in Zambia*
*A UK based social enterprise that I helped set up***

Bicycle ownership can boost household income in sub-Saharan African by 35%, according to various economic studies. I'm fascinated by this and link up with Zambikes, a social enterprise in Lusaka, to find out more. African workers assemble steel framed bikes for the local community and bamboo bikes for export. With the help of local corporate Copperbelt Energy, 12 British friends visit and we cycle the bikes 900km to schools in the Copperbelt where teachers can then use them to get to school. A business plan is hatched to import the bamboo bikes back to the UK. The role of micro-enterprise and sustainable development in Africa is discussed using this story. In 2013, I return with my bamboo bike to cycle back to Livingstone, before donating it to a worker at an orphanage. We discuss how it will impact his life and test the thesis of the impact on his income mentioned above.

Chapter 4 Tanzania and Kenya – Reverse Innovation and the Impact of Mobile Phones in Africa's Economic Development

Joseph is 29 years old and makes a living selling vehicle parts in the dusty trucker town of Igawu in Southern Tanzania. He approaches me during my breakfast and flashes two fresh \$100 bills. I am intrigued to know where they came from and offer him a ride north to find out. Although born in Igawu, Joseph's family originates from Somalia. Like many of their compatriots in the war-torn East African country, his parents left before he was born and his extended family are now dotted around the world. He has a cousin working legitimately in Washington and an uncle seeking asylum in London. The dollars came from his cousin via Western Union and he was frustrated how expensive the transfer cost: "Bass, they should have just sent the money to my MPESA account..."

I'm back in London. It is May 2013 and I'm cycling in the Surrey Hills with a group of MAMILs (middle aged men in lycra). I am selling the concept of mobile banking to an interested fellow cyclist puffing up Box Hill. He agrees with me and tells me his company invests a bit in that space. "Really, what do you, I ask?" "I run Vodafone". Vittorio Colao, Vodafone's CEO, subsequently agrees to a formal interview.



Joseph – a Somalian trader in Tanzania looking for a bank



Jungwe – equipped with sword and mobile phone

Everywhere on the trip, I am amazed by the mobile phone penetration and coverage. From Joseph in Tanzania, to Jungwe, a Masai elder in Kenya to Mohammed, a donkey-riding boy in Sudan, everyone seemed to have a phone. By speaking to farmers and traders en route and quizzing all stokers about the percentage of income they spent on calls, I explore how mobile telephony

impacts on individuals as well as overall economic growth in countries. In Kenya, the usage of mobile phones is probably the most advanced in Africa, not just for communication but also for banking. Focusing on the (DFID seeded) MPESA programme set up by corporate giant Safaircom (part owned by Vodafone) I explore the impact of mobile banking in the region. I discuss the concept with a range of people from executives at British American Tobacco and Somalian traders to local farmers and students. The scope for this innovation to trickle up to the developed world is a central theme.

Insert – Would Obama have been Better Off being Born in Kenya?

I cycle through Western Kenya where many villagers claim that theirs is the one in which Barack Obama Snr was born. Infant mortality rates have fallen considerably in parts of Africa in recent years and are expected to continue to do so. This is partly linked to innovative schemes using mobile phones & banking. Meanwhile, infant mortality is on the rise in the US, and certain southern states have commensurable rates to parts of the developing world. The causes and consequences of this are explored.

Chapter 5: Uganda – Making Economic Policy in Africa: not for the Faint Hearted

I assumed Stephen Kaboko might be a traditional African 'Big Man'. Not in the least - a veteran of the Bank of Uganda - he turns out to be a passionate public servant and greets me warmly on arrival at the Bank, despite my casual attire and traveller looks. "Please, before we start the interview, can you sign a card for me?" My surprise look prompts an explanation. "It's for my son – you spoke at his school yesterday..."



