

## **Proposal for Sida funding of a program on Poverty, Inequality and Social Exclusion in Africa**

Duration: 2009 – 2011 (Updated September 2008)

### **1. Context**

The eradication of poverty and by extension the universal achievement of full state of well-being has always been central to the language and practice of development. The discussion of poverty as a human rights violation was first highlighted in the 1999 Human Development Report, opening the way to our understanding of human needs as human rights. However, the development record of the past 50 years has been mixed. Although some progress has been achieved in human well being in the majority of poor countries, literally billions of people remain in dire situation of deprivation and hopelessness.

Despite the slow progress in eradicating poverty, our approach to understanding poverty has grown in recent years. There is increasing recognition of poverty as being a complex, multi-dimensional phenomenon that includes both material and non-material features of life, that differs in its expression from person to person and place to place, and that can only be addressed where the assets and capabilities that the poor possess are improved. While income poverty remains a useful measure of poverty—i.e., a good indication of the material conditions of people's lives, non-material issues, such as ill health, poor life expectancy, poor access to education and high illiteracy are now seen as both a cause and a consequence of poverty that directly impact upon the quality of life and prospects of poor people. So as more aspects of poverty are recognized, so more policies become relevant to fight poverty. This is reflected in the importance given to health and education in the Millennium Development Goals and the Poverty Reduction Strategy Papers (PRSPs).

Closely linked to these are social and political issues, and in particular issues associated with equality (gender, social and cultural), freedom of expression and from oppression and threats of physical safety and fair access to key institutions in society. Although hard to measure or tackle through conventional policies, these are real and tangible dimensions of poverty. Sen's concept of development as freedom incorporates these dimensions.

In sum, an understanding of the notion of poverty and deprivation in Africa requires an analytical framework that encompasses a variety of dimensions. These considerations include the need to: (a) link poverty with employment and social integration; (b) the link

between the economic and the political and social dimensions of poverty; (c) the role of social processes and institutional structures in creating deprivation or generating inclusion; (d) the impact of globalization on anti-poverty strategies; and (e) the need to explore social and economic rights and access to employment, livelihoods and markets.

## **2. Rationale for the Program**

Though not implicitly stated, the six research clusters at the Nordic Africa Institute are, in many ways, engaged in the investigation of the sources of poverty, inequality and social exclusion in contemporary Africa. To advance multi-disciplinary dialogue and inquiry within and between the existing research domains, the Institute has integrated existing research projects and programmes.

These new research clusters include:

- Urban dynamics
- Conflict, displacement and transformation
- Agrarian change, property and resources
- Globalization, trade and regional integration
- Gender, sexuality and HIV/AIDS
- Cultural images and expressions.

The clustering of NAI's research program is expected to bring greater coherence and integration of research efforts, and to promote multidisciplinary inquiry among individual theme group researchers.

One particular gap in NAI's current research strategy has been the absence of economic analysis in the poverty-focused emphasis of the research portfolio. While the existing research clusters explore key aspects of the African and development and political challenges, the research is done with little reference to local or global economic dimensions. The recruitment of a policy analyst cum development economist is one way of integrating economic dimensions to existing research clusters that, at the moment, operate with single disciplinary lens. Strengthening economic research across the clusters is in line with the current reform process at NAI, which is designed to bring greater coherence and integration of research activities, and to promote multidisciplinary inquiry among individual theme group researchers through collaborative research endeavors.

## **3. Programs and Activities**

The program aims to enhance and inform public debate on the existence of positive development and governance alternatives by creating a centralized hub that would:

1. *Catalyze* public debate on the positive and negative aspects of the current mode of economic globalization, especially its broader impact on poverty, inequality and social exclusion as they relate to African countries; and how alternative formulations can and should be considered to make economic globalization pro-poor and more inclusive.

2. **Connect** academic and civil society experts with practitioners and policymakers engaged in real-time policy debates and negotiations on poverty, inequality and social exclusion.
3. **Convene** targeted policy dialogue around tangible policy problems and innovative, yet feasible, policy alternatives and;
4. **Disseminate** information more systematically on development policy choices to broader audiences, including parliamentarians and the media, in a language that is more accessible to non-technical audiences.

Over the next three years, the programme seeks to build a cohesive network of partnerships with key individuals, research centers, civil society groups and think tanks in Europe and Africa generating innovative research and policy analysis that could be leveraged as part of this initiative. The Institute has initiated cooperation with the Institute for Future Studies (Prof. Joakim Palme) and CODESRIA (Prof Jimi Adesina) related to the role of social policy in a developmental context.

