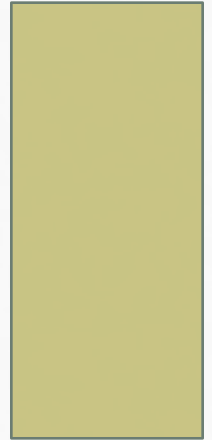


# HUMAN INCLUSION AS CAPABILITY EXPANSION



Iris Macculi  
PES Conference, New Delhi  
1-3 June 2016

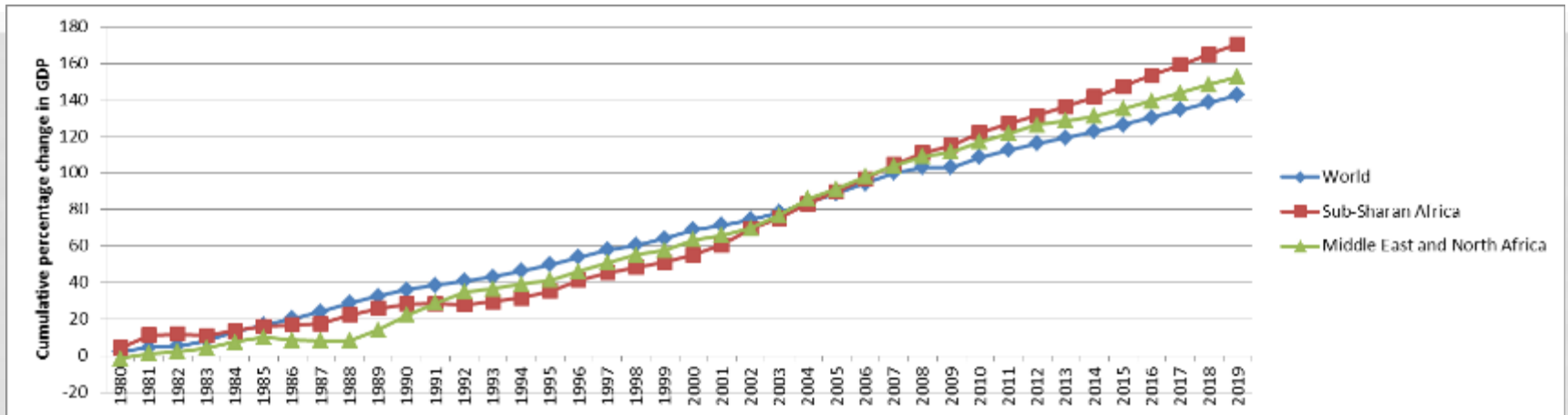


# OUTLINE

- Growth and Poverty in Africa
- Agenda 2063 and the SDGs
- The African Social Development Index
- Exclusion in Malawi and Swaziland
- Human inclusion as capability expansion
- Conclusion