Stephen Kaboyo – Head of Financial Markets at Uganda’s central bank

The security staff didn’t believe it was me

Thanks to an introduction from a former colleague, I found myself at Uganda’s central bank, interviewing the head of financial markets and his head of research. In this chapter, I discuss some of the challenges facing policymakers in Africa with a particular focus on inflation, driven by food and commodity prices, linking to chapters 3) and 8). I also draw on a similar interview with Brian Khan, member of the South African Reserve Bank’s Monetary Policy Committee at the start of the trip. Back on the road, I discuss some of the questions addressed in the interview with people I meet on the journey north to South Sudan.

Chapter 6: Education in sub-Saharan Africa - The Economics of Education

Floreani had taken a morning off school to come and see me in Dar-es-Salaam. He is soaked through having walked the last mile in the heavy rain. His father, Martin Mgeni, had kindly hosted me for a night’s camping three weeks earlier on his pig farm in Southern Tanzania. On discovering I was an economics teacher, he connected me with his son and insisted we meet up as he was studying for his final year exams. “What can I help you with? Supply and Demand? Market failure?” I enquire softly after some awkward introductions. He looks at me blankly. His mumbled reply highlights that he can hardly speak English...

Floreani is studying at a fee-paying boarding school in Dar-es-Salaam, taught in English. Sadly, he is not unique. In this chapter I look at the role of education in Africa and which sector (government v private v charity) provides it most effectively. Parallels with the history of education in the UK are made and a look at the success of school links programmes, using my own experience in setting

up a programme for Cranleigh School in Zambia as well as the Scottish government's attempts to link with Malawi, set up my former PM Jack McConnell. He joins me for the final leg into parliament in July 2012.

Insert: The Impact of Technology on Education - Can it Replace Teachers?



**Slogan: “Conserve Energy, Literally sleeping in a school library in
Sleep in School” Tanzania**

Traditional educational charities in Africa, including Beyond Ourselves that I'm involved with, work to build classrooms and train teachers. But is a more radical approach warranted? I visited (and sometimes camped!) in a wide range of schools in the countries that I passed through. Most were under-resourced. In this section, the role of technology is addressed, focusing on a recent study carried out in Ethiopia where tablet computers, loaded with educational apps, were dropped off into two remote villages with no schools. A month later, the children were singing ABC songs and 5 months into the project, the tablets had been hacked. Tentative conclusions from the project highlight the massive potential of technology. An historical comparison is made with the introduction of other new technologies which have made a big impact on education, such as the pen and printing press.

Chapter 7: South Sudan – Gifts from the American People or Dead Aid?

His warm smile catches my eye. It is getting dark and I don't fancy a night hiding off the side of the road. A Kenyan UN mine clearer had earlier warned me not to venture too far for fear of setting off an old device. Thus when Abubakar waves me over, I don't hesitate to accept his invitation...



***Abubakar, with his wind up radio
from USAID***



***Introducing a new currency
is a key challenge for a central bank***

I spend my first night in South Sudan camping with Abubakar, a local teacher with a wind up radio, donated by USAID. The road is being re-built with money from USAID, and land mines are being cleared by the UN and British firm G4S. Whilst listening to Bob Marley on the radio, we discuss the role of aid in economic development. Abubakar had to flee the area on foot to neighbouring Uganda 13 years ago due to the war and had only returned with independence. Two nights later, I am enjoying a bottle of champagne with the British and EU ambassadors to South Sudan, at the latter's leaving party. I hope that it isn't being paid for by European taxpayers. The discussion of aid is also based on further interviews with economists back in London including Robert Powell, divisional director and East Africa Specialist at the IMF.

Chapter 8: Gold-digging in Sudan

The Nubian dessert is not a hospitable place to camp. "What are all those people doing camping off the side of the road?" I shout to the Jermerie, the French cyclist I had joined up with, who has his head down battling against the strengthening headwind. Their temporary plastic shelters resemble a scattered refugee camp but I wasn't aware of any displacement in the local region. Poor Bedouins or Nomads?

