

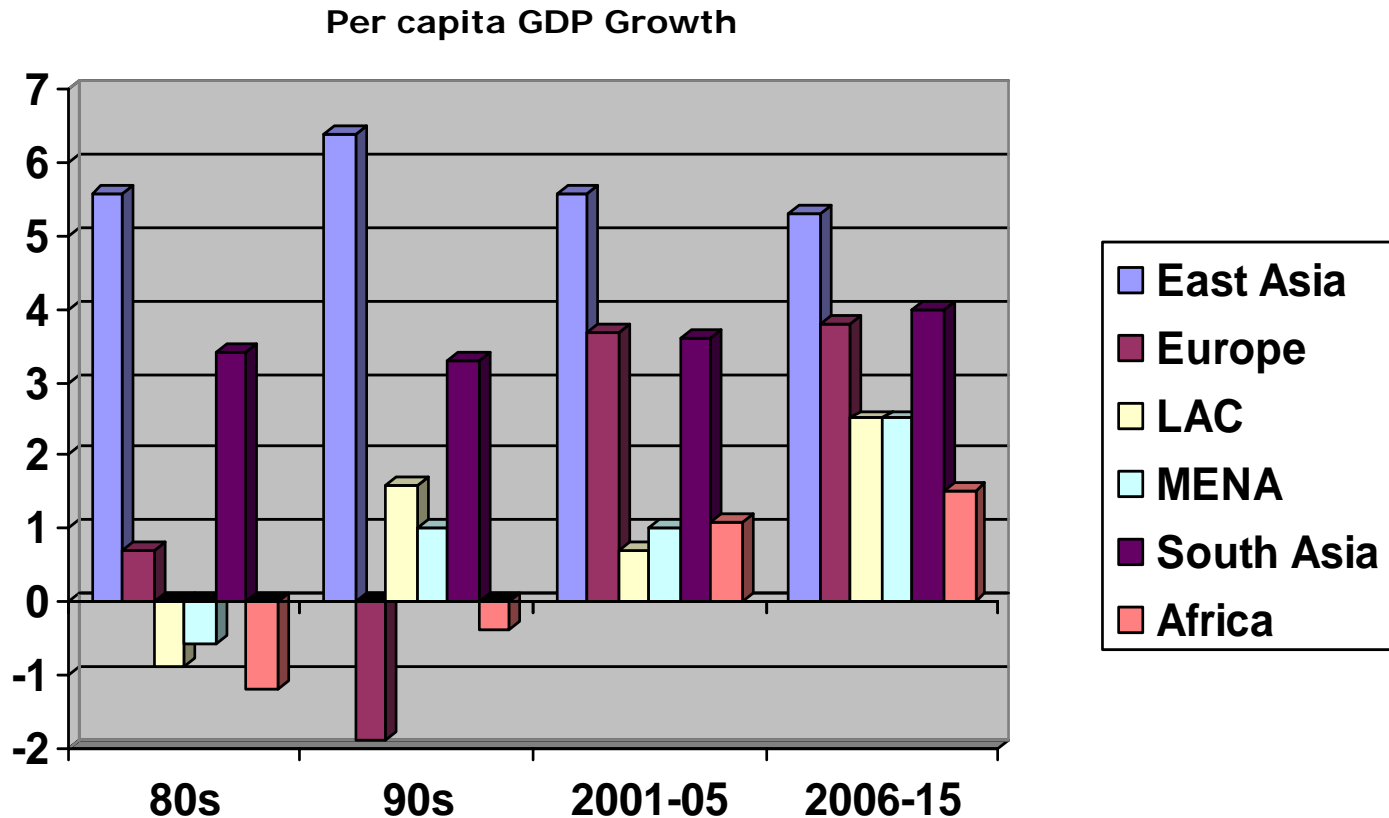
# The Challenge of Shared Growth in Africa

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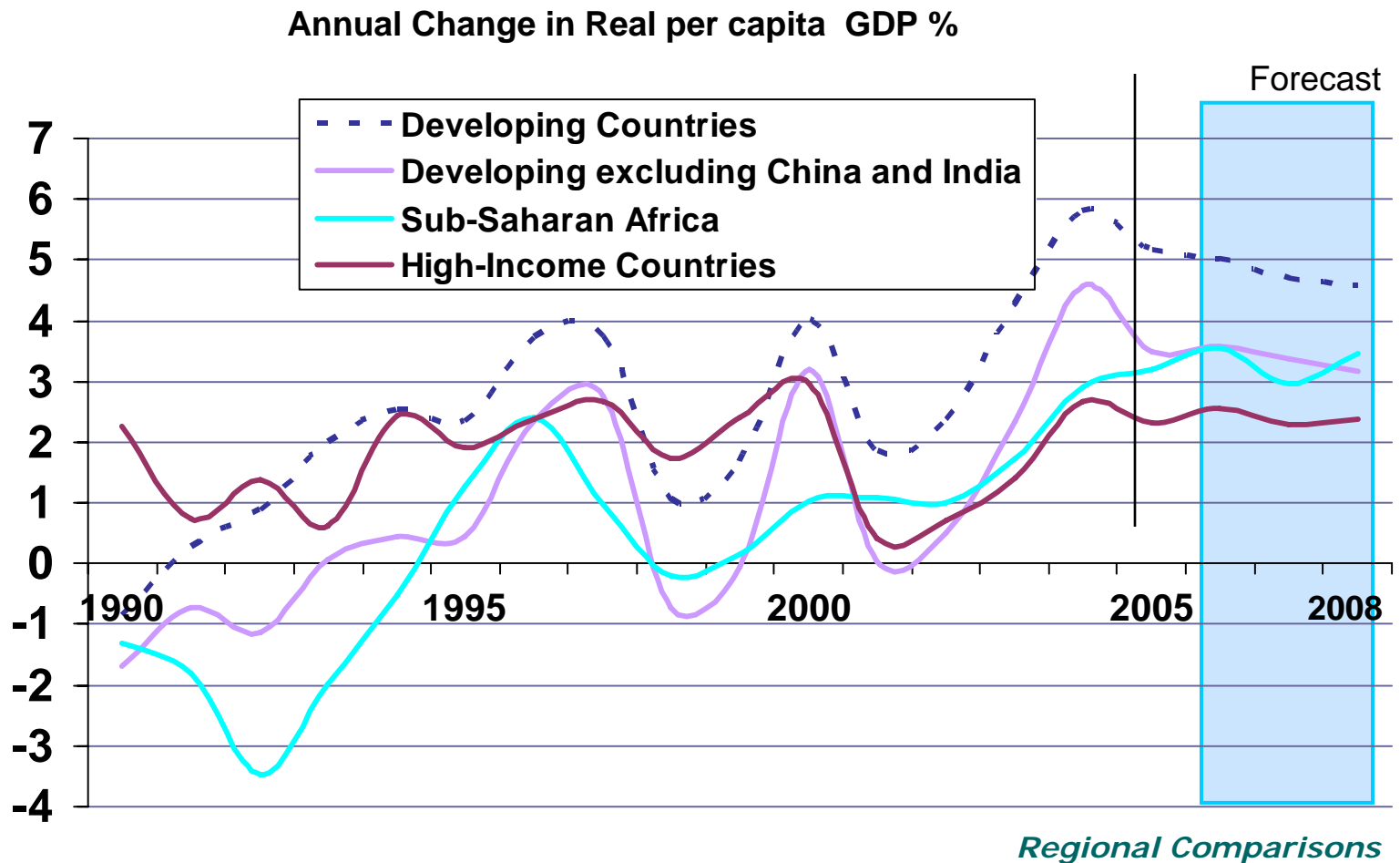


