The impact of the global financial crisis on the realisation of socio-economic rights in sub-Saharan Africa: An analysis based on the Millennium Development Goals framework and processes

Nicholas Orago*

Abstract: The global financial crisis, which affected global trade and investment, did not leave sub-Saharan Africa untouched. The region registered a decline in economic growth in the period after the crisis and experienced ongoing impacts. The article looks at these impacts, focusing on the realisation of socio-economic rights in sub-Saharan Africa using the mechanism of the Millennium Development Goals. It begins by describing the major actors that have played a leading role in economic growth in the region, and the realisation of socio-economic rights. It then focuses on the pre-crisis growth period of 2000 to 2007, examining the drivers of growth in sub-Saharan Africa and how this growth impacted the realisation of socio-economic rights. The article uses the mechanism of the Millennium Development Goals framework and process to measure the achievement of each goal within a high growth period. It finds that while this growth created more resources for the realisation of socio-economic rights, little progress was made in achieving the Millennium Development Goals within that period: The socio-economic conditions of poor, vulnerable and marginalised individuals and groups remained the same. The article then looks at the effects of the global financial crisis on sub-Saharan African economies after 2007, indicating that the crisis had an adverse impact on economic growth, with growth declining to 5.5 per cent in 2008, 3.5 per cent in 2009 and then rebounding slightly to 5.1 per cent between 2013 and 2014 and further to 5.8 per cent in 2015. It says that, although the reduction in economic growth had a great impact on the availability of resources for the realisation of socio-economic rights, an analysis of the MDG progress after the crisis does not show a marked difference from the MDG progress prior to the crisis. The article concludes that, even though the crisis had some impact on the realisation of socio-economic rights, its impact would have been greatly lessened if these sub-Saharan African countries had shown political commitment and developed proper mechanisms for the realisation of these rights.

Key words: sub-Saharan Africa; economic growth; global financial crisis; economic and social rights realisation; Millennium Development Goals

* LLB (Nairobi) LLM (Pretoria) LLD (Western Cape); Lecturer, School of Law, University of Nairobi, Kenya; nicholasorago@gmail.com. Paper prepared for the Global Classroom project, organised by the European Inter-University Centre for Human Rights and Democratisation (EIUC) in Venice, Italy, from 11 to 15 May 2015.
1 Introduction

Since pre-colonial times, Africa has suffered as a result of events and decisions from outside the continent. Examples include the slave trade, which led to the abduction and trading in Africans for labour purposes; colonisation, which led to the heavy plunder of Africa's natural resources; global warming and its attendant climate change, which have had major adverse impacts in African people's ability to feed themselves; the debilitating foreign debt, which has been detrimental to development and the realisation of the fundamental rights of the African peoples; and, finally, the global financial crisis (GFC), which has had an adverse socio-economic impact on Africa's populace due to its dire impact on global trade, investment and growth. The effect of the latter is primarily due to Africa's dependence on external actors for resources to enhance growth, the consequence of which is that African countries are vulnerable to the vagaries of the global financial system. This vulnerability meant that the GFC led to a decline in economic growth in Africa, a situation that is expected to continue given the consistently low global growth projections forecast by the International Monetary Fund (IMF 2014: xv).1

Crisis like the GFC have necessitated countries' adoption of austerity measures and cuts in government expenditure, with social spending being the first to suffer. In many circumstances this has led to the denial or infringement of socio-economic rights2 (Alston (undated)) with adverse consequences for marginalised and vulnerable groups. The poor, women, children, young people and people with disabilities, for example, suffer decreasing access to work and social welfare programmes as well as reduced affordability of food, housing, healthcare, water and other basic necessities (Pillay 2012). In general, austerity measures are retrogressive. They are also contrary to the obligations relating to socio-economic rights that state parties have undertaken to respect, protect, promote and fulfil under the International Covenant on Economic, Social and Cultural Rights (ICESCR) and other international legal instruments that entrench socio-economic rights (Bilchitz 2014: 719).

In the face of continued abdication of their responsibilities to the poor through austerity measures enacted during the GFC, the Committee on Economic, Social and Cultural Rights (ESCR Committee), through its Chairperson, Ariranga Pillay, guided member states of the ICESCR to take a list of requirements into account when adopting measures to deal with the crisis. These requirements included the need to demonstrate the existence of a compelling state interest to be protected by the measures; to demonstrate the exhaustion of alternative and less restrictive measures; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary; to ensure that austerity measures are only temporary.1

---

1 Where global growth projections for 2015 have been revised to 3.8%.
2 Socio-economic rights are defined as the rights concerned with the material bases of the well-being of individuals and communities, that is, rights aimed at securing the basic quality of life for the members of a particular society. They include the right to shelter, food, water, healthcare, education, work and social security. These rights are pertinent in the protection of poor, marginalised and disadvantaged groups because of the material deprivation of these groups, as well as their lack of political voice. Therefore, socio-economic rights dovetail closely with the objectives entrenched in the Millennium Development Goals (MDGs) to reduce extreme poverty and to enhance human development. Alston elaborates on the link between MDGs and socio-economic rights.
measures are necessary, reasonable and proportionate; to ensure that austerity measures are not discriminatory and are supportive of social transfers so as to mitigate inequalities; to ensure that disadvantaged groups are not disproportionately affected; to ensure that austerity measures identify the minimum core content of rights and affirm their protection at all times; and, finally, to ensure genuine participation of affected groups in the decision-making process (Pillay 2012: 2; Bilchitz 2014: 714). In effect, the Chairperson was advocating that states and other stakeholders adopt a ‘rights-based approach’ for tackling the effects of the GFC. She was also highlighting the need for states to focus their policies and expenditure on the creation of employment and social welfare, and to observe human rights in general. The rights-based approach requires countries to put in place sufficient safety nets and other social assistance programmes to protect disadvantaged and marginalised groups who are bound to feel the adverse consequences of the GFC the most. It also calls for countries to enhance these groups’ access to basic socio-economic goods and services.

However, to what extent did states take these measures into account and adopt a rights-based approach to the GFC? To answer this question, the article looks at the impact of the GFC on the realisation of socio-economic rights in sub-Saharan African countries, and how these countries responded to the crisis. Section 2 of the article details the major actors involved in the enhancement of economic growth in sub-Saharan African countries and in the implementation of policies and programmes for realising socio-economic rights. Section 3 entails an analysis of the sustained economic growth witnessed in Africa between the years 2000 and 2007, the drivers of that growth and its impact on the realisation of socio-economic rights in sub-Saharan African countries. Section 4 analyses the GFC and its impact on economic growth in Africa. It focuses on the effect of the crisis on the factors that led to the increased growth of economies in sub-Saharan African countries described in the previous section. It then examines the impact of the GFC on the achievement of the Millennium Development Goals (MDGs) in sub-Saharan African countries. Section 5 contains the conclusion.

Here a caution is necessary. Although the study looks at the impact of the crisis on ‘sub-Saharan African countries’ as a whole, the socio-economic conditions among these countries vary widely. The sum GDP of the ten wealthiest sub-Saharan countries, for example, is 2.2 times the sum GDP of the poorest ten sub-Saharan countries. Therefore, the impact of the GFC on the realisation of socio-economic rights in the different sub-Saharan countries varies considerably. Dependent factors include countries’ national legal frameworks and their macro-economic policies, as well as the state-specific safety nets available to cushion their populace(s) against financial shocks. To surmount this challenge, this research is based on an analysis of the framework and processes created by the Millennium Development Declaration regime that applies uniformly in all sub-Saharan African countries. It relies heavily on statistical data and analysis from the MDGs’ monitoring and reporting mechanisms put in place by the African Union (AU); the United Nations Development Programme (UNDP); the United Nations Economic Commission for Africa (UNECA); the World Bank; the African Development Bank and the IMF. It also uses secondary

3 African countries that lie south of the Sahara desert.
materials from other analysts. The rationale for relying on the MDG process is the close link between the MDGs and socio-economic rights entrenched in international, regional and national legal instruments that have been ratified or enacted by sub-Saharan African countries.

2 Major actors in the enhancement of economic growth, development and the realisation of socio-economic rights in sub-Saharan Africa

The primary obligation of any state is to ensure the security and the well-being of its citizens. One of the major ways in which a state can realise this obligation is by respecting, protecting, promoting and fulfilling the entire corpus of human rights and fundamental freedoms, especially socio-economic rights. However, the state is also expected to put in place sufficient legal, policy, institutional, infrastructural and programmatic frameworks to achieve its obligations. This requires resources, both financial and technical.