Later that day we stop for a cup of tea with Faisal. When not selling chaai to passing travellers, he tries to explain to us in a mixture of Arabic and sign language what he and the rest of the tented community are doing. We clicked when he showed us the tiny piece of gold in his hand...



Gold-diggers off to find their fortune in the desert...

Faisal – a lucky find

Having lost most of its oil production (and subsequent revenue) since splitting with South Sudan in 2011, the government has been rapidly handing out gold exploration licences in an attempt to make up for the loss. Despite this, 90% of gold is still mined by some 200,000 locals casually digging across the country. I use my experience of meeting some of these people to discuss the role of gold in the world economy and investment markets. All the gold ever mined globally, filling up an Olympic swimming pool is worth more than the total value of all privately owned agricultural land globally. The extent to which Wall Street has drifted from farm track is then discussed, relating back to my own journey working for the biggest US financial institution until 2008.

Chapter 9: Middle East – What can Religion tell us about Economic Development?

“Stuaart, you look like Jesus Christ from the movie... I hope he is passing his DNA over your life” cries Zambian Bishop Christopher Kabunda as he rolls around the railway carriage with laughter. It is not the only time that my beard and long hair has caused locals to make such a comparison...



I don't remember this sign on the road when I was last here!



What impact does the mobile phone have on religion & economic development?

Following the planned route of Moses from Egypt into Jordan along the famous Kings Highway and then into Israel, I contemplate the role of religion in economic development. I ask the sensitive question as to whether religion can help explain different regional divergences in economic growth. Can it be argued that the industrial revolution and modern capitalism were conceived out of the reformation in Northern Europe, bank-rolled by a Jewish network of financiers across the old world? But to claim this is mainly due to religious development rather than broader cultural, geographic and other socio-economic factors would require a leap of faith for any economist. I draw on academic literature as well as views of people I meet en route, spending Christian Easter at the Dead Sea, the Jewish Passover in Jerusalem before cycling through the West Bank for Orthodox Easter in Nazareth.

Insert: The Economics and Philosophy of Travel and Tourism



Mum and Dad in the 1970s



Mum and me in Wadi Rum, Jordan

In the 1970s, my parents honeymooned in a VW campervan from London to Cape Town. They return to join me in Jordan. In this section, I discuss with them the

motives for travel and how these may have changed since then and through history, given the political and technological advances in the intervening years. I also team up with adventurer and travel writer [Al Humphreys](#) for one of his micro adventures. We investigate the wider impact of travel and tourism on local and international economies. Do we really need to go on big global trips to have an adventure and what impact does travelling have on the environment are the central questions.

Chapter 10: The Economics of Sport over the Centuries

"Jesus buddy, you need a haircut but I like your bike!" Big Lawrence Dallaglio chortles. "Well at least I have some hair...." I think without saying. Dallaglio was one of my sporting heroes as a boy. I imagine being in the changing room with him firing up his fellow Lions during the famous 1997 series in South Africa. "I could tackle him, he's not that big..." again thinking without saying. My attention switches to the present. We're at the site of the ancient Olympics; I'm standing there with Dallaglio and another sporting legend Freddie Flintoff. My banter fails me as I rack my brain for a quick retort, thinking how I can sell him a bike but we're saved by the official photographer who likes the idea of Dallaglio posing with 'Robinson Crusoe', my new nickname for the rest of the 2012 Dallaglio-Flintoff cycle slam...



With Lawrence Dallaglio at the site of the ancient Olympics, and Freddie Flintoff in Sienna, Italy

Lawrence Dallaglio, whose career transcended both the amateur and professional era, is the perfect cycling partner to discuss the history and

economics of sport from its role in ancient Greece to the multi-billion dollar global industry that exists today. Five weeks of gruelling cycling later, we arrive in Stratford ahead of the London 2012 Games, joined on the way by over 300 cyclists raising money for charity. The story is told through conversations with Dallaglio and Flintoff, as well as other encounters with individuals involved in the industry, including Graeme Le Saux, Lee Dixon and the bosses of IMG and Perform Group.

