Inequality in Africa

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Introduction: Understanding Inequality

Inequality refers to the skewed distribution of valued and scarce resources, both within nations and across national borders. Here, we focus exclusively on within nation inequality in view of its large effect on domestic growth and development (Melamed & Samman, 2013; Nel, 2008). Within-nation inequality can be considered *vertically*, focusing on the distribution between individuals and households. Or it can be considered *horizontally*, looking at the distribution between groups of people, distinguished by gender, ethnicity, space and/or time. Inequality can be studied synchronically and diachronically. In the former, we study a distribution cross-sectionally at one point in time, while the latter looks at distribution over a period of time, for instance over the lifetimes of subjects.

Skewed distributions that receive particular attention from a development point of view include those of wealth/assets, income or consumption, and the life choices that they allow. These economic inequalities have to do with "the fundamental disparity that permits one individual [or group, we might add] certain material choices, while denying another individual [or group] those very same choices." (Ray, 1998: 170). Wealth resides in effective control over human and non-human capital assets. Income is the sum of earnings, interest, profits and transfers flowing into households. Consumption refers to the flow of resources from households, and is measured in terms of expenditures on consumables and durables, but also taxes paid (Folbre, 2009; Davies, 2009). Much of the empirical work on inequality in Africa uses survey data on household consumption expenditures, as it is believed that consumption is a better measure of current welfare than income (Ferreira & Ravallion, 2009). This is combined with data on asset holdings, the dispersal of access to health and education services, the incidence of infant or child mortality, and other indicators of the differences in life chances and choices that different individuals and group enjoy or have to forego. We are also interested in how inequality relates to poverty, that is, the condition of not having adequate access to resources to sustain a long and fulfilling life of our own choice. While inequality and poverty are distinct conceptually, they do co-vary in many societies, and can sometimes also be linked causally. Care should be taken when interpreting the results of cross-national empirical studies of inequality and poverty in Africa, as the data are incomplete and not always comparable (Klasen & Blades, 2013). However, our sources on Africa are improving and this is an exciting time to be involved in fieldwork and cross-national comparisons of inequality and poverty. After all, the UN General Assembly at its 70th Session in 2015 decided to include for the first time ever the reduction of inequality as a Sustainable Development Goal for the world.

The literature on inequality in Africa, well summarised in (Okojie & Shimeles, 2006; Van de Walle, 2009; Sahn & Stifel, 2000; Go et al., 2007) emphasises two general findings. The first focuses on the surprisingly high level of inequality, especially in sub-Saharan Africa (SSA), while the second emphasises the developmental costs of inequality. Why is SSA so unequal, given the fact that technology-backward subsistence agriculture and the informal sector are comparatively so large? Both these factors are associated with lesser dispersals of income and wealth. Section 2 below looks at what we know about levels of inequality in Africa. Section 3 summarizes the best available answers to the question posed. Section 4 focuses on the significant human costs that inequality in Africa has, specifically in terms of economic growth and the potential of growth to reduce poverty.

2. Tracing Inequality

Table 1 provides a summary of the most recent and consistently measured data that we have on the overall dispersal of wealth and household consumption expenditures within African states, measured in terms of the Gini index in which zero equals full equality and 100 the concentration of all wealth and consumption expenditure in one household. Two main conclusions flow from the figures cited. The first is that there is considerable variance in wealth and consumption inequality in Africa, which should caution us against spurious generalizations. Below, we will see that African states do share some dimensions of inequality, and suffer in similar ways from the consequences of inequality. But, African states and sub-regions also differ sufficiently to pose an explanatory challenge. The second conclusion was already hinted at above: Income inequality in Africa is on average surprisingly high, given its relatively low level of economic modernization (Milanovic, 2003; Van der Walle, 2009; Anderson & McKay, 2004). South and Central America is reputed to have the worst distribution of household *income* in the world, but income inequality is higher than net consumption inequality and as we do not have data on the latter for Latin America, the comparison between Africa and Latin America is not straightforward (Ferreira & Ravallion, 2009; Leibrandt & Finn, 2012). It might well be that SSA is the worst region in terms of consumption inequality, though. Southern Africa is the most unequal sub-region, followed by Central Africa and West Africa. East Africa, the Sahel, and North Africa have the lowest levels of inequality in Africa, but these are still relatively high in global comparisons. Wealth in Africa is also highly concentrated, with the top ten per cent owning close to 78% of all assets. This figure is just below that of Asia, but higher than in Latin America and in North America, where most of the extremely wealthy people of the world are concentrated (Credit Suisse, 2014). To the best of our knowledge, inequality levels in Africa have not changed much over the past few decades, pointing to a persistent long-term pattern of higher-than-expected inequality (Milanovic, 2003; Ravallion & Chen, 2012).

