

# 4TH OECD WORLD FORUM

October 16 through 19, 2012, New Delhi

## *"Measuring Well-Being for Development and Policy- Making"*

Statement by H.E. Mr. Ahmed Lahlimi Alami, High Commissioner for Planning, Kingdom of Morocco, at the opening session of the forum, October 16, 2012

Let me first and foremost express my sincere gratitude to the Government of the Republic of India and my warm thanks to the OECD for their invitation which has enabled me to be, today, amongst you in this great country to which humankind owes a great deal, to the richness of its civilisation, the humanism of its culture and the crucial role it plays in building peace and prosperity in the world.

I am particularly appreciative of both the privilege of being offered this opportunity and the difficulty in fulfilling the task entrusted to me, namely, to report on the recommendations put forth by the **African Conference on Measuring Well-being and Fostering the Progress of Societies**. This conference which took place in Rabat from 19 through 21 of April, 2012, was, as you well know, co-organised by the High Commission for Planning and the OECD Development Centre in close collaboration with the Partnership in Statistics for Development in the Twenty-First Century (PARIS21), the African Development Bank (ADB) and the United Nations Economic Commission for Africa (UNECA).

The participation of distinguished experts, economic policy-makers, statisticians and civil society stakeholders from different African countries imbued this conference, as had been expected, with particularly rich debates and outcomes.

### **Context of a diverse, yet unified, Africa**

On account of its geographic and human diversity, we are often inclined to think of Africa as a plural entity irrespective of the fact that the temporal disparity in connection with the

demographic, economic and social transitions often leads us to make a distinction between North and Sub-Saharan African countries. Nonetheless, due to the great similarities between the challenges of global competitiveness that countries in both regions face, the approach that prevailed throughout this conference referred to this distinction only when the need for gaining insights into relevant data was deemed necessary.

By endorsing the findings accruing from a series of forward-looking analyses, the conference restated the potential that Africa demonstrates in becoming one of the strongest hubs of tomorrow's global economy.

With an average growth rate around 6%, which constitutes a sharp break compared to the rate recorded within the previous decade, Africa is already involved in this geostrategic shift that all sources of global economic growth are currently experiencing. The engine of this growth in many African countries remains, however, confined mostly to a few specific export-oriented sectors such as agro-industrial and mining sectors. These sectors have undoubtedly contributed towards enhancing African foreign trade and strengthening its weight within the emerging dynamics of South-South relations. Yet, they remain poorly integrated with the rest of the economy.

Agriculture accounts for 60% of employment and is the main source of income for the majority of people in Africa. And even so, it remains the sector that suffers the most from lack of infrastructure. Moreover, in the same way as the oversized services sector where informal activities prevail, agriculture benefits the least from technological progress. Coupled together, the two sectors contribute to the low productivity of the whole economy.

### **Social progress and the development paradigm**

Africa, being a continent with the world's highest population growth rate ( Figure 3) due mainly to the delay in the demographic transition in Sub-Saharan countries, has a GDP per capita which is today becoming progressively lower than that in all regions. At the beginning of the 1980s, though, it was similar to or even higher than that within some of these countries (Figure 8).

This gap between the population and economic growth has resulted in the challenge faced by Africa today and which will remain unmet as long as the current development paradigm continues to prevail, namely, creating jobs for a growing working age population ( Figure 5). The challenge is that of a more educated, more feminised youth (Figure 5), ever more demanding decent jobs, while at the same time, embracing new consumption patterns and values. This challenge will continue to be at the forefront of the issues pertaining to social cohesion and the well-being of people in African countries.

In this respect, the continuing high levels of poverty (Figure 11) and the widening inequalities ( Figure 12) stem largely from the prevalence of unemployment ( Figure 6) and job precariousness which affect a large proportion of the African working age

population, particularly amongst young people and young graduates. By way of illustration, we may recall that Sub-Saharan Africa is the region experiencing the highest rate of poverty in the world and ranks second, after South America, in terms of social inequalities. Furthermore, in 2010 Africa as a whole achieved only two-thirds of the average global Human Development Index. Asia and all the other regions, on the other hand, exceeded this threshold (Figure 9).

Under the current circumstances, many countries on the African continent have little chance of achieving the MDGs by 2015. Yet, there is broad consensus over (i) Africa's resilience to the adverse effects of the international economic crisis and (ii) its overall performance as regards economic growth rates. Is it not high time for Africa to initiate reflection on the root causes underpinning this underperformance of public policies towards overall human development? The burden of the past, globalization constraints or even the effects of climate change or still even the security contexts prevalent across many sub-regions on the African continent, provided they are genuine, cannot relieve public policies from the duty to give reasons for this underperformance. The continuity of such levels of underperformance, the prospective situation as forecast by future projections, beyond the effectiveness of the endeavours exerted, give legitimacy to putting into question the relevance of the development paradigm which encompasses all these policies.

National plans, be they sub-regional or regional as is the case for the New Partnership for Africa's Development (NEPAD) continue, nonetheless, to be generally an approach whereby social progress is contingent upon successful economic policies and its performance very often assessed in the light of the rate of achievement of the MDGs.

While the growth paradigm which has prevailed during globalisation is facing a deep economic, social and values crisis, the assessment approach of public policies based on measuring social progress and wellbeing must be part of a rationale that puts aside the segmentation of development goals and calls for openness to a new development paradigm. It is on the basis of this analysis framework of the reality on the ground in Africa that the focus upon the debates of the conference, which was held in Rabat, was laid upon. Such focus resulted in the outcomes stated below and over which converging viewpoints were expressed.

### **Measuring well-being and social progress**

1. Gross Domestic Product (GDP) is the only appropriate indicator whereby to measure the effectiveness of an economic policy from the perspective of the wealth of a particular country and yet it still conceals the content of such wealth in terms of the impacts upon the different social strata. National accounts certainly make it possible to adhere to an approach *vis-à-vis* this content by means of

household disposable income and in particular the adjusted household disposable income, which incorporates, as is well-known, along with monetary income, all social transfers. Yet, national accounts cannot reveal much about the social and territorial income distribution in order to have a more detailed assessment of the social progress induced by growth. The household-based surveys resorted to for this purpose do not, however, enable us to gain deeper insights into the actual situation of people because of the complex, dialectic relationship between objective conditions and daily life. This is indeed the very issue which well-being aims to provide an answer to.