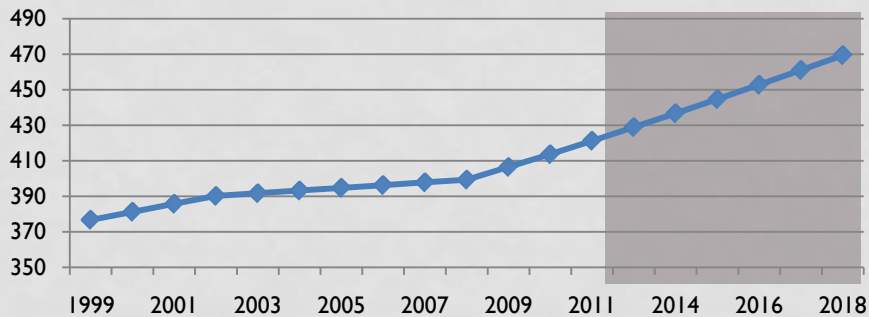
# THE PARADOX OF GROWTH IN AFRICA

## A STRONG ECONOMIC PERFORMANCE...

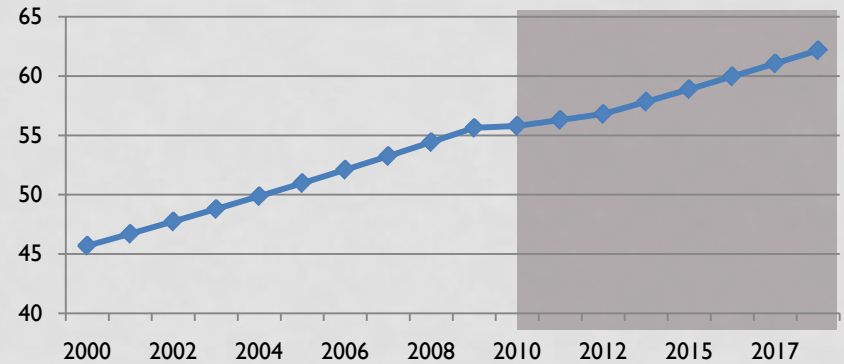


...with limited impacts on poverty and social outcomes

**Number of People in Poverty (in million)**



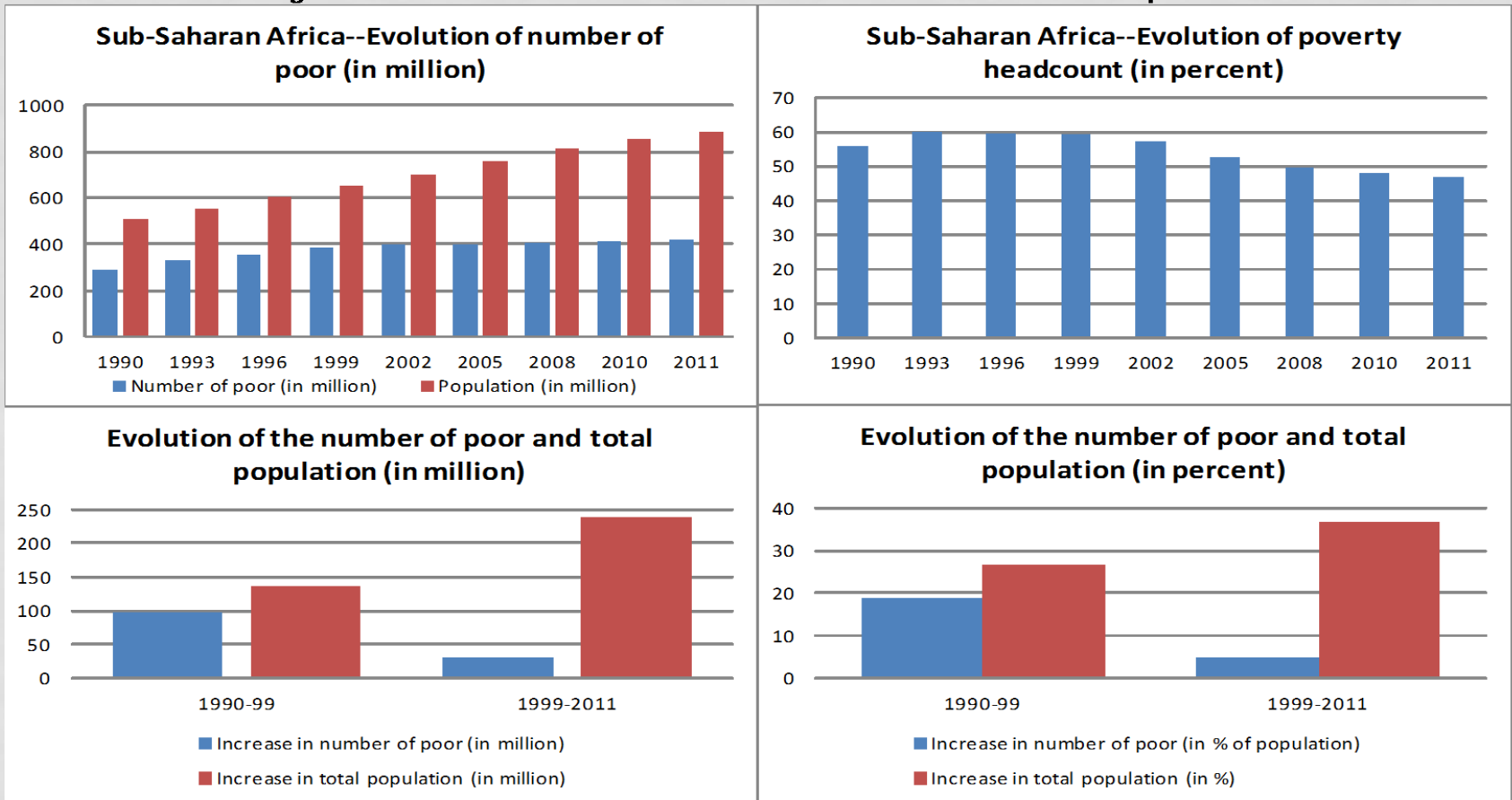
**Number of Stunted Children (in million)**



Projections based on average growth (Source: World Economic Outlook)

# POVERTY IN NUMBERS

**Figure 4: Sub-Saharan Africa--Evolution of the Number of Poor and Total Population**



Source: World Bank *PovCalNet* and author's calculations.

# GLOBAL TRENDS IN POVERTY

**Table 1: Percentage of Population Living in Households with Consumption or Income per Person below the Poverty Line (US\$ 1.25/day)**

Year	East Asia and Pacific	Europe and Central Asia	Latin America and Caribbean	Middle East and North Africa	South Asia	Sub-Saharan Africa	Total
2011	7.9	0.5	4.6	1.7	24.5	46.9	17.0
2010	10.3	0.6	4.8	1.7	29.0	48.2	19.2
2008	13.7	0.5	5.4	2.1	34.1	49.7	21.9
2005	16.6	1.3	7.4	3.0	39.3	52.9	24.8
2002	27.3	2.1	10.2	3.8	44.1	57.2	30.6
1999	35.9	3.8	11.0	4.8	45.0	59.4	34.2
1996	38.3	4.3	10.6	4.8	48.6	59.8	35.9
1993	51.7	2.9	11.1	5.3	52.1	60.8	41.6
1990	57.0	1.5	12.6	5.8	54.1	56.8	43.4
1987	54.3	1.9	12.5	7.2	56.9	55.8	43.0
1984	65.6	2.3	13.4	6.6	57.7	56.3	47.5
1981	78.0	2.9	11.7	8.9	61.4	52.8	52.7

Source: <http://iresearch.worldbank.org/PovcalNet/index.htm?1>

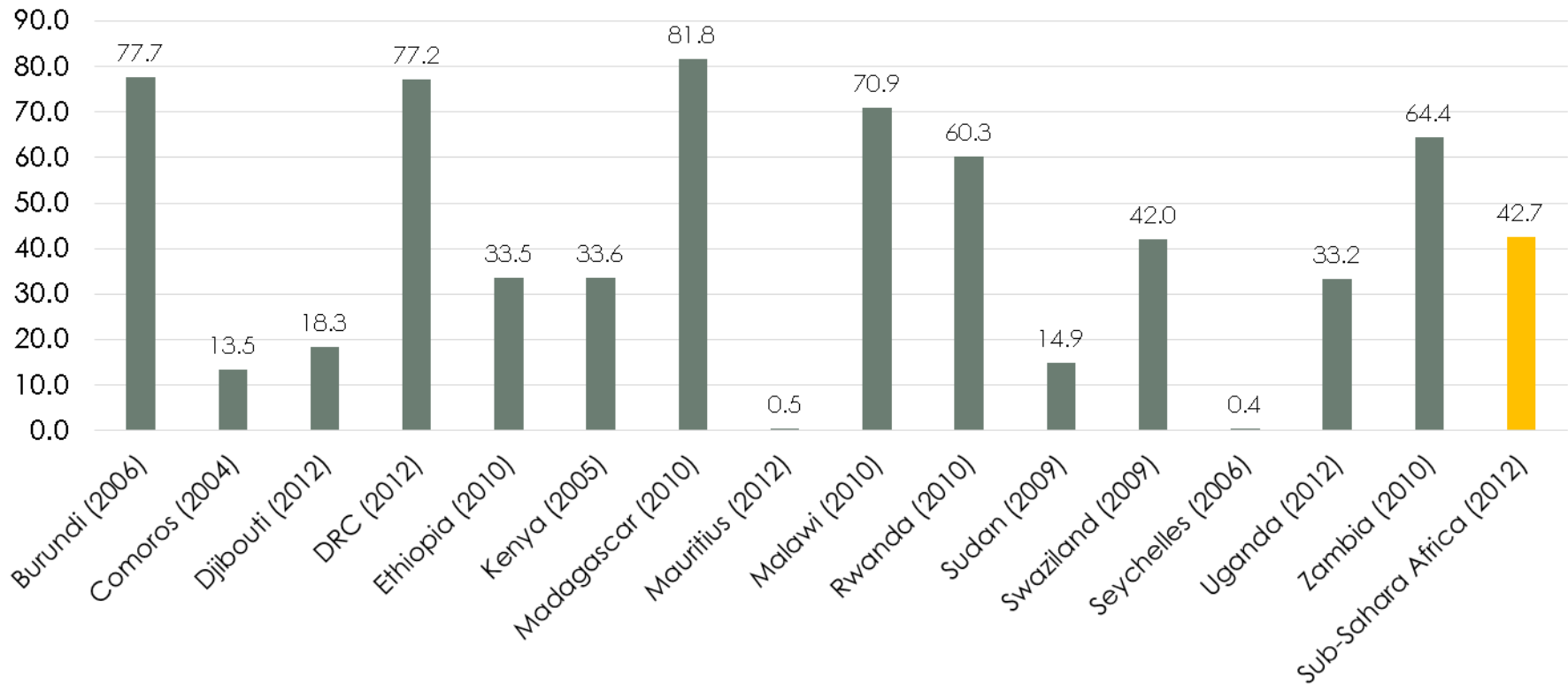
# A STRONG, BUT JOBLESS GROWTH...

