

POLICY AREA:  
**Africa and G20**

## **Cooperation between G20 and African states: Delivering on African citizens' demands**

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### **Abstract**

The German G20 presidency's "Compact with Africa" focuses on fostering private investments and investments in infrastructure development in Africa. What are the priorities for private investments and infrastructure investments of ordinary Africans? How can these investments contribute to sustainable development? Based on evidence from Afrobarometer public-attitude surveys across 36 African countries, this policy brief shows that (a) Africans prioritize paid employment, social services, infrastructure, and food security; (b) poverty reduction is associated with access to reliable development infrastructure; and (c) beyond specific sector investments, sustainable development requires public trust in institutions built on good governance and political accountability.

### **Challenge**

The German G20 presidency aims at addressing "issues of global significance". It has therefore put a focus on cooperation between Africa and the G20. The German presidency presented the "Compact with Africa", an initiative to be implemented by the African Development Bank, International Monetary Fund and World Bank in cooperation with African and G20 partners after the G20 Summit in July 2017. The "Compact with Africa" focuses on fostering private investments and investments in infrastructure objective of financial and economic resilience as well as sustainable development. Particular attention shall be paid to investments in infrastructure.

A first challenge of the "Compact with Africa" refers to the objective of private investments. It is obvious that private investment is a necessary condition for growth and socio-economic development. But the "Compact with Africa" remains silent with regard to the specific sectors that shall be promoted through private investments. What should be achieved with private investments in specific country contexts? How does more and better infrastructure contribute to development?

A second challenge refers to policy priorities for cooperation between G20 and Africa. The need for improved public policies is evident in many African countries. Africa's people still live in the most unequal and poor continent in the world. Although poverty profiles vary in different countries, 389 million people, equal to 41% of the population live in poverty in Africa.<sup>1</sup> Evidence about the African peoples' needs is vast and often the basis for political decision making. Moreover, the G20 has committed itself that their Africa-related policies shall be guided by the priorities of the African Union's Agenda 2063 ("The Africa we Want") and the 2030 Agenda for Sustainable Development.<sup>2</sup>

However, when defining policy priorities for cooperation between the G20 and Africa it is also important to know what African people say what they need and want. G20 policies should thus also be guided by the priorities of ordinary Africans, whose attitudes and actions will either facilitate or doom the best-intentioned initiative. What are the priorities of ordinary Africans? <sup>3</sup>

A third challenge refers to the social and political environment of private investments in Africa. Only if political and social structures change fundamentally in some of the African countries, private investments are likely to flourish and to contribute to sustainable development. Rule of law, effective and stable institutions are the most common reference points to the political and social environment of private investments. Other important factors such as accountability or popular support of institutions are often overlooked. What should G20 policy makers take into account when addressing the social and political environment?

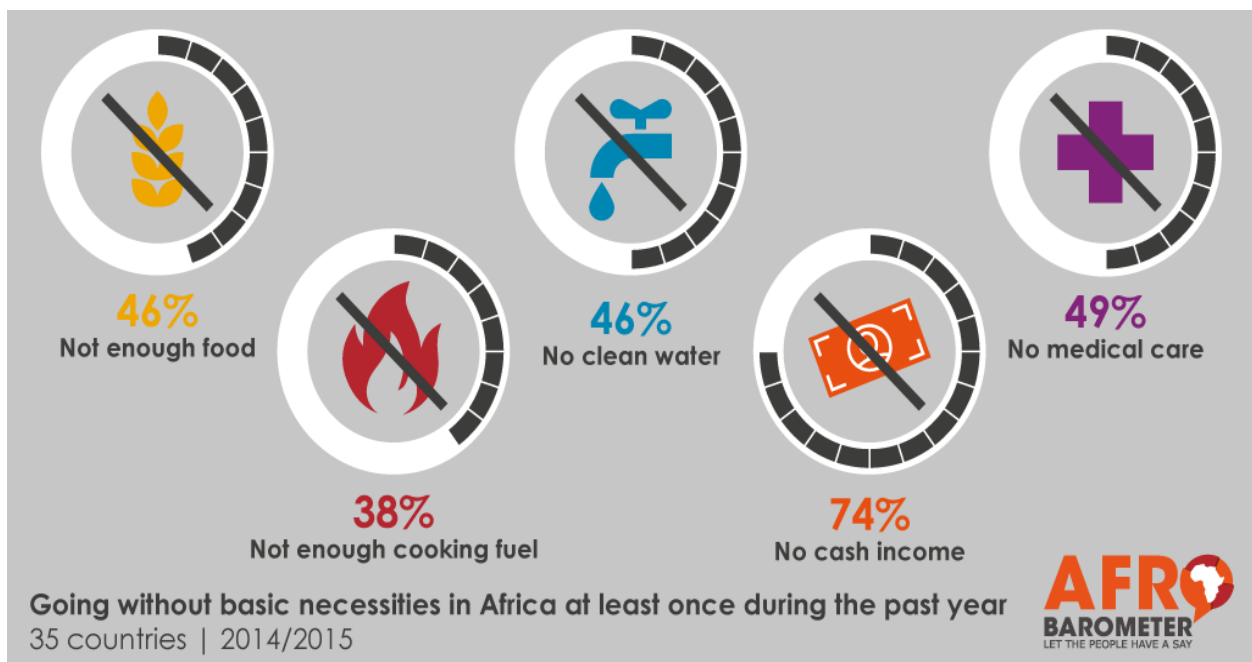
In the following, evidence-based answers to the above-raised questions and related policy recommendations are drawn from the results of Afrobarometer public-attitude surveys across 36 African countries. As a network of African think tanks and researchers, Afrobarometer is well positioned to help ensure (1) “that Africa takes the intellectual lead on the global discourse about Africa”, (2) “that Africa takes a leadership role in bringing African perspectives to the G20 Agenda and contributing to G20 work streams”, and that (3) “evidence-based policy advice” is based on “a solid data base”.<sup>4</sup>