2. Despite the absence of interaction between its different goals, MDGs continue to constitute in Africa a useful reference which many countries resort to in monitoring progress in human development. The well-being approach should enrich such a framework and contribute towards their integration within a more comprehensive vision of development.
3. Well-being is as important and its measurement as relevant to monitoring progress in Africa as is the case in other regions or countries, no matter what level of development they have achieved. Such relevance stems from its multidimensionality and must, therefore, encompass the dimensions of material well-being, such as housing, employment and income as well as other dimensions related to education, health and the relationships with the institutional and social environments.
4. The approach to well-being in Africa must -often much more systematically than in other parts of the world - incorporate the dimensions that mark, at its present stage of development, people's daily lives, namely, poverty, employment in general and youth employment in particular, access to basic infrastructure such as roads and basic social services such as water and electricity. In this respect, the family, the community and women's conditions both inside and outside their homes constitute within African societies traditional dimensions of social cohesion and play an important role in human security. As such, they will continue to be the factors that are most likely to contribute to people's well-being.
5. Furthermore, dimensions of security in people's daily lives and the confidence they have towards the institutional and social environment must be an integral part of the approach to well-being in Africa, as is generally the case in transition countries. These dimensions are dependent upon the crucial issues related to governance and comply with the requirements of democratic participation of people in the decision-making processes that impact their daily lives and those of their children.

6. The approach to well-being must be comprehensive, but even more so in African countries, and must therefore encompass both objective and subjective dimensions.

### **Statistical capacity building in Africa**

7. Agencies in charge of statistics in Africa must be strengthened in such a way as to become active players in promoting the measurement of social progress through an indicator which is as challenging and multi-dimensional as people's well-being. This necessarily entails institutionalizing their independence and the provision of sufficient human and financial resources to enable them to produce good quality statistics and to fully play their role in providing insights into and an evaluation of public policies.

The conference urged African Statisticians to make their voices heard and to ensure that their professional credibility remains intact.

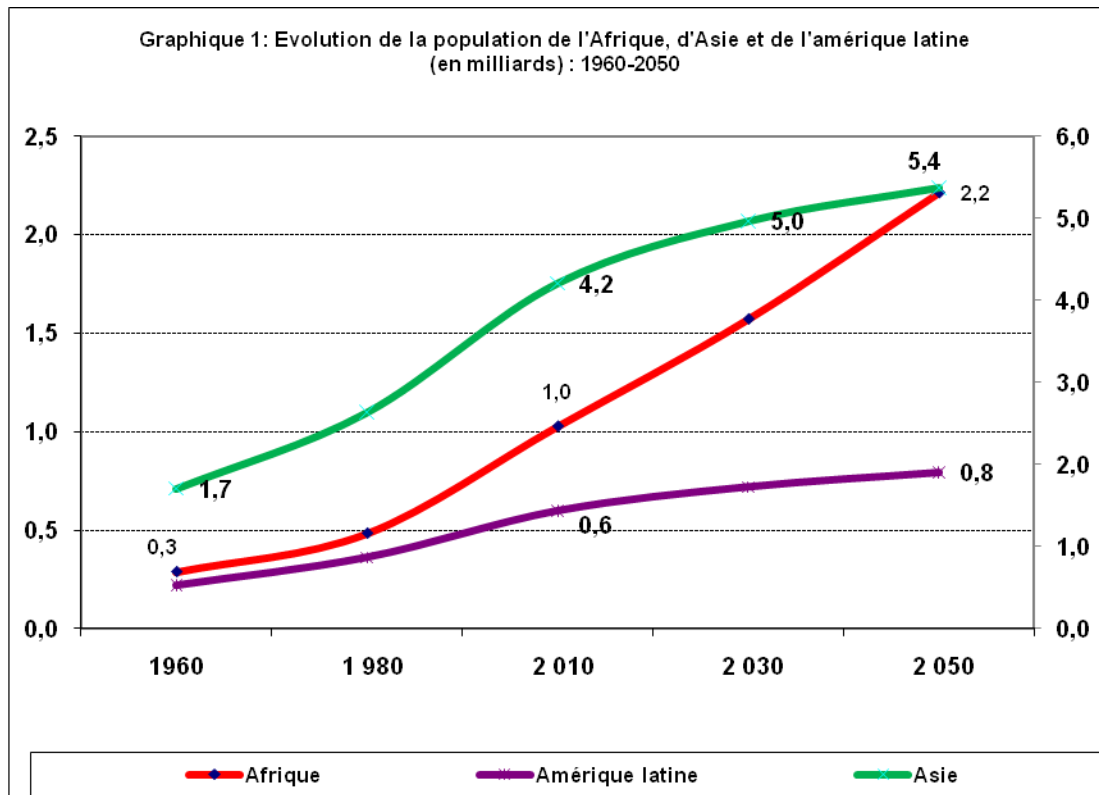
In addition to the above-mentioned recommendations, the conference ended with the commitment to set up an African network, under the title of **Wikiprogress Africa**, which is devoted to measuring well-being. UNECA, OECD and HCP were assigned the task of setting up such a network.

It is my pleasure to inform you, if you have not already noticed it, that this network has already been set into motion. We hope that it will achieve its aim of becoming a rich source of information about social cohesion and the societal progress in Africa and will contribute to all efforts aiming at measuring well-being.

