SPENDING TO FIGHT INEQUALITY:
IS AFRICA KEEPING ITS PROMISES?

This briefing examines the extent to which African countries are meeting the spending targets for agriculture, health, education and social protection that governments in the region have set for themselves. It finds that:

- Only 23% of countries are meeting the target for agriculture
- Only 25% of countries are meeting the target for education
- Only 3% of countries are meeting the target for health
- No countries have met the target for social protection

Fair and effective public services are a strong weapon in the fight against economic inequality. If governments in Africa are serious about combating growing inequality on the continent and building fairer societies, it is imperative that they take deliberate action to invest more in these areas, especially health and social protection.

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INTRODUCTION

Nineteen months remain until the 2015 deadline set by world leaders for reaching the Millennium Development Goals (MDGs). The Government Spending Watch (GSW) report is the first ever to track how much developing countries are spending on the MDGs. It is based on data compiled by Development Finance International (DFI) and Oxfam, covering 52 low- and lower-middle income countries. Future reports will extend the analysis to 34 more countries. The data, research, and information on current campaigns on MDG spending, are available from the GSW website: www.governmentspendingwatch.org

There is strong evidence to show that investing in equitable and effective public services for all is a great equalizer. In February 2014, the IMF released a new discussion paper making the case that redistributive policies including spending on health and education, are ‘pro-growth’ and ‘pro-equity’. When good quality services are available to everyone, they help mitigate the negative impact of economic inequality and address unfair income distribution by providing ‘virtual income’1 to the families that need it most.

This briefing presents the evidence whether African countries are meeting the spending targets for agriculture, health, education and social protection. In line with the targets African governments have set themselves at regional ministerial meetings, it shows only spending allocations in government budgets.

AGRICULTURE

The only formal target for agriculture spending was agreed in 2003 at a meeting of African Union (AU) agriculture ministers in Maputo, Mozambique. They called on member states to spend at least 10 per cent of national budgets on agriculture by 2008.

Figure 1 shows how 30 African countries are performing in relation to this target, in terms of planned expenditure for 2011 and 2012. Seven have met the target (Burkina Faso, Burundi, Ethiopia, Guinea-Bissau, Malawi, Mali and Gambia), while Niger is close. Benin, the Democratic Republic of Congo (DRC), Madagascar, Rwanda, Senegal, Sierra Leone, Tanzania and Zambia spend 6 per cent or more.

On the other hand, Cameroon, Cape Verde, CAR, Congo, Kenya, Mozambique, Togo and Uganda spend 5 per cent or less; and Angola, Côte d’Ivoire, Ghana, Lesotho, Liberia and Nigeria spend only 2 per cent. These countries need to accelerate their efforts considerably to meet the target.

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### Figure 1 - Are African countries meeting the Maputo target for agriculture spending?

<table>
<thead>
<tr>
<th>Country</th>
<th>Agriculture Spending (% Total Expenditure)</th>
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<tbody>
<tr>
<td>Angola</td>
<td>14</td>
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<tr>
<td>Benin</td>
<td>12</td>
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<tr>
<td>Burundi</td>
<td>10</td>
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<tr>
<td>Côte d'Ivoire</td>
<td>8</td>
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<td>Djibouti</td>
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<td>Ethiopia</td>
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<td>Madagascar</td>
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<td>Sierra Leone</td>
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<td>South Africa</td>
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<td>Tanzania</td>
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<tr>
<td>Zambie</td>
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</tbody>
</table>

**Maputo target**: 10

2012 Planned:

**EDUCATION**

Thirty-eight African countries are now members of the Global Partnership for Education - the successor to Education for All Fast-Track Initiative (EFA-FTI) - of which 29 are in the GSW database. These governments signed up to a target for education spending of **20 per cent of total spending** in 2010 as part of their commitment.

Figure 2 shows how African countries have been performing towards this target in 2011 and 2012: eight countries (Benin, Burundi, Côte d'Ivoire, Djibouti, Ethiopia, Madagascar, Mali, and Senegal) have consistently reached this target, while 6 (Comoros, Kenya, Malawi, Mozambique, Tanzania, Zambia) have been very close.

On the other hand, 7 countries (Angola, Central African Republic, Congo, the DRC, Guinea-Bissau, Liberia, Nigeria) have spent closer to 10 per cent, and need to considerably increase this if they are to meet the MDG targets. Interestingly, a similar proportion of GPE and non-GPE countries are meeting the education target, suggesting that it does not require a global partnership to generate domestic political commitment to spend more on education.

*Spending To Fight Inequality: Is Africa Keeping Its Promises?*
Figure 2 - Are African countries meeting EFA spending targets?
(2012 planned spending)

Health spending (% of total expenditure)

Abuja target

EFA spending target


HEALTH

In 2002, at a Special Summit on HIV/ AIDS, Tuberculosis and Other Infectious Diseases held in Abuja, Nigeria, AU Heads of State committed themselves to allocating a minimum of **15 per cent of government expenditure to health**.

As Figure 3 shows, of the 32 African countries covered by GSW, only Malawi has succeeded (in 2011) in allocating more than 15 per cent of its spending to health. Ten countries (Burundi, Central African Republic, Comoros, Djibouti, the DRC, Lesotho, Liberia, Rwanda, Tanzania, and Zambia) spend more than 10 per cent, and six (Burkina Faso, Ghana, Mali, Mozambique, Sierra Leone and Uganda) are close to 10 per cent. However, three (Côte d'Ivoire, Nigeria and Senegal) only spend around 5 per cent – well below the Abuja target.

Figure 3 - Are African countries meeting the Abuja target for health spending?
(2012 planned spending)

Health spending (percent total expenditure)

Abuja target


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SOCIAL PROTECTION

In Windhoek in 2008, African governments adopted a declaration which recommended that spending on social protection should be around **4.5 per cent of GDP**.

For the countries covered by the GSW database, planned spending on social protection appears to be well below both these targets. Of the 26 African countries for which data are available, only three – Burundi, Kenya and Rwanda – spent more than 1 per cent of GDP on social protection during 2011 or 2012. No country is anywhere near meeting the Windhoek target estimated range.

**Figure 4 - Are African countries meeting the Windhoek target?**
(2012 planned spending)

CONCLUSION

To summarize Africa’s progress:

- Only 23.3% of countries are meeting the Maputo target (agriculture)
- Only 25% of countries are meeting the EFA target (education)
- Only 3% of countries are meeting the Abuja target (health)
- Only 0% of countries are meeting the Windhoek target (social protection)

Public services are an investment in a fairer future for everyone. If Africa is to move forward and combat growing inequality on the continent, it needs dramatically to increase its spending on all of these areas and especially health and social protection.

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