



PROSPERITY INDEX

2014 Africa Prosperity Report

This executive summary is based on the *2014 Africa Prosperity Report*, published by the Legatum Institute (November, 2014).

Executive Summary

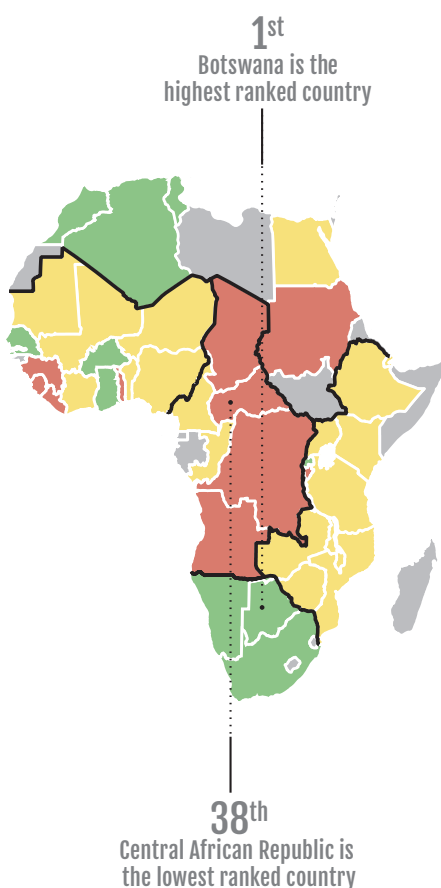
The 'Africa Rising' narrative, popular in the last decade, has focussed predominantly on measures of economic growth. But this narrative looks less convincing when viewed in terms of true prosperity.

The Africa Prosperity Report uses the *Legatum Prosperity Index™* to give a comprehensive view of what is happening on the continent. Going beyond economic indicators, the report examines a group of sub-indices in the crucial areas of Education, Governance, Health, Safety & Security, Entrepreneurship & Opportunity, Personal Freedom, and Social Capital.

The Report shows that African nations have made real progress over the past three years, in particular in the categories of Personal Freedom, Economy and Entrepreneurship & Opportunity. Yet serious weaknesses persist in Education, Health, and Safety & Security.

The Report examines in detail three distinct groups of people who are often identified as drivers of prosperity: the well-educated, female entrepreneurs, and the middle class.

- » **Education** plays a critical role in empowering people and increasing the potential for citizens to contribute economically and politically. This issue is discussed in the first chapter, which examines educational quality and enrolment in Tanzania and offers two case studies exploring how technology and indigenous knowledge might support improvements in educational quality.
- » **Entrepreneurship** is critical for both income and wellbeing. But in Africa, few nations are realising their potential in this area as women's contributions to business are inhibited by cultural barriers, lack of access to finance, little support from families as well as limited access to social networks. Gender imbalance in African entrepreneurship is explored in the second chapter.
- » Finally, the Report considers the **middle class**. A special feature by Professor Mthuli Ncube together with original analysis based on Gallup data explores how the middle class, by asking for more accountable and transparent governments, better education, and a more business friendly environment, could play a vital role in shaping the continent's future prosperity.



- HIGH RANKING COUNTRIES (1ST – 10TH)
- MIDDLE RANKING COUNTRIES (11TH – 28TH)
- LOW RANKING COUNTRIES (29TH – 38TH)

With more than half of the population living on less than two dollars a day, the "Africa Rising" narrative does not ring true for most Africans. By supporting educational quality, female entrepreneurs, and the rising middle class, African countries could avoid a future where inequality and chronic poverty persist in the midst of growing wealth.

Leaders and policy-makers must broaden their view of prosperity to include indicators beyond economic success. *The Africa Prosperity Report* provides a framework that, if followed, could help secure a truly ascendant Africa.