## Proposal

### Proposal 1: Infrastructure investment in Africa should continue to be a key priority of G20 policies

“Lived poverty” – going without life’s basic necessities – remains a daily challenge for millions of Africans. In 2014/2015, 74% of survey respondents say they went without a cash income at least once in the previous 12 months. Substantial proportions report going without necessary medical care (49%), enough clean water (46%), enough food (46%), and enough cooking fuel (38%) (Figure 5).<sup>5</sup>

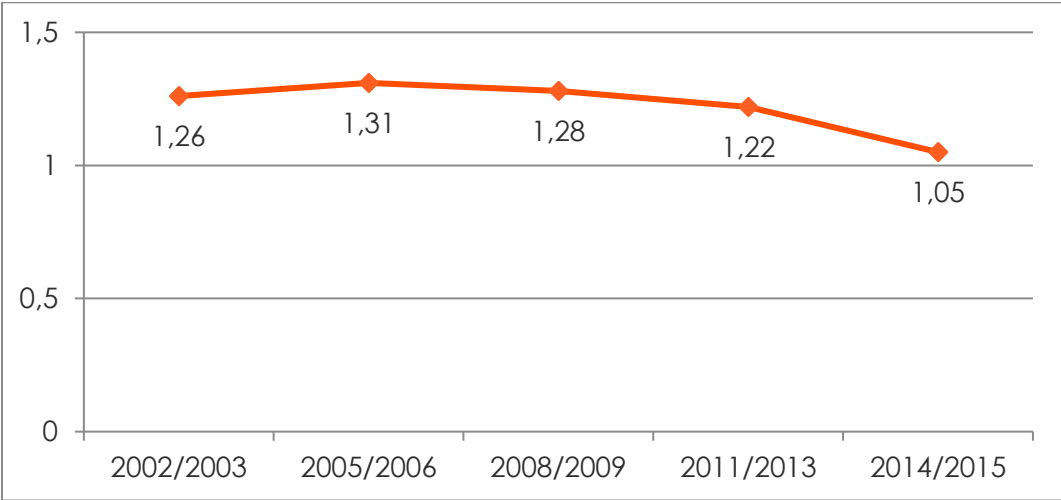
Figure 5: Going without basic necessities | 35 countries | 2014/2015



**Respondents were asked:** *Over the past year, how often, if ever, have you or anyone in your family gone without: Enough food to eat? Enough clean water for home use? Medicines or medical treatment? Enough fuel to cook your food? A cash income? (% who say “just once or twice,” “several times,” “many times,” or “always”)*

Compared to previous rounds of Afrobarometer surveys, levels of lived poverty – measured as an average score of these five basic necessities on a scale of 0 to 4 – are *in decline* (Figure 6). Between 2011 and 2015, for example, this lived poverty index (LPI) was down in 22 of the 33 countries included in both surveys, with very substantial reductions in Cape Verde and Egypt. However, lived poverty *increased* in five countries, most steeply in Mozambique, Benin, and Liberia.