## Appendix

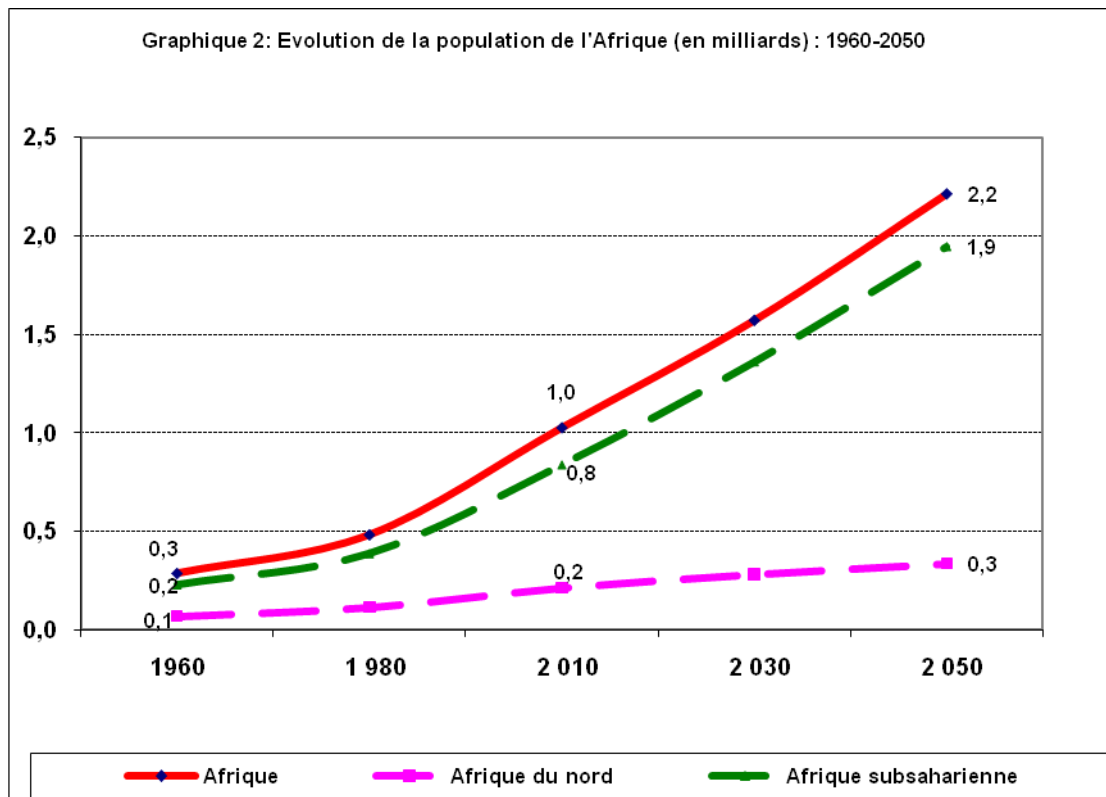
## Croissance démographique en Afrique

### Evolution de la population



Source des données : Nations Unies, Division de la population, Word population prospects, révision 2010.

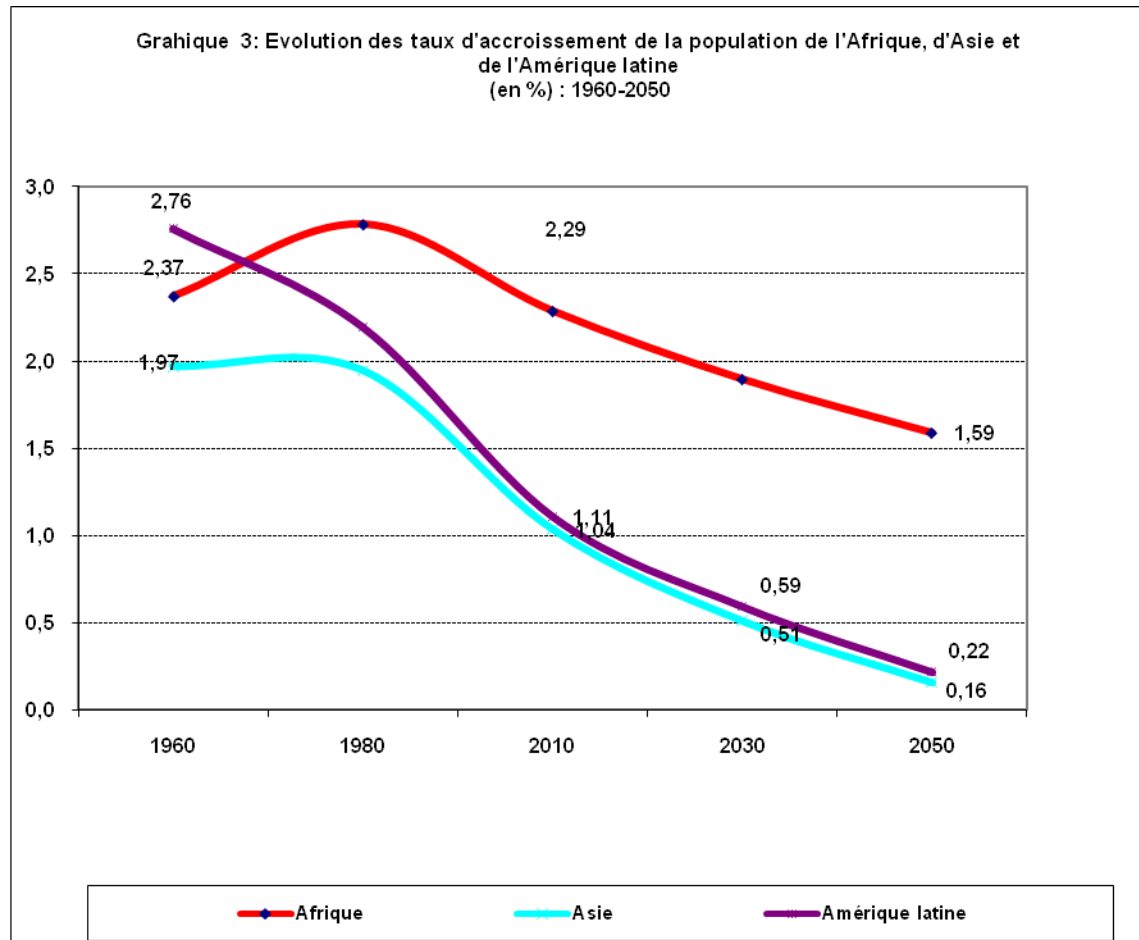
Note : L'Afrique est le seul continent où la population doublera d'effectif entre 2010 et 2050.



Source des données : Nations Unies, Division de la population, Word population prospects, révision 2010.