<Table 1 here>

The data on wealth inequality in Table 1 are based on estimations and are much less reliable than the figures for consumption. Nevertheless, they do reflect trends that are reported in studies of land and asset inequalities (Frankema, 2010; Booysen et al. 2007). Land inequality is higher in SSA than in comparable regions of the developing world, except Latin America and South Asia (Deininger & Squire, 1998; Frankema, 2005). Crucially, land inequality in Africa is associated with considerable land poverty (Shipton & Goheen, 1992). Again, there is considerable variation, with Southern Africa the most unequal in terms of land inequality. Surprisingly, given its lower level of income inequality, North Africa also has a very unequal distribution of land ownership, which makes up most of its high wealth inequality levels as reported in Table 1. Given the large supply of arable agricultural land in Africa, and the widespread social institutions of communal land use, general access should be less of a problem. Recent research shows that there nevertheless is a surprising high incidence of inequality-driven competition and conflict in Africa over land and natural resources, and the frequency and durability of such conflict flies in the face of the general assumption that customary African landholding institutions give poor smallholders security of access. More than 90% of all rural land in SSA is undocumented and informally administered, and customary land-use systems leave excessive room for discretion and favouritism on the part of land patrons. Most significantly, communal land-use institutions largely exclude females from land-use rights (FAO, 2011; Peters, 2004; Byamugisha, 2013).

Apart from consumption and wealth inequalities, Africa is known for disproportionate access to education and health and nutrition, access to and use of public services, labour-market inequalities, and the ability to influence decision making on public matters (Okojie & Shimeles, 2006). What is particularly striking about all these forms of inequality is that they have significant *ethnic*, *gender,* and *spatial* dimensions, while racial dimensions also play a role in some parts of Southern Africa. Often, these dimensions overlap. As far as ethnicity is concerned, it is well known that Africa is extremely diverse and that ethnic favouritism plays a large distributional role and that it is a significant factor explaining underdevelopment (Frank & Rainer 2012; Bates, 1983; Londregan et al., 1995)

The *gender* dimension of inequality is considerable. The mean level of human development among African women is 13 per cent lower compared to men, due to official and social discrimination, widespread violence against women, and also because of the perverse incentives that households have to favour investment in the health and education of the male rather than the female child (ADB et al. 2015). Studies commissioned by the African Academy of Sciences found that there is a gender imbalance especially in rural areas in access to and perseverance in education in countries as disparate as Botswana, Cameroon, Democratic Republic of the Congo, Kenya, Mali, Nigeria, South Africa, Tanzania and Uganda. (Okojie and Shimeles, 2006).

There is also a significant *spatial* dimension to poverty and inequality in SSA (Sahn & Stifel, 2003; Bird et al., 2010; Mveyange, 2015). Development is a spatially unequal process, but this is particularly pronounced in SSA where political, environmental, economic, and social factors conspire to form spatial poverty traps that slow development down in areas that are far removed from harbours and main cities, and/or in regions that are not favoured by the political patrons in a particular state (ADB et al. 2015). Access to health services, clean water, and sanitation is widely divergent between rural and urban areas in Southern and East Africa, and spatial factors also determine a large portion of asset inequality. Spatial inequalities are important factors in perpetuating poverty, and the majority of extremely poor people are found in inland areas some distance from urban centres and/or harbours and poorly served by infrastructure. The nutritional status of children, and the incidence of growth deficiencies, differed markedly between urban and rural areas in a range of countries (Okojie & Shimeles, 2006). Spatial inequalities will continue to be important: The majority of the populations of SSA are rural, will remain so for at least two or more decades, and could grow by as much as two-thirds by mid-century (ADB et al. 2015).

