



Eswatini

Eswatini: Current Path

Alize le Roux

Last updated 30 November 2023 using IFs v7.63

Table of contents

Eswatini: Current Path	3
Eswatini: Current Path forecast	3
Demographics: Current Path	5
Economics: Current Path	8
Poverty: Current Path	14
Carbon Emissions/Energy: Current Path	16
Endnotes	18
Donors and Sponsors	18
Reuse our work	18
Cite this research	18

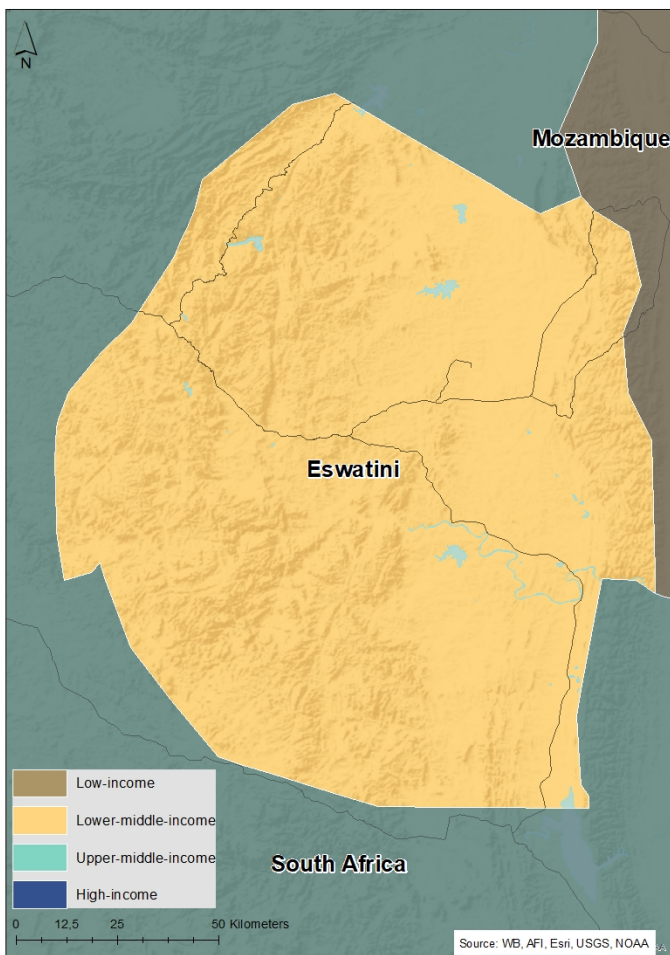
Eswatini: Current Path

- Eswatini: Current Path forecast
- Demographics: Current Path
- Economics: Current Path
- Poverty: Current Path
- Carbon Emissions/Energy: Current Path



Eswatini: Current Path forecast

Chart 1: Political map of Eswatini



This page provides an overview of the key characteristics of Eswatini along its likely (or Current Path) development trajectory. The Current Path forecast from the International Futures forecasting (IFs) platform is a dynamic scenario that imitates the continuation of current policies and environmental conditions. The Current Path is therefore in congruence with historical patterns and produces a series of dynamic forecasts endogenised in relationships across crucial global systems. We use 2019 as a standard reference year and the forecasts generally extend to 2043 to coincide with the end of the third ten-year implementation plan of the African Union's Agenda 2063 long-term development vision.

The Kingdom of Eswatini, formerly named Swaziland, is a landlocked country surrounded by upper middle-income South

Africa and low-income Mozambique. Eswatini is a member of the Southern African Development Community (SADC), the South African Customs Union (SACU), the Common Market for Eastern and Southern Africa (COMESA), and is one of 23 lower middle-income countries in Africa, according to the World Bank's income classification. The country has strong economic ties to its upper middle-income neighbour South Africa.

As a former British protectorate, the country gained independence from the United Kingdom in 1968. While the newfound constitution made provision for a constitutional monarchy, the dismantlement thereof into an absolute monarchy transpired in the decades that followed independence.[1] Eswatini is considered an absolute monarchy with King Mswati III, who has been reigning since 1986, holding executive power. Internal discontent on how the country is governed has recently escalated especially among disgruntled youth and pro-democracy movements. Protests escalated into full-scale riots in 2021 that revealed the underlying, growing tension within the country.

The country is the seventh smallest in Africa and its geographical position on the Southern Africa eastern escarpment contributes to a wide variety of landscapes with rich biodiversity. Four distinct regions are observed ranging in altitudes from 1 800 m to 21 m above sea level. The country has ample natural resources and its economy is fairly well diversified. It boasts varied geology with large coal reserves that occupy one sixth of the country's area, numerous iron ore deposits, gold and additional mineral resources such as talc, barite, kaolin, silica and diamonds.[2] The country is, however, very susceptible to severe drought and its high reliance on subsistence farming subjects the population to food insecurity.

Eswatini remains the epicentre of the global HIV/AIDS pandemic with the highest HIV prevalence rates globally. Eswatini's development prospects are unpacked in more detail in the subsequent charts and sections.