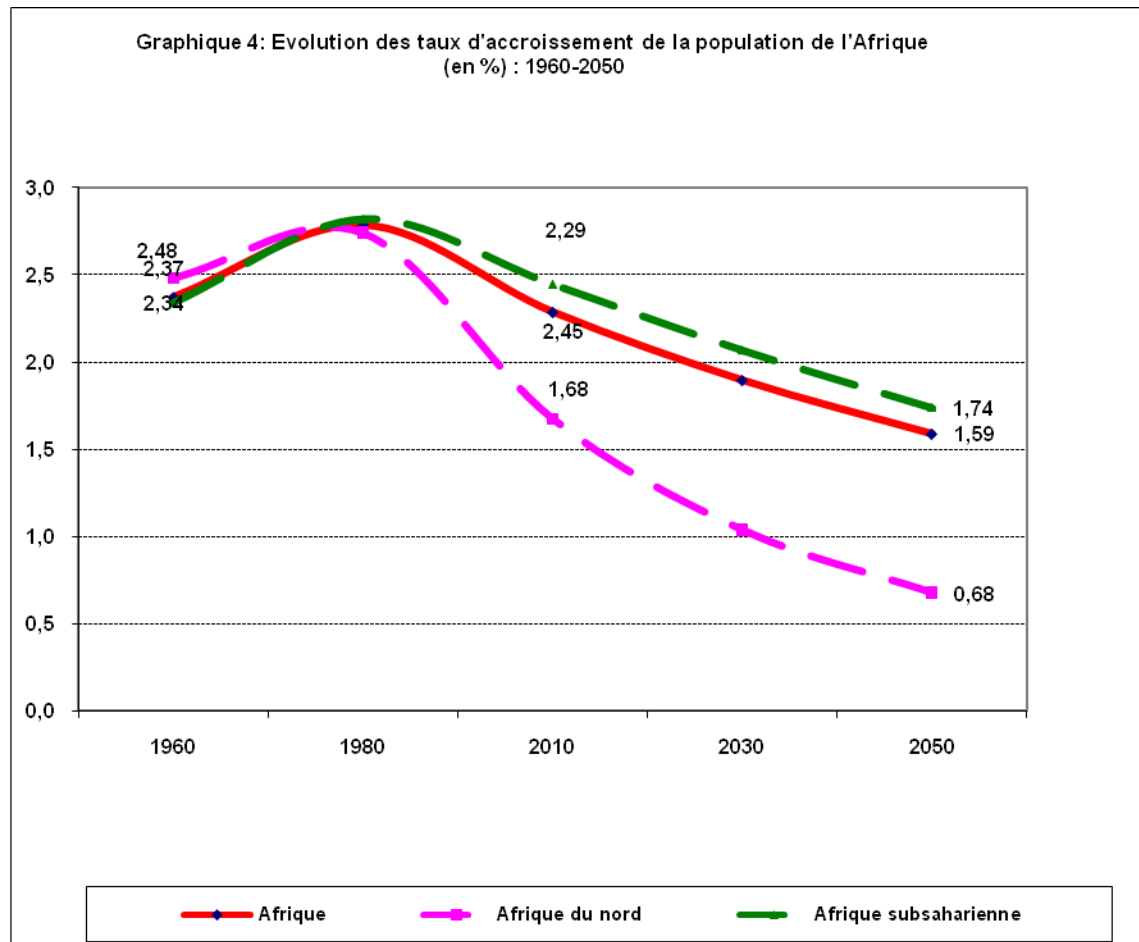
Note : Le croit démographique de l'Afrique, d'ici à 2050, serait essentiellement le fait des pays subsahariens.





Source des données : Nations Unies, Division de la population, Word population prospects, révision 2010.

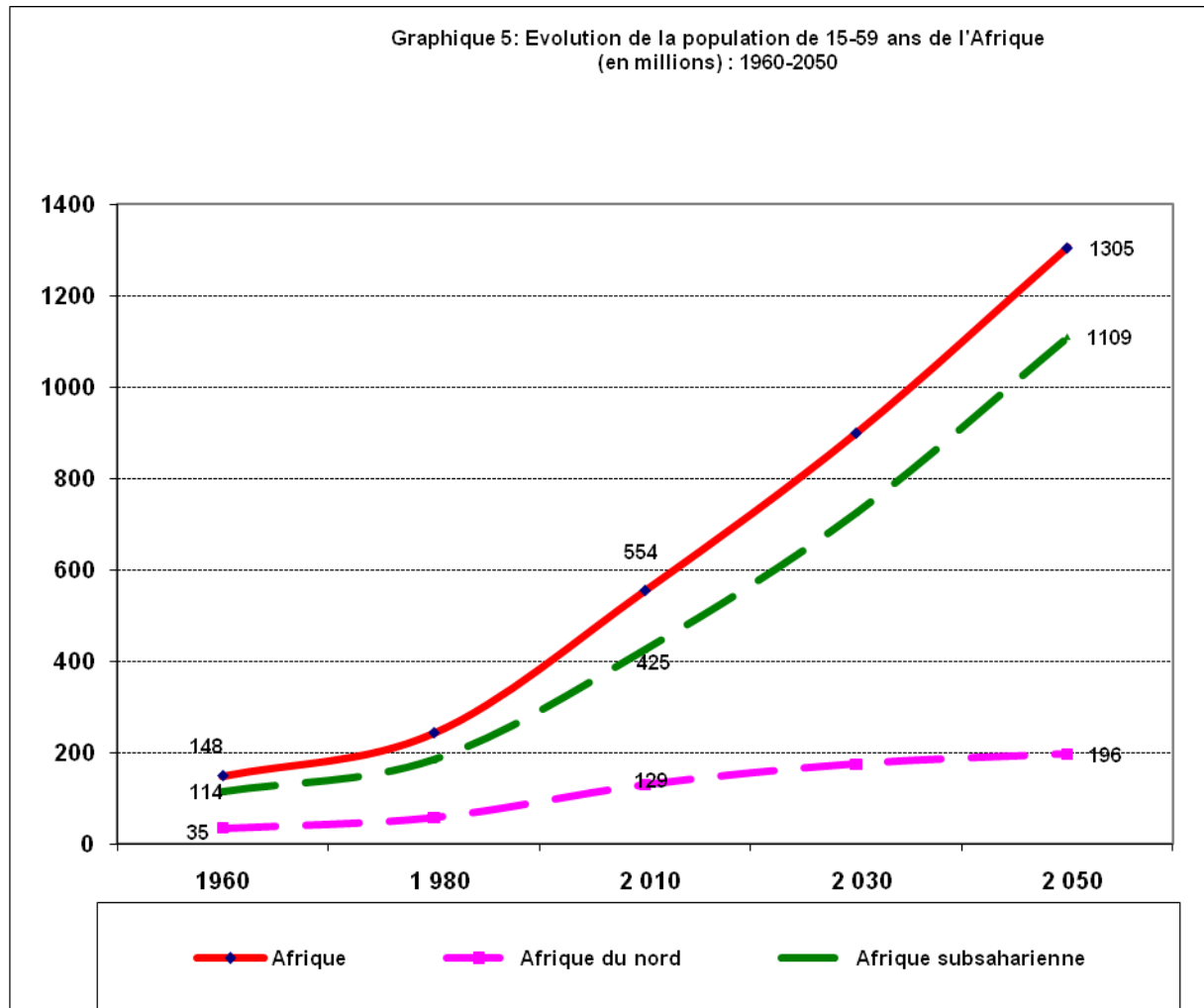
Note : L'Afrique enregistre le taux d'accroissement démographique le plus rapide du monde.



