Dr. Egeru Anthony
Programme Manager, Training and Community Development
RUFORUM

Why Africa needs to stop 'managing poverty' but tackle it!

Something unique is taking place in Africa and in every African country and economy today. Many African countries today are some sort of construction sites with mega infrastructure development programmes. Roads under construction, railways deals are being signed and airports are undergoing expansion. Looking at all these major projects being undertaken by African Governments with loans, bonds and bilateral funding from China, Europe and Americas, it is surely possible to get positively convinced of the trueness of the 'Africa rising' narrative that has dominated the first decade and a half of the 21st Century. It is rational enough to acknowledge that increased investment from the BRICS (Brazil, Russia, India, China and South Africa) have taken place in the continent in the recent times with China having invested a total US$299 billion between 2005-2018 in sub-Saharan Africa with a further commitment of US$60 billion by the Chinese President Xi Jinping.

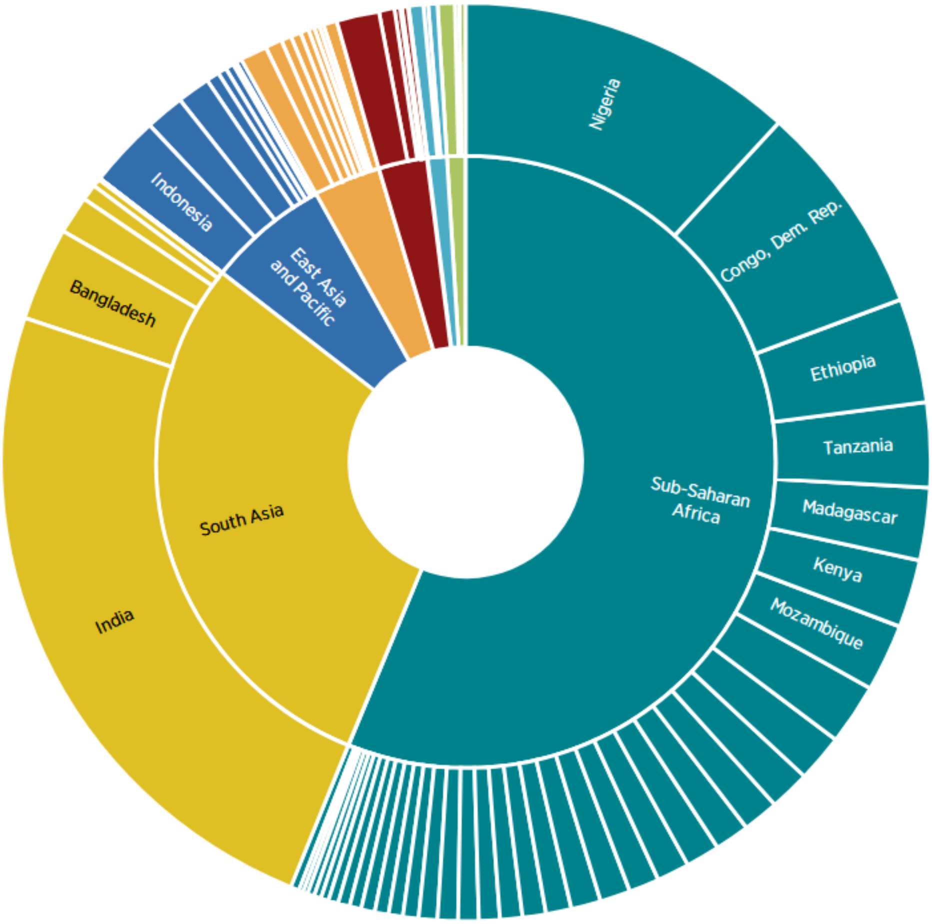
It is apparent that Africa is not short of investment funds as the world is willing to commit resources towards Africa. But, a serious situation of concern still pertains in the continent and in particular the sub-Saharan Africa region; Africa's poverty decline is lower than all the other regions of the world. In fact, the sub-Saharan Africa region is the only region that witnessed a rise in the number of people living in poverty (1990-2015) from 278 million to 413 million (Figure 1). Further, on a global scale, 27 of the 28 world's poorest countries are in sub-Saharan Africa and the regions average poverty rate stands at 33.5 percent far higher than the global average. Progress in reducing poverty in the continent is occurring but it is not fast enough to bring it to a level where dignified work and life for all is assured. Going by the current pace of poverty reduction, by 2030 the continent will still have some 377 million people living on less than US$1.90 a day. Consequently, in this period, 87 percent of the global poor will be in Africa with Nigeria, Ethiopia and Democratic Republic of Congo accounting for nearly half of the poor in Africa by 2030. These three countries currently account for 23 per cent of the world's poor. For these reasons, Africa must tackle poverty, 2030 is just 11 years from today!