Insert: Cycling – the new Golf?



Lions in Africa, MAMILs in Europe.

During the cycle slam, surrounded by hundreds of MAMILs (middle aged men in Lyrca), I conclude that cycling is indeed new golf. A brief look at the economics of both sports and the social implications of this are explored during the slam; on various rides back in the UK and a visit to my old office in Canary Wharf. The male mid-life crisis when I joined involved fast cars and younger women. Now it's all about carbon bikes and endurance sport.

Chapter 11: Italy – Free Movement of Labour in the EU and its Unintended Consequences

It is unusual to meet good-looking leggy blonds when cycling on a mid-morning, mid-week May day in Northern Italy. Looking for an excuse for a conversation, I stop to ask the first one I come across to verify my directions:

'Buongiorno... umm - how far to Asti?'

'Ciao' she winks, '50 euros', looking me up and down.

Every couple of kilometres, another deckchair appears, with a young girl sitting on the side of the road protected by a mini-skirt and umbrella. Sometimes the deckchair is empty – I imagine forlornly what must be happening along the country track that leads away from the road. I stopped to chat to one. Maria is from Romania with the others generally from there or Bulgaria, taking advantage of their countries' recent ascension to the EU. North of Asti, all of the girls are African...



The new Italian slave trade?

The focus here is on the market for labour, told through the unexpected encounters with prostitutes around the inauspicious town of Asti in Northern Italy. Some of the intended and unintended consequences of the expansion of the EU are explored with Bulgaria and Romania's accession in 2007 taking the number of countries in the 'club' up to 27. As well as meeting Maria and her colleagues in Italy, I meet some of her compatriots in the UK and debate whether our own recent changes to UK immigration laws are warranted.

Chapter 12: France and Belgium – the Common Agricultural Policy and its Impact on Africa...



Wake up and smell the coffee Ready for import into the EU from Egypt? (but not the money) in Uganda

Over lunch with Tom Kevill-Davies, the famous [‘Hungry Cyclist’](#) running gastro-cycling tours in the South of France, we discuss the market for food and other agricultural products. According to the 2003 Human Development Report, the average dairy cow in the year 2000 in the European Union received \$913 in annual subsidies, whilst an average of \$8 per human being was sent in aid to sub-Saharan Africa. I explore this theme and the wider consequences of the EU’s policy over lunch with Tom as well as speaking to French and British Farmers, and their equivalents that I met and camped with back in Africa. The market for food is contrasted with that of flowers and tea, two products thriving in Africa.

Insert – The Big Fair Trade Bake!

On the UK warm-up, I visited Mary Berry for a cup of tea and a slice of her delicious cake. On return in 2013, I visit again, this time for a fair trade cake and discuss with her the appetite amongst UK households for fair trade food. I then analyse how economists look at fair trade and what governments can do to improve the welfare of farmers in developing countries.

Chapter 13: London - The Olympics and their Legacy

"Sorry boss, you can't cycle down here, the road is closed...." An African security guard warns me on the Mall as London gets ready to host the Olympics. "No worries, I haven't come very far..." I smile back. He glances at my bike and sees the Zambian flag and the battered writing 'Livingstone to London'. 'Nooo, that's tooooo far!' Michael turns out to be Zambian and we share a few stories, nostalgic about the deep blue African skies, as the rain continues to beat down on London with only a week to go before the opening ceremony....



An African smile greeted me as I arrived back in central London

I arrive back in London just ahead of the London 2012 Games. As well as enjoying the games, I explore the economics of the Olympics and its legacy. The official aims of London 2012 are then investigated with various economists, including Stephanie Flanders (BBC economics editor). We cycle across London, from the site of the 1908 games to Stratford, interviewing various stakeholders en route, including Sebastian Coe.

Chapter 14 – Is Africa the New Asia?