Source des données : Nations Unies, Division de la population, Word population prospects, révision 2010.

Note : L'accroissement de la population africaine est essentiellement le fait de l'Afrique subsaharienne.

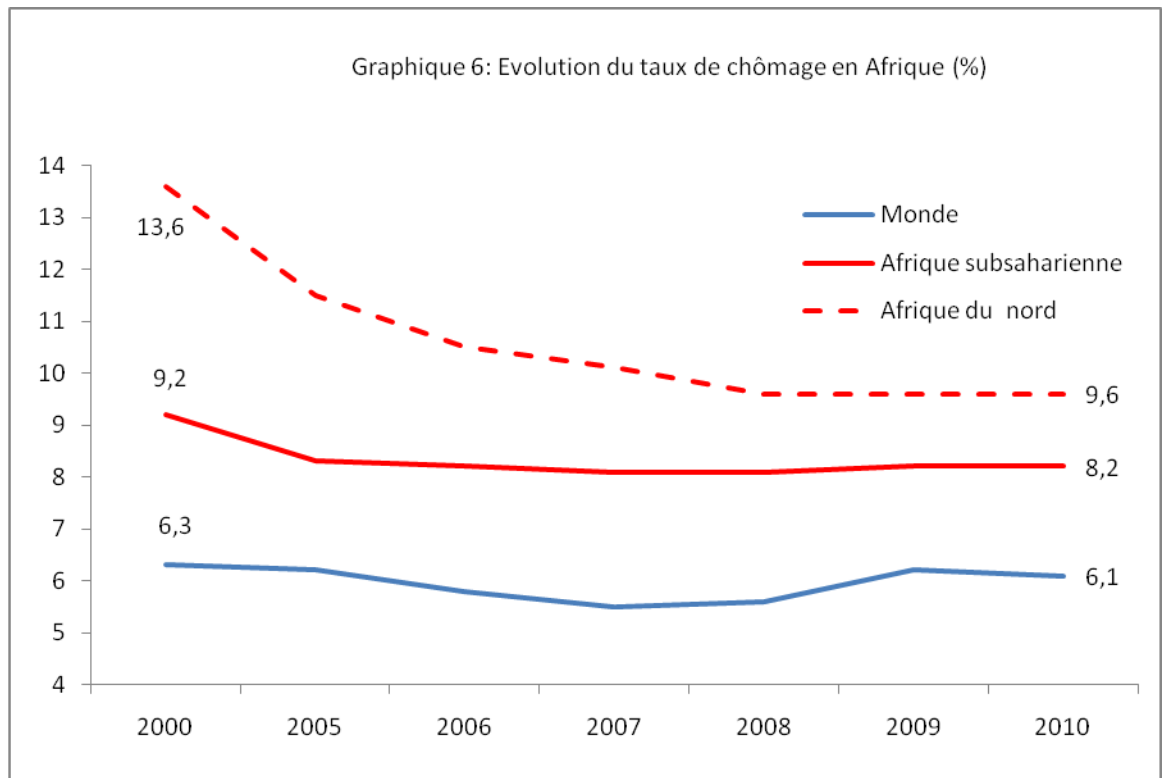
## Population en âge d'activité (Suite)



Source des données : Nations Unies, Division de la population, Word population prospects, révision 2010.

Note : L'essentiel du croît de la population en âge d'activité serait enregistré en Afrique subsaharienne.

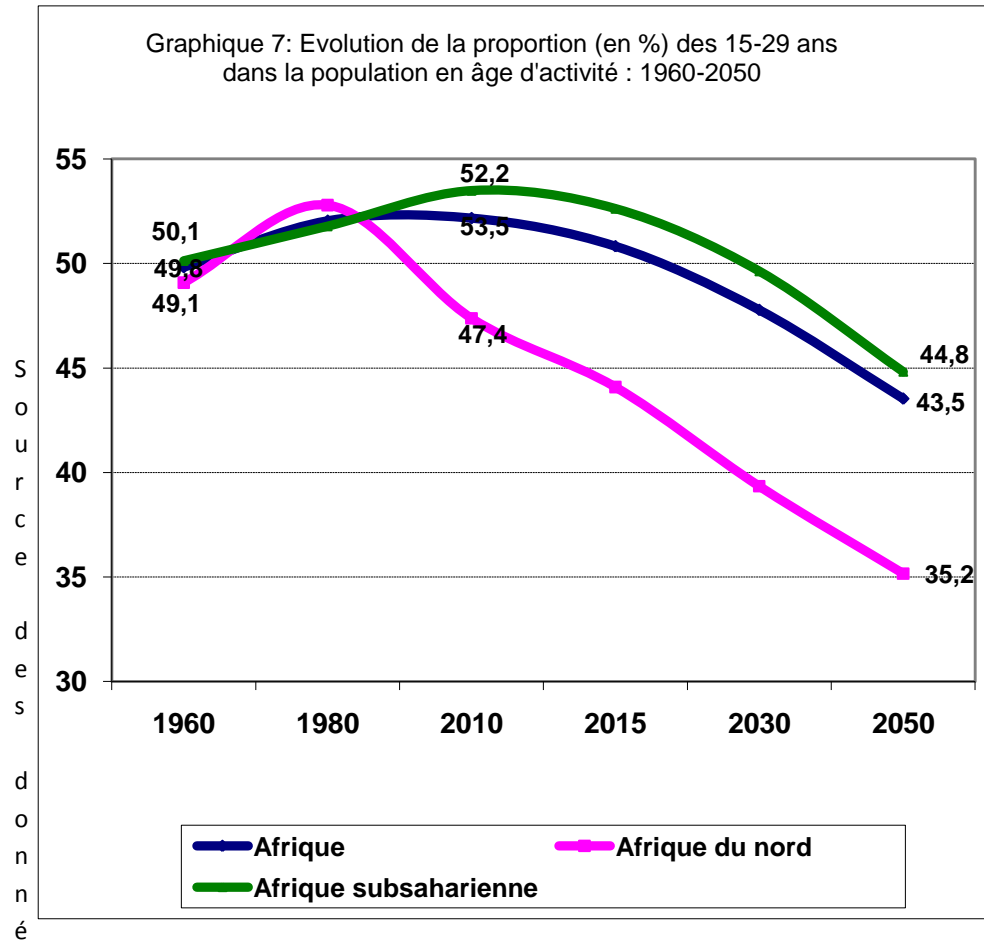
## Taux de chômage (%) 2000-2010



Source : Tendances mondiales de l'emploi 2012.