The common impoverished conditions that characterise rural SSA, and the prevalence of small-scale subsistence farming there have led many to assume that inequality within rural areas of SSA should be relatively low compared to the urban areas where wage differentials are larger. Recent findings show that inequality within rural areas is larger than would be expected. Otherwise diverse states such as Mozambique, Senegal, and Mauritania, display a significant degree of "socio-economic differentiation" in rural areas: A process of increased inequality and fragmentation into, on the one hand, groups that own assets and groups that rely on incidental/insecure wage labour, and on the other hand fragmentation into groups that depend on agriculture and groups that have to rely on non-agricultural income. The latter groups are vulnerable, politically weak, and constitute the bulk of the poor (Oya, 2010).

Urban-based inequality and poverty are also high in most of SSA and more than half of all urban workers were surviving on less than US$1 a day in 2007, despite significant output growth in a number of SSA states in the preceding decade (De Vreyer & Roubaud, 2013). Inequality in the urban labour markets in SSA is determined by the low level of wage employment, the relative small manufacturing sector, the large service sector, and the dominance of the informal sector. As a percentage of those employed, less workers are in wage employment in SSA than anywhere else in the world today, and the informal sector employs two-thirds of all urban workers. The service sector in SSA is large, and dominated by a bloated civil service and the numerous own-account retailers and service providers that scrape out an existence in the informal economy. The low level of wage employment and the size of the informal sector imply that the urban work force in general is weakly organized and fragmented. In states where there is a sizeable manufacturing and natural resource industry, such as South Africa, high wage inequality is maintained by a combination of skill shortages, unequal education opportunities, and labour-market rigidities that prevent the entry of new workers into the labour force (Van der Berg, 2014; Seekings & Nattrass, 2015).

Explaining Inequality

As noted, there is something that makes African states more unequal than they should be, and there is no shortage of candidate explanations, well reviewed by Fields (2001). The candidates include the effect of the structure of the economy, that is, the relative sizes of the agricultural, mining, manufacturing, services, and informal sectors, and whether wage income or self-employment dominates in an economy. In SSA, self-employment is much more prevalent than waged employment, and this increases the importance of the quality of human assets, land, and capital. As we have seen, these are very unequally distributed in Africa and thus, inequality begets inequality and we have reason to speak of inequality traps. Other proximate factors that affect these traps are the size and composition households, social and political institutions that favour one gender or certain ethnic groups, and failures in the labour and credit markets. But, what springs the trap in the first place? Why are human assets, land, and capital so unequally distributed initially? Following the examples of Van der Walle (2009), Frankema (2010), and Nel (2008), a comparative historical-institutional explanation, relying on insights generated by the historical approach of Acemoglu, Johnson, and Robinson (2001) and Engerman and Sokoloff (2000) is proposed here. This approach not only explains high and persistent patterns of inequality, but also the variations between Southern and West Africa, for instance, as seen in Table 1.

According to this framework it is the manner in which an economy is incorporated into the global division of labour that ultimately determines longer-term distributional patterns. The manner of incorporation is determined by the natural endowments of land, labour and natural resources, and the way in which coercive power is exercised and institutionalised to effect the incorporation. This shapes the preservation and/or undermining of existing social, economic and political institutions and, crucially, determines the creation of new political and economic institutions that are designed to structure and administer the extractive activities that characterize a particular form of incorporation.

The roots of inequality, and its variability in Africa, is to be found in the colonial experience (Angeles, 2007; Frankema, 2010; and Van der Walle, 2009). Colonial penetration of Africa occurred relatively late and was often thin in its degree of penetration, but it left an indelible mark. The extent and nature of colonial settlement, and not the nationality of the colonizers, are the crucial factor (Angeles, 2007; Acemoglu, Johnson and Robinson 2001).