Settling back into London, I bump into Jim O'Neil in a west London pub on the night of his retirement from Goldman Sachs. We line up a formal interview to discuss whether the next BRICs countries will come from Africa – can the continent that Tony Blair described 10 years ago as *'a scar on the world's conscience'* become the next Asia? I also draw on conversations with and research from other economists, businessmen and politicians that I met during the Economic Cycle.

Insert: (Reverse) Migration back to Africa?



African union? 1. Nigeria leading the way in Africa, held back by the likes of Zimbabwe (Kevwe and KK – two boys lucky to get a British public school education) 2. With Students at the African Leadership Academy at the start of the trip

I first met Kevwe Fadhungi, son of a wealthy Nigerian businessman as his tutor when he arrived at Cranleigh School as a fresh faced 14-year-old boy. Four years later, I'm teaching him economics as he prepares for his A2 exams before university. Over a beer after his exams, he tells me of his aspirations to return to Nigeria. The same summer, I lead the Cranleigh school trip back to Zambia with the first African student. Kuziva "KK" Ndewere came over from Zimbabwe as a seven-year-old after his parents decided that there was no future under Mugabe. He won a scholarship to Cranleigh and on the trip back to Africa, we discuss whether he feels more British than African and his plans for the future...

In this section, I chat to African students and young adults in the UK as to whether they have aspirations to return to their 'home' countries given the economic potential of the region relative to Europe. As well as KK and Kevwe, I meet students in Richmond Park Academy, a previously failing comprehensive, as well as young adults, both employed and claiming the dole in London. My trip started in Jo-burg with a lecture to students at the [African Leadership Academy](#) (ALA). Part financed by global multi-national businesses, the ALA is educating talented young Africans and encouraging them to work back in their home countries post study.

Epilogue - Completing *The Economic Cycle*...

My own 'economic cycle' began as a city economist in 2001 and is completed a year after returning back to the UK in 2013 as I start a job to lead the introduction of economics into Morpeth Comprehensive School in Tower Hamlets. With the highest levels of child poverty in the UK, the borough is ironically wedged between the City and Canary Wharf and just down the road from the Olympic Park. A discussion about what we should be teaching the next generation about the subject is put forward and lessons from the financial crisis are pondered in a light hearted way, drawing on my own experiences, both as a student, teacher and city economist. We finish with a lecture and debate on globalization back at Citigroup involving students from both Morpeth and Cranleigh School.



More than just statistics: Economics is about studying people and their decisions (each photo represents a stoker of the trip, totalling 250!)

3. Target market

There are five broad target markets, outlined below. Whilst the initial market will be the UK, the book relates to my journey through 19 countries in Africa, the Middle East and Europe and links with economic themes relevant to Asia and the Americas.

1) **Students and teachers:**

The book could form enrichment material for A-level/high school students as well as undergraduate and MBA students. Specifically for high school students and teachers, there would be an accompanying CD/online with a series of discussion points/links to theory/syllabus.

2) **Workers in finance and business:**

Given my personal story of working in the City as part of the broader journey, and the topical nature of many of the chapters, those with a professional or personal interest in economics/development/finance should find the story interesting, highlighted by the feedback from the Economic Research Council below.

3) **Travelogue readers**

This market is arguably the most saturated but the economic angle helps to differentiate it from the standard 'I've cycled around the world' adventure book.

4) **Cyclists**

This fast growing group, especially the MAMILs, will easily be able to relate to parts of the book (e.g. Chapter 10)

5) **Intellectually curious laypeople with an interest in current affairs**

The 'armchair economist' type readers who have enjoyed the likes of *Freakonomics* or *The Undercover Economist*.

Having already covered some of the topics in my blog and lectures, the feedback from a wide variety of audiences suggests that there is a market for the book:

Greg Opie, Economic Research Council's (ERC) Programme Director (Lecture Jan 2013)

"I personally found the lecture very interesting; particularly in the way it applied economic theory to fascinating examples from your journey. Our members also clearly enjoyed the talk; I had several people come up to me after the event, interested in discussing some aspect of your speech (from the role of China in helping to develop Africa, to the use of technology in education, to mobile phone banking)"

Members of the ERC audience

"Stuart's enthusiasm for both economic theory and practice came across well. It was thought provoking."

