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| **Remarks at the Launch of the 2019 Global Human Development Report by the UNDP Resident Representative, Dr Ayodele Odusola, 11 December 2019, Protea Hotel Loftus Pretoria** |

**Excellencies**

**Resident Coordinator**

**Senior Government Officials**

**Colleagues**

**Distinguished Ladies and Gentlemen**

**All protocols observed.**

I wear two hats this morning – first, to welcome you and second, to present the keynote on the subject that is close to my heart.

**Excellencies, Distinguished Guests, Ladies and Gentlemen,**

I am glad to welcome you to the launch of the 2019 Global Human Development Report, titled, **“Beyond Income, Beyond Averages and Beyond Today: Inequalities in human development in the 21st century”.**

As you all know, this is one of the triple development challenges the country is facing – poverty, inequality and unemployment. It is also one of the overarching objectives of the Sustainable Development Goals (SDGs), which the Government of South Africa is committed to.

As such, this is one of the contributions of UNDP to global, continental and national debates on how to address inequality in all its form. In 2017, the UNDP Regional Bureau for Africa published the first comprehensive inequality in Africa on **‘’*Income Inequality Trends in sub-Saharan Africa: Divergence, Determinants and Consequences’’*** , a report that shows South Africa as one of the seven outliers driving income inequality in Africa.

Kindly let me seek your indulgence to provide some background to the human development report (HDR), the United Nations Development Programme Flagship knowledge product. It was started in 1990 by Nobel Prize Laureate Prof Amartya Sen as an alternative and complimentary measure of human welfare. Recognising the limitations of income as a measure of human welfare, the human development concept included other measures such as health and education that expands peoples’ capabilities and choices for development.

Over the past 29 years, the thematic focus of HDR has generated debates and informed policymaking globally while the HDI and its indicators have become a major source of data for analytical works for students and researchers.

In UNDP, we complement the GHDR with Regional Human Development Reports, National Human Development Reports and by sub-national Human Development Reports. In South Africa three national human development reports have been produced and we are working on a fourth report on Unemployability, which will be completed by middle of 2020.

**Excellencies, Ladies and Gentlemen,**

Let me wear my second hat at this juncture.

The report being launched this morning goes beyond money-metric measures to include a multi-dimensional approach to measuring inequality including education, health and other related capabilities.

Good news.

Africa is the third fastest growing on human development index between 1990 and 2018, next to South Asia, and East Asia and the Pacific. During these period, Rwanda, Mozambique and Uganda are the three fastest growing countries on HDI. Over the period, the continent’s life expectancy rose by 11 years.

One African country, Seychelles, joins the club of Very High HDI (0.8 and above) for the first time while four countries remain in the high HDI (between 0.700 and 0.790) – Botswana, Gabon, Mauritius and South Africa as 12 countries remain in the medium HDR range.

Income inequality, as measured by the share of the bottom 40 percent (SDG target 10.1) reduced in countries like Burkina Faso, Eswatini, Ethiopia, Gambia, Guinea, Lesotho, Mali and Namibia. Algeria remains the least unequal country in Africa with the resources held by the richest 10 percent of the population standing at 37 percent compared to 14 percent by the bottom 40 percent.

However, this declining income inequality trend is not the same across Africa. Income inequality tends to decrease in North and West Africa while it is very high in Southern Africa. For instance, the resources held by the richest 10 percent of the population stood at 64 percent in Namibia and 65 percent in South Africa. In fact, the bottom 40 percent in these two countries held 4 percent of the total resources, making them to be the most unequal countries as of 2015. The share of resources held by the bottom 40 percent in Southern Africa declined by 70.3 percent between 1995 and 2015 compared to a rise of 25.0 percent in West Africa and 47.2 percent in East Africa.

The differences in the levels and trends of inequality are underpinned by variation in targeted policies (including fiscal and distributional policies) and quality of institutions in providing basic services.

In Africa, gender parity remains a concerning issue, characterised by high early marriages and high adolescent births – with 36 percent of African girls married before 18 years.

**Excellencies, Distinguished Guests, Ladies and Gentlemen,**

As espoused by the founding father of HDI, Professor Amartya Sen, the major enemy of human development is lack of hope or dignity.

The frequent reference to inequality as an important cause of the sweeping demonstrations and strikes across the world today (from South Africa, Iran, Lebanon to Bolivia, Chile and Hong Kong) is a clear indication that something serious is wrong. It is showing a failure of our growth and development models as well as the weak distributional capacity of our governance systems.

Today, people’s place in society is defined by gender, ethnicity, religion or parents’ wealth, which sometimes set people on unequal and irreversible paths.

As the causes are structurally intertwined, the impact could be intergenerational – starting from birth, and shaping the freedom and opportunities of children, adults and elders, and moving from one generation to another, as such policies to address inequality needs to follow a lifecycle investment (pre-birth and early childhood development, school and labour market bearing age to retirement and old age) for its impact to be profound and ground breaking.

Some of the specific policies that could complement the lifecycle investment approach include:

* Moving from basic to enhanced human capability – quality education, quality health and skills development.
* Progressive taxation with targeted social protection and strong distributive capacity.
* Strong institutions including anti-trust laws and regulatory effectiveness
* Harnessing technological progress to reduce inequalities in human development.

Addressing inequality in all its form underpins the imperatives of going:

* ***Beyond income*** by tackling political and social norms perpetrating inequality and exclusions
* ***Beyond Averages*** byaddressing the root causes of exclusion and marginalization in the growth and development process.
* ***Beyond Today*** byunderstanding the emerging and future drivers of income inequality – tertiary education, broadband access and climate vulnerabilities.

**Distinguished Guests, Ladies and Gentlemen,**

Some of the emerging messages from this report, which could help guide development debates and policymaking include:

1. The current, standard measures to account for inequality are imperfect and often misleading—because they are centred on income and are too opaque to illuminate the underlying mechanisms generating inequalities.
2. Disparities in human development remain widespread, despite achievements in reducing extreme deprivations.
3. Power imbalances (economic, political or social) are at the heart of many inequalities.
4. A new generation of inequalities is emerging, with divergence in enhanced capabilities, despite convergence in basic capabilities.
5. Inequalities accumulate through life, often reflecting deep power imbalances
6. Assessing and responding to inequalities in human development demands a revolution in metrics.
7. We can redress inequalities if we act now, before imbalances in economic power are politically entrenched.

In **conclusion**, inequality in human development (education, health, income, dignity and respect for human rights), not in income alone, will define the achievement of the SDGs in South Africa, Africa and the world.

Therefore, the human development lens—placing people at the heart of decision making and at the centre of development—is central to open a new window on how to tame inequality.

Let me conclude with the words of President Franklin D. Roosevelt about the role of the state in addressing inequality: “***The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little***.”

In this regard, the view expressed by President Nelson Mandela during his 1996 State of the Nation Address is very apposite: ***“We must work together to ensure the equitable distribution of wealth, opportunity and power in our society.”***

**Thank you.**