Two modes of colonial penetration in Africa can be distinguished. The one is *settler colonialism*, in which the settler population constituted between ten and thirty per cent of the total population. The other is *peasant colonialism*, with much lower levels of colonial settlement. Ultimately, the difference between the two can be related to the different configurations of natural endowments that colonial penetrators encountered in different parts of Africa. In Southern Africa, *settler colonialism* became the norm as first the strategic maritime position of the Cape of Good Hope, and later the large abundance of fertile agricultural land, and eventually the discovery of gold, coal, diamonds, copper, and platinum in South Africa, Zimbabwe, Botswana, and Zambia drew large numbers of settlers to the region. Nowhere else in SSA did Europeans settle in such large numbers as in Southern Africa, and nowhere else did they manage through the extensive use of the legal and coercive power of the colonial state to secure as extensive an ownership of the means of production, notably land and mining, and to compel local labour to find employment in the extractive industries such as mining. Given their numbers and access to power, these white settlers managed to set up duplicates of the class-conscious educational, social and labour-and land-market institutions of Europe on African soil, and used their control over the monopoly of legal means to restrict access of the indigenous population to these institutions. In some settler colonies, the transfer of power that came with decolonisation meant a further consolidation of political power in European hands, cementing their hold on land and the extractive industries. The resulting reproduction of class inequalities, over-determined by extreme patterns of racial privilege in some cases, set the tracks for high levels of income and wealth inequality that still characterizes Southern Africa. In contrast to the rest of SSA, functional income inequality between labour and capital is high in Southern Africa, and the premium on skills in the mining, manufacturing, and service industries that are the drivers of the economy, explain some of the stark disparities in housing and living conditions that characterise cities in Southern Africa. Differential spending on and provision of education for different races during the days of colonial and white minority rule continue to leave their mark on the labour supply and labour markets of Southern Africa. Land ownership remains very skewed and the traditional communal land ownership does not compete effectively with modern commercial farming that is still dominated by descendants of settlers. Rural inequality thus continues to be racially defined, especially in Namibia, Swaziland, and South Africa. At the same time, the infrastructure, and the political and legal institutions that settler colonialists established to manage and protect their joint affairs, have imparted a legacy of coercive state capacity and reasonable bureaucratic competence.

In contrast, European settlers formed a small minority in the *peasant colonies* of Central, East, and West Africa. In these regions the natural endowments of the tropics and the absence of easily accessible mineral riches discouraged large-scale European settlement, and encouraged the cultivation of cash crops and exploitation of timber resources, among others. Cash crops provided an easily taxable resource, which the colonial authorities duly set out to do, using their coercive power to favour the production of crops that could secure the best international price, to raise tax revenue, and to compel labour from one area into a ready supply for the cultivation of crops such as tea, coffee, cacao, and cotton in another. Colonial penetration was thin beyond intrusive revenue collection, however, with limited European land ownership, minimal colonial investment in infrastructure that favoured littoral and urban areas, a dependency on the local indigenous providers of services, and a large degree of reliance on favoured indigenous political leaders to assist in the administration and maintaining of law and order. Divide-and-rule tactics were more common in these hands-off extractive or predator peasant colonies compared to the settler colonies of Southern Africa. Once decolonisation set in, the miniscule European minority universally lost political power, the remnants of the extractive/predatory state became a bone of contention between rival ethnic groups which the colonisers deliberately cultivated and played-off against each other. The extractive colonial and post-colonial practices of favouring the urban and littoral regions and underinvesting in the infrastructure and public services in the hinterland, maintain huge income and wealth gap between the urban areas and the rural hinterland, exemplified in the North-South divides of some West African states, Cote d'Ivoire, Ghana and Nigeria as prime examples. Vertical land and income inequality tend to be lower than in Southern Africa, for instance, while horizontal inequalities are pronounced.