Country	Unemployment Rate (%)	Youth Unemployment Rate (%)	Share of Youth Unemployed in Total Unemployed (%)	Latest Year Available
Egypt	13.2	34.3	51.5	2013
Malawi	7.8	8.6	38.3	2013
Mauritius	7.6	23.2	38.6	2013
Swaziland	28.2	44.8	50.9	2007
Uganda	4.2	2.6	50.0	2013
Zambia	7.8	15.2	57.6	2012

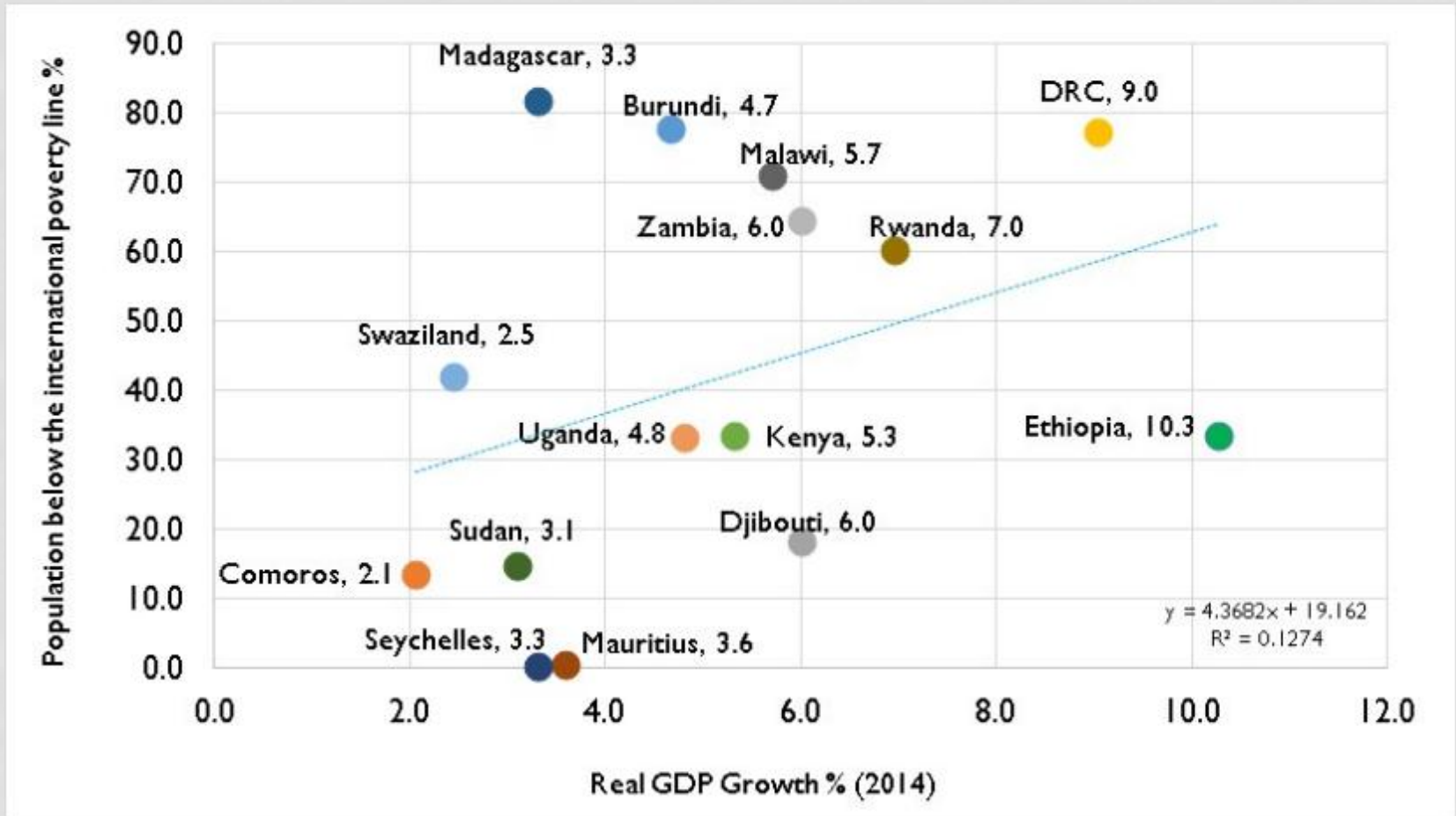
Source: KILM-8 (ILO, 2015).