"This was really good. It showed the value, use, application and thought patterns of basic theory. An approach to developing the theory to form models which better reflect human behaviour."

"Inspiring, lateral, worthy, great to see our subject being used, promoted and developed. Very refreshing and an uplifting and hopeful start to the year's programme"

Beccy Gibson, Head of Social Sciences, Turi International School, Kenya (Lecture Jan 2012)

"Stuart's lecture on the Economic Cycle was not only engaging and enriching but also directly challenged and inspired my students' thinking. His enthusiasm for the subject is clear."

Aileen McRoberts, Teacher, Institut International de Lancy, Geneva, Switzerland

"With IB students from over 10 to 15 countries (including many African nations) in Stuart's audience, they all found something to relate to and were interested in his perspective. They developed a deeper understanding of current issues in economics and felt inspired to acquire further knowledge. Thank you Stuart for your insight"

and infectious sense of adventure."

Jonathan Arscott, deputy housemaster, Tonbridge School, Kent (Lecture June 2012)

"We get a lot of adventurers and explorers coming to speak to our students. What differentiated Stuart's lecture was getting kids to realise that exploring doesn't just have to be about physical challenges... A fascinating insight into some contemporary affairs told through a great adventure. I look forward to the book!"

4. Competitor analysis

Probably the closest books to the idea of *The Economic Cycle*, in respect of its combination as a travel and economics book are Jim Rogers' *Investment Biker* (1994) and *Adventure Capitalism* (2004) and, more recently Conor Woodman's *Adventure Capitalist* (2009). Rogers' books are now relatively old and focused more on investment potential in some of the countries that he passed through (very quickly!). Woodman's book is entertaining but worked better as a TV series, lacking any serious economic discussion. Having cycled through the countries and covering less distance/camping with locals off the beaten track, I'm more able to get 'under the skin' of the countries that I passed through and the people that I encountered. As a book combining economics & cycling, it is unique.

Elsewhere, the two broad categories of books that can be seen as competition are economics books explaining the 'economics of everyday life' and travel books, especially relating to Africa or cycling.

The most successful economics books of this ilk are *Freakonomics* (2005) (and its 2009 sequel *SuperFreakonomics*) by Steven Levitt and Dubner and the *Undercover Economist* (2006) by Tim Harford. I would aim to employ a similar style and depth of economic analysis. The difference with *The Economic Cycle* is that the themes are linked by my journey with ideas more spontaneous, appearing to me through chance encounters with people and places en route. They are also linked more with contemporary macroeconomic and political debates told from a different angle to the standard journalistic or economics writing.

Elsewhere, there are several other good 'pop economics' books including *Naked Economics* (2010) by Charles Wheelan, *The Economic Naturalist* (2008) by Robert Frank.

In terms of pure cycling travel books, Al Humphreys provides an honest account of his 4½ years around the world in 2001 in *Moods of Future Joys* and *Thunder and Sunshine*. More recently Mark Beaumont's *The Man who Cycled the World* (2009), is probably the best known of the recent trips. However, in terms of writing and originality, Dervla Murphy's trips, including the *Ukimwi Road* (1992)

that I read en route, stand out for bringing a journey to life in an honest and self-deprecating way. Dominic Gill's *Take a Seat* (2010) is similar in so much as it documents a solo tandem rider's journey picking up passengers en route but it is purely about his trip. One of the best cycling books that I've read is Robert Penn's *It's All About the Bike* (2010), a more original travelogue bringing to life the people who have made the modern bicycle what it is. I aim to employ his level of research and historical analysis into my own chapters.