Overall, the high levels of inequality in Africa reflect the concentration of privilege among urban-based, male dominated racial and/or ethnic elites that have created or inherited political institutions that constitute "limited access orders" in the words of North, Wallis, and Weingast (2009). Limited access orders are particular elite institutional responses to the threat of endemic violence, and consist of arrangements that allow those who potentially or actually have access to violent means of coercion, to share economic rents and privileges among themselves, while excluding the largest parts of their populations from these privileges. The specifics of limited access orders differ from state to state, with some having more fragile arrangements than others, and with some having stronger democratic dimensions than others (Botswana, Cape Verde, Ghana, and Mauritius, for instance). However, there is no African state that can lay claim to being a full "open access order" in which the rule of law and property rights are universally applicable and respected, there is effective civilian political control over the means of state violence (police and military), organisations are freely formed and have a life independently of tribal, ethnic or state political institutions, and in which improving standards of living in general is a significant purpose of state spending.

Inequality's Human Costs

The human costs of inequality in Africa are high. Once disregarded as an inevitable by-product of socio-economic development, inequality is today appreciated for what it really is: A *preventable* scourge that has deleterious effects on the growth and development prospects of a population as a whole (Nel 2008).

There is a growing body of evidence that inequality could be significant for economic growth in Africa, in two respects. Firstly, global cross-national studies have found that high levels of inequality undermine growth potential, through a variety of mechanisms. Secondly, inequality could moderate the influence of economic growth on poverty reduction. The deleterious effect of inequality on growth is realized through a variety of channels. One is the associated failure of credit markets, and is particularly relevant in the African context. Access to credit is determined by the holding of assets that provide security, and asset inequality thus skews the provision of credit in favour of the asset rich, discouraging the asset poor from investing in education and physical capital expansion and providing them with incentives to invest in a large number of children, to assist in income generation and to provide old-age security. The human capital stock is thus sub-optimally developed, and social institutions and practices that discriminate against the female child worsen the situation (Odedokun & Round, 2004; Nel, 2003)

A second channel through which inequality could affect growth is by fostering political instability, defined as the propensity for regime or government collapse. Political instability, often accompanied by violent civil conflict, destroys human lives and infrastructure, undermines productivity, affects domestic investment decisions, discourages foreign direct investment, undermines trade, and has rightly been called 'development in reverse'. An early study found little evidence of a direct link between vertical income inequality and political instability in Africa, although the former directly and significantly affects *perceptions* of instability (Nel, 2003). Since 2003, there has been a significant improvement in the range and quality of data especially on horizontal inequality in Africa. Making use of detailed sub-nationally indexed data on inequality and conflict, Fjelde & Østby (2014) found that regions of SSA with high levels of welfare and education inequality between individuals (vertical inequality) and between ethnic groups (horizontal inequality) are significantly more exposed to communal conflict than regions with lower inequality levels. These findings are echoed in the results of Peters (2004) that identify a significant level of communal conflict fueled by differential and changing patterns of access to land in many parts of rural SSA. A study of the Niger delta found that perceived inequality, both vertical and horizontal, may be as important in fuelling grievances and fostering pro-violence attitudes than actual inequality. It is also not the relatively deprived who are always the proponents of violence. In the case of inter-group (horizontal) inequality in the Niger delta, it is the relatively privileged who are more likely to support violence to rectify the perceived in equality (Rushtad, 2015).

Thirdly, inequality undermines the creation and sustaining of institutions that are conducive to economic growth, such as the rule of law and the control of corruption (Chong & Gradstein 2004). Very little work on Africa has been done in this regard (Blundo & Olivier de Sardan, 2006), but a cross-national study of SSA by Gyimah-Brempong (2002) finds that increased corruption is positively correlated with income inequality and that it decreases economic growth directly by undermining productivity and indirectly by discouraging investment in physical capital. Slow growth and corruption, in turn, interact to increase income inequality. Using opinion survey results, Uslaner identifies a horizontal inequality trap in which initial high inequality leads to low trust in "out-groups" and the resultant discrimination against out groups increase horizontal inequality (Uslaner, 2007).

The empirical testing of the growth-depressing effects of inequality in Africa is still in its infancy and much remains to be done (Odedokun & Round, 2004; Nel 2003; Okojie & Shimeles, 2006; Thorbecke, 2013). The limited empirical results indicate that a growth-depressing effect of inequality can be detected in SSA in general, but that this is not generally applicable and that it is less significant the poorer the state is that is being studied. This seems to apply also to poorer states elsewhere (Deininger & Squire, 1998; Nel, 2003). What cannot be disputed, though, is that inequality is closely associated with political instability in Africa, and that political instability is one of the main suppressants of economic growth on the continent.

