



**United Nations  
Economic Commission for Africa**

Southern Africa Office

**Concept Note**

**Ad-hoc Expert Group Meeting**

**STATUS OF POVERTY AND INEQUALITY IN SOUTHERN AFRICA**

**Hote 430  
Gaborone, Botswana**

**6 November 2023**

## **I. BACKGROUND**

### **I.1 Introduction**

1. Generally viewed as a multidimensional phenomenon, poverty encompasses deprivation in virtually all aspects of the human condition, including lack of access to productive resources, physical goods, services and income, lack of participation, and civil and political freedom. Poverty is also reflected in social indicators such as chronic food insecurity, high levels of malnutrition, high maternal and child mortality, declining life expectancy, illiteracy, unemployment, high income inequalities and low access to the basic services and infrastructure needed to sustain human capacities, such as safe drinking water and sanitation, health and education facilities, and shelter.

2. As a socially constructed phenomenon <sup>1</sup>, poverty varies significantly across social, cultural and geographical spaces. Southern Africa is one of the poorest regions of the African continent with about 45.1 per cent of its population living in extreme poverty. This situation is paradoxical given the conducive climatic conditions and abundance of natural resources that the sub-region is endowed with including oil, copper, gold, diamond, platinum, gas, land, and fisheries among others. However, several factors provide challenges for Southern Africa's economic development and poverty reduction and these range from structural causes to external shocks including macroeconomic policies and historical factors.

### **I.2 Structural Causes of Poverty and inequalities in Southern Africa**

3. Structural causes of poverty are more permanent and are inherent in either the economy or in several other interrelated institutional environments that serve to favour certain groups over others. These may include such factors as limited access to resources, lack of skills, locational disadvantage, education, gender or race. There are disproportionately high rates of poverty among populations with limited access to resources such as land. In South Africa for example, where there is evidence of the economic disparities caused by historical and racial discrimination, the indigenous black population have been marginalized in terms of economic benefits derived from land and natural resource. The legacy of racially unequal land control confronts mainly the former settler colonies of Zimbabwe, Namibia and South Africa, as well as Malawi, Swaziland and Botswana, which experienced low-intensity settlerism <sup>6</sup>

4. Lack of skills is associated with low employment levels, which would in turn lead to a future of empovourishment. This is because long-term unemployment results in a loss of earnings and many households are left without enough money to cover their living expenditure. In Southern Africa, the unemployment rates are concerning although they vary widely between countries. For example in 2022, they ranged from 35.51 per cent in South Africa and 3.81 per cent in Mozambique. The reported employment figures however, may not reflect an accurate picture and this is because many people who are classified as employed, according to

International Labour Organization (ILO) definitions, may be severely underemployed either in the informal sector or in low- productivity agriculture or services, and barely surviving. Working in the informal sectors comes with challenges that may include lack of social safety nets and inadequate access to social amenities which are a major source of vulnerability and poverty. These are usually on the receiving end of external shocks such as COVID-19 pandemic and climate disasters.

5. Poverty is also determined by geographical location in most regions of the African continent and Southern Africa is not an exception. Most of the population in Southern Africa reside in rural areas, averaging about 55.7 per cent according to the World Bank. Malawi has the highest proportion of people living in rural areas, at 82.31 per cent whereas Botswana is the most urbanised, with a rural population of about 28.44 per cent of the total population. This situation indicates that despite the gap between rural and urban areas in Southern Africa is mostly seen in the lower productivity of economic activities, higher poverty levels and lower quality infrastructure and services in rural areas. Mostly the rural population lacks access to resources, services, technologies, markets, finance and economic opportunities.

6. Education is a key driver for human development and economic prosperity across the world. It is the principal institutional mechanism that develops the human capital, skills and knowledge. However, access to quality education has continuously been a challenge in Africa and Southern Africa in particular. The mean years of schooling in Southern Africa are equally varied, ranging from 11.4 in South Africa to about 3.2 in Mozambique. The same pattern is indicated with regard to secondary school completion rates whereby a significant range is shown between countries with Mauritius having 103 per cent while Angola is at 20.7 per cent. Policies that are aimed at lowering the number of drop-outs are critical in ensuring that a high quality of educational service provision.