Both 'everyday economics' themes and cycle journeys are also well served by blogs. I wrote both whilst on my journey. However, combining the two in a single trip is better served in a book allowing the reader to engage in the economics themes and the journey simultaneously, using online content for effective marketing. As is shown in the chapter outline, several well known bloggers/journalists and celebrities have become part of the economic cycle.

5. Marketing and promotion plan

1) Speaking at economics conferences/schools:

I have already spoken at dozens of schools, both en route and back in the UK about the economic cycle, getting excellent feedback (section 3). In 2013, I was the January guest speaker at the Economic Research Council, potentially reaching out to an audience of 11,000 members. I am speaking at the National Economics Teachers' conference in June, listened to by over 150 practising economics teachers and streamed online.

My speaking engagements have been limited by being back in full-time employment at Cranleigh School. However, my move to a part-time post in London in September (I am setting up an economics department in a comprehensive school in Tower Hamlets) will allow for a more active speaking calendar. I am due to speak to the whole of the 6th form at St Pauls Girls School, the night of adventure series at the Odeon in Leicester Square in September.

2) Blogs:

My own blogs during the trip got an average of 10,000 hits each. Tutor 2 U, which also hosted my blog, gets over 30m hits per year although obviously not all of these were on my blogs.

I will use both sites, as well as guest blogging on the ERC to promote the book. Several of the characters that form part of the book (e.g. adventure Al Humphreys; rugby player Lawrence Dallaglio; economist Jim O'Neil and journalist Stephanie Flanders have big online and media presences).

I have 300 followers on both Facebook and Twitter and got social media 'shout outs' from authors Rob Penn and Tim Harford; adventures Mark Beaumont and Al Humphreys and sportsmen Graeme Le Saux, Lee Dixon, Andrew Flintoff and Lawrence Dallaglio – all who cycled with me in Europe.

The recently launched Global Cycling Network have indicated that they'd like me to interview on their show if a book is published.

3) Endorsements:

Several high-profile economists and writers, including some mentioned in the

chapter outline below have indicated a willingness to offer an endorsement

4). Follow up ideas: *The Economic Cycle II?*

If the book is successful, the next economic cycle (in 2014/5) would be to follow the shifting balance of power in the world economy, from London to Asia, following one of the ancient silk routes. There could also be scope to turn this into a television or radio documentary.

6. Delivery

The completed manuscript can be delivered by the end of June 2014, allowing a launch to coincide with the two-year anniversary of the London 2012 Olympics. I envisage a book of approximately 80,000 words over 14-15 chapters. I documented the trip with photographs and I cycled with a French artist who produced many excellent sketches that could be used (see page 16, for example). I plan to use maps and relevant economic diagrams/tables too.

7. Author Bio

After graduating with a 2:1 honours degree from Cambridge University, including a 1st class dissertation on land reform in Zimbabwe, I worked for 8 years as an economist in the City (Schroders and Citigroup). Starting with coverage of the UK Economy at Schroders (4th most accurate *Sunday Times* economic forecaster in 2003), I then covered the eurozone and global economic themes at Citigroup, including looking at the growth of emerging market consumption, especially in Africa. I wrote a top rate economics daily at the latter and appeared on Bloomberg, Reuters and BBC television.

In 2009, after taking voluntary redundancy, I transitioned into teaching, being promoted in 2010 to head of Economics and Business Studies at Cranleigh School in Surrey, UK. My year long cycling venture in 2011/12 – www.beyondthebike.org– helped to build and consolidate links for Cranleigh with Kawama community school in Zambia, raising over £100k for Beyond Ourselves and other African Charities. As a result, I became the JustGiving endurance fundraiser of the year at their 2013 awards. In September 2013, I move back to London to introduce economics for the first time to Morpeth Comprehensive School in Tower Hamlets, wedged between the City and Canary Wharf.

I've always been a keen cyclist, having ridden a bicycle every year since I could run. Beyond the Bike is the fourth 1000 + mile journey that I've undertaken.