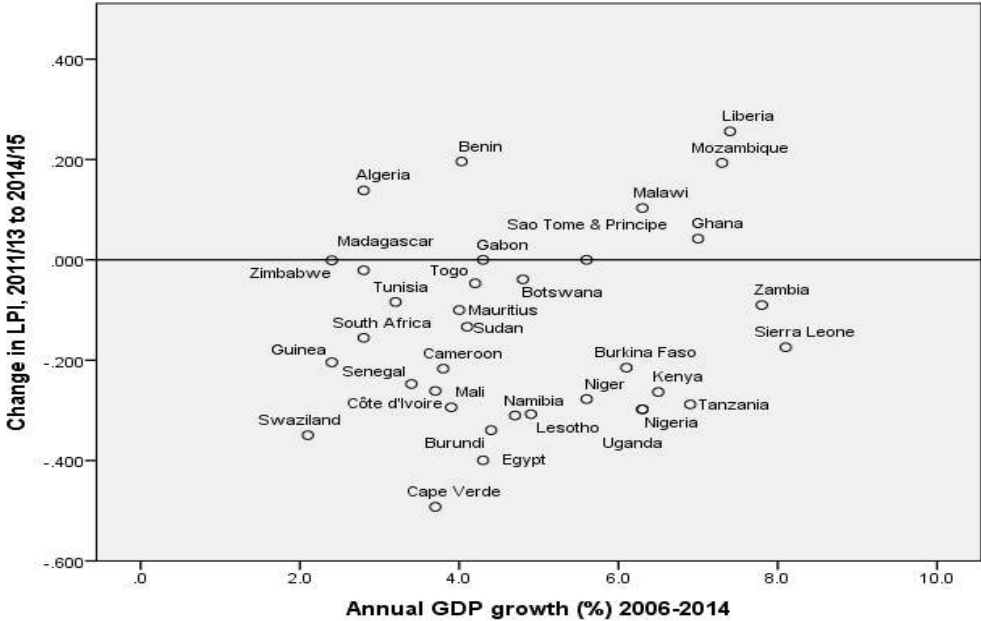
**Figure 6: Changes in average Lived Poverty Index (LPI) | 16 countries | 2002-2015**



*The Lived Poverty Index (LPI) is an experiential measure averaging the frequency of going without five basic necessities (enough food, enough clean water, medical care, enough cooking fuel, cash income); 0 = no lived poverty; 4 = constant absence of all five basic necessities.*

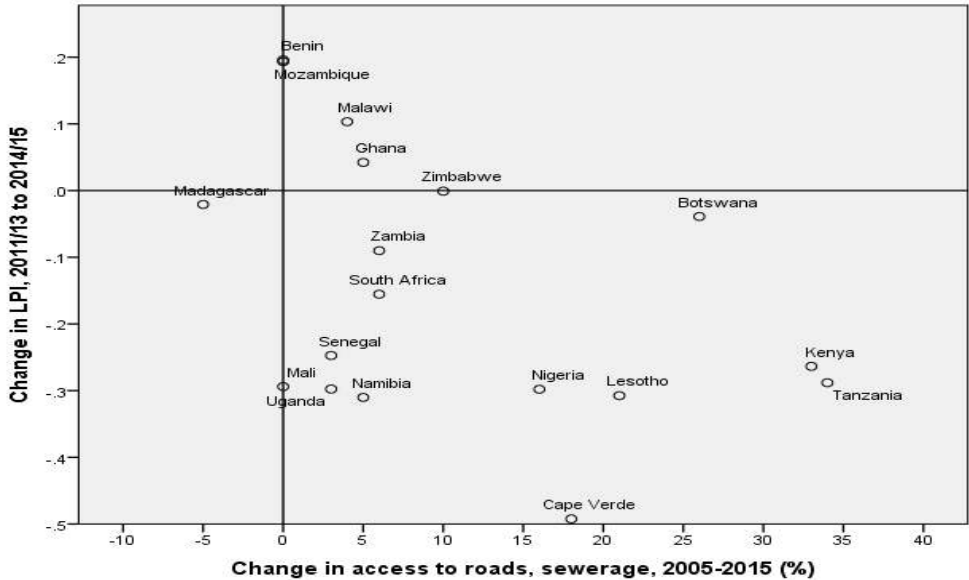
It is tempting to assume that reductions in lived poverty are a result of recent macroeconomic growth in many African countries, especially commodity exporters. In practice, however, there is no relationship between average annual GDP growth rates between 2006 and 2014 and recent declines in the Lived Poverty Index (Figure 7).<sup>6</sup> In other words, some other factor(s) must be at work.

