



# POLICY BRIEF



## Is Africa moving towards a more inclusive development path?

### I. Introduction

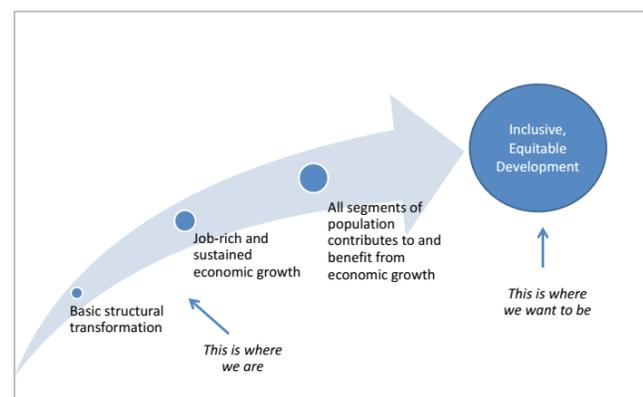
#### A. *The paradox of growth in Africa*

Despite two decades of unprecedented economic growth, Africa has yet to see its economic gains translated into positive social outcomes. Considerable inequalities persist, both between and within countries, suggesting that growth has not been sufficiently inclusive and equitable for all segments of the population. Recent figures show that poor children in Africa are still about two and half times more likely to be underweight and up to three times more likely to be out of school than those from wealthier households. Unemployment, especially among young people, is rising, while social protection remains inadequate and inaccessible to many people on the continent, particularly the poorest and most vulnerable groups, thereby reducing their capacity to participate in the development process and benefit from the gains of economic growth.

Exclusion is a multidimensional phenomenon that is difficult to define unless a clear framework has been established on how and what aspects of exclusion are to be assessed. There is clear recognition, however, that an “excluded” society is likely to impair development, slow down economic growth, and trigger social and political instability. Higher inequality and exclusion also limit opportunities for social mobility and increase people’s vulnerabilities to external shocks, pushing individuals further into poverty. This is indeed what the continent is currently experiencing, with sustained economic growth unable to ensure the inclusive and equitable distribution of its benefits across populations. Moreover, evidence shows that the pace of progress

towards inclusive development in Africa is too slow and its drivers too limited to meet the needs of its poorest populations. It is therefore critical to ensure that these groups are integrated into development and decision-making processes, so as to accelerate the transition towards a more sustainable and equitable growth.

**Figure 1: From basic structural transformation to inclusive development**



*Source:* Economic Commission for Africa (2014).

The lack of a transformative effect of growth on social and human development has been brought to the fore in recent policy debates (Economic Commission for Africa, 2013). Globally, the recently endorsed Agenda 2030 for Sustainable Development recognizes the need to put global development on a more equitable and sustainable path.

On the continent, the emergence of social development as a central plank of economic development has also gained impetus. The need for an inclusive and transformative growth strategy is firmly expressed by

African leaders in the context of the Agenda 2063, whose vision is anchored on the principles of equity, sustainability, and leaving no one behind (AUC, 2015).

## B. A paradigm for inclusive development

The Economic Commission for Africa has been at the forefront of proposing an economic and social transformation agenda for Africa. In terms of economic transformation, Africa needs to build on its comparative advantage and focus on industrializing its agricultural and commodity sectors, improving regional integration and adding value to local products, in order to increase its competitiveness and productivity. With regard to social transformation, the continent needs to ensure that economic development is sufficiently inclusive and that it translates into improved well-being for Africa's populations. One of the key components of the social transformation is the need to address the excluded groups, essential for ensuring a balanced and equitable development. This would provide the basis for redressing specific exclusion patterns, through effective policy formulation at the national and subnational levels.

To accompany this new paradigm, the Economic Commission for Africa has developed the African Social Development Index (ASDI), a tool intended to help Governments assess progress in the reduction of human exclusion and to promote more inclusive and equitable policies. The Index was created in response to a request made by African member States during the second session of the Committee on Human and Social Development in 2011, for an Africa-specific indicator on exclusion.