John Page  
Chief Economist, Africa Region  
The World Bank  
May 29, 2006

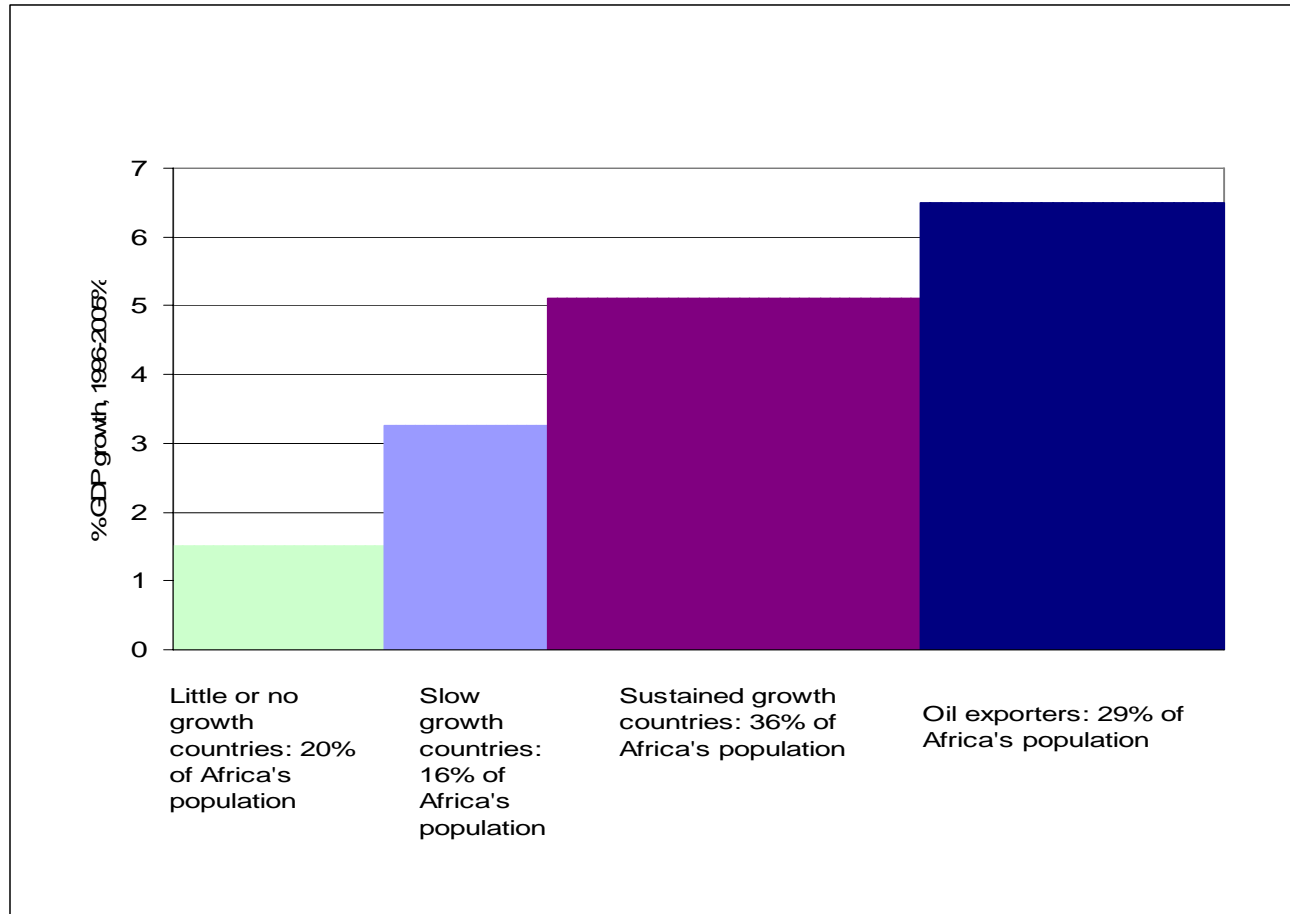
# Growth in Africa has lagged other regions



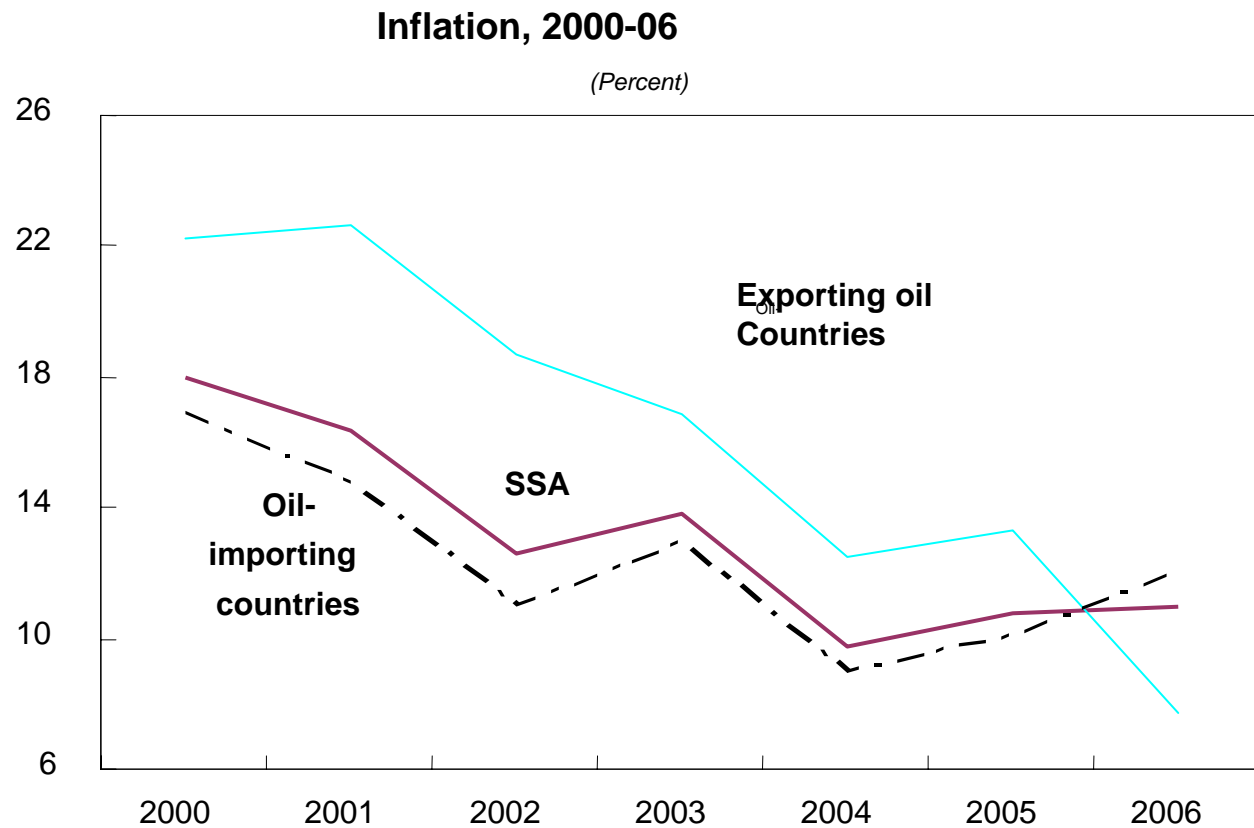
# African per capita income is now increasing in tandem with other developing countries . . .



