PAN-AFRICAN CONFERENCE ON INEQUALITIES IN THE CONTEXT OF STRUCTURAL TRANSFORMATION

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in partnership with:
IDENTIFY POLICY ACTIONS TO MOVE FORWARD GLOBAL, AFRICAN EQUITABLE DEVELOPMENT AGENDA

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Recap key issues

• Failure of politic leadership and policy at the heart of poverty & inequality in Africa; continent still resource rich
• Socio-economic policy decisions invariably influenced by bad governance, & globalization
• Inequitable development has been by choice, through inappropriate policies and actions
• Liberalization & deregulation partly created unequal playing field and unequal access
Key issues

• ‘predatory’ private sector followed economic liberalisation in Africa; policy was driven by profit motive; e.g. privatization, opposition to minimum wages, tax incentives, poor terms (flower farms)

• Elitist sectors of economy grew with little or no trickle down effect...poor quality growth, not creating jobs or reducing poverty; e.g. Mozambique vs Vietnam

• Structural change in economy with negative social benefits e.g. Tz move from agric. To service
Key issues

• Multilateral institutions impact on policy, e.g. SAPs...no employment of teachers, nurses affected the poor most. Focus on macroeconomic issues without cushioning against adverse social impacts

• An ‘imperial’ financial sector focused on mega profits from ‘money’ trade, not productive enterprise. Exclusion of SMEs, farmers

• Unfair trade practices /WTO /EPA /FTA
Policy options to structural transform

• Appropriate legal and policy framework on inequalities at national and international levels required in all initiatives, i.e. post-2015, AU2063, other goals, including both socio-economic dimensions

• A universal charter to ‘outlaw’ regulations and policies with outright inequity, and encourage equitable socio-economic development programmes and activities...a framework to reject discrimination and enforce equal access
Policy options....

• A constitutional requirement in African countries for equitable development framework that underscores:-

(i) Decentralisation & public participation E.g. Kenya - public participation compulsory in all policy & legal processes; county assemblies

(ii) Equitable resource allocation criteria – human & financial e.g. Kenya – regional; appointments

(iii) Political inclusion through fair representation of all groups, e.g gender, pwd, marginalised etc
Policy options.....

• Review Economic growth paradigms – assess, measure growth for redistributive effect, inclusiveness, job creation, poverty reduction; requires review of fiscal policies, development blueprints; question traditional sectors in favour of SMEs and subsistence farmers

• Collateralisation of assets such as land, livestock. Africa’s poverty largely due to valuable assets that cannot be used as collateral
Policy options.....

- Governments must develop specific interventions in law to remedy historical inequalities; e.g safety net programmes for vulnerables, equalisation funds, CDF, Uwezo fund, WEF, social protection funds etc

- Central banks to develop regulatory framework for financial institutions on lending to productive, employment sectors e.g SMEs, agriculture. State intervention in financial markets post-2008 highly recommended!

- Taxation measures must be equitable; encourage direct taxes and fiscal policies that tax the rich more; avoid inter-country tax evasion

- Last but not least....political leadership must be accountable! To cure corruption, conflicts, ethnicity etc