Sub-Saharan African countries have generally been unable, on their own, to realise sustained economic growth and, therefore, raise sufficient revenue to implement measures to achieve sustainable development and enhance the realisation of socio-economic rights (Ranis & Stewart 2000: 197-219). Accordingly, sub-Saharan African countries have been principally reliant on resources from external actors to achieve their goals. This reliance is discussed more elaborately in section 3. It shows that in the period preceding the GFC, the major sources of resources that have contributed to economic growth, development and the realisation of socio-economic rights in Africa, are the same as those that many of the sub-Saharan African countries relied on to enable transcendence of the GFC’s adverse effects. These sources include international trade through the export of primary goods such as minerals and agricultural products; tourism; official development assistance; direct foreign investments; remittances from Africans in the diaspora and direct borrowing through facilities provided by the international financial institutions and financial markets in the developed countries (the ‘Eurobond phenomenon’). Apart from sub-Saharan African countries themselves, the sources of resources lead us to surmise that the major actors in the realisation of socio-economic rights in sub-Saharan Africa before, during and after the GFC are donor countries (such as the European Union countries, the United States of America and the Scandinavian countries); private investors such as multi-national corporations, foreign individual investors and other foreign investment groups; Africans living and working in the diaspora, mainly in Europe, the United States of America, Asia and other African countries; international financial institutions such as the World Bank, the International Monetary Fund (IMF) and the African Development Bank; United Nations (UN) agencies and other related agencies such as the UNDP, UNICEF, UNECA, the World Health Organisation (WHO), the World Trade Organisation (WTO), the International Labour Organisation

4 For a more elaborate analysis of these resources and their contribution to economic growth and development in sub-Saharan Africa, see section 3 below.
(ILO); and international and national non-governmental organisations (NGOs), among other actors.

3 Economic growth and the realisation of socio-economic rights in sub-Saharan Africa before the global financial crisis – 2000 to 2007

3.1 Economic growth in sub-Saharan Africa

Further to the reliance on external actors, Africa has been bedevilled with several political and socio-economic challenges, among them a lack of access to education and skills development; bad governance; insufficient infrastructural development; protracted armed conflicts; corruption and the theft of public resources (World Economic Forum for Africa 2009: 5). Despite these challenges, most economies of sub-Saharan Africa enjoyed robust growth in the years preceding the GFC (Olamosu & Wynne 2015). For example, between 2000 and 2007 real GDP rose by 4.9% (Leke et al 2010). This sustained economic growth had the effect of enhancing the attractiveness of sub-Saharan African countries to private foreign investors looking for high returns on their investments; private capital inflows became the most important source of external finance for sub-Saharan African countries during the period (Macias & Massa 2009: 1). The increased investment attractiveness was attributed to ‘pull factors’ that included improved governance and a reduction in armed conflict leading to political and macro-economic stability; improved macro-economic performance; the global commodity and consumption boom; external debt relief and the availability of natural resources in vast quantities (Macias & Massa 2009: 1; Arieff et al 2010: 5-6).

Sub-Saharan Africa’s improved economic outlook saw private capital inflows into the region grow from $8.9 billion in 2000 to a peak of around $54.8 billion in 2007 (Macias & Massa 2009: 2; Arieff et al 2010: 11). As a result of these increased investments, net foreign direct investments grew from $13 million in 2004 to over $33 billion in 2007. This growth accounted for between 2.5 and 5 per cent of annual gross domestic product (GDP) of sub-Saharan African countries between 2001 and 2007 (Arieff et al 2010: 11). Portfolio equity flow reached $15 million in 2006 and international banking activities significantly increased, with the debt flow to sub-Saharan Africa reaching $205 billion by the end of 2007 (Macias & Massa 2009: 1 & 3). Diaspora remittances also formed a key source of capital for sub-Saharan African countries, with an estimated inflow of $18.59 billion in 2007 accounting for about 3.7 per cent of the GDP of sub-Saharan African countries (Arieff et al 2010: 113-114; Anyanwu 2011: 59). Further, many sub-Saharan African countries were able to issue international investment bonds in the Eurozone, with the bond value growing by $7.13 billion between the year 2006 and 2007 (Macias & Massa 2009: 3). Increased capital inflow into sub-Saharan

---

5 These were the challenges voted by African leaders and stakeholders at the 2009 World Economic Forum for Africa.
6 However, Anyanwu documents that diaspora remittance into sub-Saharan Africa grew from $11.2 billion in 2000 to $40.8 billion in 2008.
Africa prior to the GFC and the decline in the flow during the crisis is demonstrated by the following table.

<table>
<thead>
<tr>
<th>Year</th>
<th>Foreign direct investment</th>
<th>Portfolio</th>
<th>Remittances</th>
<th>Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>10</td>
<td>20</td>
<td>30</td>
<td>40</td>
</tr>
<tr>
<td>2001</td>
<td>15</td>
<td>25</td>
<td>35</td>
<td>50</td>
</tr>
<tr>
<td>2002</td>
<td>20</td>
<td>30</td>
<td>40</td>
<td>60</td>
</tr>
<tr>
<td>2003</td>
<td>25</td>
<td>35</td>
<td>45</td>
<td>70</td>
</tr>
<tr>
<td>2004</td>
<td>30</td>
<td>40</td>
<td>50</td>
<td>80</td>
</tr>
<tr>
<td>2005</td>
<td>35</td>
<td>45</td>
<td>55</td>
<td>90</td>
</tr>
<tr>
<td>2006</td>
<td>40</td>
<td>50</td>
<td>60</td>
<td>100</td>
</tr>
<tr>
<td>2007</td>
<td>45</td>
<td>55</td>
<td>65</td>
<td>110</td>
</tr>
<tr>
<td>2008</td>
<td>50</td>
<td>60</td>
<td>70</td>
<td>120</td>
</tr>
<tr>
<td>2009</td>
<td>55</td>
<td>65</td>
<td>75</td>
<td>130</td>
</tr>
</tbody>
</table>


One of the enduring justifications for the lack of realisation of socio-economic rights in many sub-Saharan African countries has been the lack of resources available to states to put in place measures for their realisation. However, with the improved capital inflow and its attendant economic growth in many sub-Saharan African countries which increased the amount of resources available to the states, it would have been expected that more substantive and robust mechanisms for the realisation of the obligations relating to socio-economic rights of sub-Saharan African countries would be put in place with the aim of eradicating poverty and marginalisation, enhancing social justice and improving the living standards of the populace of sub-Saharan African countries. How, then, have sub-Saharan countries fared in the realisation of socio-economic rights with the improved economic growth prior to the GFC? This question is the subject of analysis in the following sub-section.

3.2 Socio-economic indicators and the realisation of socio-economic rights in sub-Saharan Africa in the context of increased economic growth

Many sub-Saharan African countries ratified international human rights law instruments at the global and regional level that entrench socio-economic rights. These include the ICESCR, the Convention on the

---

Rights of the Child (CRC),\(^8\) the Convention on Elimination of All Forms of Discrimination against Women (CEDAW);\(^9\) the Convention on the Rights of Persons with Disabilities (CRPD);\(^10\) the International Convention on the Protection of Migrant Workers and Members of their Families (CMW);\(^11\) the African Charter on Human and Peoples’ Rights (African Charter)\(^12\) and its Optional Protocol on the Rights of Women in Africa (African Women’s Protocol);\(^13\) and the African Charter on the Rights and Welfare of the Child (African Children’s Charter).\(^14\) These international human rights instruments entrench several socio-economic rights, such as the rights to housing, food, health, water, education, social security and social assistance. In signing and ratifying these instruments, the sub-Saharan African countries have undertaken the tri-partite obligation to respect, protect and fulfil these rights.\(^15\)

One of the main factors in the realisation of socio-economic rights is the availability of resources, a factor which led to the adoption of the standard for the progressive realisation of socio-economic rights as opposed to the more immediate realisation of civil and political rights.\(^16\) The rapid economic growth pre-GFC meant that sub-Saharan African countries had increased resources available for the realisation of socio-economic rights. However, to what extent did these countries use the available resources to enhance human development, to improve the living standards of their people and to achieve the general realisation of socio-economic rights? An analysis of the MDGs between their adoption in 2000 up to 2007 may provide clarity.\(^17\)

---

8 All sub-Saharan African countries that have ratified the ICESCR have also ratified the CRC except Somalia. Botswana, Mozambique and South Africa have ratified the CRC but not the ICESCR.

9 All sub-Saharan African countries that have ratified the ICESCR have also ratified CEDAW except Somalia and Sudan. Botswana, Mozambique and South Africa have ratified CEDAW but not the ICESCR.

10 All sub-Saharan African countries that have ratified the ICESCR have also ratified CEDAW except Cameroon, Central African Republic, Chad, DRC, Equatorial Guinea, Eritrea, The Gambia, Madagascar and Somalia. Botswana has ratified neither the ICESCR nor the CRPD. South Africa has ratified the CRPD but not the ICESCR.

11 Sub-Saharan African countries that have ratified the CMW are Burkina Faso, Cape Verde, Ghana, Guinea, Lesotho, Mali, Mauritania, Mozambique, Niger, Nigeria, Rwanda, Senegal and Uganda.


