

The UNU-WIDER Growth and Poverty Project (GAPP)

Think Development – Think WIDER conference, 13-15 September 2018

Andy McKay



The UNU-WIDER Growth and Poverty Project

- Background of pessimism about Africa in early 2000s
- Turning into a more optimistic assessment
 - The Economist (3 December 2011): Africa rising
 - Optimistic cross-country studies: Pinskovskiy and Sala-i-Martin (2014) and Young (2012)
 - Alongside more pessimistic voices e.g. Afro-Barometer
- Pressing questions:
 - What is really happening?
 - What is going on at country level?
 - Policy implications?
- The UNU-WIDER Growth and Poverty in Sub-Saharan Africa (GAPP) project



Open access:

https://www.wider.unu.edu/publication/growth-and-poverty-sub-saharan-africa

OXFORD

GROWTH AND POVERTY IN SUB-SAHARAN AFRICA

Edited by Channing Arndt, Andy McKay, and Finn Tarp

UNU-WIDER STUDIES IN DEVELOPMENT ECONOMICS



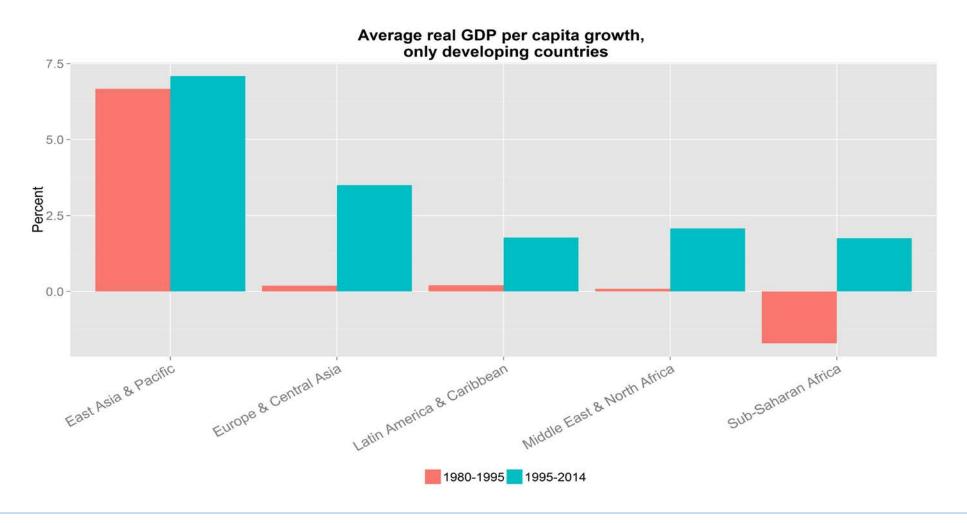
GAPP

- Carried out 16 carefully designed country case studies from the 24 most populous countries in sub-Saharan Africa:
 - Ethiopia, Ghana, Malawi, Rwanda, Uganda, Burkina Faso, Mozambique, Nigeria, Tanzania,
 Zambia, Cameroon, Côte d'Ivoire, Kenya, Madagascar, South Africa and the DRC
 - Represent almost 75% of the African population and 9 of the largest 10 countries
 - Exact time period varies: generally the last two decades
 - 16 high quality teams consisting of leading local and international experts, focused on identifying and explaining trends in monetary and non-monetary poverty and their links to growth and inequality
 - Synthesis and interpretation by the editors
- Key result: there is a lot to celebrate in African development (two cheers)
 - But not every where, and major challenges remain (not three cheers)