7. Race and ethnicity also contribute to poverty and vulnerability situations in Southern Africa. Race entails a social group with distinctive physical features, such as Whites, Black Africans, Indians among others. In contrast, an ethnic grouping is a population or group of people who share a common cultural background and have a distinct language. Poverty and deprivation are often distributed on race and ethnic lines due to several factors that may include a history of economic, social and political exclusion. In Southern Africa, South Africa typifies this phenomenon with enormous black-white gap in poverty and material deprivation driven mainly by the accumulation of different disadvantages among Africans across many dimensions such as extreme poverty, lower levels of attained education, poor health outcomes, as well as higher unemployment and underemployment. It is important however, in this analysis not to fall in the 'homogenous fallacy', the idea of overemphasizing sameness among ethnic groups and races. There are still within-group variability which always needs to be recognized.

8. Corruption and poor resource management are also other dimension that drive poverty and deprivation in Southern Africa. Corruption and resource mismanagement are illicit means of

achieving wealth and obtaining privilege, of securing and sustaining political and economic power. In Southern Africa, corruption is concerning as a developmental issue. The corruption perceptions Index (CPI) scores of more than half of the Southern African countries are below the 50 per cent. Although there is debate on whether corruption causes poverty, there is evidence to the effect that corruption fuels poverty through negative effects on economic factors such as economic growth, foreign and domestic investments, quality of government expenditures, and tax and government revenues among others. Poor resource management manifests in waste and misallocation of resources by government officials which denies the wider population of vital social services and infrastructures and thus, indirectly contributing to poverty.

### **I.3 Colonial legacy and macroeconomic polities**

9. The colonial heritage shared among Southern African countries is often seen as the beginning of the social, economic and political problems in the sub-region. The economic dualism inherited from the colonial system alienated the majority of indigenous people from the key factors of production, including land, mining, and labour markets and set them up on a poverty trajectory that has been difficult to correct for several decades.

10. Post-independence Southern African states have so far been unable to establish economic conditions necessary for economic growth, sustainable development, and poverty reduction for citizens. Critical investments for structural transformation and increased productivity in human capital, infrastructure, knowledge and innovation as well as technology transfer were necessary in order to have meaningful economic turnaround that would benefit the majority of the population. Economic growth in most southern African countries, for example, was associated with increased exploitation of non-renewable natural resources. The economic structures remained largely undiversified and based on raw material extraction with limited value addition and job creation. In some countries, there was lack of leadership, political will and capable bureaucracy to guide the developmental process post-independence. Furthermore, there was failure to mobilize the private sector and local entrepreneurship to play a significant role in the development process of the sub-region.

11. Some of the macroeconomic measures implemented or advocated by multilateral agencies such as the IMF and World Bank have deepened poverty situations, socioeconomic inequalities, external debt and brain drain faced by many post-independence states, including some in Southern Africa <sup>2</sup>. The Structural Adjustment Programmes (SAPs) for example, were intended to foster long-term wealth creation and economic growth through prudent macroeconomic management, among others. However, although there are protracted debates on the economic benefits of SAPs, it is widely accepted that they failed to meet their objectives and resulted in the collapse of local manufacturing, led to high unemployment, caused price increases, and reduced earnings and subsequently deepened socio-economic inequalities.