13 Sub-Saharan African countries that have ratified the African Women's Protocol include Angola, Benin, Burkina Faso, Cameroon, Cape Verde, Congo, Côte d'Ivoire, DRC, Djibouti, Equatorial Guinea, Gabon, The Gambia, Ghana, Guinea, Guinea Bissau, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritania, Mozambique, Namibia, Nigeria, Rwanda, Senegal, Seychelles, South Africa, Swaziland, Tanzania, Togo, Uganda, Zambia, and Zimbabwe.

14 The African Children's Charter has been ratified by 41 African countries. sub-Saharan African countries that have not ratified are Central African Republic, DRC, Djibouti, Guinea Bissau, Liberia, Somalia, South Sudan, Sudan, Swaziland and Zambia.


16 International legal instruments adopting progressive realisation of socio-economic rights include art 2(1) ICESCR; art 4 CRC; and art 4(2) UNCRPD.

17 The MDGs contained in the UN Millennium Declaration are as follows: eradicating extreme poverty and hunger; achieving universal primary education; promoting gender equality and empowering women; reducing child mortality; improving maternal health; combating HIV, malaria and other diseases; and ensuring environmental sustainability.
3.2.1 Poverty reduction under the first Millennium Development Goal

Despite the bright economic indicators, sub-Saharan African countries have struggled to realise socio-economic rights, with the achievement of the MDGs remaining varied and other human development indicators being abysmal. Efforts at poverty reduction have not borne the desired results at the expected rate in sub-Saharan Africa, with World Bank data indicating that over 50 per cent of the population of these countries lived below the poverty line of less than $1.25 per day and those in absolute poverty had increased from 200 million people in 1981 to 380 million people in 2005 (United Nations 2009: 7; Anyanwu 2011: 55). A slight improvement in the reduction of poverty occurred between 2005 and 2007 with data indicating that the number of extremely poor people in sub-Saharan Africa had levelled off and the poverty rate had declined by 6 per cent (United Nations 2007: 4). The data thus indicates that the improved economic upturn between 2000 and 2007 may have had a positive impact on the reduction of poverty in sub-Saharan Africa, but the rate of reduction has been much slower than would have been expected if the sub-Saharan African states had adopted inclusive poverty reduction strategies and put in place substantive rights-based mechanisms for the reduction of poverty, the enhancement of human development and the improvement of the standards of life of their populace.

For example, the creation of employment and improved income conditions, which tie in closely with MDG 1 on the eradication of extreme poverty and hunger, play a very important role in enabling households to access basic socio-economic goods and services, to improve their living standards and generally to move out of poverty. Despite the economic growth, sub-Saharan African countries had not created sufficient employment opportunities to cater for the increase in the working age population, with statistics indicating that in the majority of the countries the employment-to-population ratio had stagnated between 2000 and 2007 (UNDP 2010: 9). The only countries that posted an increase in the employment-to-population ratio over 5 per cent were Ethiopia (12.2), Lesotho (10.8) and Zambia (7.0); while countries that posted a decline in the employment-to-population ratio of over 5 per cent were Mauritania (13.8), Tanzania (10.6), Rwanda (8.1), Swaziland (6.1), Botswana (5.9) and Ghana (5.1) (UNDP 2010: 9). In Kenya, for example, the ESCR Committee found that, even though between 2004 and 2007 2.4 million jobs had been created in the state, only 1.8 million people were employed in the formal sector, with over 6.4 million workers working in the informal sector (ESCR Committee 2008: 4-5). Several challenges face employees in the informal sector, as labour regulations are largely ignored, no social security schemes or pension rights are provided, and poor working conditions are prominent, with workers being forced to work overtime, paid less than the minimum wage and forced to forgo maternity protection (ESCR Committee 2008: 4-5).

Due to the importance of employment in enabling families to access socio-economic goods and services such as housing, food, healthcare, education and social security, it would have been expected that many sub-Saharan African states would have invested in programmes aimed at the creation of employment at the national level. However, the reality has been that most of the benefits of the increased economic growth have been enjoyed by only a few of the elites of these countries, with the majority of
the resources disappearing into private coffers through corruption, to the
detriment of the majority of the populace who have either remained
unemployed or have had to seek employment in the informal economy
with no labour protection.

3.2.2 Education under the second Millennium Development Goal

Apart from employment, the second most prominent factor in the
eradication of poverty and the improvement of living standards is
education, which is also entrenched as a socio-economic right in many
international and national legal instruments.\textsuperscript{18} This right ties in closely
with MDG 2, the objective of which is the achievement of universal
primary education. Data indicates that many sub-Saharan African
countries made significant progress in enhancing access to basic education
between 1991 and 2007, with countries like Ethiopia, Guinea, Malawi,
Mali, Madagascar and Mauritania achieving an improvement of 30 to 50
per cent in relation to the net enrolment in primary education (UNDP
2010: 14). Others with a net enrolment of 10 to 30 per cent were Burkina
Faso, Djibouti, The Gambia, Ghana, Niger, Senegal, Rwanda, Swaziland
and Togo (UNDP 2010: 15). Some sub-Saharan African countries had,
however, witnessed a reduction in the levels of enrolment, with Congo
registering a reversal from 85 per cent enrolment in 1991 to 60 per cent
enrolment in 2007, while Equatorial Guinea registered a reversal from 98
per cent in 1991 to 70 per cent in 2007, which is a serious concern as
public primary education was supposedly free and compulsory in both
countries (UNDP 2010: 15). The fall in the levels of enrolment in the two
countries was mainly due to low government expenditure in basic
education, civil unrest and the resultant armed conflict that led to the
deterioration of the educational infrastructure (UNDP 2010: 15).

MDG 8 on global partnership for development had played a prominent
role in the realisation of increased access to education in sub-Saharan
African countries, as more funds had been made available through official
development assistance, with the United Kingdom government having
committed £8.5 billion towards international aid for primary education
(UNDP 2010: 16). The challenge facing many sub-Saharan African
countries in relation to basic education had been the low rate of
completion of primary education, meaning that many of the students who
enrolled in primary schools dropped out of school without completing the
requisite number of study years (UNDP 2010: 16). Statistical data indicates
that of the 24 sub-Saharan African countries with available data on
primary school retention, 31 per cent had an improved completion rate of
25 to 47 per cent, 30 per cent had an improved completion rate of 10 to 25
per cent, and the remaining 39 per cent had a completion rate of less than
10 per cent. These are dire completion rates if one takes into account the
importance of education to human development and the achievement of
the potential of each person (UNDP 2010: 18). Further, data between 2005
and 2007 showed a decline in completion rates among some sub-Saharan
African countries, with Chad, Eritrea, Malawi, Mauritius, Namibia, São
Tomé and Príncipe, Seychelles, Senegal, South Africa and Togo regressing
in primary school completion rates (UNDP 2010: 18). If sub-Saharan

\textsuperscript{18} See art 26 of the Universal Declaration of Human Rights, art 13 of the ICESCR, arts 28
\& 29 of the CRC, and art 10 of CEDAW, among others.
African states are to have sustained economic growth and improved living standards, the need to increase access to education and to enhance the quality of that education cannot be overemphasised.

3.2.3 Gender equality and women's empowerment under the third Millennium Development Goal

Education and employment play key roles in the empowerment of women and the overall achievement of gender equality. Education as a right, therefore, dovetails closely with MDG 3 that relates to the promotion of gender equality and the empowerment of women. Most sub-Saharan African countries showed progress in achieving gender equality and empowering women, with actual or near gender parity being achieved in primary school enrolment and levels of youth literacy in most countries, although secondary and tertiary enrolment rates were still skewed to the detriment of girls and women (UNDP 2010: 19-22). In 26 sub-Saharan African countries with available data, indications were that 19 countries had been able to reduce gender disparity by a range of 0.03 to 0.04, while some countries, such as Ethiopia, Swaziland, Madagascar and South Africa, had generally regressed in reducing gender parity in secondary school enrolment (UNDP 2010: 23).

Gender equality and women's empowerment also relate closely to employment and the participation of women in leadership in different sectors of society. Data is scarce on women's participation in employment in sub-Saharan African countries, but the limited data available indicated that women were still discriminated against in accessing employment opportunities in the non-agricultural sectors. The share of women's employment in some of the best-performing sub-Saharan African countries was as follows: Ethiopia and CAR had 47 per cent, while South Africa and Botswana had 44 per cent (UNDP 2010: 24). The poor performers on this front were Senegal and Liberia at 11 per cent (UNDP 2010: 24). There had also been a general improvement on women in leadership with several countries having a good percentage of women representatives in parliament, with Rwanda leading at 56.3 per cent followed by South Africa at 45 per cent, Angola at 37.3 per cent, Mozambique at 43.8 per cent and Uganda at 30.7 per cent (UNDP 2010: 25).

The empowerment of women and the improvement of their education levels are important in the overall realisation of socio-economic rights and the enhancement of sustainable development because of the important roles women play in enhancing the well-being of the family, communities and societies in general. Efforts aimed at empowering women and improving their participation in all sectors of society should, therefore, be enhanced to ensure the improvement in the realisation of socio-economic rights such as the right to food and nutrition, the right to healthcare and the right to education, among others.