## And Africa's diverse growth experience is becoming increasingly diverse



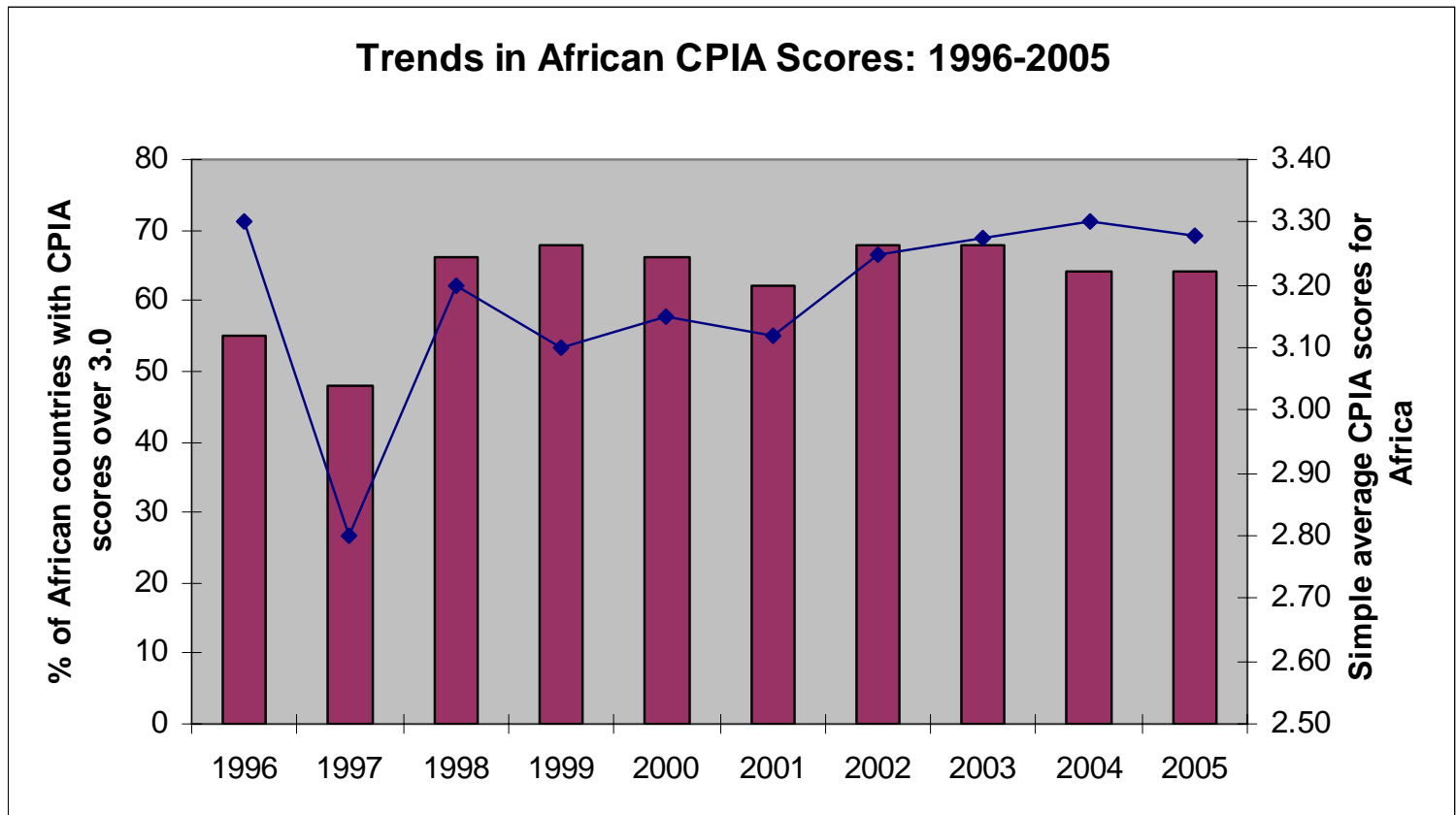
# Macroeconomic management has improved



Source: IMF, SSA Regional Economic Outlook.

