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FOR INTERNATIONAL FUTURES  
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ISS INSTITUTE FOR  
SECURITY STUDIES


## WHAT WOULD PRO-POOR POLICIES DELIVER TOWARDS AGENDA 2063?

**Reasonable goals for reducing pover in Africa**

Sara Turner, Jakkie Cilliers & Barry Hughes


African Futures Project  
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### TWO PUBLICATIONS FROM THE AFRICAN FUTURES PROJECT



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AFRICAN FUTURES PAPER 10 | AUGUST 2014

#### Reducing poverty in Africa


Realistic targets for the post-2015 MDGs  
and Agenda 2063

Sara Turner, Jakkie Cilliers and Barry Hughes

**Summary**  
The eradication of extreme poverty is a key component of the post-2015 MDG process and the African Union's Agenda 2063. This paper uses the International Futures forecasting system to explore the goal and finds that many African states are unlikely to make this target by 2030, in addition to the use of country-level targets. The paper argues in favour of a goal that would see Africa as a whole reducing extreme poverty to below 20% by 2030 (20% using 2011 purchasing power parity), and to below 10% by 2045.

IN 1980 THE INTERNATIONAL community agreed to have the rate of extreme poverty by 2015. Specifically, target 1 of the Millennium Development Goals (MDGs) called for halving the proportion of people who live in extreme poverty. The target was set at 2015, but the year of the deadline, 1995, had not been reached through the Millennium Development Goals. In 2015, the UN estimates that 1.2 billion people still live in extreme poverty, although most recent calculations suggest that figure is about one quarter.

As part of the process leading up to the formulation of the post-2015 MDGs, attention has been turned to setting subsequent targets to be achieved by 2030, including a proposed goal of 'leaving no one behind' and the eradication of extreme poverty. It is difficult to establish what is realistic for Africa to achieve, given continuing and rapid economic growth in the continent. This paper is an abridged version of an African Futures paper published in August 2014 that set realistic targets for eradicating extreme poverty by 2030. Whereas the earlier paper used the International Futures forecasting system to explore the goal and to explore the possibility of achieving the target, this paper uses the ISS 2011 PPP to explore the possibility of achieving the target.




AFRICAN FUTURES PAPER 13 | FEBRUARY 2015

#### Reasonable goals for reducing poverty in Africa

Targets for the post-2015 MDGs  
and Agenda 2063

Sara Turner, Jakkie Cilliers and Barry Hughes

**Summary**  
The eradication of extreme poverty is a key component of the post-2015 Millennium Development Goals process and the African Union's Agenda 2063. This paper uses the International Futures forecasting system to explore the goal and finds that many African states are unlikely to make this target by 2030, even when modeling a package of aggressive poverty reduction interventions. In addition to country-level targets, the authors also argue in favour of a goal that would see Africa as a whole reducing extreme poverty to below 15% by 2030, and below 4% by 2045.

IN 1980 THE INTERNATIONAL community agreed to have the rate of extreme poverty by 2015. Although by 2015 1.2 billion people still live in extreme poverty, the United Nations estimates that 1.2 billion still live in extreme poverty in 2015.

As part of the process leading up to the formulation of the post-2015 Millennium Development Goals (MDGs), attention has been turned to setting subsequent targets to be achieved by 2030, including a proposed goal of 'leaving no one behind' and the eradication of extreme poverty. It is difficult to establish what is realistic for Africa to achieve, given continuing and rapid economic growth in the continent. This paper is an abridged version of an African Futures paper published in August 2014 that set realistic targets for eradicating extreme poverty by 2030. Whereas the earlier paper used the International Futures forecasting system to explore the goal and to explore the possibility of achieving the target, this paper uses the ISS 2011 PPP to explore the possibility of achieving the target.

Poverty in 2005 PPP  
Extreme \$1.25 pppd

Poverty in 2011 PPP  
Extreme \$1.75 pppd

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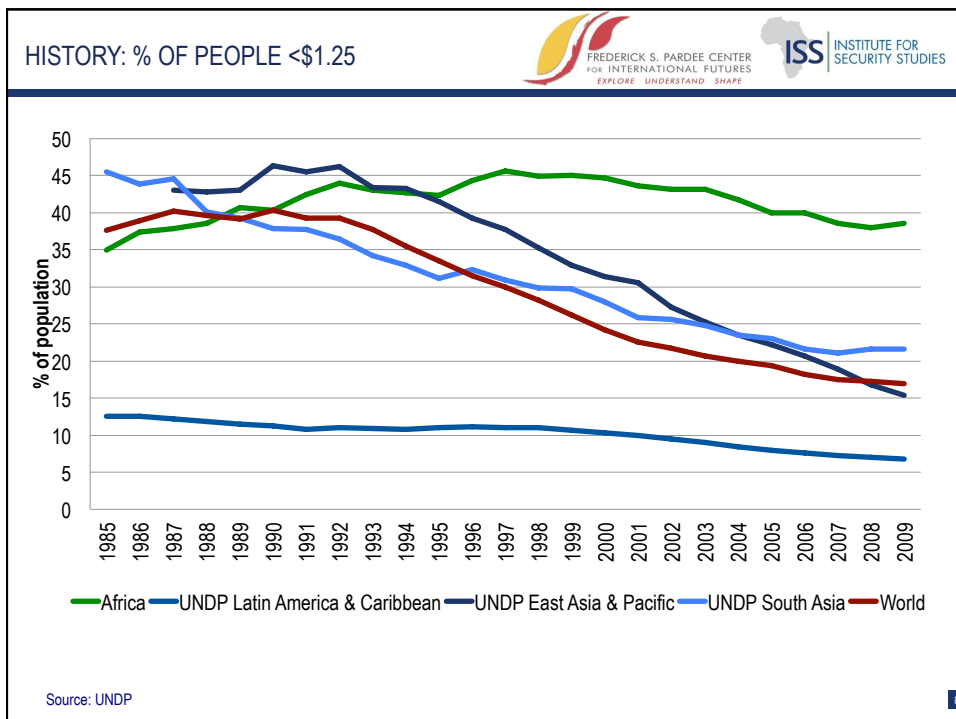
Poverty in Africa: how did we get here?