3.2.4 Hunger reduction under the first Millennium Development Goal

Freedom from hunger and the right to adequate food and nutrition are important socio-economic rights, the realisation thereof is measured by the MDG 1 target of halving the proportion of people who suffer from hunger by the year 2015. Prior to the GFC, progress had been made in achieving this target by many sub-Saharan African countries, with Ghana
achieving the target of halving its population that suffers from hunger (UNDP 2010: 10). Despite these efforts, the absolute number of undernourished people in sub-Saharan Africa increased on average from 172.8 million in 1990 to 1992 to 217.2 million in 2004 to 2006 (UNDP 2010: 13). The proportion of the population below the minimum level of dietary energy consumption fell slightly from 34 to 30 per cent (UNDP 2010: 13). Acute and chronic malnutrition of children below the age of five years had marginally reduced in sub-Saharan Africa between 1990 to 1999 and 2000 to 2009, with 12 countries recording a decrease of over 5 per cent, while a further 16 countries recorded a decrease of less than 5 per cent (UNDP 2010: 12). Six countries had, however, posted an increase in the prevalence of underweight children in that period, being Djibouti, Burkina Faso, Comoros, Lesotho, Zimbabwe and Madagascar (UNDP 2010: 13). The challenge in the realisation of the right to food in sub-Saharan Africa during this period was affirmed by the Global Hunger Index which indicated that sub-Saharan Africa registered the lowest reduction of hunger at just 14 per cent as compared to Latin America and the Caribbean which registered a 40 per cent reduction in hunger (IFPRI 2009: 10-12). Further, according to the Global Hunger Index, nine of the ten countries that saw increased hunger between 1990 and 2009 were in sub-Saharan Africa: DRC, Burundi, Comoros, Guinea Bissau, Zimbabwe, Liberia, Sierra Leone, Swaziland and Zambia (IFPRI 2009: 10-12). These high hunger indices in sub-Saharan Africa are due to low effectiveness of governments in tackling the problem, prevailing conflicts, political instability and the prevalence of HIV/AIDS (IFPRI 2009: 10-12).

3.2.5 Health under the fourth, fifth and sixth Millennium Development Goals

The right to health is another important socio-economic right that closely matches with the MDGs, especially MDGs 4, 5, and 6, for the reduction of child mortality, the improvement of maternal health and the combating of HIV/AIDS, malaria and other diseases respectively. The effort that has been expended by sub-Saharan African countries in the realisation of the right to health can, therefore, be analysed using indicators that have been developed for the monitoring of these three MDGs. The progress in the reduction of infant mortality had been slow in sub-Saharan Africa, with data indicating that the under five mortality rate (U5MR) declined by 21 per cent from 168 deaths per 1 000 live births in 1990 to 132 deaths per 1 000 live births in 2008, although this may not be representative of the actual state of affairs, as 66 per cent of children under five in sub-Saharan Africa were not registered at birth (UNDP 2010: 28). Based on data available, the only sub-Saharan African countries that were on track to reduce the U5MR by two-thirds were Cape Verde, Eritrea, Mauritius and Seychelles; with some sub-Saharan African countries registering an increase in U5MR, being Chad, Kenya, South Africa and Zimbabwe (UNDP 2010: 29). The U5MR can be reduced by concerted action by sub-Saharan African countries, as most of the major causes of under five mortality (diarrheal diseases, pneumonia, measles and malaria) are preventable and treatable using low-cost preventive and treatment measures (UNDP 2010: 30). What would be needed here is more political will to prioritise social spending for the realisation of the right to health through the improvement of the health infrastructure and available
personnel and medication to respond effectively to the treatable causes of under five mortality.

Additionally, maternal health is an important indicator of the availability and accessibility of the healthcare infrastructure, medicines and sufficiently-qualified personnel, as most maternal deaths occur from preventable causes that can be adequately tackled if sufficient healthcare resources are made available. The maternal mortality rate (MMR) had generally reduced in sub-Saharan Africa because of the higher average age of marriage and child bearing, the drop in average family size, and the decrease in fertility with data indicating that the total fertility rate had fallen from 6.5 during 1970 to 1975 to 4.6 during 2005 to 2010 (UNDP 2010: 35). Sub-Saharan African countries accounting for the highest percentage of maternal mortality were Nigeria, Ethiopia and the DRC. One of the major causes of maternal mortality, especially in Southern Africa, was the prevalence of HIV (UNDP 2010: 35). The link between the high MMR and the prevalence of HIV is affirmed by data which indicates that in countries with a HIV prevalence of between 5 and 10 per cent, the MMR declined by 36 per cent, while in countries with a HIV prevalence of between 10 and 15 per cent, the MMR declined by only 20 per cent (UNDP 2010: 35). One of the ways of reducing the MMR is by ensuring that child delivery is attended by skilled health personnel or trained midwives, and the number of attended births in sub-Saharan Africa was averaging at about 47 per cent (UNDP 2010: 36). The AU has provided political leadership in enhancing maternal health through its Campaign on Accelerated Reduction of Maternal Mortality in Africa (CARMMA) with the focus on reducing maternal and associated child deaths in Africa.19

In summary, combating poverty-related diseases such as HIV, tuberculosis, malaria and other related diseases has been a challenge for many sub-Saharan African countries, mainly due to the failure of these countries to allocate sufficient resources to adequately improve the health infrastructure and preventive programming (UNDP 2010: 41). The other factor that has led to the failure of sub-Saharan African countries to respond to these health challenges has been the lack of prioritisation of social spending, with available resources being diverted into military spending due to the prevalent conflicts or lost through public theft and corruption by African leaders. The lack of political will for the realisation of the right to health in the period prior to the GFC could be seen in the failure of most sub-Saharan African countries to allocate the required 15 per cent of their budgets to the health sector as per the Abuja Declaration (UNDP 2010: 41). Due to the failure of prioritisation and the lack of political will to tackle health challenges by sub-Saharan African countries, most of the interventions in healthcare were donor supported with continuous resources being made available by the international community to tackle HIV, malaria, tuberculosis and other related diseases. With a heavy dependence on international aid, health is one sector that is bound to suffer greatly should the GFC affect the amount of official development assistance flowing to sub-Saharan African countries.

19 For more information on CARMMA, see their website at http://www.carmma.org/ (last visited 10 February 2015).
3.2.6 Summary: A general failure to enhance the realisation of socio-economic rights despite positive economic growth indicators

The above analysis indicates that even though sub-Saharan African countries had experienced continued economic growth in the period between 2000 and 2007, not much had changed in relation to investment in human development, improvement in the standard of living of African people and the overall realisation of socio-economic rights. This has been affirmed by the ESCR Committee in its Concluding Observations to the DRC in its consolidated second to fourth periodic report, where the Committee noted that there had been a continuous decrease in resources allocated to social sectors such as health and social protection, with even the budgetary resources allocated to social spending never fully disbursed to the relevant ministries (ESCR Committee 2009: 6-7). This indicates that, even though the availability of resources is always the excuse given by many sub-Saharan African countries for their failure to realise socio-economic rights, sub-Saharan Africa is lagging behind in the realisation of socio-economic rights due to a lack of political will to implement and enforce these rights, a lack of prioritisation of social spending and investments in adequate social safety nets to cushion vulnerable groups from falling into poverty, and continued conflicts and political instability necessitating the diversion of resources meant for social spending into military spending. Lastly, the theft and plunder of state resources through corruption is named. If these challenges had been adequately dealt with by sub-Saharan African countries, the realisation of socio-economic rights through the implementation of the MDGs could have been achieved, considering the increased economic growth, had revenues been adequately prioritised and utilised for the improvement of the living standards of sub-Saharan African people.

4 Economic growth and the realisation of socio-economic rights in sub-Saharan Africa after the global financial crisis

Having reviewed the political and socio-economic conditions of sub-Saharan African countries and their efforts in realising socio-economic rights with the increased economic growth prior to the GFC, this section analyses the impact of the GFC on sub-Saharan African economies and how it interfered with the realisation of socio-economic rights. In this section, data generated through the MDG process between 2008 and 2015 will similarly be used to establish how sub-Saharan African countries have fared in the achievement of the MDGs and the correspondent realisation of socio-economic rights post-GFC. The aim of this section is to determine whether, and to what extent, the GFC impacted adversely on the realisation of socio-economic rights in sub-Saharan Africa.

4.1 The global financial crisis and declining sub-Saharan African economies

The GFC placed a dampner on sub-Saharan Africa's growth trajectory in several pertinent ways. First, the pre-crisis high food and fuel prices drastically affected many sub-Saharan African countries, especially the countries that are net importers of food and those who rely for their fuel needs on the international crude oil market (IMF 2009: 2). The impact
was not as severe when compared to some of the developed countries that were at the epicentre of the crisis, which experienced budget deficits of more than 10 per cent of GDP in 2009 (World Economic Forum for Africa 2009: 13; IMF 2009: 2). This was mainly because the financial sector in the sub-Saharan African region is less developed and thus less integrated with the global financial markets (IMF 2009: 4; African Development Bank 2009: 5 & 11-14), and also because African banks were relatively unexposed to the mortgage meltdown that triggered the crisis (World Economic Forum for Africa 2009: 13).