#### **I.4 Civil unrest and external shocks**

12. Civil unrests have been common in Southern Africa, caused by and further contributed to, poverty and underdevelopment. Civil unrests typically manifest in form of protests, demonstrations, riots, sabotage, and more severely crimes which may include robberies, attacks, civil unrest, and conflicts. A wide range of factors may be responsible for civil unrest but in Southern Africa, it is generally conceived as a symptom of social, economic, and governance problems experienced by the wider population. These may include widespread poverty, poor governance, and severe inequalities to access to natural resources, lower wages, and poor service delivery. State responses to civil unrests is often further escalation of force, violence, and even politically motivated killings. There are many examples of civil unrest in Southern Africa albeit with enormous variations in form and intensity. In Eswatini, a wave of pro-democracy protests swept the country in 2021 arising from dissatisfaction with high poverty levels, whereas in Zimbabwe increases in fuel prices, higher student fees, and high cost of living have been the reasons for civil unrest in recent times. In South Africa, wide-spread unemployment, inequalities, poverty, corruption, and high cost of living have been the reasons behind several unrests and xenophobic violence that have engulfed the country in the recent past. Mozambique has equally seen its fair share of violence and civil wars. Access to land, minerals and gas deposits seem to fuel instability in this part of Southern Africa. The post-2000 resource boom, driven by the discovery of precious metals and natural gas led to increased poverty and inequalities, and thus discontentment among the marginalized population, fuelling resentment against government elites.

13. These unrests may be in form of impact directly and indirectly on many different aspects of poverty. The direct results of civil conflicts have been the destruction of value and assets; and the impact on livelihoods of households and communities has been significant and negative. Studies indicate that the impact of war and conflict is one of stagnation in economic growth rates and social welfare<sup>3</sup>.

14. Climate change has emerged as one of the most existential threats to human life with direct consequences across all dimensions of the food systems. Consistent with global climatic shifts, Southern Africa has been warming significantly over the last century, and trend analysis of the temperatures across the region indicate that temperatures have been increasing at a rate of 0.4 °C per decade<sup>4</sup>. The consequences of climate change are already evident in the Southern African sub-region. These included increased scarcity of water, agricultural pests, frequency of droughts and floods as well as increased intensity and frequency of storms and cyclones. These have had a devastating effect on food security and nutrition affecting millions of people.

15. Furthermore, COVID-19 has exacerbated the poverty situation in Southern Africa. The World Bank reports that the pandemic drove 51 million people in sub-Saharan Africa into extreme poverty, raising the total to 491 million (42.1 per cent of the population) by the end of 2021<sup>5</sup>. The Southern African Development Community (SADC) countries are some of the

hardest hit in Africa, with a 4.7 per cent decline in real GDP in 2020. The economic shock resulting from the pandemic extend beyond the GDP to the day-to-day lives of ordinary people across Southern Africa region. On average, more than 60 per cent of citizens in six SADC countries (Mauritius, Namibia, South Africa, Tanzania, Zambia and Zimbabwe) reported lost income and work, among the highest impact on work and earnings seen globally.

16. The Russia-Ukraine war is disrupting the slow recovery from COVID-19 in sub-Saharan African, including Southern Africa and significantly contributing to poverty and vulnerability in the sub-region. The real impact of the crisis on each economy is associated with the level of dependency on oil, gas, grain and, particularly in Southern Africa, fertilizer imports from the two countries. The most visible impact of the crisis is the rising food and fuel prices, inflation, and financial instability. The long-term implications of the war may include socio-economic instability and debt unsustainability which will subsequently lead to deeper poverty and widening inequalities.

## **I.5 Inequalities in Southern Africa**

17. There is a close and direct relationship between poverty, inequality and vulnerability, and thus any attempt to deal with poverty must address the question of inequality and vulnerability as well. Poverty is sensitive to inequality in the sense that for a given level of average income, education, land ownership, among other factors, increased inequality of these characteristics will imply higher levels of deprivation in these dimensions <sup>7</sup>. Tackling inequality is important for economic growth, and literature indicates that countries with high levels of inequality, especially of assets, achieve lower economic growth rates on average <sup>8</sup>. Moreover, beyond influencing poverty, inequalities have often been associated with high rates of crime, social unrest, and violent conflict and in this regard, dealing with inequalities is important for security and safety reasons.

18. Just as poverty is multidimensional by nature, the same also applies to inequality. Sometimes the term intersectional inequalities is used to amplify not only the fact that inequalities are composed of different spheres but also the interconnectness between them <sup>9</sup>. It is evident that Southern Africa has the highest levels of inequality in the world <sup>10</sup> and these span across several spheres, including economic, social and political. Economic inequalities may include growth; access and ownership of natural resources such as land and minerals; income; and employment inequalities. Social inequalities could include poverty levels; food insecurity; HIV and AIDS-related challenges; child mortality, maternal health; education; water and sanitation; and human exclusion. Political inequalities include representation in decision making authority such as gender, socio-economic, or disability representation in parliament.