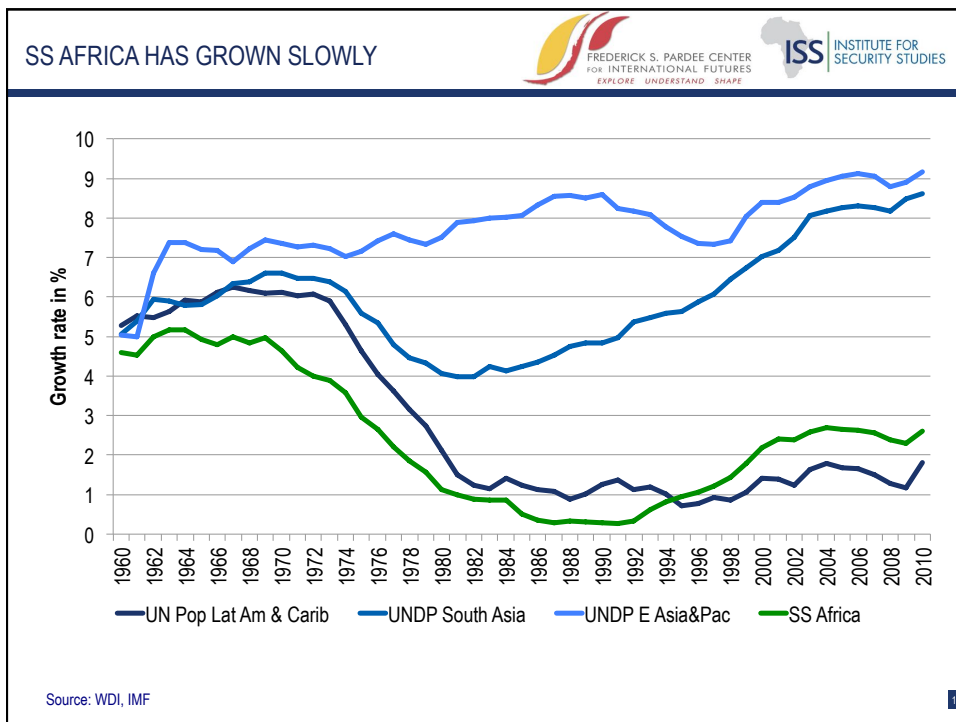
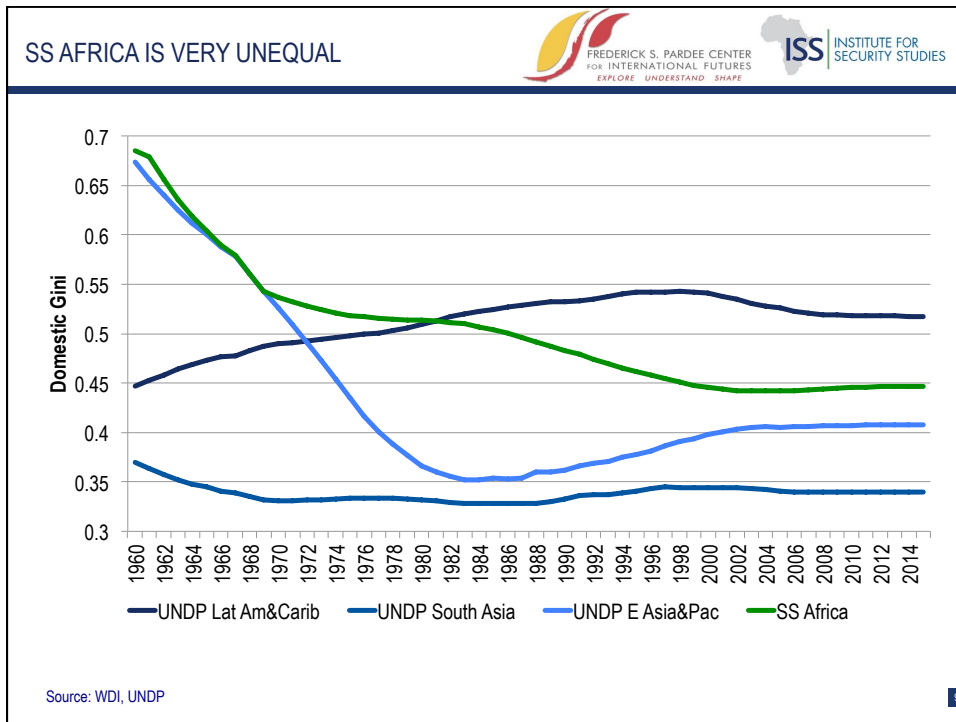
Base case forecast of poverty in Africa