<Figure 1 here>

The human costs of inequality are reflected also in the negative effects of inequality on what is known as "inclusive growth", that is growth that is pro-poor by creating lasting employment opportunities and providing broader access to public services and education (Kakwani & Pernia, 2000). A number of studies have found that high initial inequality in SSA is a significant deflator of the likelihood that economic growth, if and when it occurs, will be pro-poor growth, that is, growth that improves the capabilities and life chances of the poor (Fosu 2008; 2009; 2010; Thorbecke, 2013; Lopes, 2005). Nothing illustrates the human costs of inequality so dramatically as the findings by the UNDP in its 2014 *Human Development Report*, though: The people of SSA suffer the largest human-development losses of all regions in the world due to uneven access to health services and quality education, both of which are closely correlated with wealth and income inequality. Figure 1 illustrates how precarious human development in SSA is due to the effect of inequality compared to other regions of the world.

Africa has undergone a significant wave of democratization since the 1980s (Lynch and Crawford, 2011) and it is important to ask how inequality affects the initiation of democracy and its consolidation on the continent, and how democracy in turn shapes inequality. Democratization is incomplete in all but two states of Africa. Cape Verde and Mauritius are the only two states that score a full ten out of ten on Polity IV's ten-point democracy scale, with South Africa and Botswana at nine out of ten, and Kenya and Nigeria at eight (Marshall, 2013). Most African states have hybrid regimes, mixing elections with authoritarian practices such as unlimited terms of offices for the head of state and state repression of opposition parties. This general absence of consolidated democracy can be partly attributed to the invidious effects of inequality and its accompanying concentration of political power. Broad comparative studies of democratization have suggested that high levels of inequality may well trigger the democratic impulse, both *from below* as the poor and disenfranchised try to improve their position, and *from above*, when the costs of suppression outrun its benefits. However, it seems as if high inequality retards the translation of these reform impulses into durable democratic practices and the creation of open access institutions (Sunde et al., 2007). There is some evidence that democratization in Africa, incomplete as it is, has contributed to increased general spending on primary education (Stasavage, 2005) and on social assistance (Seekings, 2008), but neither of these have reduced inequalities noticeably.

Conclusion

Multidimensional inequality is deeply entrenched in most of Africa, and displays both vertical and horizontal dimensions that retard human development. The roots of inequality lie in the colonial past, and have been reinforced by the limited-access institutions that the colonizers had established and generations of African leaders since then have maintained. The evidence reviewed here gives us good reason to doubt that our extensive programmes of poverty reduction will ever be effective as long as inequality is not addressed as at least a co-determinant of poor human development. There are still many gaps in our understanding of inequality in Africa to be able to do so systematically, though. In particular, we need to collect more information on the exact levels of the different dimensions of inequality in all of the countries of the region. More attention should be paid also to the diachronic dimensions of inequality, and especially whether and how inequality changes over the lifetime of individuals, and how intergenerational mobility is affected by inequality.

There are some indications that African decision makers and their advisers are taking inequality more seriously than hitherto. One positive initiative that has flowed from this are the large number of conditional and unconditional cash transfers that some African states and international donors have started to finance as part of a programme of enhanced social assistance (Garcia & Moore, 2012). While the main purpose of non-contributory cash transfers is to meet minimum subsistence needs, over time such transfers have been found to narrow the income gap in Latin America and there is no reason why the same result cannot be achieved in Africa (Bastagli, 2010; Barrientos, 2013). Some authors link the launch of cash transfers to the emergence of "welfare states" in Africa, although it is well established that Africa in general lack the revenue generating capacity to sustain systematic programmes of social assistance, social insurance, and labour-market interventions (Addison & Ndikumana, 2001). Nevertheless, recent episodes of increased economic growth in parts of Africa, fuelled by external demand predominantly, but also by some domestic productivity gains, do hold some promise for enhancing fiscal capacity in Africa. Too much capital still exits Africa illegally but attempts are made to address these drains on fiscal capacity (Kumar, 2014). It can also be expected that as effective democratic practices take firmer root on the continent, pressure for general and inclusive social redistribution will increase (Seekings, 2008). For the time being, though, inclusive pressures for redistribution have to compete with the selective in-group redistribution that is typical of the patron-client relations that characterise African state policies (Platteau, 2014; Azam, 2009).