4.1.1 Decreased assistance from donor countries

The impact of the GFC has, however, been felt in various ways in sub-Saharan Africa. One major way in which the crisis will affect sub-Saharan Africa in the long term is the projected reduction in official development assistance which many sub-Saharan African countries rely on for budgetary support (African Development Bank 2009: 5 & 11). This is clearly affirmed by data which indicates that official development assistance accounted for 10 per cent of the Gross National Income (GNI) for 23 sub-Saharan African countries and 20 per cent of GNI for another 10 countries in the period 2004-2008 (Anyanwu 2011: 58). Cumulatively, sub-Saharan African countries received a total of about $27.19 billion in 2006-2007 (Arieff et al 2010: 14-15). Donor aid to sub-Saharan Africa was expected to almost double due to the commitment made by the Group of Eight (G-8) in 2005 to raise the amount of official development assistance to sub-Saharan Africa by $21.48 billion by the year 2010 (Arieff et al 2010: 14-15). However, the resultant inward focus by developed countries caused by the shocks of the GFC on their national economies, and on other countries' economies in their regional blocks, official development assistance decreased by $22 billion in 2009 (Anyanwu 2011: 59). The trend persisted in subsequent years, with official development assistance declining by 3 per cent in 2011 and 5 per cent in 2012, and is expected to continue through to 2016 (UNDP 2013: 4 & 7). Between 2011 and 2012, sub-Saharan African countries such as the DRC, Congo, Côte d'Ivoire, Eritrea and Togo witnessed an official development assistance reduction of more than 50 per cent. Little improvement was expected due to the slow recovery of the economy of the USA and other donor countries and the huge bail-outs in Europe due to the Eurozone debt crisis (UNDP 2014: 89). The trend in official development assistance from 1990 to 2013 covering the period prior to the GFC, during the GFC and after the GFC is presented in the graph below (Shah 2014).
Two things are clear from the graph. First, the percentage of official development assistance to poor countries, most of which are in sub-Saharan Africa, has been consistently low (only a quarter of the Development Assistance Committee (DAC) aid). Second, these percentages have decreased even further due to the effects of the GFC, to the detriment of sub-Saharan African countries that are reliant on them. As most of the social infrastructure, services and social safety nets are in a large proportion supported by donor countries, through official development assistance, it can be concluded that this decrease has a direct effect on the realisation of socio-economic rights in the region. This conclusion is affirmed by the table below which is populated with data from the Organisation for Economic Co-operation and Development (OECD) website. The table shows that most official development assistance goes to support mechanisms aimed at the realisation of socio-economic rights:20

<table>
<thead>
<tr>
<th>Countries</th>
<th>Education %</th>
<th>Health &amp; population %</th>
<th>Other social infrastructure %</th>
<th>Total ODA directed to SERs %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benin</td>
<td>18</td>
<td>17</td>
<td>29</td>
<td>64</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>13</td>
<td>10</td>
<td>20</td>
<td>43</td>
</tr>
<tr>
<td>Cameroon</td>
<td>18</td>
<td>11</td>
<td>21</td>
<td>50</td>
</tr>
<tr>
<td>DRCa</td>
<td>7</td>
<td>17</td>
<td>14</td>
<td>38</td>
</tr>
</tbody>
</table>

4.1.2 Reduction in capital inflows and repatriations

The next major way in which the GFC affected sub-Saharan Africa was the general reduction of investment capital inflows and the repatriation of foreign capital flow. Direct private foreign investment in Africa dwindled due to reduced capacity and propensity of foreign investors to invest in sub-Saharan Africa as a result of tighter credit conditions in their countries as well as increased risk aversion due to the dampened growth prospects globally (Macias & Massa 2009: 5; Arief et al 2010: 9; Anyanwu 2011: 58). Foreign direct investment dropped by around 26.7 per cent in 2009, with the country worst affected being the DRC, where foreign direct investment decreased sharply from $1.713 million in 2008 to $374 million in 2009. This necessitated a World Bank support grant package of $100 million, a $195 million Exogenous Shocks Facility grant from the IMF as well as a $97.18 million budget support grant from the African.

<table>
<thead>
<tr>
<th>Country</th>
<th>ODA going to humanitarian aid</th>
<th>ODA going to debt relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethiopia</td>
<td>23</td>
<td>7</td>
</tr>
<tr>
<td>The Gambia</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Ghana</td>
<td>10</td>
<td>23</td>
</tr>
<tr>
<td>Guinea Bissau</td>
<td>29</td>
<td>7</td>
</tr>
<tr>
<td>Kenya</td>
<td>5</td>
<td>31</td>
</tr>
<tr>
<td>Liberia</td>
<td>7</td>
<td>12</td>
</tr>
<tr>
<td>Madagascar</td>
<td>18</td>
<td>25</td>
</tr>
<tr>
<td>Malawi</td>
<td>7</td>
<td>35</td>
</tr>
<tr>
<td>Mozambique</td>
<td>7</td>
<td>29</td>
</tr>
<tr>
<td>Nigeria</td>
<td>6</td>
<td>63</td>
</tr>
<tr>
<td>Rwanda</td>
<td>15</td>
<td>24</td>
</tr>
<tr>
<td>Senegal</td>
<td>21</td>
<td>14</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>South Africa</td>
<td>4</td>
<td>44</td>
</tr>
<tr>
<td>Tanzania</td>
<td>4</td>
<td>30</td>
</tr>
<tr>
<td>Uganda</td>
<td>6</td>
<td>39</td>
</tr>
<tr>
<td>Zambia</td>
<td>6</td>
<td>33</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>8</td>
<td>26</td>
</tr>
</tbody>
</table>

a. For the DRC, 25% of official development assistance goes to humanitarian aid, while 20% goes to debt relief.

4.1.2 Reduction in capital inflows and repatriations

The next major way in which the GFC affected sub-Saharan Africa was the general reduction of investment capital inflows and the repatriation of foreign capital flow. Direct private foreign investment in Africa dwindled due to reduced capacity and propensity of foreign investors to invest in sub-Saharan Africa as a result of tighter credit conditions in their countries as well as increased risk aversion due to the dampened growth prospects globally (Macias & Massa 2009: 5; Arief et al 2010: 9; Anyanwu 2011: 58). Foreign direct investment dropped by around 26.7 per cent in 2009, with the country worst affected being the DRC, where foreign direct investment decreased sharply from $1.713 million in 2008 to $374 million in 2009. This necessitated a World Bank support grant package of $100 million, a $195 million Exogenous Shocks Facility grant from the IMF as well as a $97.18 million budget support grant from the African.

21 For an elaboration of the challenges that led to DRC’s drastic situation, see ESCR Committee Concluding Observations on the 2nd to 4th periodic report of the DRC E/C.12/COD/CO/4 (December 2009) 2-11.

Cross-border bank lending contracted sharply by about 50 per cent and portfolio investments drastically reduced from investment inflows of $18.7 billion in 2006 to estimated capital outflows of $16.7 billion in 2008 (Arieff et al 2010: 11-12). This is exemplified by the Kenyan situation where a net portfolio equity outflow of $48 million was recorded, leading to a 46 per cent decline in the Nairobi Stock Exchange 20 Share Index in 2009 (ODI 2010: 4). Similarly, in Sudan, the Sudanese Stock Market Capitalisation contracted by 16 per cent and portfolio investments fell from $30.5 million in 2007 to $33.4 million in 2008, indicating a drastic capital flight due to the fall in global oil prices that forms 95 per cent of Sudan's exports (ODI 2010: 4). The high risk aversion to investing in sub-Saharan Africa due to the GFC has also made sub-Saharan African investment bonds and equity markets less attractive to foreign investors, who have chosen supposedly safer assets in their own countries. This led to many sub-Saharan African countries either withholding or totally cancelling their planned issuance of infrastructure bonds in the Eurozone region (Macias & Massa 2009: 5).

In addition, the GFC led to a considerable reduction in remittances from Africans in the diaspora. This was especially true for those in the USA and in the Eurozone, which are the sources of about 75 per cent of the remittances and that were the epicentres of the GFC. In total, remittances declined by about 7 per cent in 2009, although it then recovered, recording a growth rate of 4.1 per cent in 2010, 4.5 per cent in 2011 and 6.2 per cent in 2013, a cumulative total of $32 billion (World Economic Forum for Africa 2009: 5; World Bank 2013: 3). However, this was still $6 billion lower than the figures recorded at the end of 2007 ($38 billion) (African Development Bank 2009: 21-22). Projections estimated that remittances would grow by 8.6 per cent in 2014 towards 9.5 per cent in 2016, amounting to a cumulative total of about $41 billion (World Bank 2013: 3).