# ...AND INSUFFICIENT TO LIFT PEOPLE OUT OF POVERTY

Share of population below the international poverty line  
(\$1.90/day)



# A LARGE DISCONNECT BETWEEN GROWTH AND POVERTY



A low elasticity of poverty to growth  
(Page, 2015, Fosu, 2011, Ravallion, 2001)

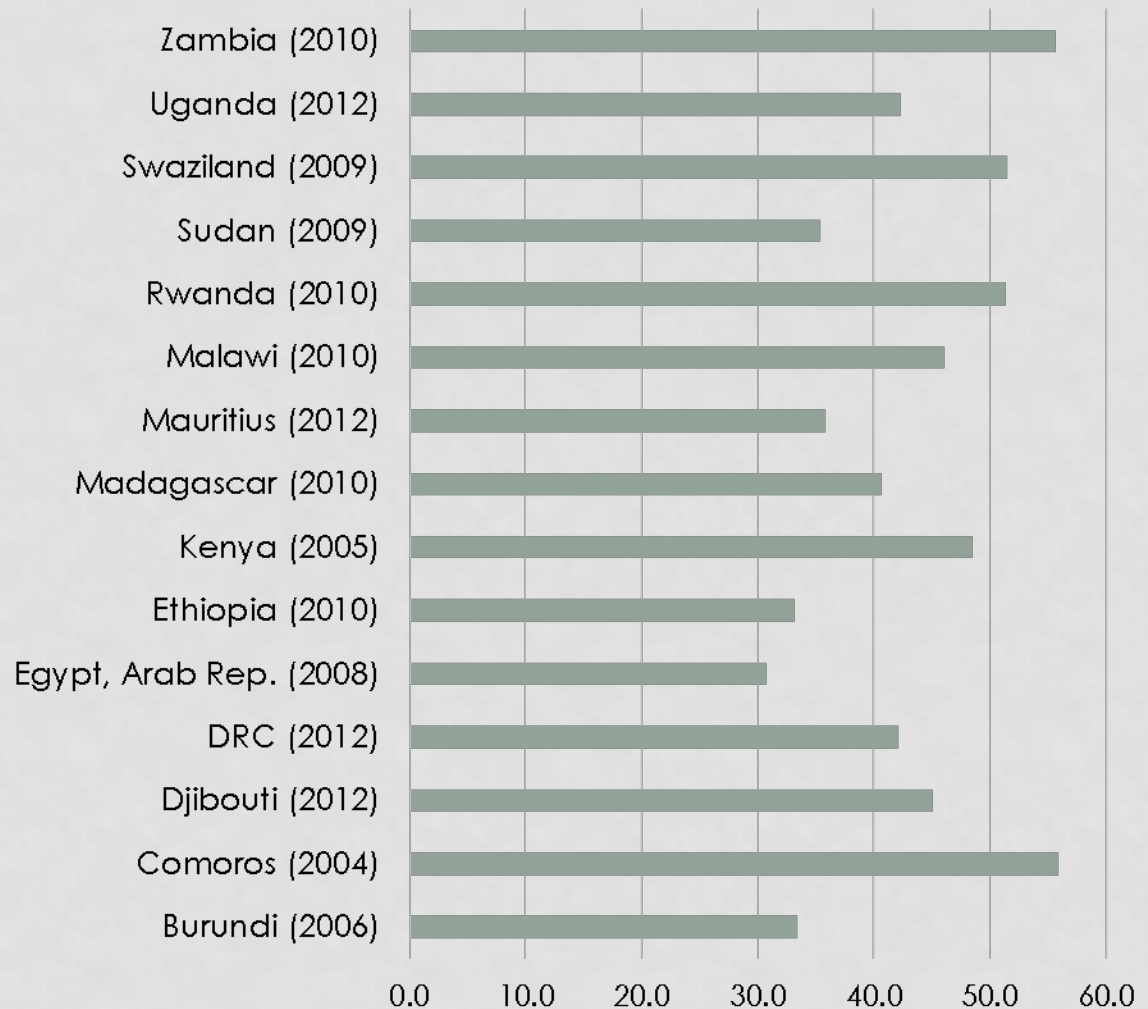


# THREE MAJOR DETERMINANTS

- High income inequalities
- Slow pace of structural transformation  
(Page, 2015, McMillan and Rodrik, 2011 and 2013)
- Low productivity in growth-leading sectors  
(mainly agriculture and informal service activities)

# HIGH LEVELS OF INEQUALITY

Country	Gini coefficient
Burundi (2006)	0.33
<b>Comoros (2004)</b>	<b>0.56</b>
Djibouti (2012)	0.45
DRC (2012)	0.42
Egypt (2008)	0.31
Ethiopia (2010)	0.33
Kenya (2005)	0.49
Madagascar (2010)	0.41
Mauritius (2012)	0.36
Malawi (2010)	0.46
<b>Rwanda (2010)</b>	<b>0.51</b>
Sudan (2009)	0.35
<b>Swaziland (2009)</b>	<b>0.52</b>
Uganda (2012)	0.42
<b>Zambia (2010)</b>	<b>0.56</b>



Source: World Bank, 2015

# THE “COSTS” OF INEQUALITY

Fuel social and economic instability

Undermine poverty reduction efforts

**High inequalities**

Curtail future opportunities in life  
(‘moving up the ladder’)