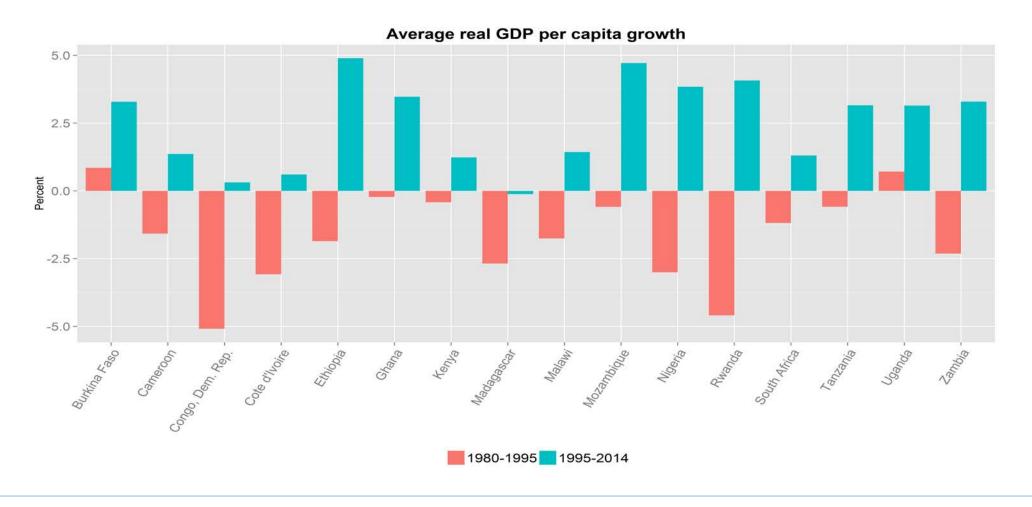
Background

The African Growth Turn-Around





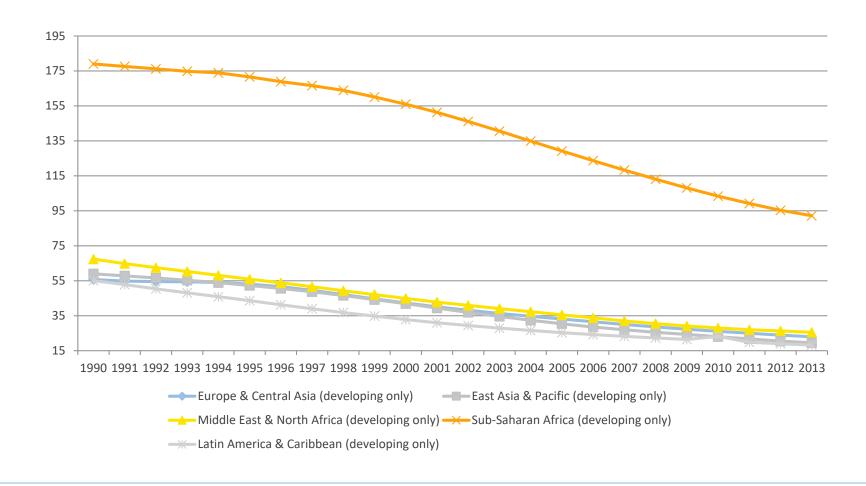
Substantial Variability: The 16 GAPP Country Cases





Child Mortality – Nearly Halved Since 1995

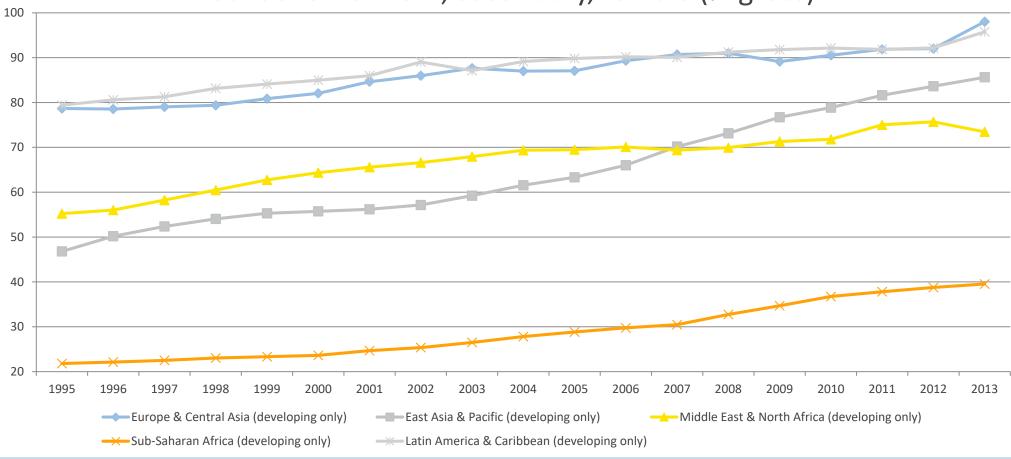
Mortality rate, under-5 (per 1,000 live births)