19. Gender inequality is another dimension which is persistent in Southern Africa and it is found in virtually all spheres of life. Gender inequalities describe the disparities in roles, characteristics and behaviors between men and women that are grounded in the expectations and

social norms prevailing in local society<sup>11</sup>. In Southern Africa, these are reflected in several areas including the customary practices and labour market discrimination to unequal access to social services and economic resources such as land. Gender inequalities are also present in the gendered impact of HIV/AIDS, gender-based violence, and decision-making processes within the households and communities. These have affected women's full participation in the labour market and have consequently contributed to deepened levels of poverty and vulnerabilities among women in Southern Africa.

20. Just like poverty, inequalities in Southern Africa have underlying historical and colonial underpinnings and can equally be traced in post-independence development strategies up to current economic growth dynamics. Southern Africa is said to have inherited a distorted kind of capitalism with a small enclave formal sector which accounted for less than 20 per cent of the labour force and failed to produce dynamic growth and development. This means most of the population were largely relegated to the informal sector which is marred by problems such as lack of access to capital, unequal access to productive markets, as well as technological inefficiencies. This situation served to setup the majority of population onto a trajectory of extreme poverty as well as socio-economic inequalities.

21. The implementation of SAPs and other macroeconomic policies have equally contributed to inequalities in Southern Africa. Conditionalities attached to SAPs which included cutbacks in spending on social services such as education and healthcare, in addition to economic liberalization generally resulted into worsened poverty situations among the disadvantaged communities. Unemployment, lack of access to healthcare, and reduced educational opportunities are factors which position people in the lower social class which may negatively affect their life chances.

22. Civil conflict and natural shocks such as climate change and COVID-19 discussed in terms of exacerbating poverty situations in Southern Africa be channels for inequalities. The destruction of assets such as houses, land, labour, and livestock which happens during civil war, unrest and conflicts is likely to deepen poverty levels among the vulnerable population and thus increasing inequalities. It is also evident that, while the pandemic and climate change has adversely affected virtually everybody, their impact have been more severe to the vulnerable individuals such as those who have lost their jobs, individuals in precarious employment, those living in poor housing and neighbourhoods and the poor in general than to those who are relatively well-off.

23. It is against this background that the United Nations Economic Commission for Africa, Subregional Office for Southern Africa (SRO-SA) commissioned a study on the *Status of Poverty and Inequality in Southern Africa*. The objective of the report is to profile the status of poverty and inequality, and their interplay with vulnerability in Southern Africa, as well as assess progress made in meeting national, regional, and international benchmarks such as the African Union Agenda 2063 and the 2030 Agenda for Sustainable Development. The intent is to guide

policy and action to accelerate progress towards poverty, inequality and vulnerability reduction in the subregion, and to meet related commitments at various levels.

24. The study is part of SRO-SA's continuous effort to support evidence-based policy making, and provide technical assistance and advisory services to member States on issues pertinent to national and regional development, including the implementation of relevant continental and international agreements, notably the UN's Sustainable Development Goals and African Union's Agenda 63.

## **II. Objectives of the Ad-hoc Expert Group Meeting**

25. The overall objective of the Ad-hoc Expert Group Meeting (AEGM) is to provide experts with a platform to critically examine the draft report and ensure its robustness in informing policy and action towards tackling poverty and inequality and related vulnerabilities in Southern Africa. In this regard, the key issues arising from the discussions and recommendations of the meeting will inform the finalization of the report.

26. Specifically, the meeting will:

- i. Identify gaps, provide expert inputs, and further insights to add value and strengthen the report;
- ii. Propose revisions, and ensure that the recommendations are appropriate and adequate to inform the finalization of the report;
- iii. Proffer suggestions on policies needed to address the challenges of poverty, and inequality and their interplay with vulnerability;
- iv. Promote regional and national experience sharing, including best practices and lessons on reducing poverty, inequality and vulnerability; and
- v. Foster knowledge networking and collaboration on the broader policies and programmes to fight poverty, inequality and vulnerability in Southern Africa.