Reduce individual capabilities and functionings

# THE CHALLENGE: MAKING AFRICA'S TRANSFORMATION MORE INCLUSIVE

Economic and  
Structural  
Transformation

Sustained, trans-  
formative, job-  
led growth

Individuals  
contribute to and  
benefit from  
economic growth

Inclusive, Eq-  
uitable  
Development

*This is where  
we are*

*This is where  
we want to be*

# ACCELERATE THE PATH TOWARDS INCLUSIVE DEVELOPMENT



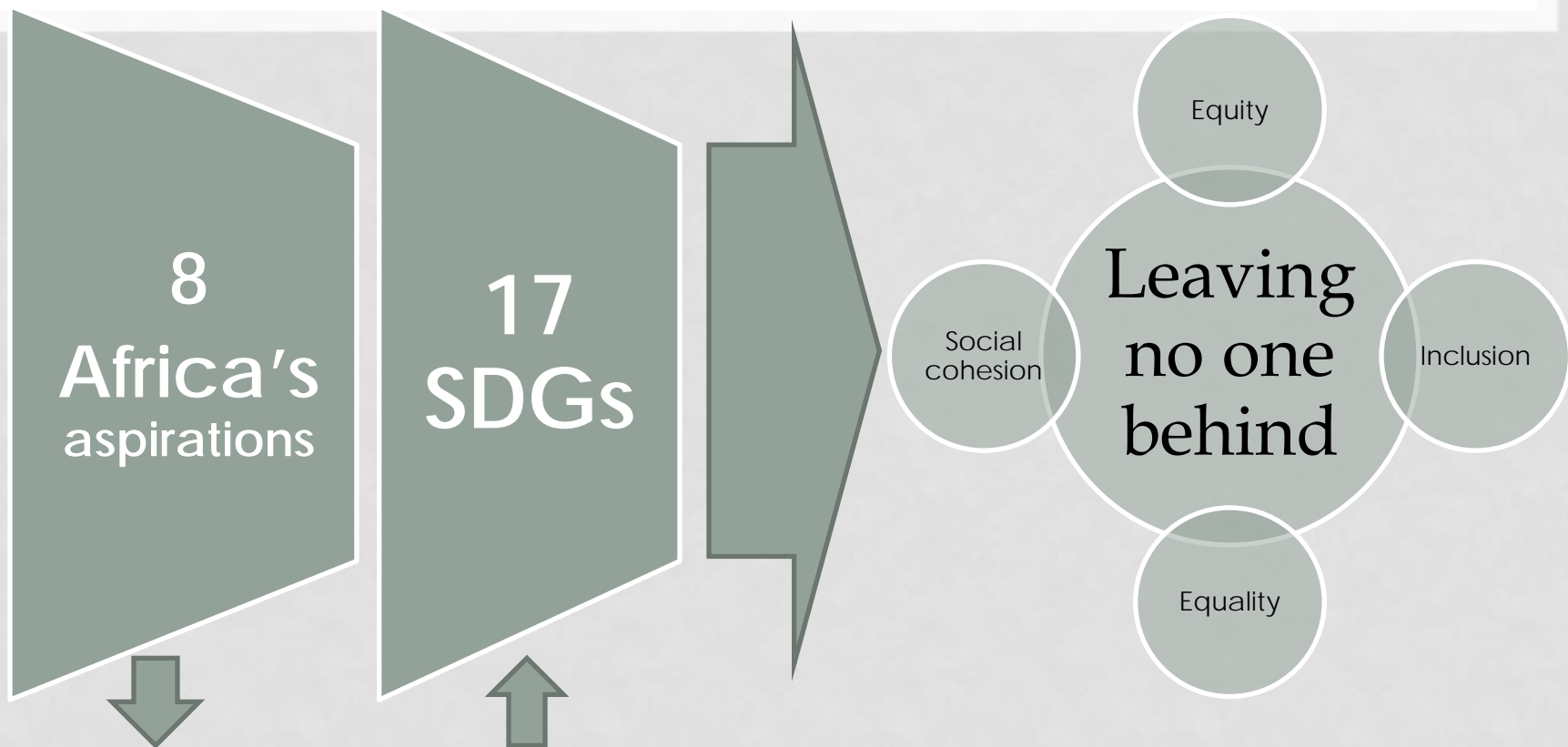
Address the  
Factors that  
affect Exclusion



Advance  
Structural  
Transformation



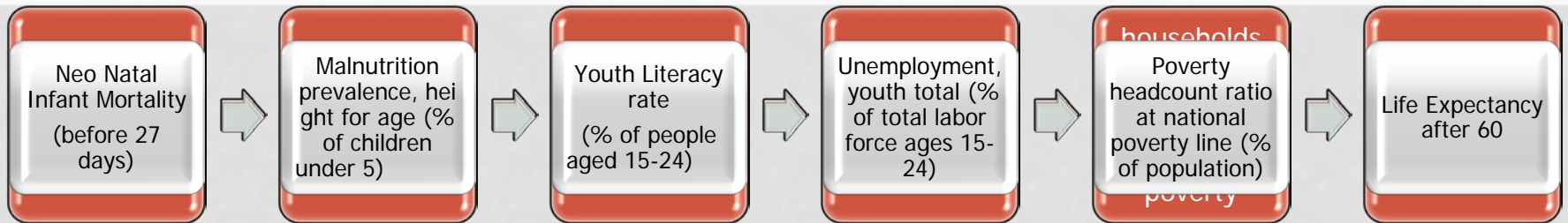
*GLOBAL AND CONTINENTAL RESPONSES  
TO INCLUSIVE DEVELOPMENT:  
THE SDGs AND AGENDA 2063*



**Achieving an integrated, prosperous, peaceful Africa  
based on inclusive growth and sustainable  
development**

# THE AFRICAN SOCIAL DEVELOPMENT INDEX

(ECA, 2015)



Six Impact Indicators

**African Social Development Index**

# MEASURING EXCLUSION THROUGHOUT THE LIFE-CYCLE

**Table1:**  
**Exclusion throughout the life-cycle**

<b>Period</b>	<b>Stage in the life Cycle</b>	<b>Dimension</b>
Birth to 27 days	Birth	Survival
28 days to 5 years	Early childhood	Health/Nutrition
6-14 years	Formative years	Quality education
15-24 years	Entering the labour market	Productive employment
25-59 years	Productive life	Means of subsistence
60+ years	Old age	Living a decent life



# THE DETERMINANTS OF HUMAN EXCLUSION

## Cultural Determinants

## Political/Institutional Determinants

## Economic Determinants

## Social Determinants

Limited access to public services

Limited access to health and education

Limited access to social protection

Limited access to productive resources (land, credit)