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Table 1: Inequality of Consumption and Wealth in Africa: Latest Comparable Data

State	Year of Survey	Gini of Consumption Dispersal	Source of Data	Gini of Wealth Dispersal
Malawi	2010	38.8	WYD	67.2
Zimbabwe	2011	42.3	WIDER Gross	81.3
Mozambique	2008	45.6	WYD	70.2
Swaziland	2009	51.4	WYD	73.5
Lesotho	2002	52.0	WYD	73.7
South Africa	2000	57.3	WYD	81.8
Zambia	2010	57.4	WYD	71.5
Angola	2000	58.1	WYD	75.5
Namibia	2010	59.7	WIDER	82.9
Botswana	1994	60.9	POVCAL Gross Household Income	75.3
Mean SA		**52.4**		**75.3**
Niger	2011	29.8	WYD	66.4
Sierra Leone	2011	32.1	WYD	66.2
Senegal	2011	33.8	WYD	67.3
Benin	2011	34.1	WYD	66.5
Liberia	2007	38.1	WYD	65.9
Cameroon	2007	39.0	WYD	67.7
SaoTome & Principe	2010	39.0	WYD	73.2
Burkina Faso	2009	39.8	WYD	63.8
Togo	2011	40.9	WYD	65.5
Ghana	2006	42.8	WYD	66.8
Cote d'Ivoire	2002	44.2	WYD	72.1
Nigeria	2010	46.8	WYD	80.3
Cape Verde	2002	73.5	WYD	71.3
Mean WA		**41.1**		**68.7**
Guinea-Bissau	2005	38.3	WYD	64.4
Congo, Rep.	2011	38.4	WYD	71.1
Guinea	2007	39.6	WYD	66.3
Gabon	2005	41.1	WYD	74.7
Congo, Dem. Rep.	2008	44.4	WYD	68.6
Gambia, The	2003	46.9	WYD	70

Rwanda	2011	50.2	WYD	72.2
Central African Republic	2008	56.2	WYD	71.3
Mean CA		**44.4**		**69.8**
Mali	2010	33.0	WYD	66.3
Sudan	2009	34.4	WYD	64.2
Mauritania	2008	40.5	WYD	67.1
Chad	2011	42.1	WYD	66.5
Mean Sahel		**37.5**		**66.0**
Kenya	2007	29.9	WYD	70.7
Ethiopia	2011	33.3	WYD	62.4
Tanzania	2007	37.6	WYD	64.5
Djibouti	2002	39.7	WYD	67.4
Madagascar	2010	40.9	WYD	68.5
Uganda	2010	42.9	WYD	68.8
Comoros	2005	62.9	WYD	80.8
Mean EA		**41.0**		**69.0**
Mean SSA		***44.0***		***70.2***
Egypt, Arab Rep.	2005	31.8	WYD	80.7
Algeria	1995	34.6	WYD Household Gross	67.6
Tunisia	2010	38.5	WYD	74
Morocco	2007	40.7	WYD	79
Mean NA		**36.4**		**75.3**
Mean Africa		***40.1***		***72.8***

Notes: Gini of Consumption Dispersal = Measure of overall distribution of household net per capita consumption, except for Zimbabwe, which is gross household per capita consumption; Algeria, which is household gross consumption; and Botswana, which is household gross income. All data based on national household surveys.