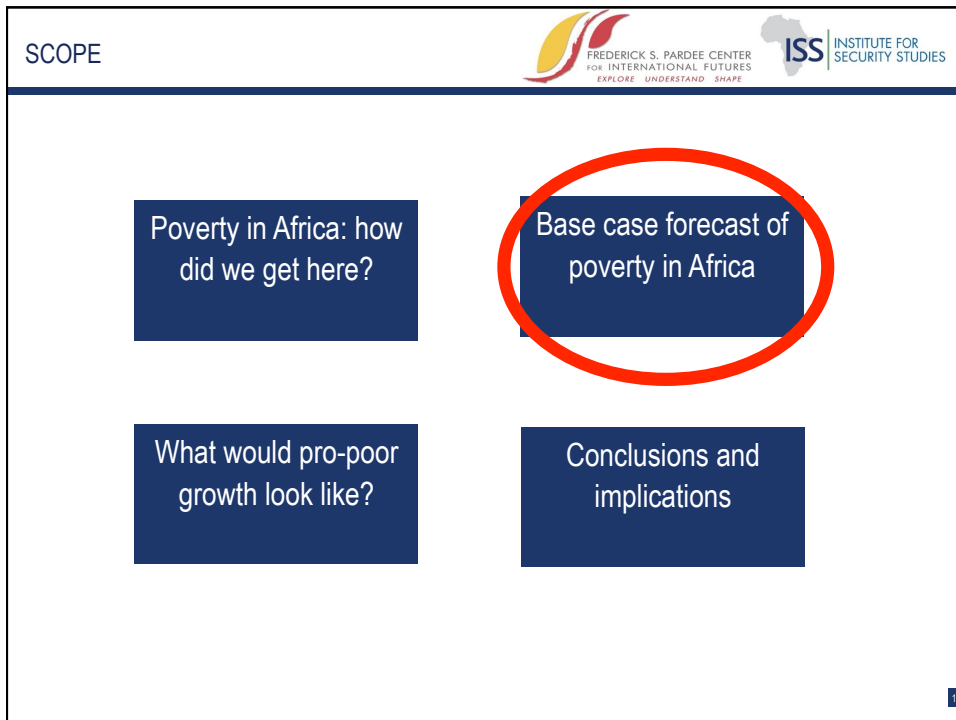
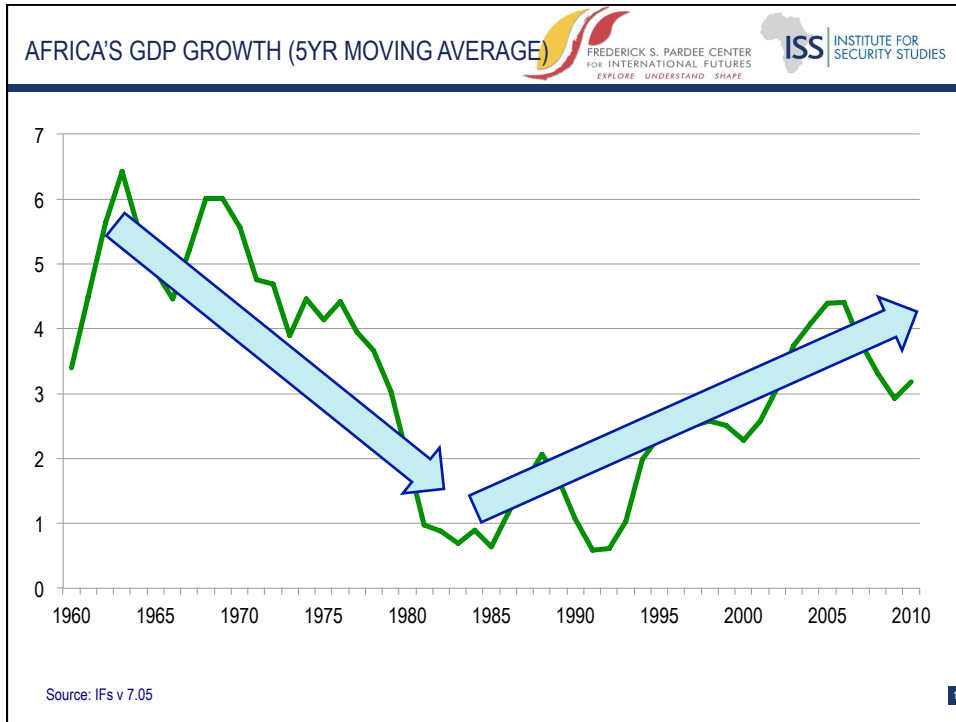
What would pro-poor growth look like?