Figure 7: Changes in lived poverty by GDP growth | 35 countries | 2011-2015



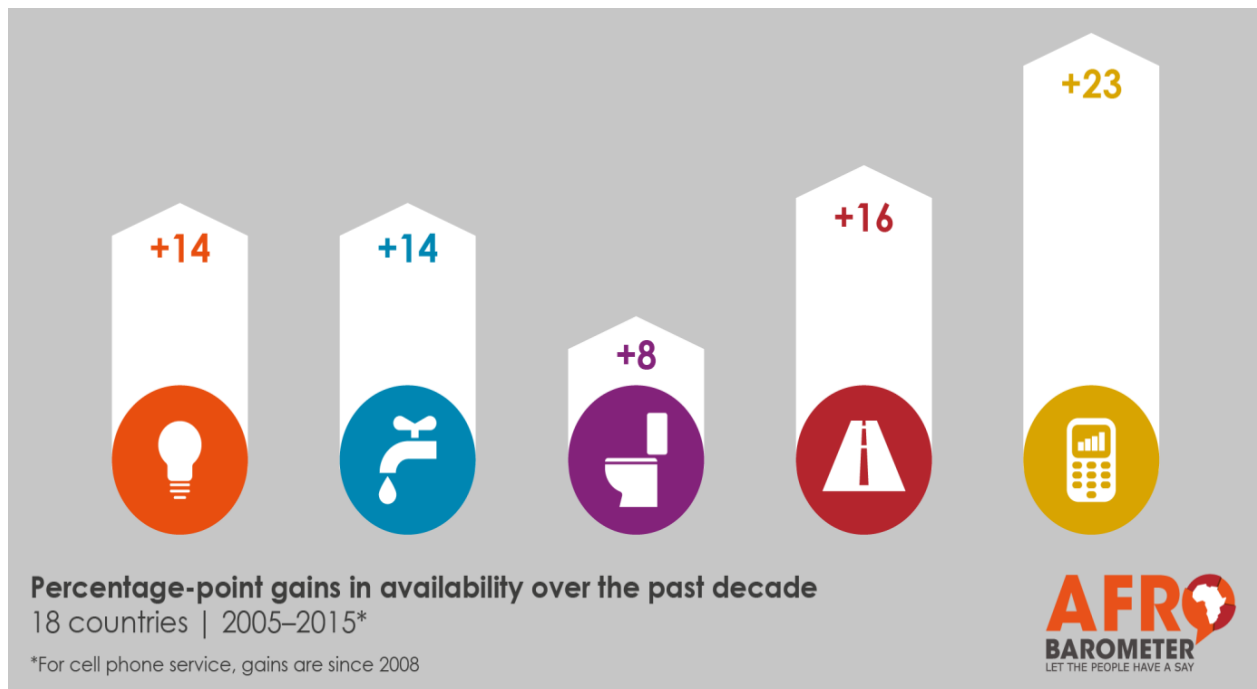
Instead, Afrobarometer results draw attention to the importance of basic development infrastructure. We find that lived poverty tends to decrease in countries that make progress in paving roads and installing water-borne sewage systems (Figure 8). In Kenya and Tanzania, for example, a 33% increase over the past decade in the number of localities with these facilities is associated with a 6% (.3 on a 5-point scale) decline in the LPI score.

Figure 8: Changes in lived poverty by changes in paved roads and access to sewerage | 18 countries | 2011-2015



But the delivery of basic service infrastructure remains a challenge as well. On average, only about two-thirds of citizens live in communities with an electric grid (65%) or piped water (63%). While almost all reside in areas with cell phone service (93%), only about half (54%) enjoy close-by access to paved roads. Over the past decade, gains in infrastructure availability are most marked for cell phone service and improved roads (Figure 9).<sup>7</sup>

