



Is Africa the next economic power house?

By CK Wong 2006.04.27

<http://www.ck-wong.ca/China/Money%20Matters/is%20africa%20power%20house%2020060427.pdf>

Introduction

From GDP perspective, African countries are ranging from middle to end of the list. More than often we overlook this huge continent and did not observe vast of resources are coming from it. Minerals and oil are major export. Other than Algeria, Egypt, and South Africa, there are rain forest, hydro, uranium, and oil dotted among the terrain in Central Africa. With proper water management, many volcanic lands could be fertile farmland. With tremendous number of human resource, how could this vast land mass be converted to the economic power house of the future?

Legacy

Legacy baggage slows down the development of African. Famine, water shortage and disease converted this land with great ancient civilization to a land of need. To overhaul the continent, UN and World Economic Forum have numerous projects to balance population growth and food supply. With the resources drained by fighting disease such as AIDS, there is little if no progress. No matter what, we could not fix all the problems before the improvement of the GDP. The double barrel approach is the only viable solution to bootstrap Africa out of poverty. To be precise, only the Central Africa countries which have no natural resources discovery, need a heavy dose of medicine to help.

Political issue is another legacy African has to fight. For the last six thousand years, imbalance of the continent is severe. Culture, wealth and good life are concentrated in a few countries. Wars among countries and tribes and races created multiple tier of social structure that limited the growth potential of a country of entrepreneurs.

Although Africans are mainly Islamic, but the deviation of congregation created the internal fragment which could cause many unrests.

New developments

Starting the mid-20th Century, former Soviet and China started to seek political alliance outside Asia and Europe. Their targets were Egypt, Algeria, Angola, Tanzania, Ethiopia and many others. China succeeded to displace Taiwan in UN. Russian secured its passage from Black Sea to India Ocean.

Although the social status was never equal but it was much equal than the European (mainly French) and American.

The Russian influence is reducing but the Chinese relation expands. China President Hu Jintao's visit to Africa brought out the 5 points partnership with African.

With this type of development, this wholistic approach is far more easy to accept than the American way. Not just only this, Hu's proposal is not just for China. It is the continuation of what proposed in ASEAN summit at Jakarta in April, 2005.

Crystal Ball

With these development, African's resources are under high competition which could be preserve better than when it is monopolized by a single country. With the growth of GDP, education level of people will increase. Many entrepreneurs have leverage on all these opportunities. One of the example is Hermann Chinery-Hesse of Ghana who developed a suite of low cost accounting software for the local business. More details in [4].

Internet has shorten the information delay. Cheap computer has shorten the time to catch up. What need to be done in hundred years, it may be done in 10 years. May be in next decade, Africa will have the fully developed embryo of economic power house that could compete with the rest of the world.

Resources

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- [3] President Hu urges Asia-Africa strategic partnership, 2005.04.24, Chinese Embassy in Australia, <http://au.china-embassy.org/eng/xw/t192950.htm>
- [4] The African Hacker, IEEE Spectrum Magazine,
<http://www.spectrum.ieee.org/aug05/1699>