*A structural shift?*

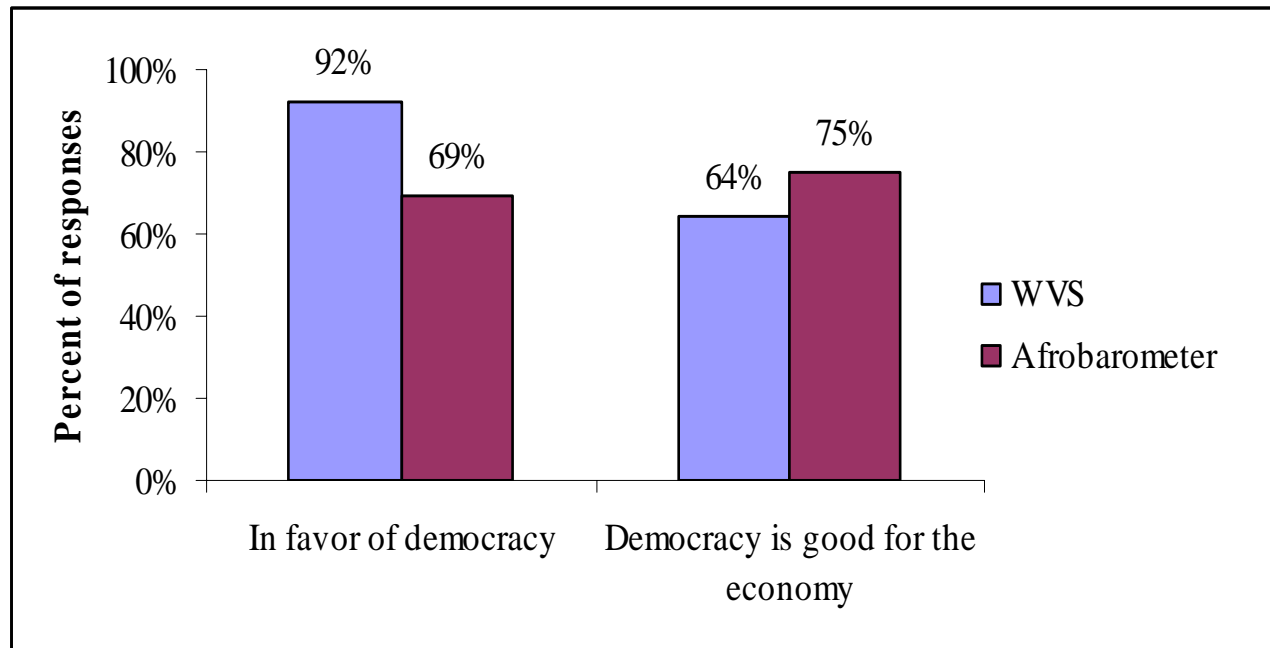
# Structural policies have improved



*A structural shift?*

# There is increasing pressure for capable and accountable states

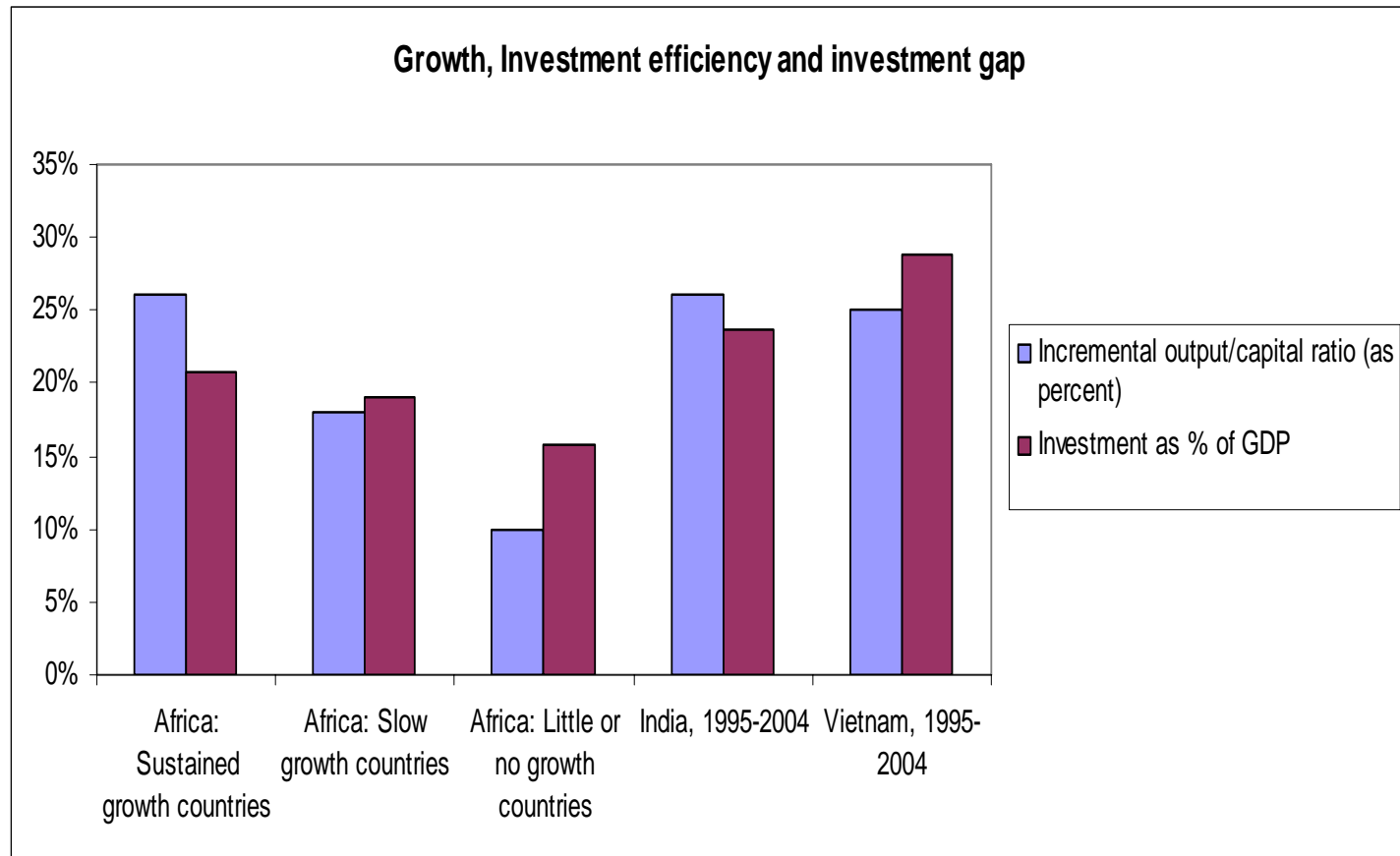
## *African Political Values*



Data source: World Value Survey (1999-2002) wave, 6 countries, Afrobarometer survey, 2001-2003, 12 countries.

*A structural shift?*

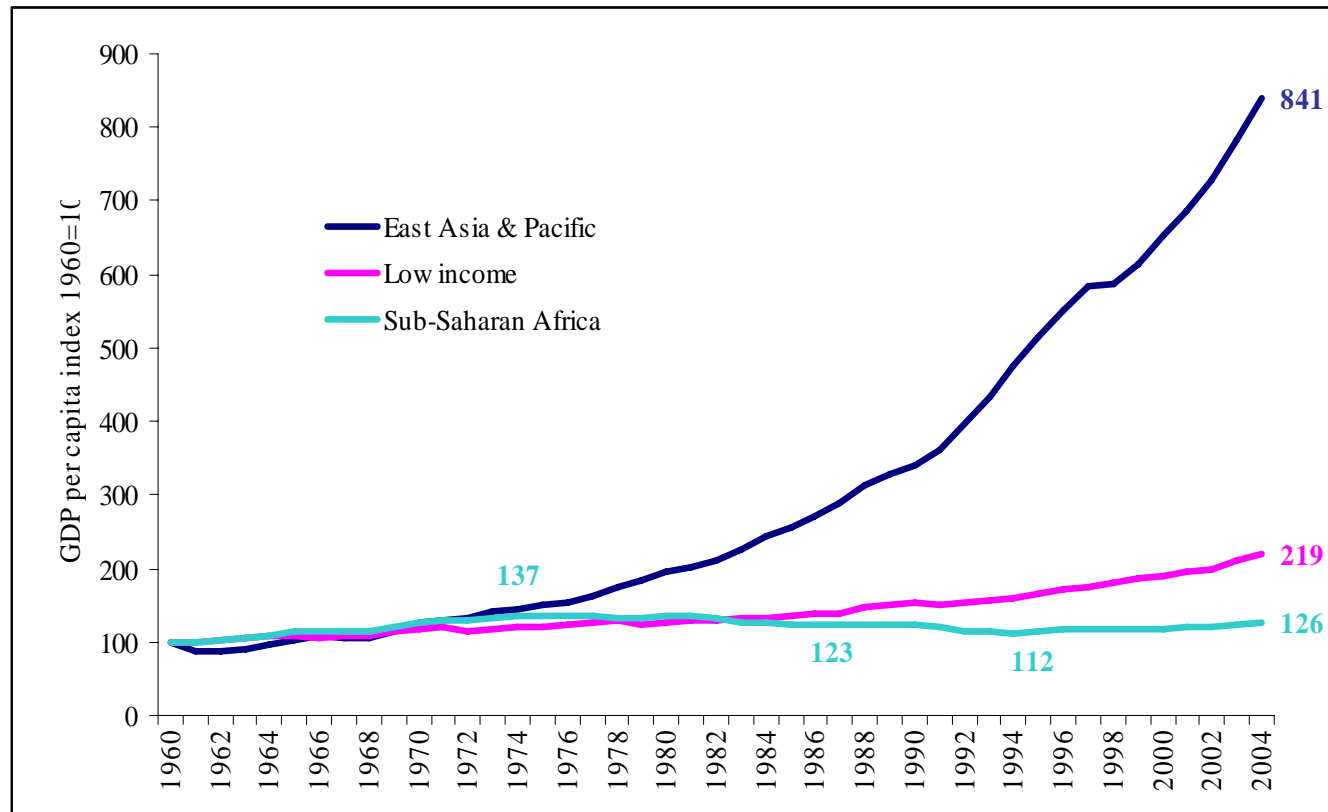
# And Africa's best performers are on par with India, Vietnam