Figure 9: Gains in infrastructure availability | 18 countries | 2005-2015

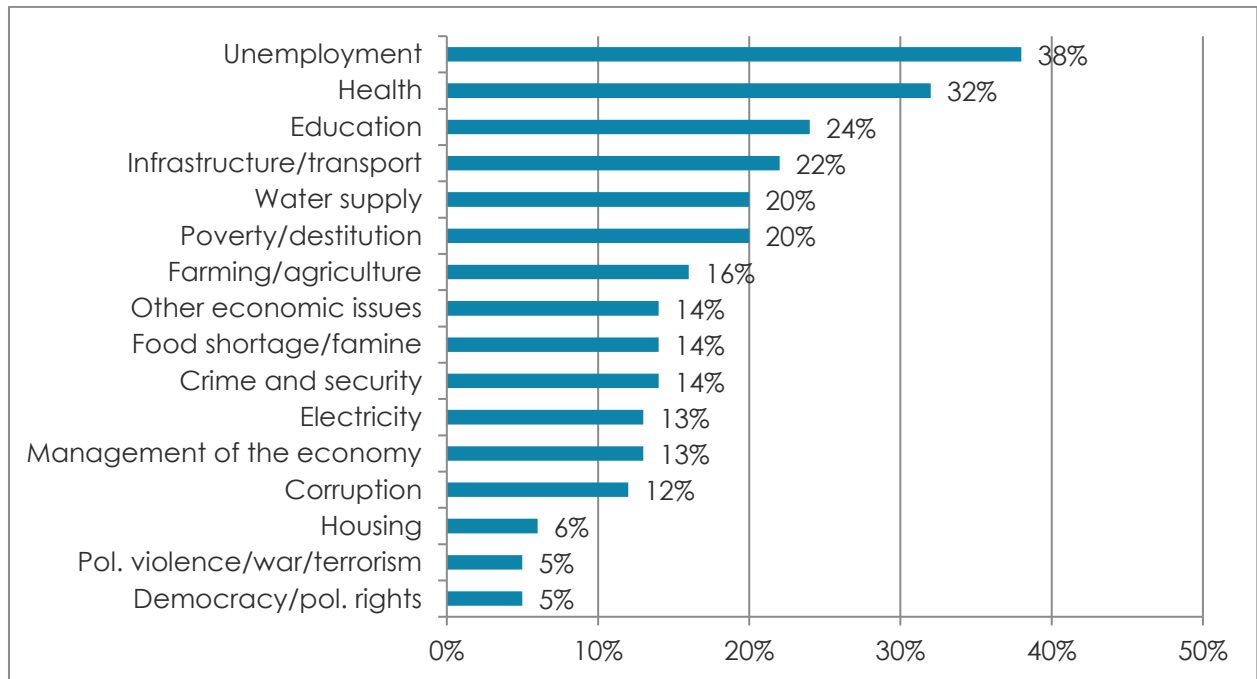


## Proposal 2: Investments in employment, education and health as well as food security in the rural areas should be further strengthened

In order to identify policy priorities for cooperation between the G20 and Africa, policymakers should start with the preferences of citizens. According to Africans' priorities, any strategy for private investments for sustainable development must include investments that generate employment, especially for young people, improve education and contribute to public health. This preference of citizens matches well with current policy priorities of G20 policymakers. Given that many African countries remain majority rural, private investments for sustainable development also requires continued attention to food security.

To ascertain citizens' policy priorities, Afrobarometer asks: *"In your opinion, what are the most important problems facing this country that the government should address?"* On average across 36 countries in 2014/2015, a plurality of citizens (more than one out of three) cite unemployment as the top development problem (Figure 1), a result that has held roughly constant across Afrobarometer surveys since 1999. (2) Lack of high-quality health care has displaced education as the second-highest priority issue in recent years. Thereafter, respondents mention physical infrastructure, especially roads but also household water supply and electricity.

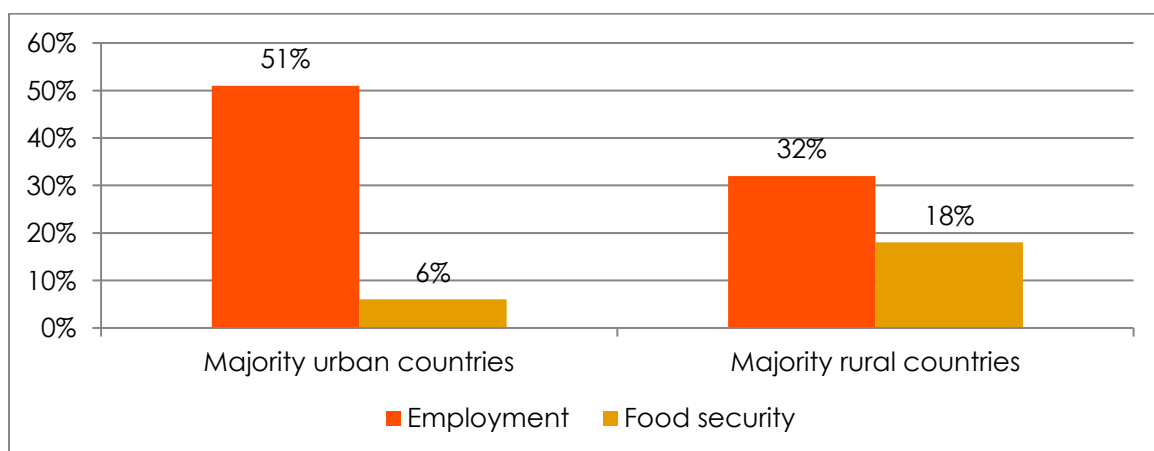
**Figure 1: Most important problems | 36 countries | 2014/2015**



