The Future of Africa Essay Contest

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Paint a picture of Africa and its place in the world.

“Africa” No More. Why It’s Time to Change the Conversation

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Kennedy Odhiambo hunches over the keyboard of his Mac laptop, clacking away code for a new app that claims to end traffic congestion once and for all. Kennedy doesn’t work for a Silicon Valley start up, and his target market does not necessarily include commuters entering the Bay Area of California. Though given his sleek office, you could be mistaken. Instead, Odhiambo is hard at work in one of the fastest growing tech hubs in the world—Nairobi, Kenya.

Over two decades ago, *The Economist* portrayed Africa as the “Hopeless Continent” rife with conflict, disease, and stagnation. Ten years later, it was nostra culpa. We heralded the rise of Africa as the “Hopeful Continent.” It had staggering growth rates, bustling cities, and even some emerging middle classes; the world had to take notice. However, as many of Africa’s 54 economies have matured over the last decade, the continent-wide focus has become unwieldy. “Africa” is no longer a useful framework for analyzing such an increasingly diverse set of economies. Indeed, at least sixty years since colonialism left its final scars on the continent and more than thirty years since structural adjustment programs ended, a new approach is long overdue. We need to describe Africa’s markets in a new way: distinct in their...
remaining challenges but—most importantly—powerful in their unique contributions to the global economy.

The emergence of many African economies has correlated with the growing strength of political institutions and the incremental improvements in security. Coups have declined steadily, from almost thirty attempted and successful coups during the first decade of the twenty-first century alone to fewer than fifteen since. In Guinea-Bisau, long the instability poster child, a coup hasn’t happened for years, though drug trafficking remains a serious challenge with global implications. Terrorism still exists. Yet it manifests itself in a handful of countries and has lost much of its contagion effect. Human trafficking has not ceased, though the UN Security Council Resolution passed in 2015 has hastened efforts to stop it. The HIV vaccine is still in the early stages of development, but new ARVs have ended concerns that many African civil servants, teachers, and most of all parents will never celebrate their fortieth birthdays. Ethnic patronage persists, yet thanks to new data sources we know it does so in increasingly nuanced ways. Resource distribution in Nigeria differs markedly from nearby Cameroon and so on. Such findings have led to unique policies to combat graft rather than the one-size-fits-all approach of “good governance.”

Nowhere is the fundamental shift away from “Africa” more apparent than in energy markets. During the 1990s and the first two decades of the 2000s, the conventional wisdom held that the entire continent was awash in resources but equally susceptible to plunder. International and local firms exploited hydrocarbon and mineral plays, often with great costs to local communities and the environment. China’s controversial oil-for-infrastructure loans could encourage growth but stifle other types of development and promote corruption. Yet today some countries have proven their ability to strengthen domestic energy access, upend global energy markets, and gain geopolitical clout in the process. Tanzania, Kenya, and
Mozambique, which may have access to an incredible 250 trillion cubic feet in total gas reserves, have begun to transform the conversation about energy in Africa and, indeed, the world. No longer are resources booms always associated with the Dutch Disease or unsavory bilateral relations like those between Khartoum and Beijing. The governments of Kenya, Mozambique, and Tanzania have been able to manage their largely offshore resources effectively, boosting electricity access in rural areas and mitigating damage to the environment. Further, through LNG trade agreements with Asian economies, each country has joined global energy players such as Kazakhstan and Qatar in wielding greater geopolitical influence.

If energy markets have demonstrated the growing import of individual African economies, then the telecommunications industry embodies that trend even more. The early 2000s saw a mobile phone revolution everywhere from Nigeria, to Kenya, to Zimbabwe. Analysts described the steady uptick in cell phone subscriptions per person, while large private equity firms invested millions in telecom towers. Yet through the second decade of the 2000s, 0.2 percent of Africans had fixed broadband access. Certain African countries are now reversing the lack of connectivity and becoming ICT players with global reputations. Kenya, the birthplace of tech startups such as Ushahidi and incubators like iHub, is no longer just a proving ground. It has become an international destination of capital. Nairobi now attracts software companies from Europe and Asia in ways that make Silicon Valley CEOs envious. Meanwhile, coastal countries with access to seabed fiber optic cables have experienced another boon: increased transparency due to more government data online. Here, again, Kenya has become a model for how technology will expose corruption, not just in Africa, but also around the world.

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Technology markets have burgeoned alongside sustained demographic trends. Africa’s youth bulge has continued: almost 20 percent of the population is between 14 and 24 years old. In certain countries, the effects of this development have been largely positive for the local economy, a demographic dividend. Certain middle classes have grown as well. For instance, the retail market in South Africa—which Carrefour entered in 2018, following Walmart’s acquisition of Massmart in 2012—has become profitable in a way that would make many finance ministers jealous. Rather than dependent on natural resources, some countries are experiencing retail-led growth. The markets are diverse: what appeals to the growing consumer base in Bujumbura may not in Addis or Lagos. Regional chains like Nakumatt are expanding across the continent, too. No longer are African middle classes a mere economic projection on paper; they are a reality in some cases.

Increases in human capital have paralleled many of these trends. Although many countries still lack sufficient public school systems, others have made notable improvements in higher education. Gone are the student riots against austerity that swept African universities during the 1980s and early 1990s. In fact, some historic African campuses are experiencing a renaissance. With the help of Mahmood Mamdani and others, Kampala’s Makrere University has regained its international stature. Nigeria’s Abubukar-Gates University—funded by Atiku Abubukar and the Gates Foundation, in partnership with the American University of Nigeria—has graduated thousands of students per year since its inception in 2017. More importantly, it has become a model for other parts of the world. Finally, whereas Africa has long been the fixation of economists from the African Development Bank, McKinsey, and the IMF, it now produces its own social scientists. Founded a decade ago by Princeton’s Leonard Wantchekon, Benin’s African School of Economics has become a leader in providing PhDs and MBAs to Africans in Africa. The next generation of African investors and economists are honing their skills right on the continent.
Many of Africa’s economies have emerged—and now “Africa” needs to return to a purely geographic frame of reference. Since the 2000s, some African countries have become global players on their own terms. The longer we lump them all together the faster we ignore the serious challenges as well as the exciting opportunities ahead. Kennedy Odhiambo’s new traffic app—Gereji, Swahili for “garage”—will be available on iTunes next month.