HIGH RANKING COUNTRIES (1ST - 10TH)

MIDDLE RANKING COUNTRIES (11TH - 28TH)

LOW RANKING COUNTRIES (29TH -38TH)

2012		2014										
COUNTRY	OVERALL PROSPERITY RANK	OVERALL PROSPERITY RANK	COUNTRY	ECONOMY	ENTREPRENEURSHIP & OPPORTUNITY	GOVERNANCE	EDUCATION	HEALTH	SAFETY & SECURITY	PERSONAL FREEDOM	SOCIAL CAPITAL	
Botswana	1	1	Botswana	17	3	1	4	12	8	4	16	
Morocco	2	2	South Africa	10	1	4	3	8	17	14	8	
South Africa	3	3	Morocco	2	4	7	9	3	4	27	12	
Tunisia	4	4	Namibia	6	7	2	6	9	7	6	18	
Namibia	5	5	Tunisia	8	2	15	1	1	3	31	34	
Ghana	6	6	Algeria	1	6	20	2	2	11	36	17	
Algeria	7	7	Ghana	24	8	5	10	5	2	9	24	
Mali	8	8	Rwanda	15	10	3	12	6	10	13	14	
Malawi	9	9	Burkina Faso	3	22	11	27	19	6	2	13	
Egypt	10	10	Senegal	18	12	9	23	7	13	3	7	
Tanzania	11	11	Benin	23	29	8	14	10	1	1	35	
Zambia	12	12	Zambia	21	11	10	8	32	25	18	6	
Rwanda	13	13	Kenya	22	9	14	15	13	32	11	5	
Burkina Faso	14	14	Uganda	19	18	18	17	24	30	10	2	
Niger	15	15	Mali	9	23	21	35	20	20	5	1	
Cameroon	16	16	Niger	12	35	12	36	15	9	7	10	
Kenya	17	17	Cameroon	5	20	30	13	17	21	15	20	
Uganda	18	18	Egypt	25	5	24	5	4	19	38	21	
Senegal	19	19	Tanzania	11	19	16	18	18	23	28	9	
Benin	20	20	Malawi	34	26	6	16	11	16	16	27	
Congo Republic	21	21	Mozambique	13	17	17	26	34	18	12	26	
Djibouti	22	22	Djibouti	29	34	13	28	16	5	25	11	
Mauritania	23	23	Cote d'Ivoire	7	15	32	24	25	28	8	31	
Nigeria	24	24	Congo Republic	4	25	33	11	28	22	22	33	
Mozambique	25	25	Zimbabwe	27	21	35	7	23	33	29	19	
Sudan	26	26	Mauritania	31	16	28	25	14	14	33	15	
Côte d'Ivoire	27	27	Nigeria	14	14	31	22	29	35	26	22	
Guinea	28	28	Ethiopia	16	30	19	29	22	31	24	29	
Sierra Leone	29	29	Liberia	38	24	26	33	26	15	23	30	
Angola	30	30	Sudan	33	13	34	21	21	37	37	3	
Liberia	31	31	Angola	20	28	27	32	30	27	35	32	
Ethiopia	32	32	Guinea	36	33	36	34	31	24	19	28	
Zimbabwe	33	33	Sierra Leone	37	27	22	30	38	29	21	23	
Togo	34	34	Togo	32	31	25	20	27	12	17	38	
Burundi	35	35	Burundi	35	32	23	19	33	26	30	36	
Chad	36	36	Congo (DR)	26	37	38	31	35	38	32	4	
Congo (DR)	37	37	Chad	28	36	37	38	36	36	34	25	
Central African Republic	38	38	Central African Republic	30	38	29	37	37	34	20	37	

ABOUT THE PROSPERITY INDEX

The majority of data and analysis within the full report is taken from the *Legatum Prosperity Index™*, an annual report that explores the foundations of prosperity in 142 countries around the world. The Index incorporates traditional economic measures of prosperity with measurements of wellbeing and life satisfaction. Indeed, it remains the only global index to provide an empirical basis for the intuitive sense that true prosperity is a complex blend of income and wellbeing.

The special report on Africa is calculated using the same methodology as the global report. This holistic approach is necessary because a nation's prosperity is determined by many different and complementary factors rather than by economic factors alone. Each country must chart its own course to success.

The Prosperity Index and its accompanying reports seek to identify the important pillars on which prosperity is built.

For more information, visit www.prosperity.com