Limited access to labour markets

Lack of economic and market integration

Lack of legal frameworks and respect of human rights

Instability and Insecurity

Lack of political Participation

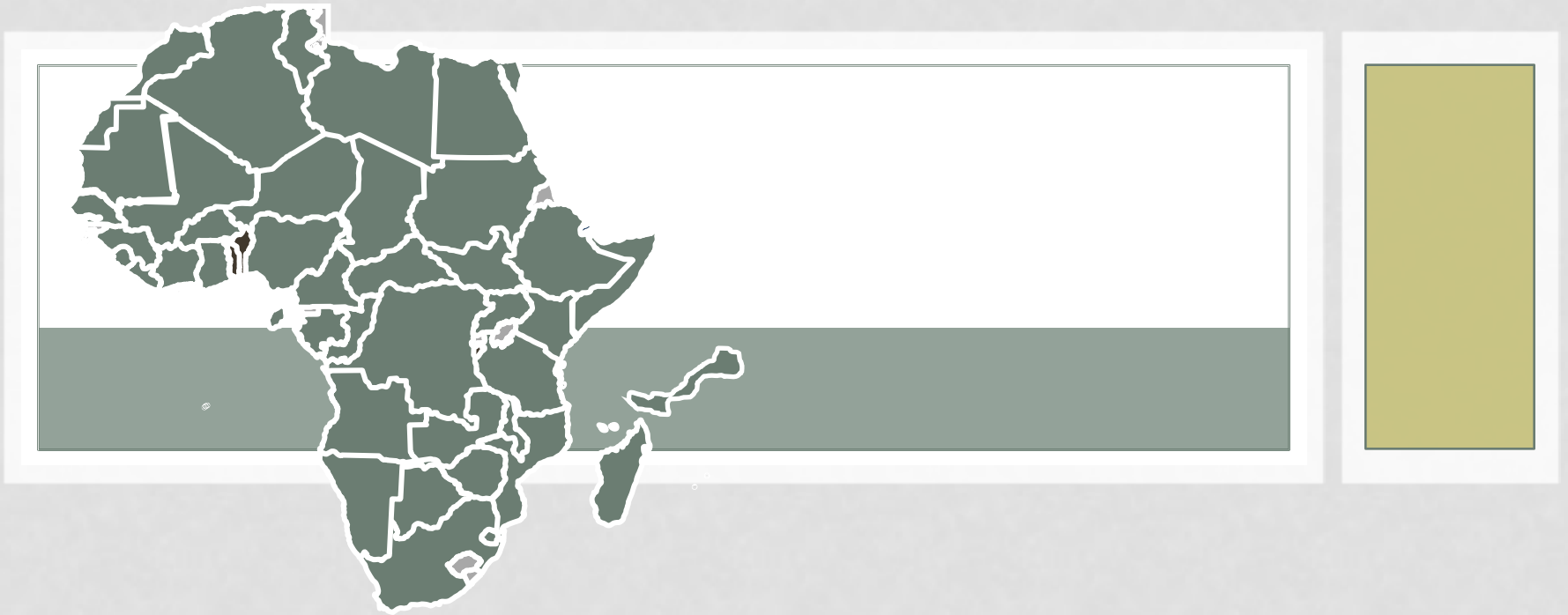
Cultural barriers and stigma

Gender-based discriminations

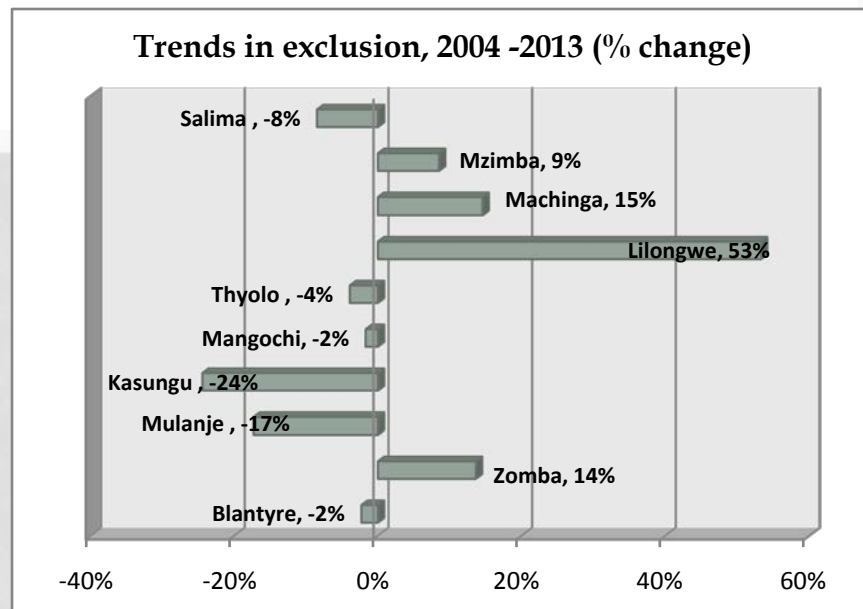
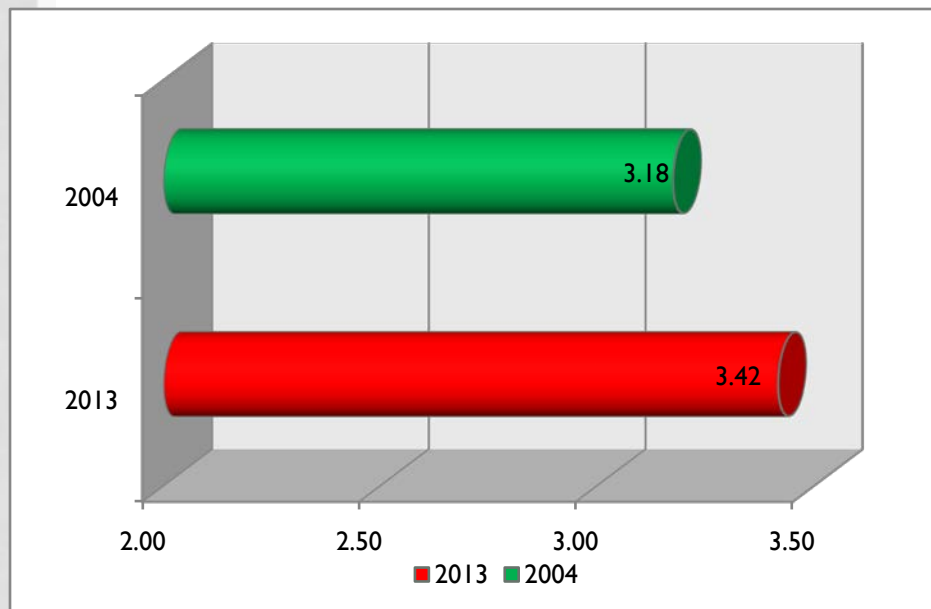
# *HUMAN VERSUS SOCIAL EXCLUSION*

- Social exclusion refers to a person or a group's inability to participate in social, economic, political and cultural life and their relationships with others (Room, 1985, Sen, 2000).
- Human exclusion, on the other hand, refers to the individual's inability to participate and benefit from the growth process itself. To that extent, human inclusion can be considered a stage prior to social inclusion (ECA, 2014).
  - ➔ People need to be part of the growth process, and benefit from it, before they can participate in society.