4.1.3 Reduction in demand for sub-Saharan natural resources and commodities

Further, there was a general decrease in demand for natural resources and other commodities from sub-Saharan African countries due to the 12.4% contraction in global trade and dwindling markets in crisis-hit countries (Ayanwu 2011: 57). This led to a considerable fall in the global prices of sub-Saharan African products, with adverse consequences to sub-Saharan African countries, especially those reliant on mining (African Development Bank 2009: 17 & 25), tourism (ODI 2010: 24), agriculture and manufacturing (Arieff et al 2010: 2-3; African Development Bank 2009: 17-19). Sub-Saharan African countries worst hit by the contracting global markets were the oil and metal-exporting countries, with oil prices falling by 60 per cent from the peak prices in 2008 (IMF 2009: 6). Oil importers enjoyed a reprieve from the fallen oil prices but, similarly suffered from the fall in prices of their exports, with coffee, cocoa, cotton, tea and horticulture all being affected (IMF 2009; ODI 2010: 13-14). Ethiopia, for example, witnessed a massive decline in the market prices of cut flowers, earning only 47 per cent of the projected $280 million from flower exports in 2008 to 2009. This had adverse effects on the country’s economy in
general, and on flower farmers in particular (ODI 2010: 12). Similarly, Kenya experienced a 35 per cent decline in the volumes of horticultural exports, almost leading to the closure of many of the flower farms (ODI 2010: 12). The challenges of trade contraction and fallen global commodity prices were exacerbated by protectionism and restrictive trade policies in African countries that restrict regional integration and inter-regional trade between African countries. These policies led to an overreliance on international markets for African commodities (Arieff et al 2010: 7). Data indicates that 70 per cent of the African export market is provided by the USA, European Union and China cumulatively, and that the market for sub-Saharan African products in the USA declined by 57 per cent in 2009 (Arieff et al 2010: 8-9).

4.1.4 Economic resilience and recovery

These challenges led to the slowing of the economies of most sub-Saharan African countries, with the general economic growth in sub-Saharan Africa declining from 6.9 per cent in 2007 to 5.5 per cent in 2008, then to 3.5 per cent in the first half of 2009, and finally to 1.6 per cent by the end of 2009 (Macias & Massa 2009: 1; Anyanwu 2011: 56). The median annual economic growth, which averaged 4.75 per cent between 2002 and 2007, also depreciated to 2.5 per cent in 2009 (Arieff et al 2010: 15). Sub-Saharan Africa's declining economic growth was graphically illustrated by the IMF in the following data table:

![Chart showing economic growth in sub-Saharan Africa]

**Source:** IMF sub-Saharan Africa Regional Economic Outlook Database, April 2009 (Arieff et al 2010: 5)

However, recently sub-Saharan African economies have shown some resilience by recovering from the slow levels of growth. They have started on a path of steady economic growth of 5.1 per cent in 2013 and 2014, with the growth projection for 2015 at 5.8 per cent (IMF 2009: 65; IMF 2015: 1). This projection is further affirmed by data which indicates that between 2012 and 2013, 33 per cent of sub-Saharan African countries grew at an annual average of 6 per cent, a growth rate only second to East Asia (UNDP 2014: 16). This positive economic growth projection is mainly due to increased investment in infrastructural development; the

---

22 However, the IMF in 2015 stated that the sub-Saharan African growth had declined to about 3.75% in 2015 and was projected at 4.25% in 2016.
expansion of productive capacity; a growing service sector; and increased agricultural production (UNDP 2014: 16). Sustained growth in economies is important as it fosters the creation of wealth and job creation, although the challenge remains of ensuring that economic growth is inclusive and equitable. The challenges of inclusivity and equity persist in many sub-Saharan African countries, a fact reflected in the continuing challenges experienced by these countries in the achievement of the MDGs and in the overall realisation of socio-economic rights. This is discussed more elaborately in section 4.2 below.

4.2 Socio-economic indicators and the realisation of socio-economic rights in sub-Saharan Africa in the context of declining economic growth after the global financial crisis

It is generally accepted that the GFC had a major impact on the poverty reduction strategies and efforts of many sub-Saharan African countries. with adverse consequences for the socio-economic well-being of poor, vulnerable and marginalised sectors of their societies. Analyses indicate that in order for sub-Saharan African economies to outpace population growth, to enhance the reduction of poverty, to ensure the creation of employment and to spur general human development, steady economic growth of at least 7 per cent per annum is needed (Arieff et al 2010: 3). How, then, has the GFC and its attendant decline in economic growth of sub-Saharan African countries affected poverty reduction, access to socio-economic goods and services and the overall realisation of socio-economic rights?

4.2.1 Poverty reduction under the first Millennium Development Goal

Globally the world achieved the aim of the first MDG (MDG 1) of halving poverty in 2010 when poverty globally reduced to 22 per cent, and then to 14 per cent in 2015. However, sub-Saharan Africa did not meet the target even after the 2015 cut-off point. While some progress was made in trying to reduce poverty in the region, data indicates that, despite the GFC and its attendant high food and fuel prices, poverty levels continued to decline in sub-Saharan Africa. The proportion of people living below the poverty line decreased from 56.5 per cent in 1990 to 48.5 per cent in 2010, and projections foretold that extreme poverty would decline to around 42.3 per cent by 2015 (UNDP 2013: 9; UNDP 2014: xiv). This, in general, is good progress, taking into account the high levels of extreme poverty in sub-Saharan Africa at the commencement of the MDGs. However this decline is still about 20.3 per cent off the achievement of the MDG 1 target of eradicating extreme poverty and hunger by 2015 (UNDP 2013: 9; UNDP 2014: 12). The statistics further indicate that poverty declined faster between 2005 and 2008, a period of higher economic growth prior to the GFC (UNDP 2013: 9; UNDP 2014: 12), but, in actual terms, extreme poverty has increased in Africa despite MDG efforts aimed at reducing it. The absolute population living below $1.25 per day increased from 289.7 million in 1990 to 376.8 million people in 1999, 394.9 million in 2005, 399.3 million in 2008, 413.8 million in 2010 and will reach a projected 408 million people in 2015 (UNDP 2013: 9; UNDP 2014: 12). This, therefore, means that the general decline in economic growth experienced during the GFC adversely affected efforts at poverty reduction. People living below the poverty line generally increased by

Even though the GFC was partly to blame for the increase in poverty after 2008, the other part of the blame should go to sub-Saharan African countries for not showing political commitment and investing in social safety nets and other social protection mechanisms to cushion vulnerable households from falling into poverty or extreme poverty at that time (UNDP 2014: 12). Less than 20 per cent of the poorest quintile in sub-Saharan Africa access any form of social assistance as compared to 50 per cent in Eastern Europe and Central Asia, as well as 55 per cent in Latin America and the Caribbean (UNDP 2014: 17). Even the available social safety nets are mostly externally funded, with countries like Liberia, Sierra Leone and Burkina Faso being the most dependent with approximately 94, 85 and 62 per cent external support for social safety net spending respectively (UNDP 2014: 17). These externally-funded social safety nets further suffered a decline in funding due to the general reduction in official development assistance in the face of the GFC and the subsequent Eurozone debt crisis (UNDP 2014: 90). Locally-funded social assistance programmes, such as targeted cash transfers, subsidisation of basic commodities for the poor, healthcare subsidies, cash for work, voucher systems and such similar programmes, would have gone a long way towards stabilising poor families during the crisis, and ensured that the gains made in poverty reduction are not lost due to the crisis. These programmes would also have ensured that the benefits of the continued economic growth were spread equally across the population of the countries, thereby reducing extreme poverty and enhancing a more sustainable, inclusive and people-centred growth that promotes a harmonious citizen-state relationship, and contributes to the building of more cohesive societies (UNDP 2014: 17). Due to the failure to put such measures in place and to adequately target them to the poor and vulnerable with proper state-based budgetary financing, sub-Saharan Africa's share of global poverty rose from 15 per cent in 1990 to 34 per cent in 2010 (UNDP 2014: 12). It grew further, to 50 per cent, in 2015 (World Bank & IMF 2016: xviii).