### **Activities and outputs**

During the programmes initial phase, the focus will be on the development of a strategic line of programming. This planning phase is expected to take off already in September 2008 with the recruitment of a development economist for four months while the three-year position is being filled. This phase could include (among other products):

**Workshops and Dialogue series:** The program will develop a series of targeted public policy dialogue aimed at building momentum behind new thinking in globalization, poverty, and social exclusion;

- *Workshops:* linked to the debate and production of discussion papers will allow to fostering personal and working relationships among experts, reinforcing institutional capacities,
- *Dialogue series:* is aimed at bringing together policymakers from Nordic countries, African counterparts, aid agencies and regional pan-African institutions to discuss with researchers critical issues (e.g. post conflict transition, urban poverty, provision of water sanitation; youth unemployment, etc) and to explore critical interventions.

**Research Reports:** The program will launch a prototype “Policy Choice” Briefing series that could help reframe and refocus elements of the current development-security debate;

- *Discussion Papers,* more detailed background papers for workshops, will analyze relevant development perspective on several issues involving the topic of ‘poverty, inequality and social exclusion’ in the context of globalization;
- *Policy Dialogue,* with a policy-oriented focus, including a set of concrete proposals on specific issues;

- *Policy Notes*, much shorter, directed to high officials and decision-makers in donor agencies, African regional organizations and national governments.

**Information & Dissemination Strategy:** The program will also explore diverse communication and dissemination strategies for making innovative research and analysis more broadly accessible to various policymaking audiences. This will include:

#### **Publishing and dissemination**

- *Website:* We will use NAI' website effectively to disseminate research reports, policy briefs and other commentaries produced by in-house researchers as well as other researches in the NAI network.
- *Web dialogue forum:* the development economist will organize at least two electronic discussion forums among different stakeholders in the website with a view o promoting the exchange o views on specific matters.

The program on “*Poverty, Inequality and Social Exclusion*” is expected to spin-off a number of cross-cluster research activities through joint identification of research sub-themes, thus deepening multi-disciplinary inquiry in NAI’s research portfolio.

## **4. Implementation Strategy**

The program will be implemented in three phases:

**Phase I (2009):** To develop the overall program strategy and to identify key thematic areas around which workshops, conferences and policy dialogue series would be developed.

- *Inception Workshop # 1: “Growth and Employment in the context of national development strategies”.* (In collaboration with SOAS/IPC/CODESRIA/UNECA)

The rising problem of unemployment, particularly amongst the youth, brings renewed pressure to the political agenda to eradicate poverty in Africa. The workshop will propose that any discussion on employment generation and poverty reduction should be made within the unified context of growth and development.

A quick review of country development agendas across Africa shows two sets of programs and approaches that are not necessarily linked. While one school of thought focuses primarily on building infrastructure and creating an enabling policy environment for growth, the other emphasizes on enhancing the associated human resources for improving basic education, health and drinking water. The problem is, while they are both important, they may not always be linked and supportive of each other towards achieving a unified and defined national development goal. This lack of coherency, where the two approaches are seemingly parallel to each other, means that the results are unlikely to generate sustained growth with its associated employment generation.

The main objective of the workshop is to bring together stakeholders and experts to brainstorm on the subject of growth and employment and to identify critical areas that

need more research and discussion to move the growth and employment agenda forward. Another objective is to look into ways that may assist African countries to have a clear policy space so that they are able to determine their own development agenda and strategies

- ***Inception Workshop # 2: “Social Policy in Development: Bridging Research and Policy in the African Context”***  
(NAI/IFS/CODESRIA/UNRISD)

The aim of this initiative is to promote basic, applied, comparative research, and future studies in the field of social policy and development in Sub-Saharan Africa. Much of the current discourse on social policy and reform of social provisioning mechanisms has revolved around a state/market divide. In the specific case of Sub-Saharan Africa, however, social policy is hardly defined by the state/market binary that has shaped social policy debate over the last 30 years. In the face of both state and market failures, as was made clear during the post-1980 adjustment decades, the active agency of people in asserting rights and addressing issues of production and social provisioning has been documented widely. People are not to be understood as passive recipients of the handouts from the state nor social protection a gratuitous favor done by the state to the citizens (Adesina, 2003).