Note : La baisse du chômage entre 2000 et 2010 est plus grande en Afrique du nord (29,4%) qu'en Afrique subsaharienne (10,9%) ou dans le monde (3,2%).

## Poids démographique des jeunes '15-29 ans' en Afrique

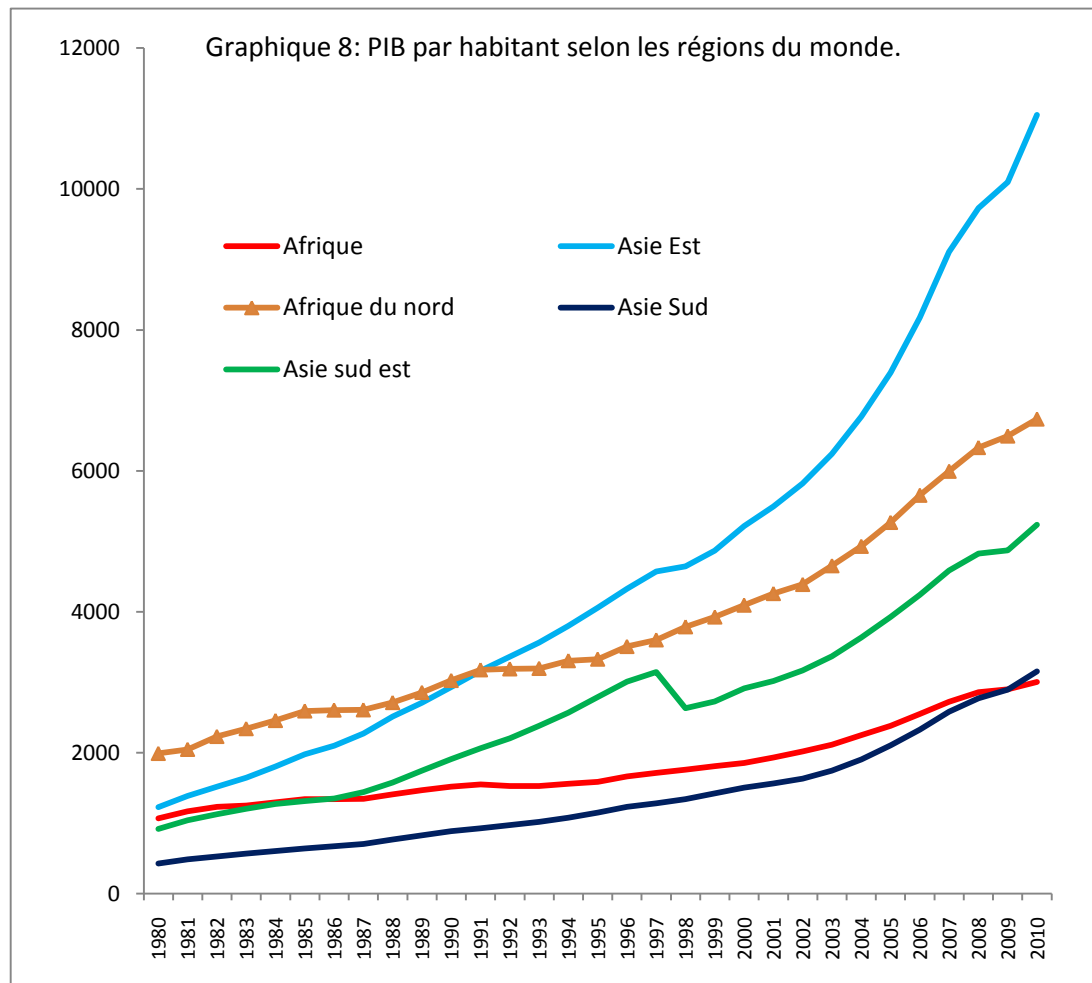


es : Nations Unies, Division de la population, Word population prospects, révision 2010.

Note : Le poids des jeunes de 15-29 ans dans la population en âge d'activité (15-59 ans) continuerait à être important bien qu'en diminution plus nette en Afrique du nord.

Taux de croissance économique (%)