# KEY FINDINGS FROM MALAWI AND SWAZILAND



# HUMAN EXCLUSION IN MALAWI

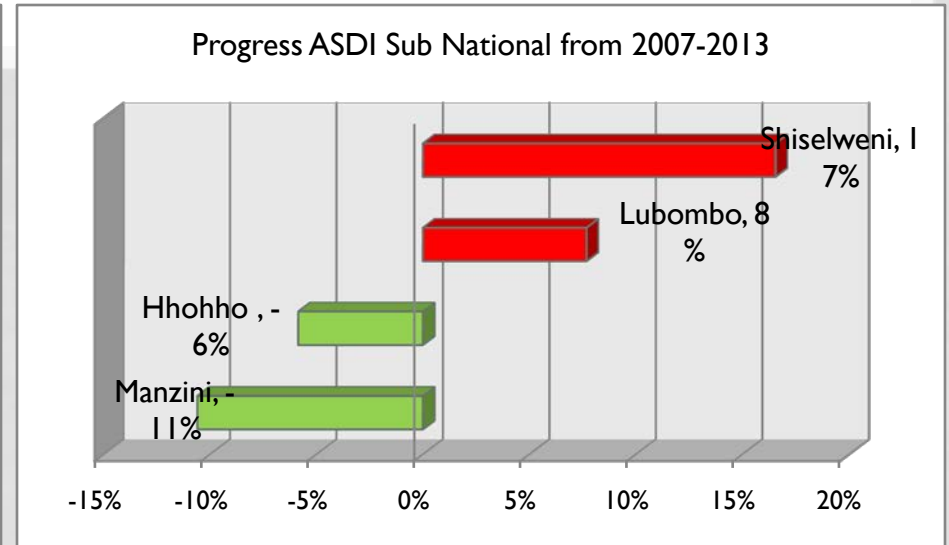
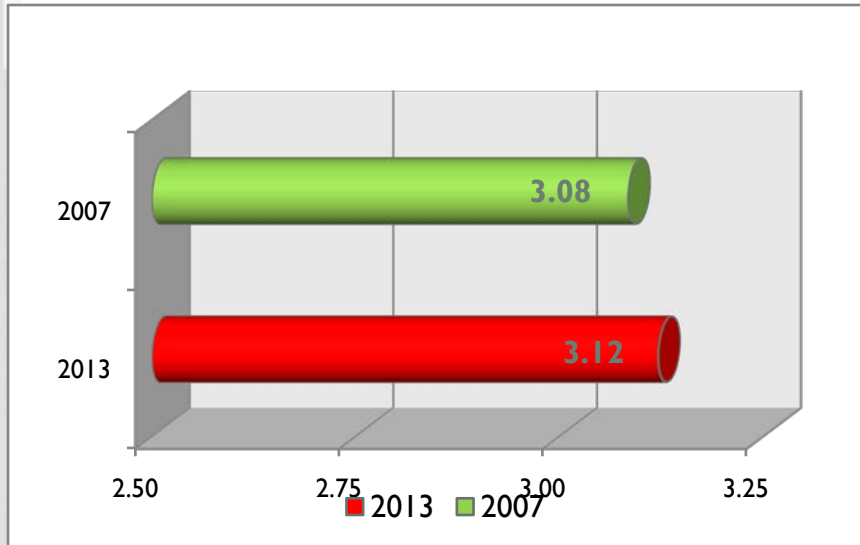


Source: ECA calculations based on national statistics (2015).

- Human exclusion has increased in Malawi, particularly in rural areas
- Serious challenges in addressing high poverty and malnutrition, with large inequalities across sub-regions

*Need to sustain inter-sectoral public reforms to make a significant dent on multidimensional poverty*

# HUMAN EXCLUSION IN SWAZILAND

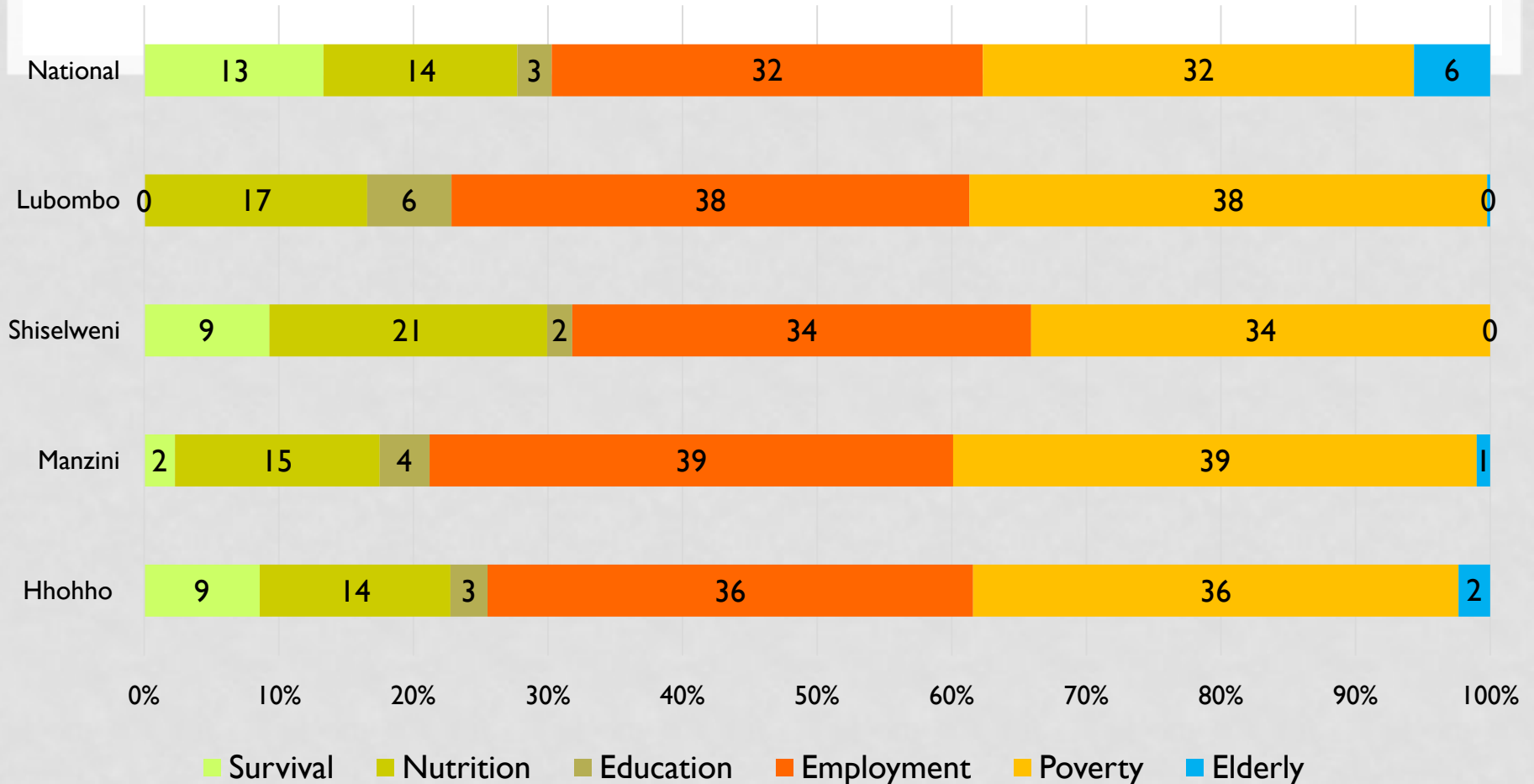


Source: ECA calculations based on national statistics (2015).