*A structural shift?*

# But while African growth has picked up, East Asia has soared

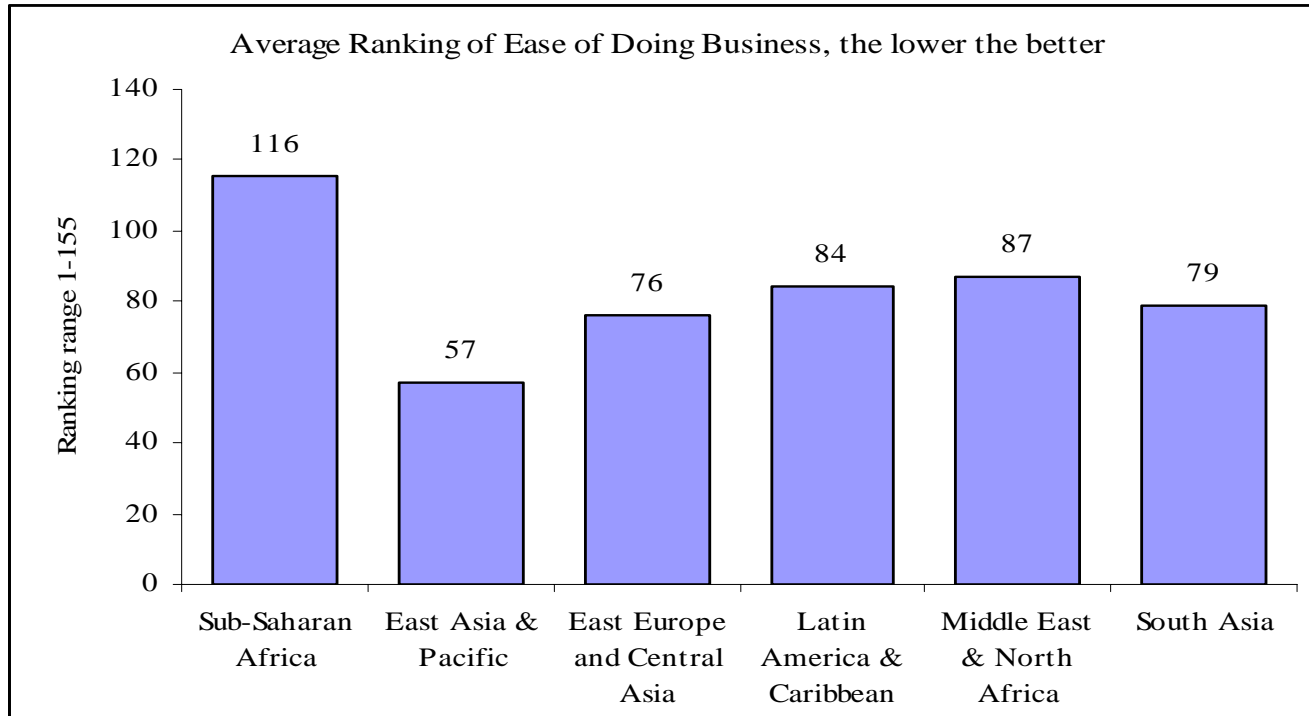
*GDP per capita (index 1965=100): Africa and East Asia*



*A structural shift?*

# Africa lags other regions in the cost of doing business

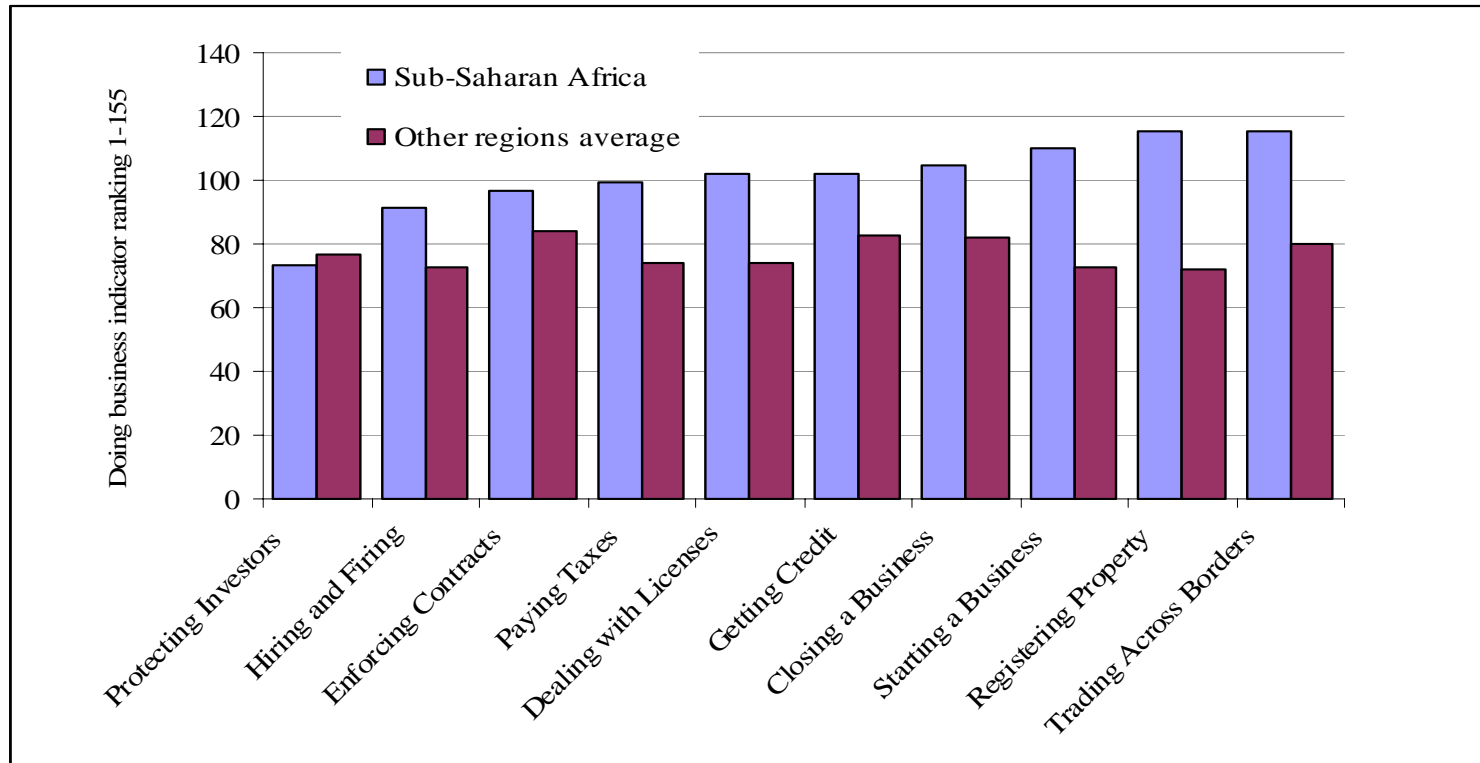
***Ease of doing business rank, Simple average by region***



Data sources: The World Bank Doing Business Database, 2005 survey.