Gini of Wealth dispersal is based on estimations reported in Credit Suisse's *Global Wealth Databook 2013*, available at: http://usagainstgreed.org/GlobalWealthDatabook2013.pdf

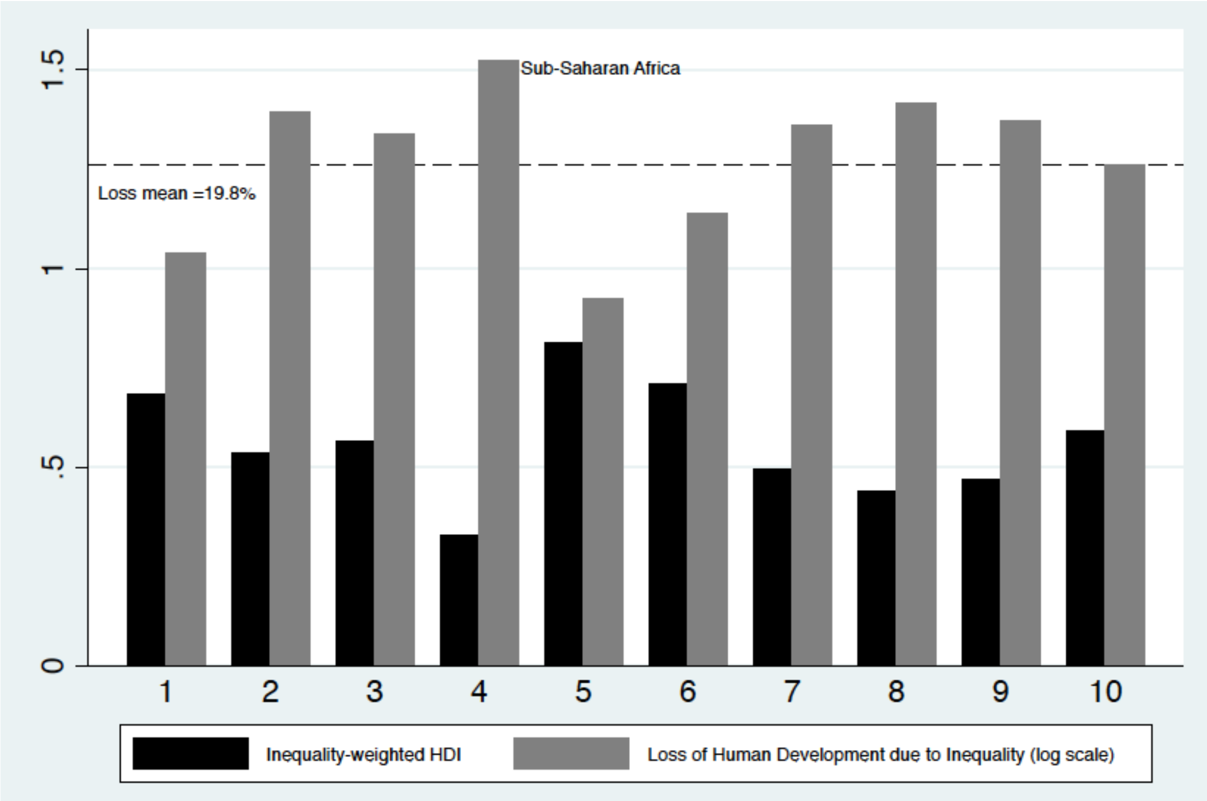
Sources:

WYD = World Income Distribution Dataset, maintained by Branco Milanovic, The World Bank, available at: http://go.worldbank.org/IVEJIU0FJ0

WIDER = UNU-WIDER, "World Income Inequality Database (WIID3.0b)", September 2014, available at: http://www.wider.unu.edu/research/Database/en_GB/database/

POVCAL = POVCALNET Household Survey Data, The World Bank, available at: http://iresearch.worldbank.org/PovcalNet/

Figure 1: The Human Costs of Inequality



Notes: 1 = Eastern Europe and ex-Soviet Union; 2 = Latin America; 3 = Middle East and North Africa; 4 = Sub-Saharan Africa; 5 = Western Europe and North America; 6 = East Asia; 7 = SE Asia; 8 = South Asia; 9 = Pacific; 10 = Caribbean
HDI = Human Development index as used by the UNDP.

Source: Own calculations, based on UNDP (2014).