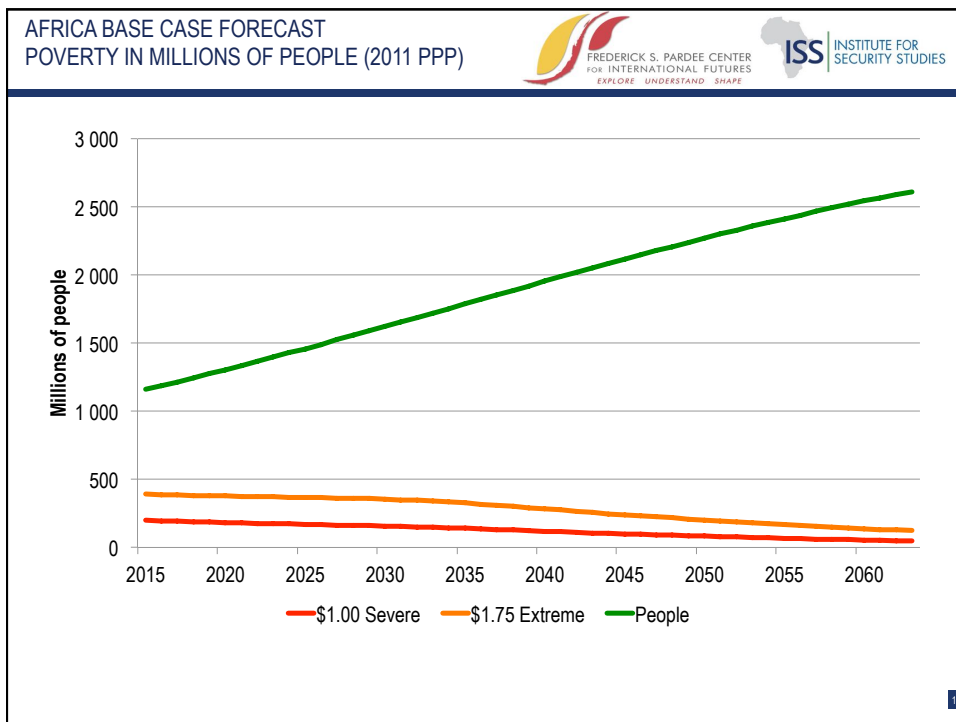
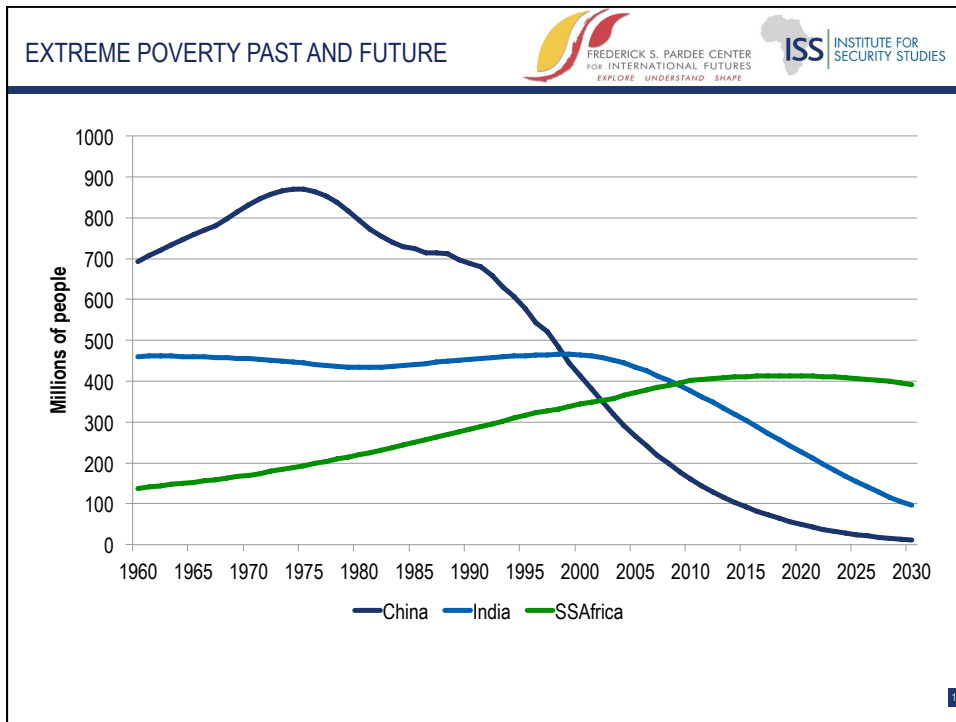
Conclusions and implications