# II. African Social Development Index

## A. Background

The proposed paradigm is based on the premise that exclusion can have different manifestations at different stages of a person's life. This is built on the assumption that the risk of being excluded is not static, but rather dynamic, with incremental impacts over the life cycle and that the drivers of exclusion are determined by the

interaction of contextual (social, economic, political and cultural) factors and policy interventions (AUC et al., 2015). It is therefore important to have a broad understanding of the determinants of exclusion in each country, in order to inform and improve social policies that can help to reduce the specific vulnerabilities faced by individuals throughout their lifetime.

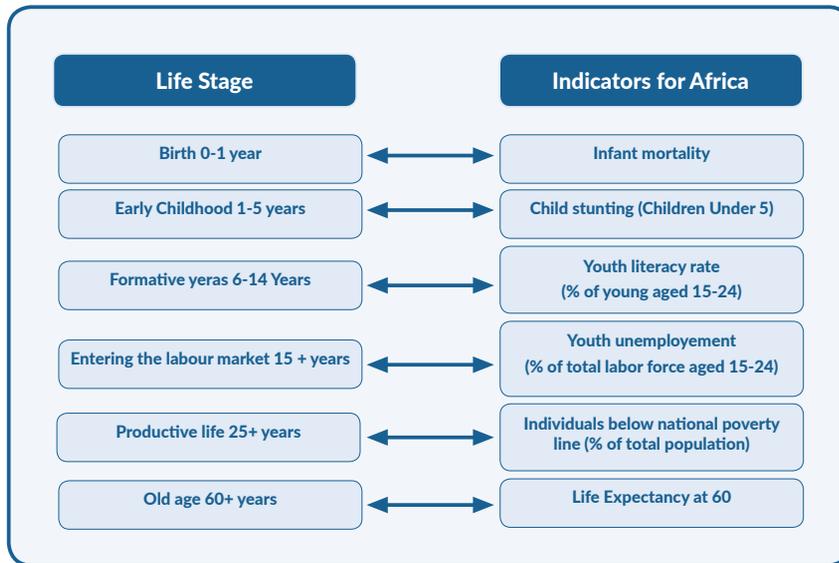
By adopting a life-cycle approach, the Index aims to measure the level of human exclusion in six key dimensions of well-being, namely: survival, health, education, employment, productive income and quality of life (Table 1). One of the key features of the Index is that it can be measured across time and disaggregated by gender and location, helping to capture inequalities between countries and groups of population. Another key aspect is of the ASDI is that it focuses on *human exclusion*, defined as 'the inability of individuals to participate and benefit from the growth process'. The concept distinguishes itself from *social exclusion*, which typically denotes a person or a group's inability to participate in social life and their relationships with others.

**Table 1: Exclusion throughout the life cycle**

Period	Stage in the life cycle	Key dimension
0-1 year	Birth	Survival
1 to 5 years	Early childhood	Health/Nutrition
6-14 years	Formative years	Quality education
15+	Entering the labour market	Productive employment
25+	Productive life	Means of subsistence
60+	Old age	Living a decent life

To operationalize this framework, six indicators have been selected in order to capture the key dimension of exclusion in each phase of life, as described above (Figure 2).

**Figure 2: Indicators of human exclusion in Africa**



*Source:* Economic Commission for Africa (2014).

The selection of indicators was done through a strong consultative process with national experts, and driven by three main criteria, namely: i) relevance of the indicator for the specific dimension and stage of life, ii) *impact* indicator that can reflect a real change in people’s life, and iii) availability of data, possibly at different tiers of government.

A number of studies have shown that exclusion from adequate health care and nutrition during childhood can have long-life impacts on individual development, leading to a vicious circle of poverty and exclusion from a productive livelihood and opportunities later on in life (AUC. et al, 2015b). Indeed, according to the Executive Secretary of the Economic Commission for Africa, “Inclusive development will only be achieved when all our children have the same opportunity for survival, for nutrition and for education. Equality will be achieved when our youth have equal opportunity for employment, when households are able to maintain their families free of poverty, and when our elderly can enjoy their golden years decently. To achieve this transformation, we need to ensure that girls and women, boys and men, are at the centre of this process.”