Employment is one of the key mechanisms to reduce household poverty and enhance access to socio-economic goods and services at the household level. The GFC has had a major impact on employment, with loss of employment being experienced in all major sectors of society in sub-Saharan Africa (UNDP 2014: 23). At the onset of the GFC, the International Labour Organisation (ILO) predicted that unemployment would increase by 8.5 per cent with an additional 3 million people becoming unemployed. They also said that vulnerable employment would increase from 77.4 per cent in 2007 to 82.6 per cent in 2009, meaning that over 28 million people would join the rank of those in vulnerable employment. The number of the working poor earning less than $1.25 per day was predicted to increase by an additional 36 million people (Owoye 2009: 11; Devarajan & Kasekende 2011: 249). These estimates have been borne out through the crisis with data indicating that in many sub-Saharan African countries the rate of employment has either declined (Devarajan & Kasekende 2011: 249) or remained constant at 2.9 per cent. with the majority of people, around 77.6 per cent, being employed in vulnerable informal sectors (UNDP 2014: xiv). Widespread informal employment in
Sub-Saharan Africa is affirmed by data which indicates that in most of the countries, between 25 to 65 per cent of workers are employed in the informal sector (UNDP 2014: 19). The situation has adversely affected women, who are found in vulnerable employment more often than men, with data indicating that over 85 per cent of women are employed in these vulnerable jobs as compared to 70.5 per cent of men (UNDP 2014: 19). The other group that has equally suffered due to the shrinking of sub-Saharan African countries’ economies are young people, who have not been absorbed in the labour markets due to the few available job opportunities (UNDP 2014: 23). Young people constitute 60 per cent of those unemployed in sub-Saharan Africa, and in many countries the rate of youth unemployment is double that of unemployed adults; resultingly young people are left out of the processes of economic development (UNDP 2014: 23-24). This has led to youth dependency and an increase in the levels of insecurity, social disunity and armed conflict, with adverse consequences to social cohesion and political stability in the region. It is recommended that sub-Saharan African countries adopt policies aimed at creating employment in the formal sector so as to enhance access to employment, to increase the general tax base and generally to spur a rapid reduction in poverty and inequality.

4.2.2 Education under the second Millennium Development Goal

Education is the key to accessing employment and realising other socio-economic goods and services, including health, proper nutrition and adequate housing. Despite the GFC and the resultant decline in economic growth in sub-Saharan Africa, many countries have continued with programmes to enhance access to free and compulsory basic education in the region (UNDP 2013: 10). Data indicates that primary school enrolment increased from 58 to 76 per cent between 2000 and 2010, at an annual rate of 1.5 per cent (UNDP 2013: 10). Subsequent statistics show an improvement in the net primary school enrolment, with 25 sub-Saharan African countries having achieved the net enrolment ratios of 80 per cent or more and only 11 countries reporting a ratio of below 75 per cent (UNDP 2014: xv). Despite the constant improvement in enrolment numbers, planning has not taken into account the increased pressure new quantities of enrolment place on available infrastructure and human resource capacity. As a result the quality of education has plummeted drastically in public primary schools, so that education no longer has the capacity of enhancing functional learner literacy, numeracy and the development of life skills. Low completion rates, high dropout and high repetition rates have been experienced in public schools, with the consequence that inequality between the poor and the rich is propagated as the rich are able to enrol their children in better-quality private schools (UNDP 2013: 10). The low completion rates are affirmed by data which indicates that 28 per cent of sub-Saharan African countries (with available data) post a completion rate of below 60 per cent; over 22 per cent of children of school-going age in sub-Saharan Africa are out of school; and one-third of enrolled children drop out of school without acquiring the minimum basic competencies in reading and mathematics (UNDP 2014: xv & 36). Therefore, despite high enrolment numbers and improved

completion rates generally, more can be done to improve the quality and skill content of education in sub-Saharan Africa. This may partly require increased resources to be channelled towards education, but partly also needs commitment at the political and governmental level to enhance the quality of education in public schools, with the aim of enhancing equality between the rich and the poor and reducing the inequality gap in the region.

It is accepted that, related to the need for more resources to maintain the current levels of enrolment and retention in schools, investment in infrastructure and human resources is also needed to improve the quality of education. The impact of the GFC is still being felt in some sub-Saharan African countries, a clear indication of the adverse impact of the GFC on education in sub-Saharan Africa (UNDP 2014: 36). Further, the 6 per cent decrease in official development assistance to education in sub-Saharan Africa has exacerbated the general lack of funding for education by sub-Saharan African governments, as most of the free primary and secondary education budgets of most countries were supported by donors who have reduced funding to these programmes since the GFC (UNDP 2014: 90). If sub-Saharan African governments do not prioritise education and find alternative sources of funding from their own budgets, skill and human capital development will be adversely affected. This will have dire consequences for labour productivity and sustainable human development.

4.2.3 Gender equality and women’s empowerment under the third Millennium Development Goal

Gender parity in primary school enrolment continued to improve despite the GFC. This was especially due to the free universal primary school programmes adopted by many sub-Saharan African governments and which have been supported by gender-responsive policies and interventions that have advocated girl-child education (UNDP 2015: xiv). This result is important for the overall growth in human development indicators in sub-Saharan Africa, as gender equality and women’s empowerment have attendant benefits in relation to reducing poverty and mitigating hunger, improving health and educational outcomes in families and communities, as well as ensuring environmental sustainability (UNDP 2015: 15). Primary school completion rates and transition to post-primary education – secondary and tertiary levels – is still low at 76 girls per 100 boys (UNDP 2015: 18; Africa Renewal 2010). While sub-Saharan Africa has continued to make progress in women’s representation in political spaces, with the number of women in parliament and high government positions rising steadily as a result of constitutional or legislative provisions on gender equality and the representation of women (UNDP 2015: 15).

The region has continued to struggle to ensure equal access to non-agricultural employment opportunities, with women still lagging behind in access to these employment opportunities (UNDP 2015: 16). The major challenges limiting access have been low educational attainment due to low transition rates to post-primary education; large wage differentials; the time burden relating to domestic tasks; the limited availability of child care services; and constraining customary laws and practices which limit the chances of women working outside the family home, among other
constraints (UNDP 2015: 16). Efforts and resources should have been expended at creating a conducive environment for women to equally participate in society by creating more employment opportunities; providing basic services to enable women to engage in other productive work away from the home; and developing relevant laws and policies to ensure equality and non-discrimination in the areas of political, social, economic and cultural life. Some of these measures would not have required much resources, and the fact that little has been done shows that the failure to achieve MDG 3 in sub-Saharan Africa was not due to the GFC, but mainly due to lethargy and a lack of political will among leaders at different levels in the region to create a level playing field for women in all sectors of life.

4.2.4 Hunger reduction under the first Millennium Development Goal

Food is fundamental to human survival and well-being. However, increasingly, many people in sub-Saharan Africa are unable to access an adequate amount of food to meet their basic nutritional needs and enable them undertake their daily activities. Data indicates that globally about 795 million people do not have access to adequate food to lead healthy and active lives. This translates to about one in nine people in the world (FAO, IFAD & WFP 2014: 4 & 8). The majority of these people live in developing countries, with Asia and sub-Saharan Africa bearing the burden of hunger, with data indicating that in sub-Saharan Africa at least one in four people is perennially undernourished (FAO, IFAD & WFP 2014: 9). Data further indicates that more than a quarter of the world's chronically undernourished people live in sub-Saharan Africa, where the number of hungry people increased by over 38 million people between 1990 and 1992 (FAO, IFAD & WFP 2014: 12). The food security situation in this region has over the years scarcely improved. In the period between 2011 and 2013, 25 per cent of the population of the region faced hunger and malnutrition, a mere 8 per cent improvement on the 1990 to 1992 period, when 33 per cent of the population was hungry (UNDP 2015: 2). When the MDGs finished in 2015, undernourishment had fallen slightly to 23 per cent, way below the 16.5 per cent required to meet the MDG target (UNDP 2015: 21). This compares adversely to other regions, especially Asia and Latin America that reduced hunger by 45 per cent in the same period (UNDP 2015: 2). Data further indicates that in real numbers, the total number of chronically underfed in sub-Saharan Africa has consistently increased from 176 million in 1990 to 1992, 202.5 million in 2000 to 2002, 205.3 million in 2005 to 2007, 211.2 million in 2008 to 2010 and 214.1 million in 2011 to 2014, an increase of 38.1 million people (FAO, IFAD & WFP 2014: 8). This number has further increased to around 44 million people in 2015, which shows that the level of people suffering extreme hunger and malnutrition in sub-Saharan Africa is increasing, not reducing (UNDP 2015: 21).

The above data indicates that despite the economic growth experienced between 2000 and 2007, there has not been much emphasis placed on reducing poverty and inequality through the creation of employment and the establishment of social safety nets that would have cushioned the vulnerable population from hunger and malnutrition. Although exacerbated by the GFC, the high hunger and malnutrition incidences in sub-Saharan Africa were mainly the result of entitlement failures among vulnerable populations in the region. These failures may be attributed to a
lack of government investment in agriculture and the livelihoods of smallholder farmers and farm workers; a lack of investment in rural development and poor access to basic services in informal urban settlements; and the general failure to invest in social protection mechanisms, such as social safety nets to enhance the reduction of poverty and cushion the food-poor populations from shocks such as the GFC.