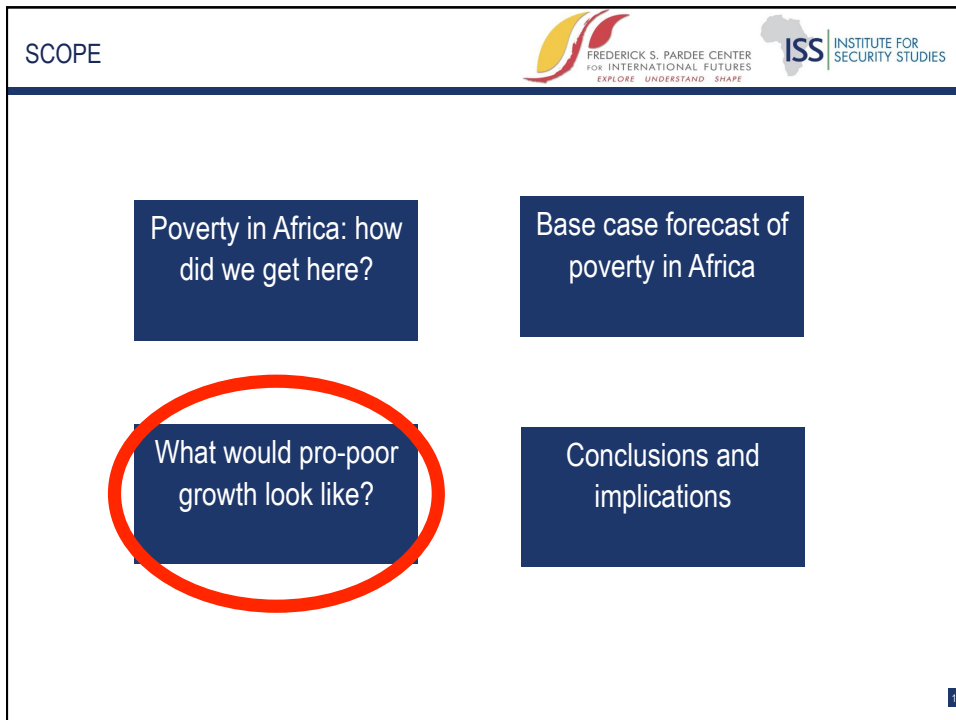
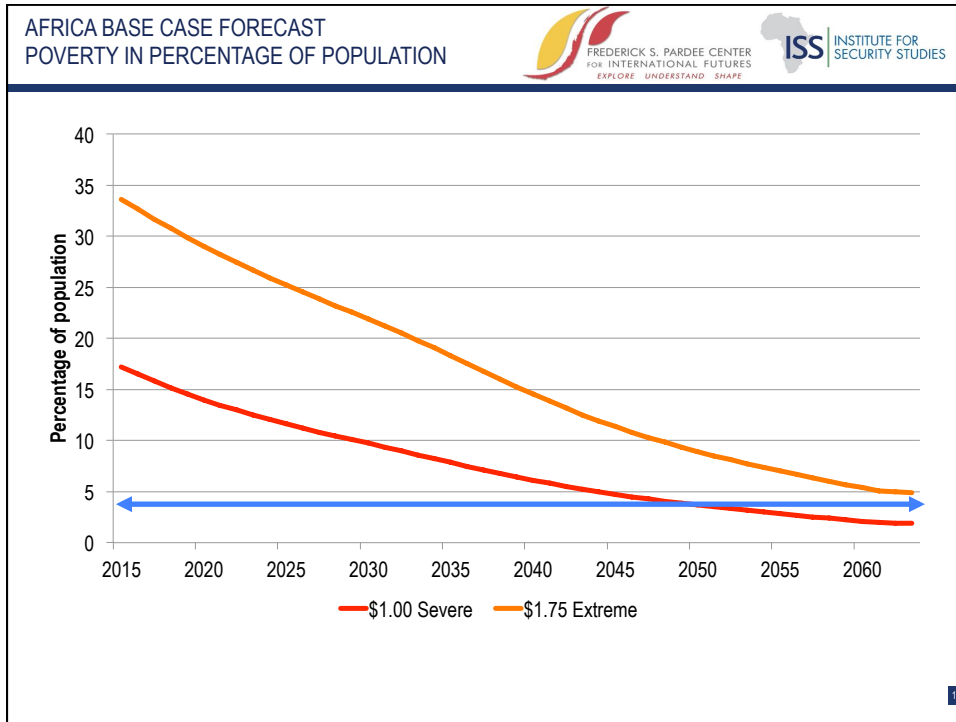
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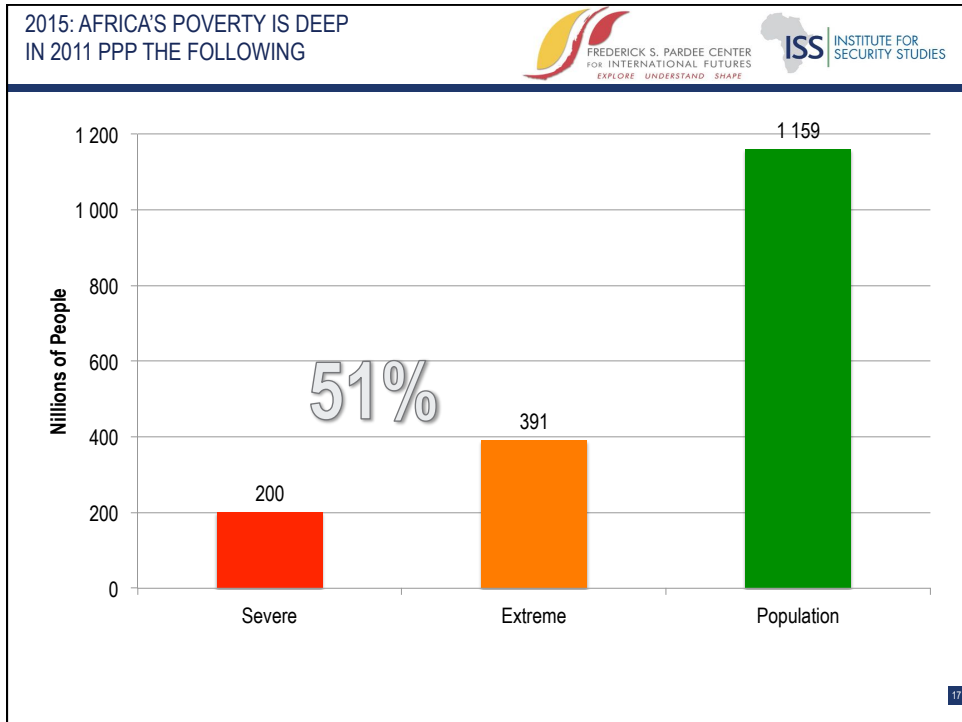