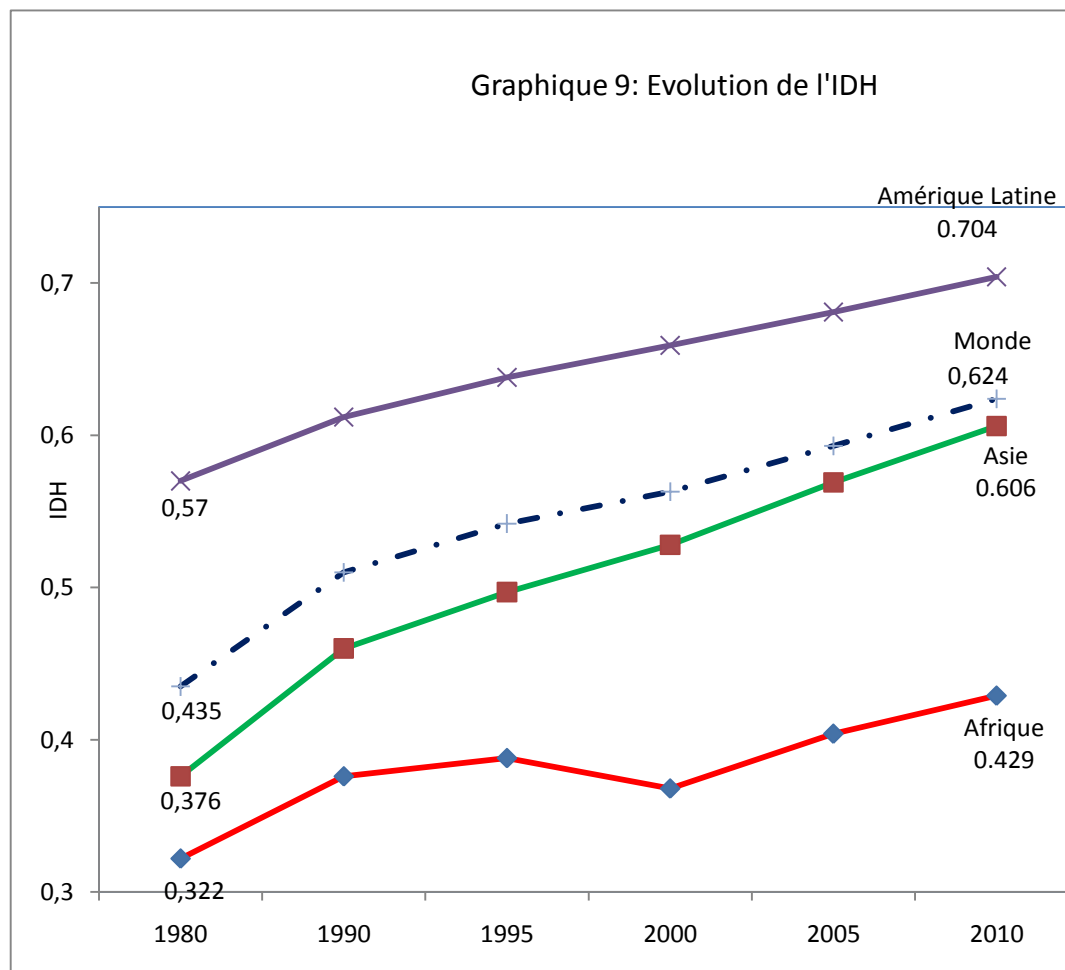
PIB par habitant



Source : FMI, 2012.

Note : De 1980 à 2010, le PIB par habitant en Afrique glisse à un niveau inférieur à celui des groupes de pays les moins riches (l'Asie sud et l'Asie Est).

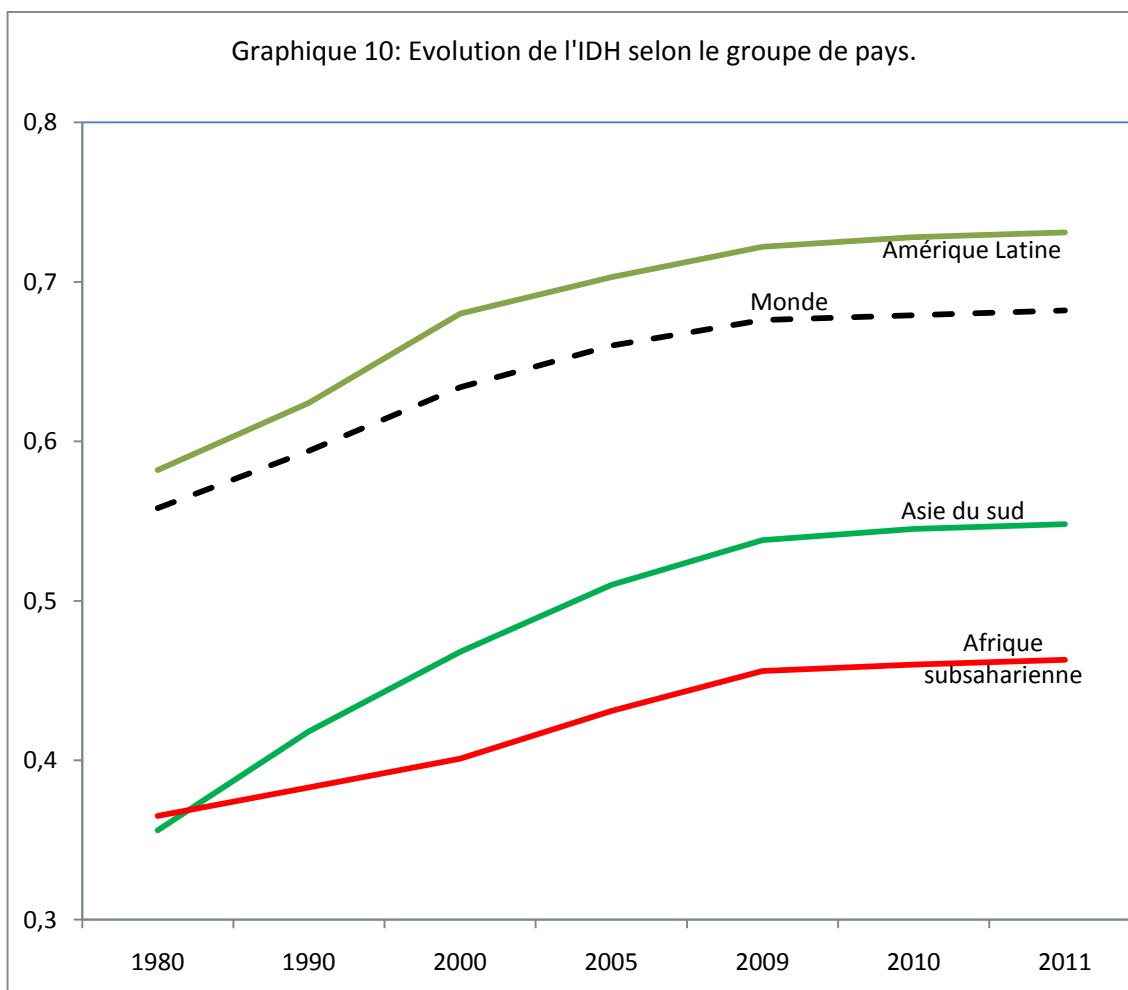
## Développement humain en Afrique



Source : Rapport mondial sur le développement humain 2010.

Note : Aux débuts des années 1980, l'IDH de l'Asie était supérieur à celui de l'Afrique de 16,8%. Cet écart s'élève à 41,3% en 2010.