The last three to four decades, China has demonstrated to the world that it is possible to dramatically and consistently reduce poverty. China has contributed to a 70% reduction in global poverty by lifting 850 million people out of poverty from 1981 to 2013 leading to its own national poverty falling from 88% to 1.85% during this period. Between 2013 and 2018, China lifted about 82.4 million rural poor residents out of poverty, with an estimated 13.7 million people escaping poverty annually.

Arguments and counter arguments on how China has been able to deal with this can be raised but what is clear is that commitment and deliberate effort to doing it produce immeasurable results. In the context of Africa and in particular sub-Saharan Africa, conflict and volatility in the States, rapid population growth-leading to the poor multiplying those in poverty through reproduction, and dependence in extractives seem to fuel the region's poverty status. Conflict has particularly been notorious in diverting Africa's efforts from deliberate investment in poor to lift them out of poverty to investment to keep them alive. Such investments in keeping people alive, escaping from hunger and famine are simply investments for managing poverty but not tackling poverty head on. While Africa has a wealth of heritage-mineral wealth and other extractives, this in itself has been counterproductive because these sectors are investment heavy with limited jobs created owing to a specialised and technical nature of the enterprise and undertakings, its share contribution to poverty reduction efforts becomes limited.

A radical shift from interventions that simply help the continent to manage poverty especially short-term investments with anticipated immediate impacts needs to be re-oriented to actions directed to tackling poverty. Investment into sectors and areas where the poor are and actions that redistribute growth benefits, investing in the poor people themselves and in their education and health as well as in services including finance and infrastructure is critical. By all indication, countries that have progressed and those that have transformed the wellbeing of their people are those that have diversified their economies but most importantly utilised the benefits from the extractive economies to reinvest in other forms of capital, particularly human capital. This can be seen from the global innovation index; countries with a higher innovation index including: United States of America, Canada, Switzerland, Sweden, Netherlands, Israel, Cyprus, United Arab Emirates, Singapore, South Korea and Hong Kong, and China are more advanced in human capital, so are their economies as well as human wellbeing.

Similarly, African countries that seem to be making significant progress South Africa, Kenya, Mauritius, Morocco and Tunisia among others are ranked high in the global innovation index which is correlated to the quality of human capital. If Africa is to progress in its quest to tackle poverty, it must investment in human capital, and not just in basic education but in building a pool of technical skills, research and innovation that is mastered in higher education including tertiary education. Even as the World Bank IDA19 Replenishment Co-Chair (Ms. Antoinette M. Sayeh) revealed that three quarters of the replenishment resources estimated at US$82 billion will be consumed by sub-Saharan Africa in its poverty reduction efforts, it is my sincere hope that these funds are strategically deployed in areas and sectors that can significantly make a difference in tackling poverty rather than managing poverty.



Source: PovcalNet (online analysis tool), World Bank, Washington, DC, http://iresearch.worldbank.org/PovcalNet/.
Note: The inner circle is proportionate to the percentage of the total population of poor people living in each region. The outer circle is similarly proportionate, but at the country level. The 10 countries with the most poor people in the world are listed.

Adapted from the Patel, N. 2018 (https://www.brookings.edu/blog/africa-in-focus/2018/11/21/figure-of-the-week-understanding-poverty-in-africa/)

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About the Author:

Dr. Egeru Anthony is the Programme Manager, Training and Community Development at the RUFORUM Secretariat. He previously served as Acting Deputy Executive Secretary-Programme Development and Implementation, Regional Programme Coordinator and Assistant Grants Manager at RUFORUM Secretariat. He is Senior Lecturer at Makerere University and served as a secondary school teacher at Merryland High School, Entebbe. Anthony has multi-faceted experience in research including in Systems Ecology with a focus on management of dryland ecosystems, early warning system, rangeland health monitoring, land use planning, pastoral livelihoods, agro-forestry systems, climate change, adaptation and resilience programming and analysis, development processes-especially participatory analysis and curriculum design and development. Anthony's current engagement is facilitating the transformation of African agricultural universities centered at the promotion of teaching, learning and research through innovative approaches including community action research, community engagement and agribusiness and entrepreneurship approached from a problem based learning perspective.