## **III. Format**

27. The meeting will assume a hybrid (physical and virtual) format over half a day.

- i. ***Plenary- presentation and general discussion on the draft report***

28. The draft study report will be presented at the first plenary session. The presentation will be followed by general discussions aimed at seeking clarifications, additional information and providing general comments on key aspects of the draft report. Regional and country experiences on fighting poverty, inequality and vulnerability will also be shared during the session.

- ii. ***Break-out group discussions***



29. Four breakout sessions will be constituted to allow for in-depth review and discussion on the four areas of the theme and report, namely: (1) research methodology, conceptual framework, indicator framework, data used and related issues including availability and quality; (2) historical and contemporary basis for poverty, inequality and vulnerability in Southern Africa, progress towards meeting regional, continental and global commitments on poverty, inequality and vulnerability; (3) challenges and opportunities in meeting national, regional, and international commitments, as well as policy options to promote inclusive development; and (4) the role of national, regional, continental and international stakeholders in fighting poverty and inequality and reducing vulnerabilities. All groups will review the draft report's structure, conclusions and recommendations. To kick-start discussions, each break-out group will have a discussant who will take 10 minutes to share insights on the thematic area assigned to the group.

*iii. Plenary presentations and discussion on reports of the break-out groups*

30. Each break-out group will make presentations on the findings of their deliberations. The session will provide an opportunity for interaction and cross-fertilization among the various groups.

#### **IV. Expected outcomes**

31. The AEGM is expected to lead to the following key outcomes:

- i. Well-articulated expert inputs and recommendations to inform the finalization of the report;
- ii. Enhanced understanding of the poverty situation in Southern Africa in terms of the trends, causal factors and challenges experienced in meeting national and international commitments;
- iii. Appreciation of inequalities in Southern in relative to history, magnitude and other dimensions;
- iv. Promotion of regional and national experience sharing, including best practices and lessons on reducing poverty, inequality and vulnerability; and
- v. Enhanced appreciation of the policy responses and potential measures required to be to curb extreme poverty inequalities.

#### **V. Expected outputs**

32. Several outputs will be delivered at the end, and subsequent to the meeting:

- i. A summary of key issues and recommendations from the AEGM;
- ii. The report of AEGM's proceedings;
- iii. Press releases and news stories;
- iv. Web publications; and
- v. Finalized report on the Status of Poverty and Inequalities in Southern Africa.

## **VI. Meeting documents**

33. The meeting will be informed mainly by the draft study report on *Status of Poverty and Inequality in Southern Africa*. The meeting Concept Note and Programme will guide participation in the meeting. Other ECA reports and publications relevant to the theme will be shared for information and dissemination purposes.

## **VII. Participants**

34. Participants comprising leading experts in the areas of socioeconomic development, and poverty, inequality and vulnerability are expected to take part in the meeting. They will be drawn from government, regional economic communities, academia, civil society, national and regional financial institutions, development partners, including United Nations agencies, funds and programmes.

## **VIII. Date and Venue**

35. The meeting will be held on the 6<sup>th</sup> November 2023 at Hotel 430, Gaborone, Botswana.

## **IX. Working Language**

36. English will be the working language of the meeting. Portuguese interpretation will be available.

## **X. Administrative Information**

37. A comprehensive Information Note for participants will be e-mailed prior to the meeting and will also be posted on the SRO-SA website. The Note will contain useful information on organizational logistics and other general information about Botswana.

## **XI. Contacts**

38. Confirmation of participation, request for additional information and all other communication on the AEGM should be addressed to: Mr. Mundia Hangubo, email: [mundia.hangubo@un.org](mailto:mundia.hangubo@un.org) and copied to Mr. Ian Filakati, email: [filakati.uneca@un.org](mailto:filakati.uneca@un.org).