A Quest for Widely Shared Prosperity

The twenty-first century could well be the African century. Since 2000 the continent has seen an unprecedented commodity boom and sustained growth. Africa quickly recovered from the global financial crisis—when growth slowed 2.2 percent in 2009—to grow by 4.6 percent in 2010. After slipping again in 2011 due to political transition in North Africa, it rebounded to 5.0 percent in 2012. And from 2000 to 2008, Sub-Saharan Africa as a whole registered the highest GDP growth rates in over 30 years, underpinned by high commodity prices and in some cases improved macroeconomic policies. The acceleration in growth was mainly driven by oil-producing countries.

This new prosperity, however, has not been widely shared. Stronger growth and trade have not generated the economic diversification, job growth or social development required to lift millions of Africans out of poverty. Unemployment is on the increase and the gap between the rich and poor is widening. Africa continues to face an acute food challenge, compounded by insecure and fragile livelihoods, especially in rural areas, where the population has continued to increase, even as Africa becomes more urbanized.

We believe that the lives and livelihoods of Africa’s people are shaped to a great extent by the vitality of its economy—how easily workers can find gainful and fulfilling employment, how readily businesses can clear bureaucratic hurdles and find capital to grow, and how broadly prosperity is shared. Reforms at the national level could go a long way in expanding these opportunities. There is need for greater public investment in agriculture, education and health as well as in the promotion of small to medium-scale enterprises (SMEs)—a sector in need of refined regulations and more coherent legal frameworks. Stronger regional institutions and policies that recognize the significance of informal and cross-border trade could spur economic development in ways that alleviate poverty.
As many African nations grow their economies at a rapid pace, investors are recognizing the promise of their stock exchanges and capital markets. Yet while creating new wealth is critical, it must be done sustainably and equitably—minimizing environmental impacts and extending the benefits to all members of society. In order to increase the potential for domestic resource mobilization, it will be important to identify strategies that will promote broader African participation in extractive and agriculture value chains and spur upward and downstream linkages.

**Strategies**

We support work by civil society organizations and the research community to analyse constraints to equitable development, model policy alternatives and carry out advocacy actions. This includes:

- Identifying and mitigating barriers to public investments and advocating for policies that nurture inclusive growth;
- Promoting SME participation in value chains;
- Advocating for pro-smallholder agriculture policies;
- Ensuring that early learners are adequately prepared for secondary school education; and
- Promoting policy reforms to ensure higher education is relevant to Africa’s needs.

**Activities**

We are currently implementing four projects within this program area:

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<thead>
<tr>
<th>Initiative</th>
<th>Partners</th>
<th>Purpose</th>
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<tr>
<td>Investment Climate and Business Environment (ICBE)</td>
<td>IDRC</td>
<td>Build knowledge on policy-based obstacles to entrepreneurship and SME participation in various value chains.</td>
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<tr>
<td>Agriculture Advocacy</td>
<td>Bill &amp; Melinda Gates Foundation</td>
<td>Build an advocacy movement for equitable agricultural development in selected African countries.</td>
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<tr>
<td>Early Learning</td>
<td>William &amp; Flora Hewlett Foundation</td>
<td>Promote innovations in early learning in selected African countries.</td>
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<tr>
<td>Africa Higher Education</td>
<td>Carnegie Corporation</td>
<td>Foster policy reforms for excellence in African higher education.</td>
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**Selected Accomplishments**

- Global recognition for our ICBE project, which was shortlisted by Africa Investor for the “Investment Climate Initiative of the Year” at the Annual Investment Climate Summits in Washington in 2011 and in Tokyo in 2012.
- Three books, four case studies, 60 policy briefs and over 90 ICBE Research Reports.
- A thriving pan-African network of agriculture policy reform advocates.
- Higher education reforms in Ghana, which emerged from a TrustAfrica-organized convening.