# Businesses encounter more obstacles in Africa

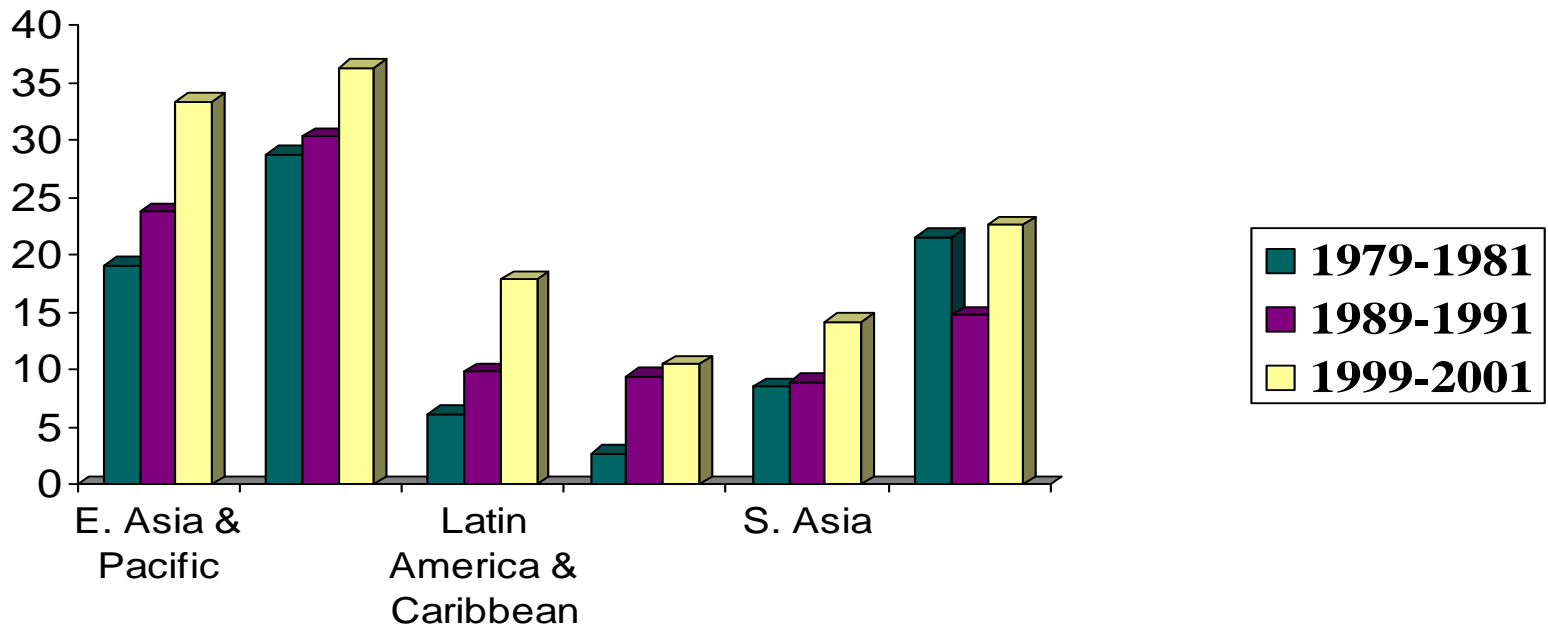
## Average ranking for Doing Business Indicators



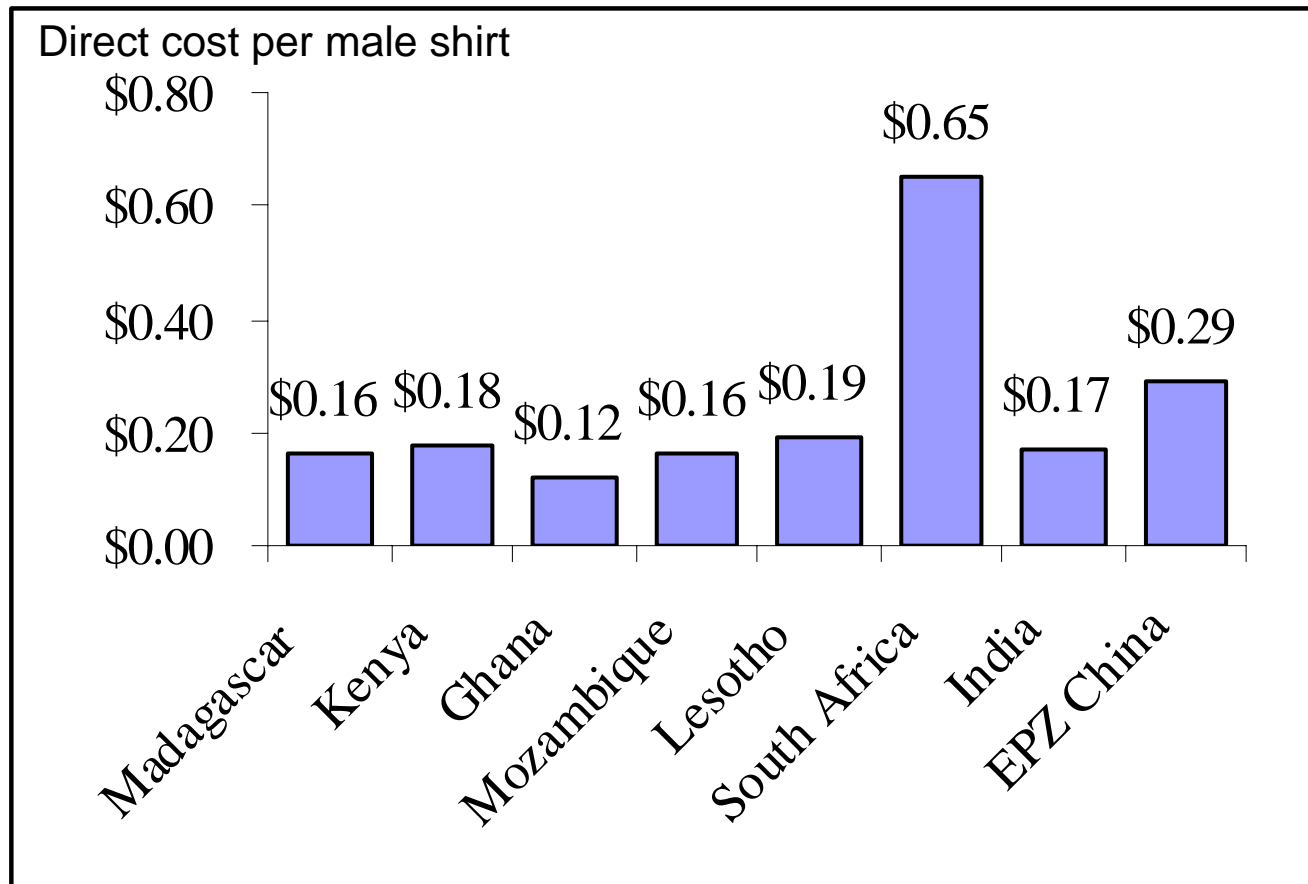
Data sources: The World Bank Doing Business Database, 2005 survey.