## Développement humain en Afrique subsaharienne

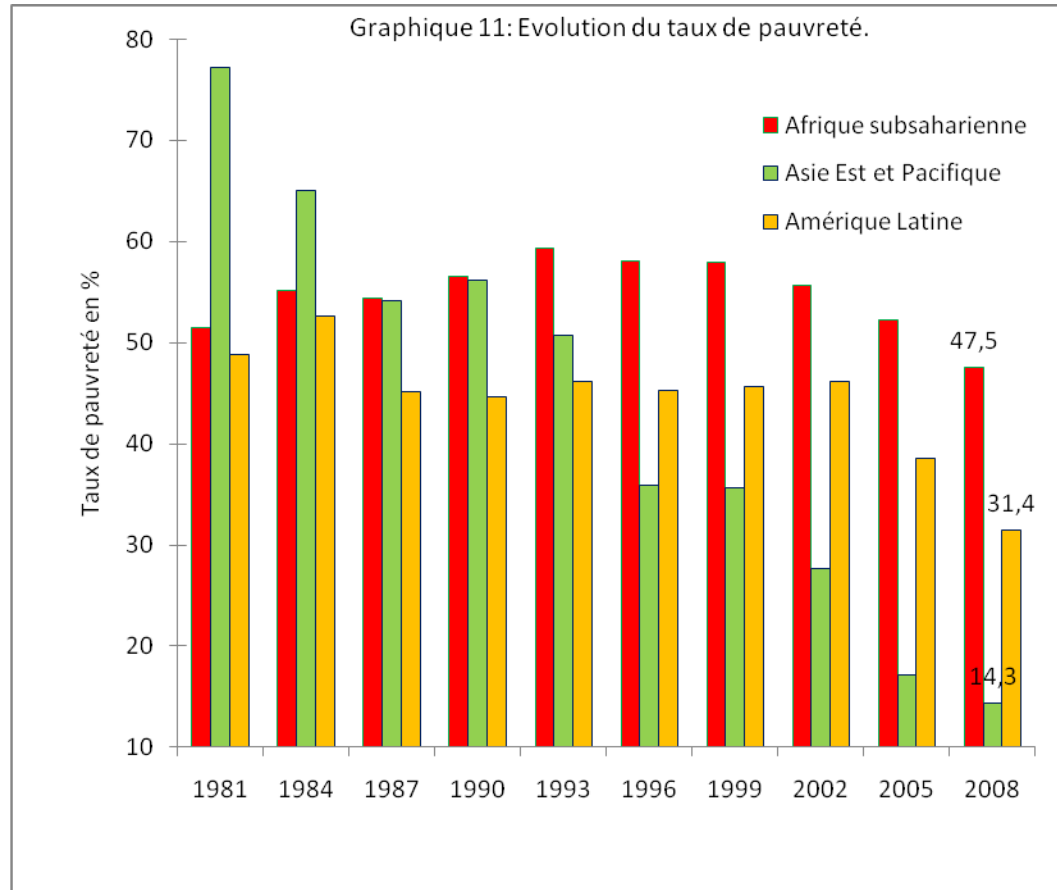


Source : Rapport mondial sur le développement humain 2011.

Note : Aux débuts des années 1980, l'Afrique subsaharienne et l'Asie du sud avait le même niveau de développement humain. En 2011, l'IDH de l'Asie du sud est supérieur de 18% à celui de l'Afrique subsaharienne.



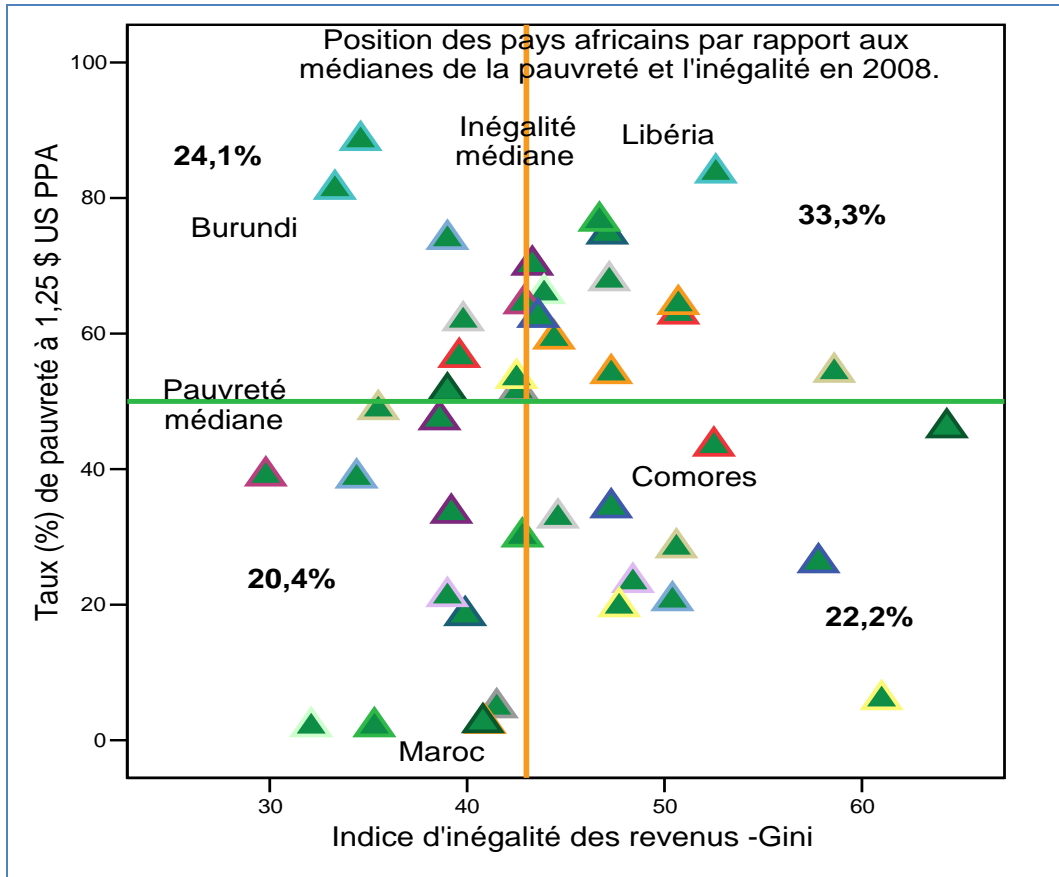
## Pauvreté (1,25 \$ US PPA)



Source : Banque mondiale, World Development Indicators 2012.

Note : Aux débuts des années 1980, le taux de pauvreté dans l'Afrique subsaharienne était inférieur (de 50%) à celui de l'Asie Est-Pacifique et comparable à celui de l'Amérique Latine. 30 ans après, en 2008, l'Afrique subsaharienne a un taux de pauvreté 3,3 fois à celui de l'Asie Est-Pacifique et 1,5 fois celui de l'Amérique Latine.

Graphique 12 : Inégalité, pauvreté et bien-être senti



Source : Rapport mondial sur le développement humain 2011.

Note : La baisse de la pauvreté ne permet pas d'améliorer le bien-être dans les pays africains à défaut d'une réduction de l'inégalité

Les pays africains, à la fois, plus pauvres et plus inégalitaires, ont de faibles scores de satisfaction de vivre (3,7/10) et de satisfaction vis-à-vis du niveau de vie (44,6%). Ces scores ne sont supérieurs à la moyenne que dans les pays les moins pauvres et les moins inégalitaires (resp. 5,7 /10 et 55,5%).