The Index is therefore intended to enhance the capacity of African countries to, first, address exclusion patterns that are likely to hamper individual and collective development, and second, devise more targeted and inclusive policy options. In so doing, the Index should contribute to accelerate the structural transformation

of the continent, while addressing the range of factors that affect human exclusion. It is also expected that the Index will help to foster and monitor regional and global commitments on social development, particularly the implementation of Agenda 2063 and the Sustainable Development Goals, in which issues of inequality and exclusion have been given prominence.

### B. Why another index?

It has been recognized that aspects of exclusion and inequalities have been partly left out of the development discourse, including in the Millennium Development Goals and the Human Development Index. Indeed, both of these instruments while powerful catalysts of development worldwide – have not sufficiently captured regional specificities and inequalities in the achievement of the same development goals. In addition, it is argued that policy interventions based on aggregate figures are not conducive to optimum decision-making, and the absence of relevant mechanisms to adequately monitor social progress is likely to lead to weak policy formulation and planning. The African Social Development Index seeks to fill this gap, and complement existing international indices by capturing the differential impacts of social, political and economic factors on human exclusion in Africa.

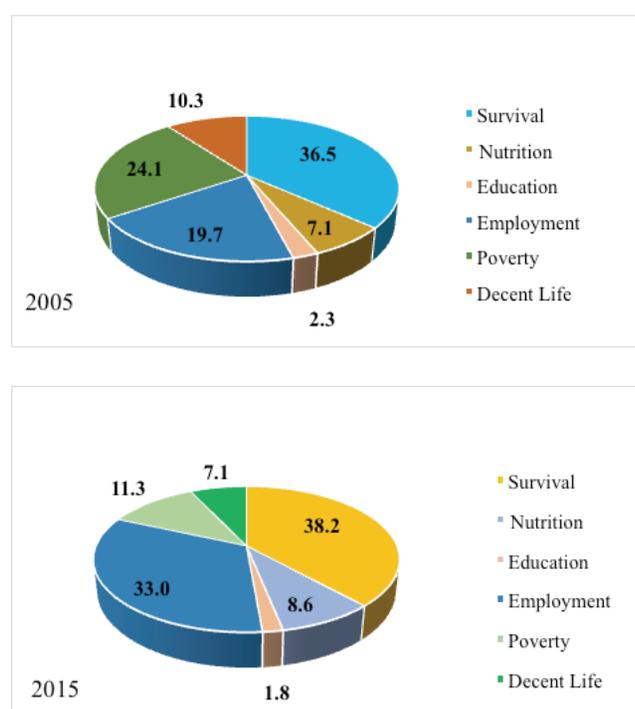
### C. Implementation process

The Index was developed through a broad consultative process with member States and key stakeholders, taking into account Africa’s specific development challenges. It has been piloted in five African countries – Cameroon, Kenya, Morocco, Senegal and Zambia – and rolled out in another 38 countries through a series of capacity building trainings. To ensure the ownership and sustainability of the Index, the collection of data and the production of results have been led by national implementation teams established in each country, with experts drawn from ministries of economy and planning, ministries in charge of social affairs and national statistics offices.

## D. Initial findings

Preliminary findings of the ASDI point to the differences in the extent and drivers of exclusion across countries. In Tunisia, for instance, almost 50 per cent of human exclusion, as measured by ASDI, happens in the early stages of life, from 0 to 5 years (Figure 3). In addition, the drivers of exclusion differ significantly between men and women, with women excluded from employment opportunities much more than men (with a share of 44 against 34 percent). These initial results are key to understand the patterns of exclusion in each country and draw policy recommendations that can inform policymakers on appropriate social policy formulation.

**Figure 3: Human exclusion in Tunisia (2005-2015)**



Source: Economic Commission for Africa (2016).

## E. The African Social Development Index as a tool for effective policy mapping

Historical data of the ASDI can provide critical information on the trends of human exclusion over time and on the drivers of change. As an extension to this work, a policy mapping framework is being developed by the Economic Commission for Africa

that uses the results of the Index to monitor and assess the effectiveness of social policies on reducing exclusion. This will be critical in identifying inclusive policy options that can be integrated in national and subnational development planning.

*This policy brief is drawn from the full report, entitled "Measuring human exclusion for structural transformation: the African Social Development Index" (Economic Commission for Africa, 2014).*

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