# Exports are important but not growing

Non-oil export share of GDP (%)

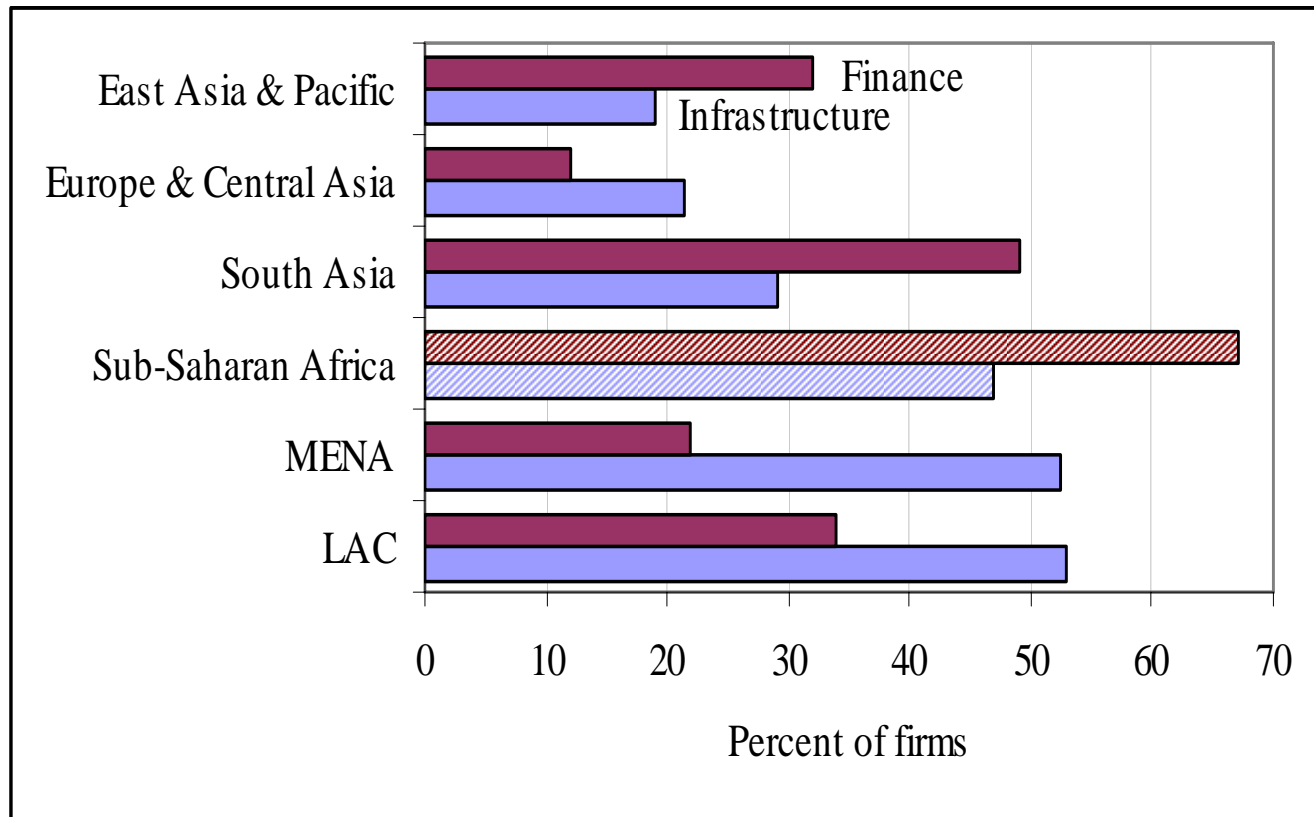


## But, factory floor costs compare well with India and China



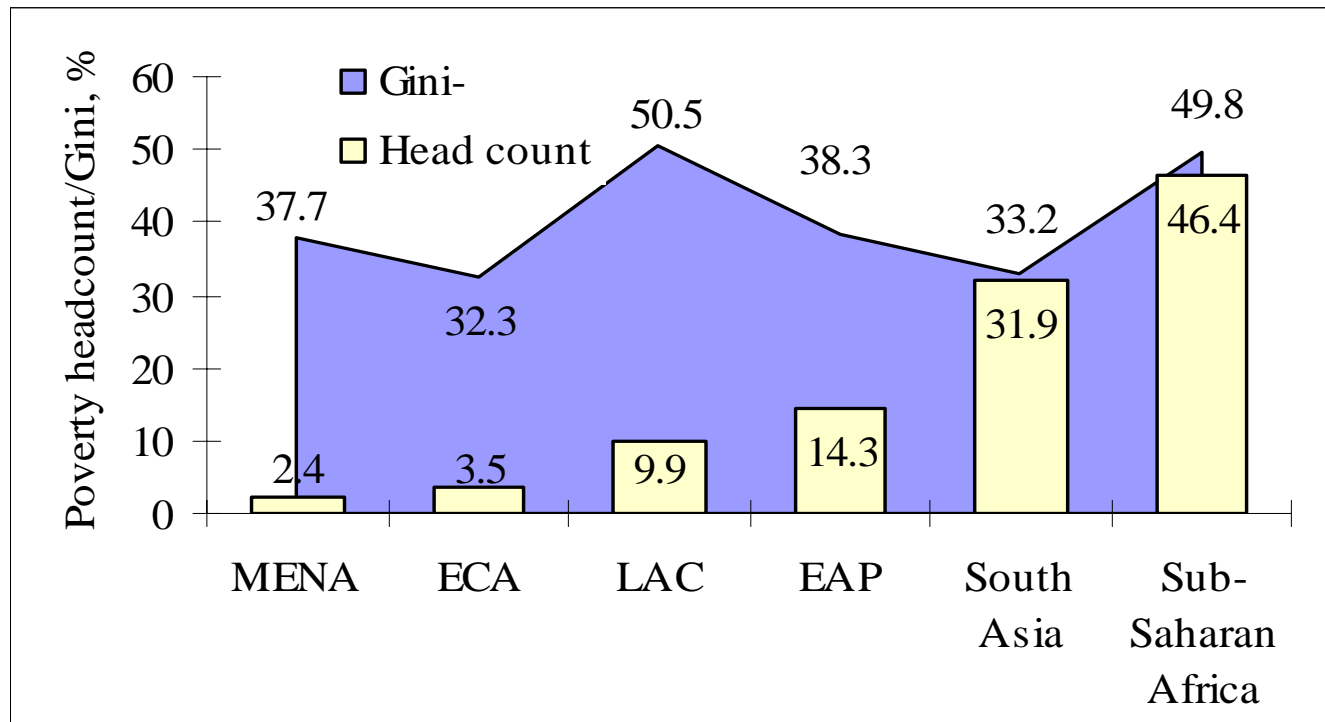
*Creating an export push*

# Inadequacies of finance and infrastructure limit competitiveness



# Inequality limits the benefits of growth to the poor

*The Poor as Percent of Total Population and Inequality:*



Data sources: The World Bank Global Poverty Monitoring Database

*Shared growth*

# How does “gender” fit with this picture of the growth challenges for Africa?

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- “Women make a greater contribution to economic life than their menfolk”

*Africa Commission Report, 2005*

- Economic opportunity is differentiated along gender lines
- Gender differences in access to and control of resources affect growth, productivity, and incentives