Girls' Secondary School Enrolment – Doubled Since 1995







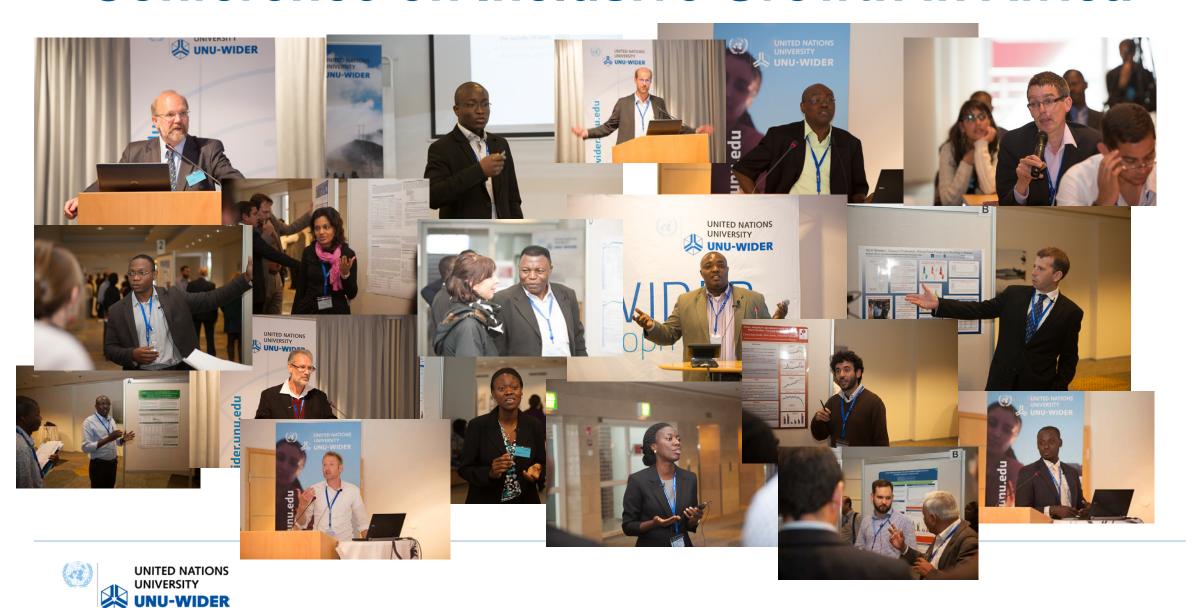
The GAPP project

The GAPP Approach

- Moving beyond analysis on cross country (WDI type) data
- Bring together:
 - Available macroeconomic data
 - Comparable household budget surveys (at least two surveys from each country)
 - Demographic and Health Survey data, and
 - A host of other information (prices)
- Critically examine validity and consistency of existing data (triangulation)
- Develop coherent explanations at country level; work presented and discussed at WIDER meetings and conferences



Conference on Inclusive Growth in Africa



Four Categories of Countries

- Relatively rapid economic growth and corresponding poverty reduction: Ethiopia, Ghana, Malawi, Rwanda, and Uganda
- Relatively rapid economic growth and limited poverty reduction: Burkina Faso, Mozambique, Nigeria, Tanzania, and Zambia
- Uninspiring or negative economic growth with corresponding stagnation or increasing poverty: Cameroon, Côte d'Ivoire, Kenya, Madagascar, and South Africa
- Low-information countries: DRC



Concluding comments

Findings

- Socio-economic progress in Sub-Saharan Africa has been markedly better than almost anyone expected 20 years ago, but progress has not been even
- The development process without exception highly nonlinear
- The fragility of gains evident
- The regional powerhouses of Kenya, Nigeria, and South Africa not among the better performers in terms of growth or poverty reduction



Findings (2)

- The performance of agriculture has been really important explaining some of the better poverty outcomes
- Structural transformation slow; limited industrialisation
- Jobs and employment creation lagging
- Aid has played important roles
- Major challenge of future population growth
- Available data sources remains a major challenge







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