

'Africa 10' to lead sub-Saharan Africa's revival?

Despite decades of economic stagnation and declining productivity, the African continent, more especially the sub-Saharan region, is on the move and is about to be transformed in the 21st century, according to the current MasterCard Worldwide Africa report and the McKinsey on Africa report.

 [Bylssa Sikiti da Silva](#) 19 Jul 2010



MasterCard
Worldwide

"Sub-Sahara Africa is one of the richest regions in the world. In the decades following independence, economic stagnation has sadly been the norm in most of the region as a result of political instability, corruption, economic mismanagement, ethnic conflict and wars," the MasterCard Knowledge Leadership's 1Q 2010 report says.

Sparks of growth

There are, however, increasing signs of a new stirring in sub-Sahara Africa since the dawn of the 21st century, the report says, pointing out that while many of the old shackles remain, sparks of growth and aspiration for peace and prosperity are beginning to kick in.

The report lists 10 countries - South Africa, Angola, Kenya, Mozambique, Ghana, Mauritius, Nigeria, Tanzania, Zambia and Zimbabwe - which it believes will lead the continent's transformation in the 21st century, and will play a 'critical role' for the future of sub-Sahara Africa.

McKinsey on Africa's a Continent on the Move, says the next decade will likely mark the first since the industrial revolution when emerging economies add more to global growth than all the developed countries combined.

Economic renaissance

"In our view, Africa will be the core of this economic renaissance...More specifically, underlying Africa's growth acceleration are two main factors - first, the emergence of a domestic economy based on rising incomes, consumption, employment and productivity growth, and second, the boom in resources prices."

The key to this revival and transformation is the size of Africa 10's per capita income and economic growth urban households, the urbanisation rate, urban per capita income, urban consumer markets and urban share of private consumption and the number of urban households and the household consumption.

"Africa's economic pulse has quickened, infusing the continent with a new commercial vibrancy," the McKinsey report said, adding that Africa's collective GDP, at US\$1.6 trillion in 2008, is now roughly equal to

Brazil's or Russia, and among the world's most rapidly growing economic regions.

Mauritius tops Africa 10 list

Africa 10's population accounts for 45.3% of the sub-Saharan Africa's total population, and its collective GDP accounted for close to 68% of the region's total GDP in 2008 - much higher than their population share, according to the MasterCard report.

Mauritius topped the Africa 10 list in terms of per capita income in 2008 with US\$7,020, followed by SA at US\$4,990, Angola at US\$1,786 and Nigeria at US\$1,193, while Zimbabwe had the lowest at US\$136.

Where is the money going?

However, in a region harbouring at least 80% of the world's brutal and corrupt regimes, it remains unclear why such a phenomenal growth is failing to improve the lives of ordinary citizens.

"I am really sceptical about this so-called revival and transformation because most of this growth has had little impact on the lives of ordinary citizens, especially in the rural areas," an Angolan university student told Bizcommunity.com yesterday on condition of anonymity.

"We are exporting so much oil and diamonds every day, and our economy has been growing at a spectacular in the past six years, but we still lack schools, jobs, clean water, electricity, and adequate sanitation and basic healthcare. Can someone please tell me where all that money is going? It is sad!"

ABOUT ISSA SIKITI DA SILVA

Issa Sikiti da Silva is a winner of the 2010 SADC Media Awards (print category). He freelances for various media outlets, local and foreign, and has travelled extensively across Africa. His work has been published both in French and English. He used to contribute to Bizcommunity.com as a senior news writer.

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