4.2.5 Health under the fourth, fifth and sixth Millennium Development Goals

Regarding the realisation of the right to health, sub-Saharan African countries have made progress in the reduction of the U5MR in accordance with the available data, which indicates that the numbers reduced from 132 deaths per 1,000 live births in 2008 to 98 deaths per 1,000 live births in 2012 (UNDP 2014: 56; UNDP 2013: 13). The reality, however, varies widely between the different sub-Saharan African countries, with a 46 per cent reduction in Southern Africa and a 42 per cent reduction in East and West Africa in 2011 (UNDP 2013: 13). A greater challenge has been encountered in Central Africa which still experiences 139 deaths per 1,000 live births (UNDP 2013: 13). Slow progress has similarly been witnessed in the achievement of MDG 5 on the reduction of maternal mortality, with sub-Saharan Africa still accounting for 56 per cent of global maternal deaths by 2010 (UNDP 2013: 14). Sub-Saharan Africa has managed to reduce the maternal mortality rate from 870 deaths per 100,000 live births in 1990 to 460 deaths per 100,000 live births by 2013, at an annual rate of 2.7 per cent, although the reduction still witnessed over 164,800 maternal deaths in the year 2010 alone (UNDP 2013: 14; UNDP 2014: 61). Progress in the reduction of maternal mortality varies between the different regions, with East Africa registering a reduction of 56 per cent; a 46 per cent reduction in West Africa; 38 per cent in Central Africa; and 20 per cent in Southern Africa (UNDP 2014: 61). At the country level, only Equatorial Guinea has achieved MDG 5 with a 81 per cent reduction, and Eritrea is also in the process of achieving the same by 2015 (UNDP 2013: 14).

Although most sub-Saharan African countries have made progress towards reducing maternal mortality, others, such as Botswana, Chad, Cameroon, Congo, Lesotho, Somalia, South Africa, Swaziland and Zimbabwe have unfortunately experienced an increase (UNDP 2013: 14-15). Since the major causes of maternal mortality are preventable, these countries must put in place an adequate health infrastructure and build the capacity of the health systems generally to deal with causes and reduce the high rates of maternal mortality. In relation to malaria and HIV, sub-Saharan African countries have made progress in the reduction of incidences and deaths related to malaria by an average percentage of 31 and 49 per cent respectively (UNDP 2014: xvii). Similarly, good progress has been made in the fight against HIV and its effects, with the prevalence rate falling from 5.8 to 4.7 per cent in the period 2000 to 2012, and the proportion of the infected population on ARV treatment increasing from 48 to 56 per cent between 2010 and 2011 (UNDP 2014: xvi & 68). As a result, there has been a decline in AIDS-related deaths among adults and children from 1.8 million in 2005 to 1.2 million in 2012 (UNDP 2014: 68).

The reason for the slow progress in the reduction of the U5MR, the MMR and the other health indicators in sub-Saharan Africa has been poor health systems due to low investments in healthcare, contrary to the undertakings under the Abuja Declaration which required that, in order to
improve the health sector, healthcare expenditure should form at least 15 per cent of a country’s annual budget (Kiragia et al 2011: 4; USAID 2010: 1). According to WHO, only two sub-Saharan African countries, Rwanda and South Africa, have met the 15 per cent requirement (WHO 2011: 3), although the AU has indicated that six of its members have reached the target, namely, Rwanda (18.8 per cent), Botswana (17.8 per cent), Niger (17.8 per cent), Malawi (17.1 per cent), Zambia (16.4 per cent) and Burkina Faso (15.8 per cent) (PPD ARO (undated) 1). WHO has warned that without increased financial investment in the health sector, most of the sub-Saharan African countries will not achieve the target of MDGs 4, 5 and 6 as well as the other health-related MDGs (WHO 2011: 3). The other factor leading to the slow progress in achieving the reduction of the U5MR, MMR and the other health-related MDGs is the poor condition of the other determinants of health, such as household education, income and housing, and insufficient and inappropriate nutrition practices as well as poor sanitation facilities (UNDP 2013: 13). If all sub-Saharan African countries are to achieve the MDG target of reducing the U5MR by two-thirds by 2015 as well as the other health-related MDGs, there needs to be more political will and commitment to investment in the healthcare infrastructure and other health-related systems, as well as an increased investment in the other determinants of health discussed above. This need for greater budgetary investment has been increased by the continued GFC-induced decrease in official development assistance from donor countries. This was directed mostly at the improvement of the health sector and the provision of essential medication, especially the free ARV programmes, in the many sub-Saharan African countries (Kiragia et al 2011: 3; USAID 2010: 4-5). It is, therefore, imperative that if the gains made in the realisation of the right to health are to be maintained, an increased budgetary allocation that meets the obligations of the Abuja Declaration must be achieved and reinforced domestic resource mobilisation strategies must also be adopted by all sub-Saharan African countries (Kiragia et al 2011: 8).

5 Conclusion

The article undertook an analysis of the effect of the GFC on the realisation of socio-economic rights in sub-Saharan Africa. The data analysed indicates that the GFC markedly reduced capital inflows to sub-Saharan Africa through the reduction in official development assistance, direct foreign investments, portfolio investments, the prices of African products in the global market, cross-border bank lending and diaspora remittances. The reduction in employment opportunities and the purchasing power of citizens at the national level also impacted negatively on the tax revenue collected by governments. As a result of these challenges, many sub-Saharan African countries experienced a contraction of their economies, necessitating the adoption of policy measures such as economic stimuli packages aimed at arresting the decline; stimulating domestic demand; improving production capacity; supporting long-term economic growth; and creating employment opportunities. These findings are not controversial, and have been affirmed by many international organisations that work in Africa, such as the World Bank, the IMF, the African Development Bank, UNECA and the UNDP. What has not been addressed elsewhere and which formed the core of this research relates to
the impact that the GFC has had on the realisation of socio-economic rights. According to the findings of the research, the GFC might have exacerbated the socio-economic conditions of poor and vulnerable groups and communities in sub-Saharan Africa, but it was not the main cause. This is affirmed by data on the processes of the achievement of the MDGs, which have a close connection with the realisation of socio-economic rights, and which show that even though sub-Saharan Africa experienced increased economic growth between the periods of 2000 and 2008, this was not met with the commensurate eradication of poverty, the improvement in the living conditions of the majority of the population and the enhancement of access to employment and other socio-economic goods and services. This is mainly due to two reasons: first, the extreme inequality in sub-Saharan Africa, which meant that the benefits of the economic growth were not equitably distributed among the population, and, second, the lack of political commitment to increase social spending and to establish social safety nets to cushion poor and vulnerable communities from exogenous shocks such as high food and fuel prices, adverse weather conditions and financial shocks, such as the GFC.

The above findings are affirmed by the analysis of the post-GFC data on the achievements of the MDGs, which does not show a marked reduction in the process of the realisation of the MDGs subsequent to the GFC. The data shows that the GFC had a relatively adverse impact on employment creation and adversely impacted on strategies for the reduction of poverty, with the result that more people fell into poverty between 2008 and 2010 as compared to those who fell into extreme poverty between 2000 to 2008 (a difference of 10 million people). However, regarding the other MDG indicators, such as achieving universal primary education, promoting gender equality, reducing maternal and child mortality, combating HIV, malaria and other diseases, and ensuring sustainability of the environment, the progress has remained almost the same, an indication that the GFC did not have a great impact on their achievement, or lack thereof. Even regarding poverty reduction and unemployment, which were adversely affected by the GFC, the research found that the drastic effect was partly contributed to by the failure of sub-Saharan African countries to put in place social safety nets and other social assistance measures to cushion vulnerable households from falling into poverty in instances of financial shocks, such as the GFC.

The conclusion that may be drawn from the research is that, even though the GFC had some impact on the realisation of socio-economic rights in sub-Saharan Africa, its impact would have been greatly lessened if sub-Saharan African countries had shown political commitment and developed proper mechanisms for the realisation of these rights. The research noted the general apathy of these countries towards social spending and the amelioration of the conditions of the poor and vulnerable in society. It can, therefore, be said that the reason for the failure of sub-Saharan African countries to achieve the MDGs, which have a very close link with the realisation of socio-economic rights, has not been due singularly to the GFC, but has been due mainly to inequality, an attitude of indifference towards the poor, the lack of political will by sub-Saharan African governments to ameliorate the conditions of the poor and vulnerable in society, and the siphoning off of available public resources to the pockets of the elite in society through corruption and other economic malpractices. This conclusion is affirmed by the findings of the ESCR
Committee in its analysis of the combined second to fourth report of the DRC, one of the sub-Saharan African countries that was worst hit by the GFC, where the Committee states that the slow progress in the realisation of socio-economic rights was not due to instability and armed conflict, but impunity for human rights violations, corruption and the illegal exploitation of the country's vast natural resources (ESCR Committee 2009: 2 & 4-6).

References


ESCR Committee Concluding Observation to the initial report of Kenya E/C.12/KEN/CO/1 (December 2008)


Kiragia J ‘Effects of global financial crisis on funding for health development in nineteen countries of the WHO African region’ (2011) 11 BMC International Health and Human Rights Journal 4


The impact of the global financial crisis on the realisation of socio-economic rights in sub-Saharan Africa: An analysis based on the Millennium Development Goals framework and processes

Orago, Nicholas Wasonga

Global Campus

https://doi.org/20.500.11825/57

Downloaded from Open Knowledge Repository, Global Campus’ institutional repository