**Respondents were asked:** *In your opinion, what are the most important problems facing this country that government should address? (Note: Respondents could give up to three responses. Figure shows % of respondents who cite each problem among their top three.)*

The extent to which Africans prioritize employment depends on several socio-demographic factors. For example, young people (aged 18-35) are more likely than their elders (36 years and older) to mention the need for jobs (41% vs. 35%). Even more strikingly, popular preferences depend on where people live. In African countries where a majority of the population resides in towns, more than half of all adults (51%) cite unemployment as a priority problem. But in countries that remain predominantly rural, almost one in five persons (18%) say that ensuring food security remains a pressing development need (Figure 2).

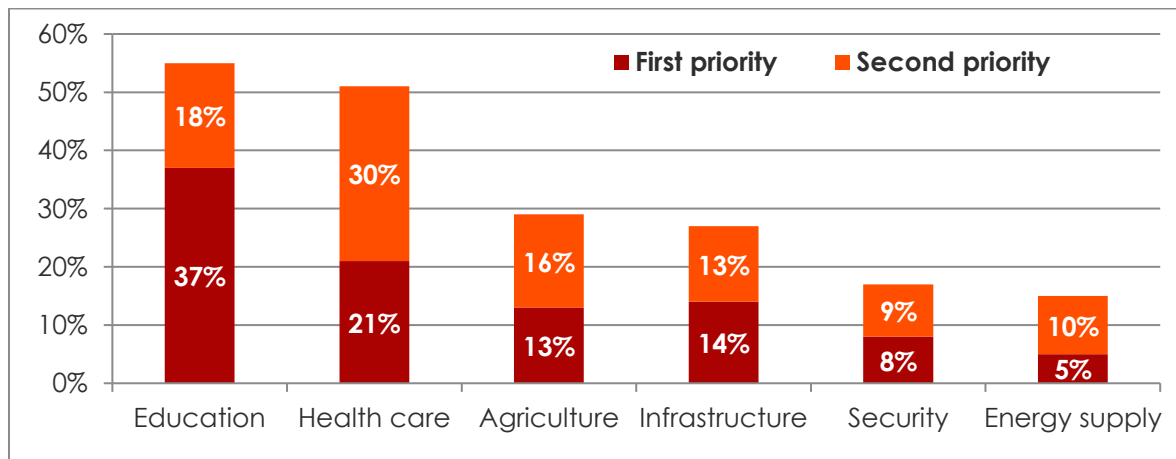
**Figure 2: Most important problems | by residential location | 36 countries | 2014/2015**



How should policymakers respond? Survey respondents were asked, “If the government could increase its spending, which of the following should receive additional investment? And what is your second priority?” (Note: Even though unemployment was the most frequently cited problem, it was

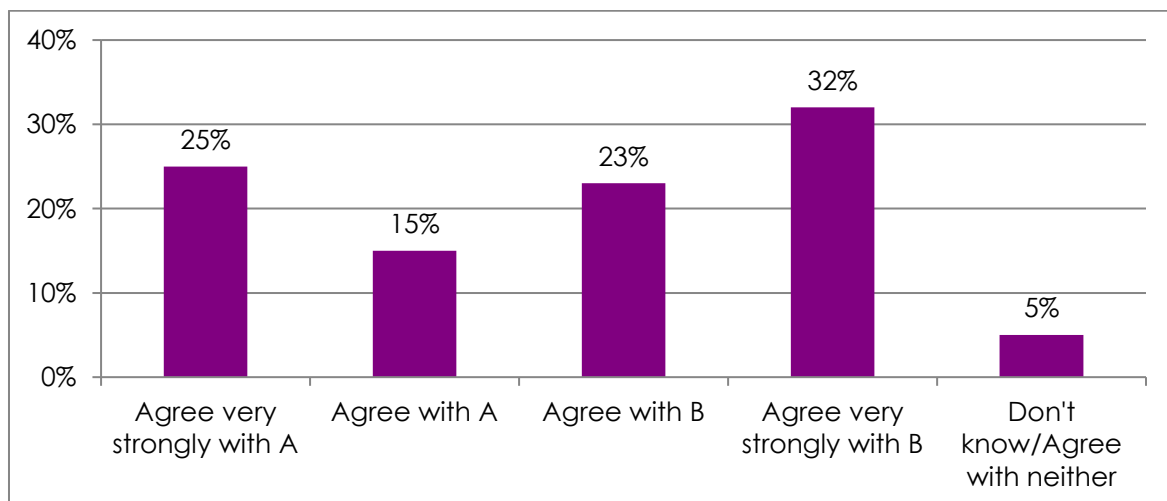
excluded from response options on this question because it is not a government service per se). A majority of citizens now give top policy priority to education, often citing it as their first priority (Figure 3). However, people do not rely on public expenditure alone; they may be ready to tax themselves. Afrobarometer surveys show that a majority of citizens (55%) are willing to pay school fees as long as educational standards are high (Figure 4). Moreover, a large minority (42%) will accept taxes to pay for increased public health spending.<sup>8</sup>