The goal is to establish a ‘*transnational research network*’ involving researchers from the participating institutions, and to begin the empirical work on a set of issue areas identified by workshop participants. This planning phase is expected to take off already in September 2008 with the recruitment of a development economist for four months awaiting for the three years position to be filled after an international recruitment process.

- ***Inception Workshop # 3: “Diaspora, Remittances and Development: Transatlantic Perspectives”*** (NAI/GW/AFFORD/World Bank/ADPC-Holland)

In recent years, there has been a clear increase in interest and discussion of the role of migration in the development of communities and countries of origin. The issue has attracted attention due to the fact that remittances are currently the second most important source of external finance to developing countries after FDI.

While considerable research exists on migration and remittances by migrants from Latin America and Asia, little systematic research exists on role of the African Diaspora on national development, and the scope and volume of remittances by African migrants. Not only that we don’t know much about the role of the African Diaspora in Europe and North America on economic development in Africa, little research is done on South-South (i.e. intra-Africa) migration and the associated remittances involved. A recent IFAD report estimate remittance flows to and within Africa exceeding 40 billion dollars a year. This figure underestimate the overall flow since much of remittance takes place through informal channels. For millions of families in Africa, remittances are the lifeline that lifts them out of poverty.

A better understanding of the migratory phenomenon and of the possibilities for involvement of the diasporas in countries’ development agendas is an essential factor in ensuring improvement of socioeconomic performance, good governance, and the management of migration at the national, regional and international level.

The objective of the inception workshop is to map out the potential research areas that include, among others:

Remittances; (extent flows; sources of motivation; impact on social stratification)

- *Financial systems and services*: what kind of policy changes is required to improve financial services for remittances?
- What are the current profile of transfer services, their underlying cost structures, and transaction cost associated with the service?

Diaspora and conflict: *pace builders or peace wreckers?*

Harnessing Diaspora skills: explore multiple avenues for harnessing the technical skills of Africans in the Diaspora for the development of the continent.

- Inception Workshop # 4: Rural – Urban interface and development. Theme will be developed during work with NAI Action Plan 2009 – 2011 and submitted in October 2008.

Research Area

***“Climate Change, the global food crisis, and eroding livelihoods in Sub-Saharan Africa: Framing the Issue”*** (NAI/FAO/IFAD/World Bank/UNECA)

Rising food prices are causing severe hardships and suffering across the world. This is particularly severe in Sub-Saharan Africa where the combination of climate change, expanding biofuel production and declining smallholder outputs caused by deficient investment in the agricultural sector, are contributing to a significant decline in the livelihoods of millions of poor people who are already affected by chronic hunger.

The emerging biofuels market is a new and significant source of demand for some agricultural commodities such as sugar, maize, cassava, oilseeds and palm oil. The increase in demand for these commodities has been one of the leading factors behind the increase in their prices in world markets over the past three years, which, in turn, has led to higher food prices. These commodities, which have predominantly been used as food, are now being grown as raw material (feedstock) for producing biofuels.

**Expected outputs from Phase I:** During this phase, program activities will be intensified, including a number of policy dialogue series; *Publication* of at least 4 *policy notes* and; 4 substantive papers in NAI’s *Policy Dialogue* series will be produced.

**Phase II (2010):** will involve the setting up ‘transnational’ and ‘multinational’ research teams that will begin the research on selected topics identified during the inception workshops.

**Phase III (2011):** It is envisaged that one international conference will be planned during phase III on the theme: ***“Macroeconomic Policy oriented towards growth, employment and Inclusive Social development”***, in collaboration with UNU-WIDER and CODESRIA and The Institute for Future Studies

**Sida programme "Poverty, Inequality and Social Exclusion in Africa,  
2009-2011**

**Budget**

<b>Year</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Activity</b>			
Development Economist	900	900	900
Secondment	700	700	700
Short Term assignments	200	200	200
<i>Research areas including workshops</i>	1 600	1 600	1 100
- Growth and Employment	200	200	200
- Social Policy	300	500	300
- Climate Change and the Global Food Crisis	500	400	300
- Diaspora, Remittances and Development	300	200	100
- Urbanization	300	300	200
<i>Conferences</i>			500
Conference 2011 Macroeconomic Policy towards Growth, Employment and Inclusive Social Development			
Publishing costs	200	200	200
Overhead 10%	400	400	400
<b>Total</b>	<b>4 000</b>	<b>4 000</b>	<b>4 000</b>