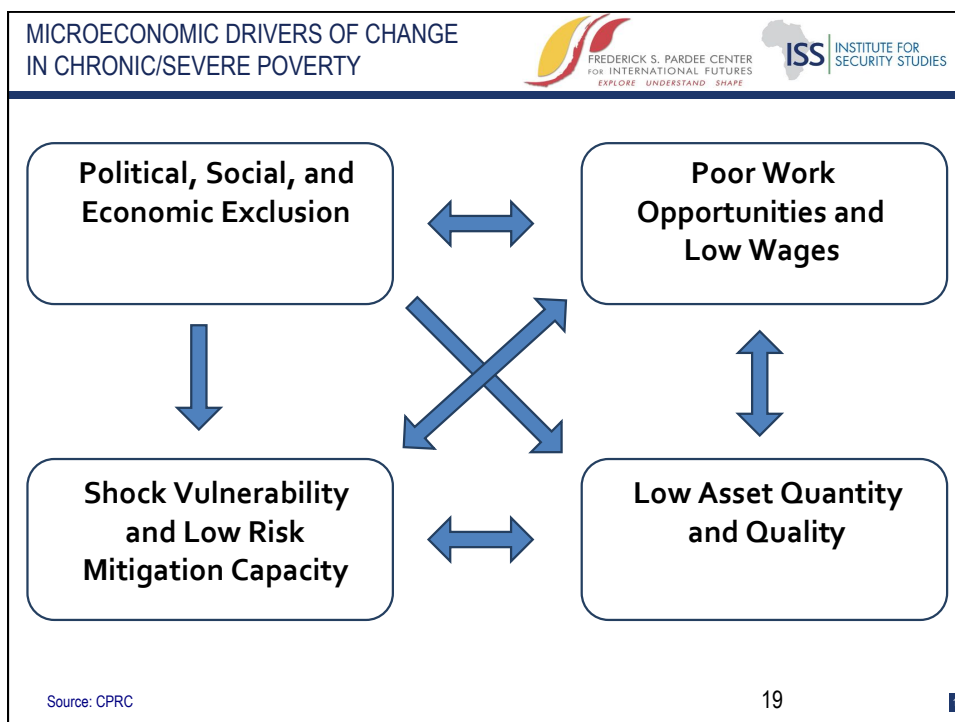










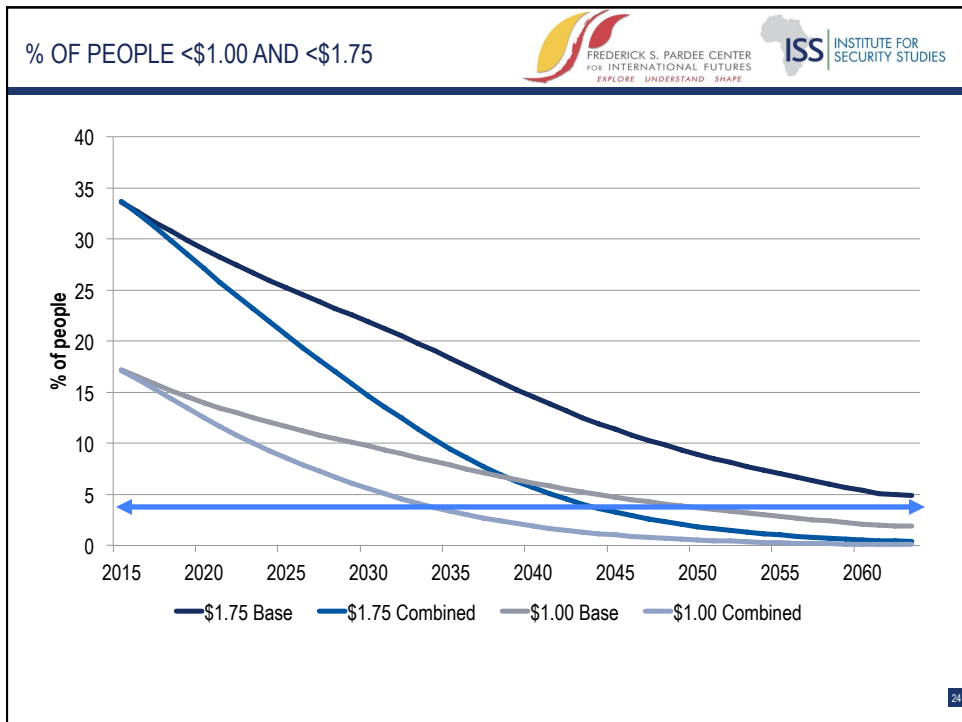
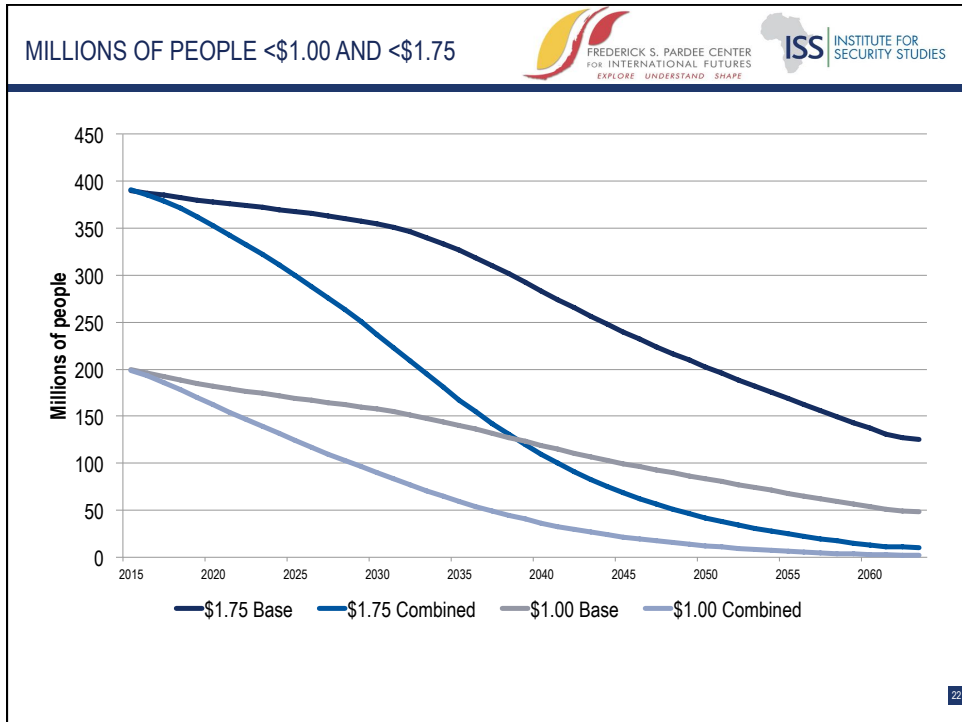


**SUMMARY OF INTERVENTION CLUSTERS**

| Intervention cluster                    | Description                                                                                                                                                          | Components used in IFs                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Social assistance                       | Non-contributory (i.e. does not depend on ability to pay) social protection that is designed to prevent destitution or the intergenerational transmission of poverty | <ul style="list-style-type: none"> <li>• Increase in government spending on welfare</li> <li>• Funding support from international agencies for scale-up</li> <li>• Increases in government revenue</li> <li>• Increases in government effectiveness to tax and redistribute and modest declines in corruption</li> </ul> |
| Pro-poor economic growth                | Economic growth designed to support incorporation of the poor on good terms and to provide benefits across sectors of society                                        | <ul style="list-style-type: none"> <li>• Investments in infrastructure</li> <li>• Investments in agriculture</li> <li>• Stimulation of agricultural demand</li> <li>• Improvements in government regulatory quality</li> <li>• Decreases in conflict</li> </ul>                                                          |
| Human development for the hard-to-reach | Provision of high-quality education that is linked to labour market needs and universal healthcare that is free at the point of delivery                             | <ul style="list-style-type: none"> <li>• Improvements in education and education expenditure</li> <li>• Provision of universal healthcare, especially targeting communicable disease</li> </ul>                                                                                                                          |
| Progressive social change               | Changes to the social institutions that permit discrimination and unequal power relationships                                                                        | <ul style="list-style-type: none"> <li>• Improvements in gender empowerment</li> <li>• Decreased time to achieve gender parity in education</li> <li>• Improvement in female labour force participation</li> </ul>                                                                                                       |