**Figure 3: Priorities for additional government spending | 36 countries | 2014/2015**



**Respondents were asked:** *If the government of this country could increase its spending, which of the following areas do you think should be the top priority for additional investment? And which would be your second priority?*

**Figure 4: Willingness to pay for educational services | 18 countries | 2005/2006**



**Respondents were asked:** *Which of the following statements is closest to your view?*  
 A. *It is better to have free schooling for our children, even if the quality of education is low.*  
 B. *It is better to raise educational standards, even if we have to pay school fees.*

**Proposal 3: G20 Africa cooperation needs to take into account that trust in institutions is a key factor for effective policies.**

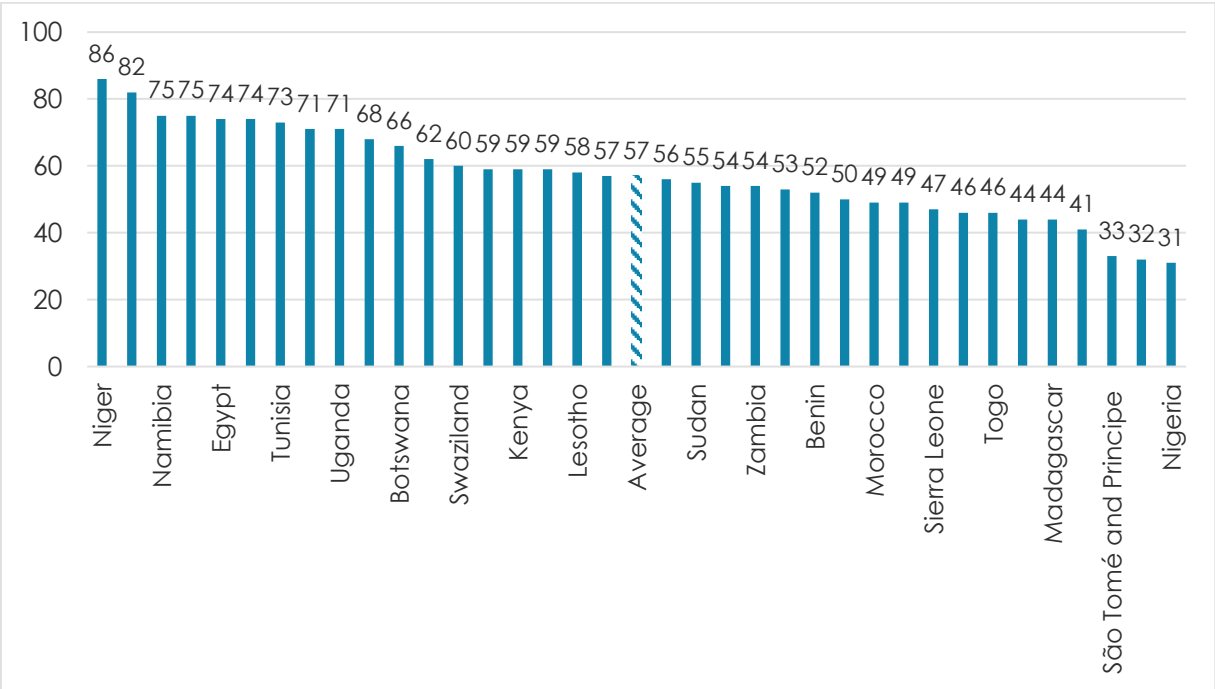
Sustainable development is not simply a technical exercise. In line with the UN’s SDG 16, continued attention is required to building “effective, accountable institutions.” Effective institutions depend in good part on public trust. Because official corruption erodes trust, sustained attention is required to anti-corruption measures. All in all, G20 policies for private investments in Africa should not fall behind “established African governance standards”.<sup>9</sup> In order to make G20 policies effective “governance issues [should be] mainstreamed in all G20 working groups”.<sup>10</sup>

Despite the importance of physical infrastructure, successful private investments for sustainable development are more than a technical or engineering exercise. It also has social, political, and managerial dimensions. For example, the UN’s Sustainable Development Goal (SDG) 16 explicitly identifies “effective, accountable institutions” as essential elements in the development mix.