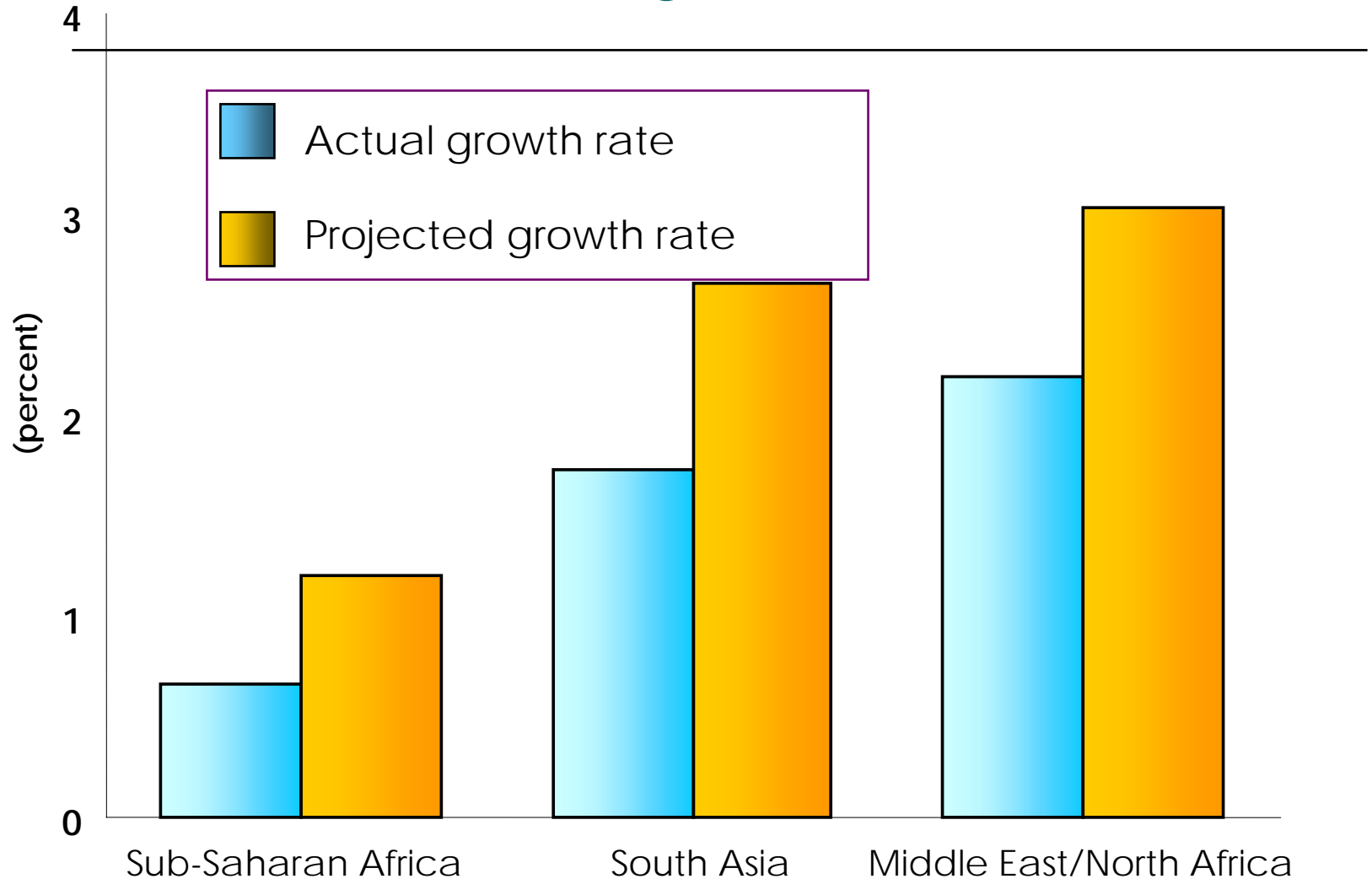
# Gender and Growth: What's the evidence?

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- Mix of macro (regressions) and micro (case studies)
- Convergence of message – gender inequality affects growth
- BUT – outside mainstream economic analysis and debate

# Closing the gender gap in schooling boosts economic growth

Average annual growth in per capita GNP, 1960-1992



Source: "Engendering Development" (PRR) 2001, in WDR 2000/01, "Attacking Poverty".

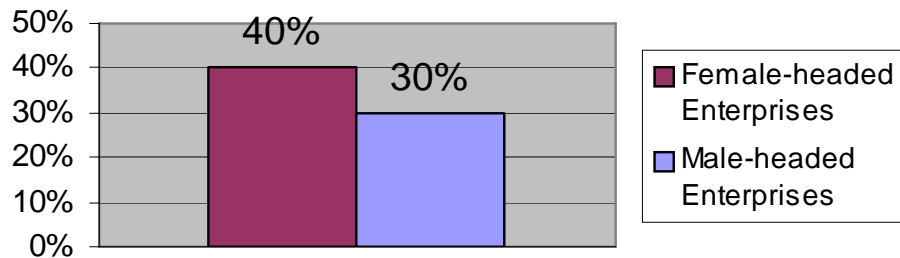
# Gender and Growth: Micro

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- Burkina: Shifting existing resources between men's and women's plots could increase output by **10-20%**
- Kenya: Giving women farmers the same agric. inputs and education could increase yields by **> 20%**
- Tanzania: Reducing women's time burdens could increase cash incomes for women farmers by **10%** & labor productivity by **15%**

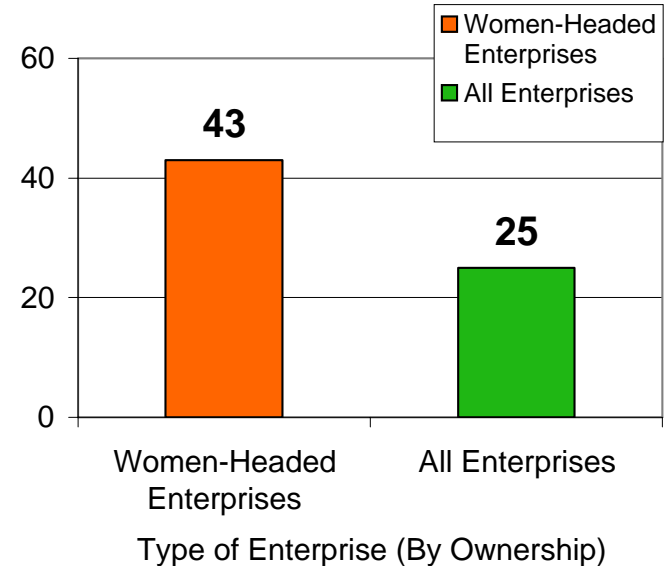
# Economic Inclusion? Gender & Business

**Enterprises that Responded Trade License Procedures are Obstacles to their Business Growth**



- Women enterprises face additional obstacles, esp. in access to finance (linked to land rights)
- “How can property own property?” (HRW 2002)

**Businesses Responding that Government Officials have "interfered" in their Business (in %)**



Source for Charts: Kirkpatrick and Lawson (2004) in Amanda Ellis et al. “Gender and Economic Growth in Uganda: Unleashing the Power of Women,” World Bank, Directions in Development, 2006.

# What Next?

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- Analysis and policy prescriptions relating to economic opportunity, incentives, and productivity, need to address gender disparities
- World Bank Initiatives
  - Gender Action Plan for Economic Empowerment of Women under preparation
  - Propose Major Research Project on Gender and Shared Growth
  - Flagship Regional Report on Growth w/ Gender
  - Incentives to carry out engendered economic analysis in AFR