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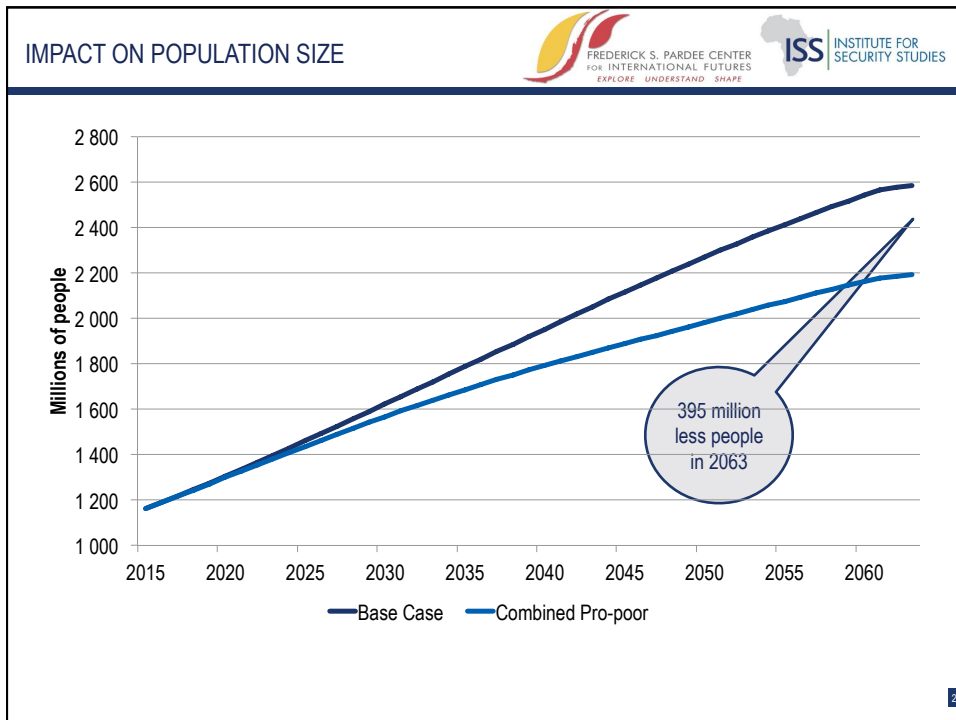
Poverty in Africa: how did we get here?

Base case forecast of poverty in Africa

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Conclusions and implications

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**SUMMARY FINDINGS**

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|                                                                                  |                                                                                                           |                                                                                                                |                                                                                                                                   |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| In decades ahead SSA faces the largest extreme poverty burden globally           | African poverty is deep-seated – need to focus on alleviating drivers of chronic poverty                  | Ending extreme poverty in Africa by 2030 (all countries no more than 3% below \$1.75) very unlikely            | With concerted effort & benign global context all African countries could get to below 15% extreme poverty by 2030 and 4% by 2045 |
| AU should work with each country to set an appropriate individual country target | Results are encouraging & remain robust over different assumption tests, intervention packages & measures | External factors may intrude – eg global downturn, instability in China, remittances, impact of climate change | Focus on inequality and structural transformation of economies                                                                    |

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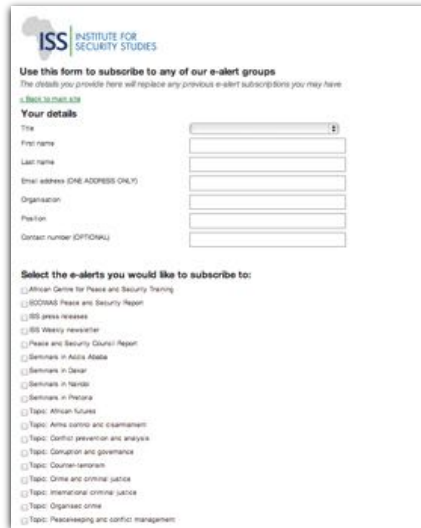
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The screenshot shows the homepage of the Institute for Security Studies (ISS) Africa. At the top, there is a navigation menu with links for Home, ISS Today, ISS Spotlight, Publications, Multimedia, Events, and About us. A search bar is also present. The main content area features a large banner for a seminar titled "NON VIOLENCE IS THE ANSWER" with a photo of a protest. Below this, there is a section for "International conference" and a "Publications" section. A central text block states: "The ISS is an African organisation which aims to enhance human security by providing independent and authoritative research, expert policy analysis and advice, and training and technical assistance. Read more...". Below this, there are three columns of news items under the heading "ISS Today". The first column includes articles about the pressure to amend the constitution in Zambia, why South Africa's electoral system needs to be revised, and the DRC's constitution. The second column includes articles about the Peace and Security Council Report No. 56, conflict and the post-2015 development agenda, and the challenges of the return to constitutional order in Guinea-Bissau. The third column includes an article about strengthening peaceful uses of nuclear energy. At the bottom, there are sections for "Latest from Twitter", "Connect with the ISS" (with social media icons for Facebook, Twitter, YouTube, RSS feed, and Contact us), and "Subscribe to the ISS" (with links for Email subscriptions and Publication subscriptions).



The screenshot shows the e-alert subscription form on the ISS Africa website. The form is titled "Use this form to subscribe to any of our e-alert groups" and includes a note: "The details you provide here will replace any previous e-alert subscriptions you may have". Below this, there is a "Your details" section with input fields for Title, First name, Last name, Email address (with a note "EMAIL ADDRESS ONLY"), Organisation, Position, and Contact number (with a note "OPTIONAL"). To the right of these fields are several empty input boxes. Below the "Your details" section is a "Select the e-alerts you would like to subscribe to:" section with a list of checkboxes and labels: African Centre for Peace and Security Training, ECOWAS Peace and Security Report, ISS press releases, ISS Weekly newsletter, Peace and Security Council Report, Seminars in Addis Ababa, Seminars in Dakar, Seminars in Harare, Seminars in Pretoria, Topic: African Futures, Topic: Arms control and disarmament, Topic: Conflict prevention and analysis, Topic: Corruption and governance, Topic: Counter-terrorism, Topic: Crime and criminal justice, Topic: International criminal justice, Topic: Organized crime, and Topic: Peacekeeping and conflict management.