From a public opinion perspective, the core requirement is institutional trust. Do ordinary people have confidence that the institutions of the state will meet popular preferences and expectations? Institutional trust serves as a useful shorthand indicator of whether citizens think they are being supplied with good governance.

To measure institutional trust, Afrobarometer asks “how much” – on a 4-point scale from “not at all” to “a lot” – people trust a range of political and social institutions. For example, a scale of trust in the state (covering the core executive institutions of the presidency, the army, and the police) ranges from a high of 86% in Niger to a low of 31% in Nigeria (Figure 17). On average, using this measure, a majority of Africans (57%) express a basic level of trust in state institutions.

**Figure 17: Trust in the state\* (%) | 36 countries | 2014/2015**



\* Core executive institutions only (president or prime minister, army, police)

**Respondents were asked:** How much do you trust each of the following, or haven’t you heard enough to say? (mean % of respondents who say “somewhat” or “a lot”)



Importantly, institutional trust is related to perceptions of official corruption. (13) If people think that office-holders are honest, they are likely to deem an institution trustworthy. And vice versa: If they think officials are self-serving, they are unlikely to extend trust. This negative relationship holds strongly for every institution studied by Afrobarometer, and especially strongly for the presidency (Table 1).

**Table 1: Corruption and trust** | citizen perceptions | individual level | 36 countries | 2014/2015

		Institutional trust							
		Pres.	Courts	Police	Rel. leaders	Nat. Assem.	Trad. leaders	Local govt.	Tax dept.
Perceived corruption	<b>President</b>	-.433***			"How much do you trust each of the following?"				
	<b>Courts</b>		-.388***						
	<b>Police</b>			-.387***					
	<b>Religious leaders</b>				-.386***				
	<b>National Assembly</b>	"How many of the following people do you think are involved in corruption?"					-.377***		
	<b>Traditional leaders</b>						-.375***		
	<b>Local government</b>							-.359***	
	<b>Tax department</b>								-.357***

*Pearson correlation coefficients (two-tailed sig)*

\*\*\* significant at <.001

(N= 39,599)

But is institutional trust a “driver” of sustainable development? Afrobarometer research suggests that it is. (14) Take the “most important problems” that Africans identify as popular development priorities (See Figure 1). These are listed again in Table 2 (first column) along with the proportion of citizens who think that their government is performing well at addressing these problems (second column). Note that fewer citizens approve of government performance at solving the unemployment problem than at any other development task.

But the main point is this: For every one of the public’s stated development priorities, institutional trust is closely and positively correlated with government performance.<sup>11</sup> We cannot be certain about the direction of this relationship: Which comes first, trust or performance? But it is not unreasonable to assume that only trustworthy institutions have the social and political capital necessary to mobilize popular involvement in the achievement of the development outcomes that Africans say they want.

**Table 2: Institutional trust and development outcomes** | citizen perceptions | individual level | 36 countries | 2014/2015

Most important problems	Government performance ("fairly well" or "very well")	Government performance by trust in the state**
Management of the economy	38%	.329***
Crime	45%	.296***
Corruption	30%	.292***
Poverty	28%	.260***
Unemployment	26%	.241***
Education	51%	.233***
Health care	51%	.232***
Food security	32%	.223***
Water supply	41%	.196***
Infrastructure	45%	.186***

\*\* Pearson correlation coefficient

\*\*\* significant at .001

(N = 39,375)

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## Analysis and Data

[Afrobarometer](#) is a pan-African, non-partisan survey research project that measures citizen attitudes about democracy and governance, the economy, civil society, and other topics. Started in 12 African countries in 1999, the project expanded to 36 countries in Round 6 (2014/2015). Round 7 surveys are being conducted in 2016/2017.

Afrobarometer aims to give ordinary Africans a voice in policymaking by providing high-quality public opinion data to policymakers, policy advocates, civil society organisations, academic researchers, news media, donors and investors, as well as the general public.

A national partner in each country conducts the survey according to the following methodology:

- A nationally representative sample of adult citizens is randomly selected. The sample is distributed across regions/states/provinces and urban/rural areas in proportion to their shares in the national population. Thus every adult citizen has an equal chance of being selected.
- Face-to-face interviews are conducted in the language of the respondent's choice. To date, almost 250,000 interviews have been completed.
- A standard questionnaire allows comparisons across countries and over time.