- Exclusion has increased – mainly driven by income poverty and unemployment
- However, the country is confronted with large inequalities across provinces

Importance of investing in youth through skills' development programmes to harness the exceptional youth bulge in the country

# SWAZILAND: DRIVERS OF EXCLUSION AT SUB-NATIONAL LEVEL

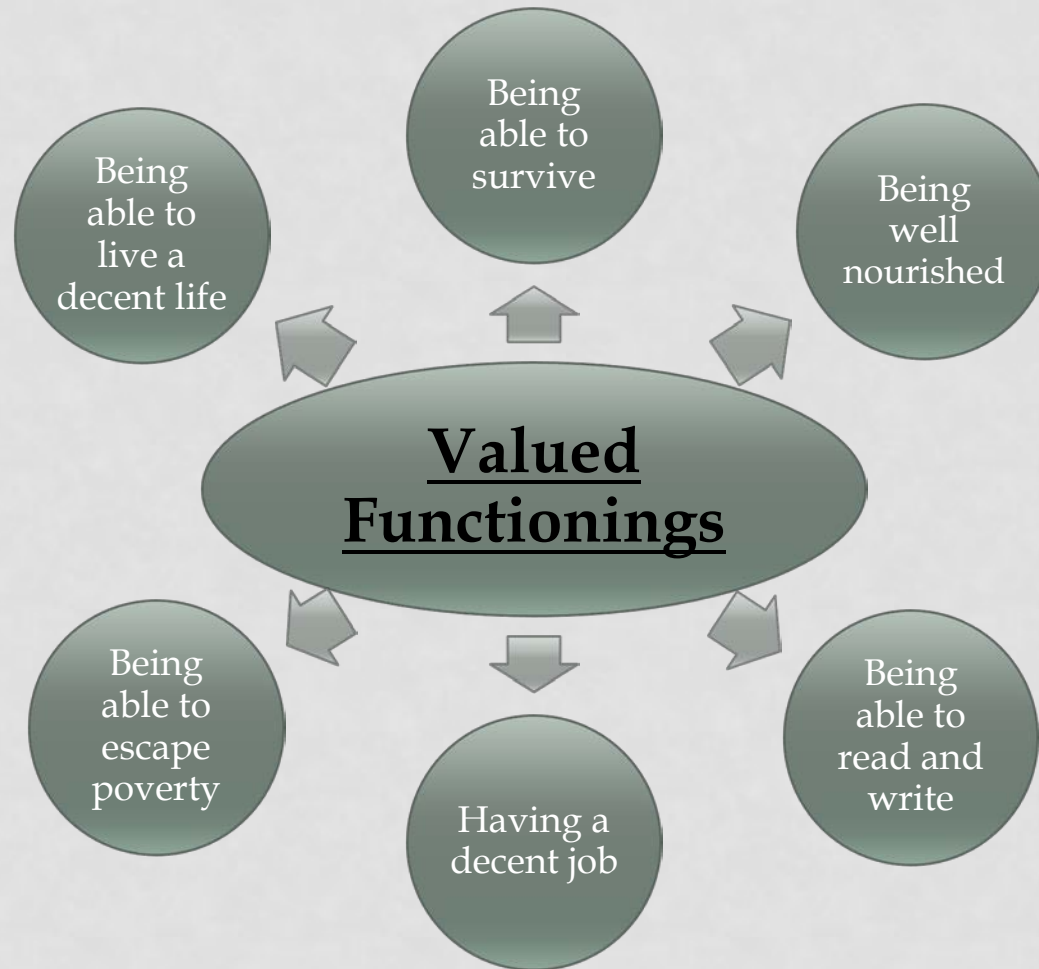


*Poverty and youth unemployment are driving human exclusion across all sub-regions*

# HUMAN DEVELOPMENT AND CAPABILITY EXPANSION

- Human development as the ultimate goal in people's life
- Economic growth only a *mean* to an *end*
- Human capabilities as foundations of the quality of life
- 4 core and inter-related concepts:
  - **Functionings**: the *achievements* of a person (“doings” and “beings”)
  - **Capability**: the set of *functionings* a person has reason to value
  - **Freedom**: opportunity to *choose* and achieve different functionings. Focus on choice.
  - **Agency**: Ability to *act* on what one has reason to value.

# HUMAN EXCLUSION IN THE CAPABILITY SPACE





# HUMAN INCLUSION AS CAPABILITY EXPANSION

- **Inclusive, equitable development** as a new African paradigm - clearly embedded in Sen's model
- **Agenda 2063 and the SDGs** embrace the human-centered approach to development
- Development is about **expanding people's freedom, voice and capabilities**

# HUMAN INCLUSION AS CAPABILITY EXPANSION (2)

- **Human inclusion** seen as the result of a set of “doings and beings”, or “capability expansions” that allow individuals to become agents of change, and have the freedom to choose the life they have reason to value (*transformative approach to development*)
- The purpose is thus to look at those **opportunities that can effectively expand the realm of human agency and freedom** - be they individual, social or contextual factors.

# DETERMINANTS AND OPPORTUNITIES FOR CAPABILITY EXPANSION

## Cultural Determinants

## Political/Institutional Determinants

## Economic Determinants

## Social Determinants

Limited access to public services

Limited access to health and education

Limited access to social protection

Limited access to productive resources (land, credit)

Limited access to labour markets

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Lack of legal frameworks and respect of human rights

Instability and Insecurity

Lack of political Participation

Cultural barriers and stigma

Gender-based discriminations

# CONCLUSION

- Redefining prosperity and human inclusion in Africa
- Understanding the factors that affect exclusion/inclusion – as opportunities for capability expansions
- From theory to practice: the ASDI as a practical tool for applying the Sen's approach in the African context – in line with the people-centered model of development articulated in the SDGs and Agenda 2063.

# *CREATING CAPABILITIES*

*(MARTHA NUSSBAUM, 2013)*

Development isn't about how rich your nation is, on average – it's about whether people can live in a way 'worthy of human dignity'.

THANK YOU FOR YOUR ATTENTION  
!