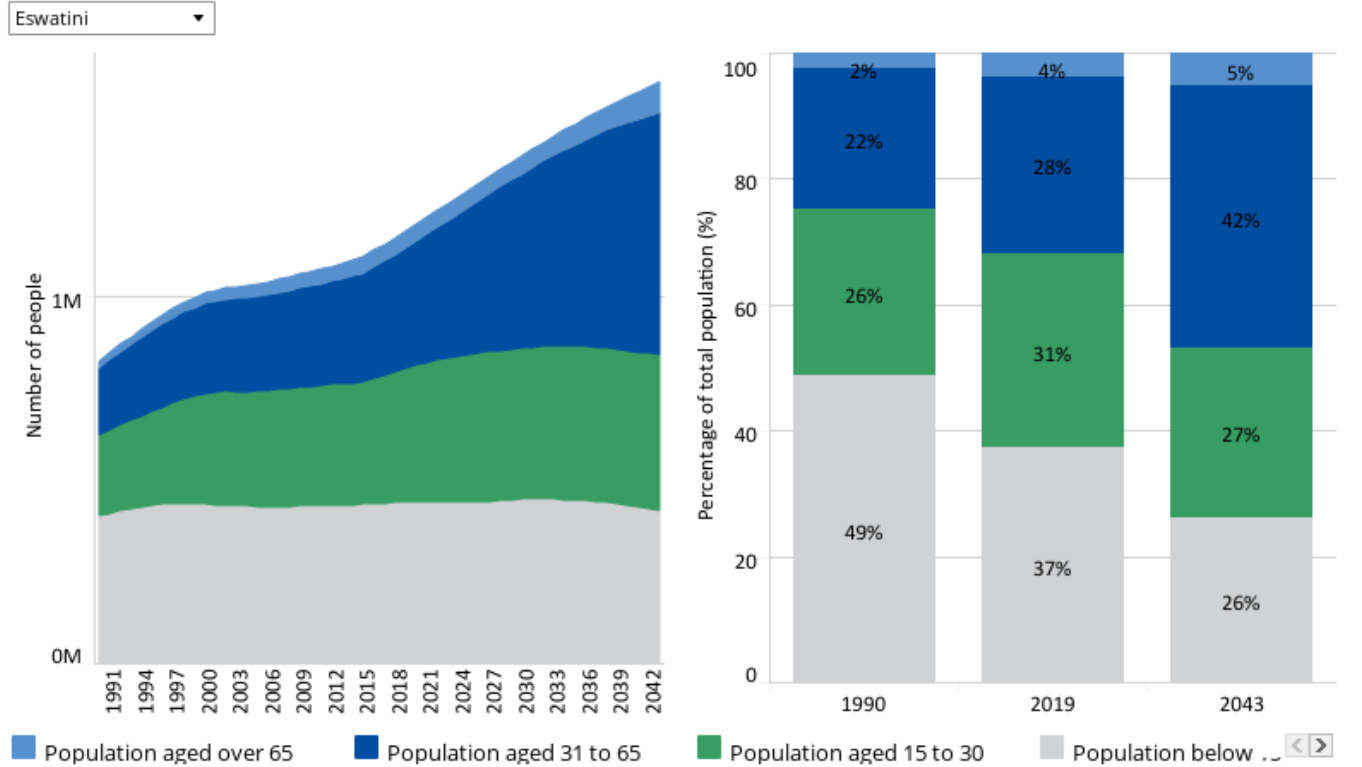


Demographics: Current Path

Chart 2 | Chart 3 | Chart 5 | Chart 6 | Chart 7 | Chart 8 | Chart 9 | Chart 10 | Chart 11 | Chart 12 | Chart 13

Chart 2: Population structure in CP, 1990–2043

By cohort and % of population



Source: IFs 7.63 initialising from UN Population Division Population Prospects estimate and World Development Indicators population data

[View on Tableau Public](#)

Navigation icons: back, forward, search, share

Eswatini's population of 1.2 million in 2019 gives it the position as the sixth smallest nation in Africa in population size and the seventh smallest in geographical area. Total fertility rates have dropped significantly in the past four decades, down from 6.7 births per woman in 1980 to 2.9 in 2019, below the 4.3 average of lower middle-income Africa. Low fertility rates and a high prevalence of HIV/AIDS in the late 1990s and early 2000s resulted in a significant drop in population growth rates with population growth of less than 1% recorded in 2005. In response to this burden, the country developed the National Strategic Plan for HIV/AIDS in 2000 but the enormous burden of the pandemic continues to impact on the demography and health of the country. In 2019, Eswatini's growth rates were 1 percentage point below the average for its income peers.

In the Current Path forecast, the population is expected to reach 1.6 million people by 2043 — an increase of 405 000 people in the next 24 years. The drop in fertility rates and increased life expectancy will alter the age structure of the country with the median age expected to increase from 20.6 years in 2019 to 28.1 years by 2043. This figure was on par with the average of lower middle-income Africa that had a median population age of 20.8 years in 2019, but it is significantly above 24.7 projected for the income peers by 2043.

Eswatini's demographic composition is changing. The share of the population aged below 15 declined from 49% in 1990 to 37% in 2019 and is expected to continue declining to 26% by 2043. The working-age population (age 15–65) increased from 48% in 1990 to 59% in 2019, and is expected to be just shy of 70% by 2043. The country has a small elderly population,

with fewer than 46 000 people 65 years and older in 2019. This figure will grow, reaching 83 000 by 2043 — the result of a longer life expectancy, climbing by 9.2 years from 2019 to 2043. Despite the growing elderly dependency, the youth dependency is shrinking and Eswatini can enter into its first demographic dividend as early as 2027.

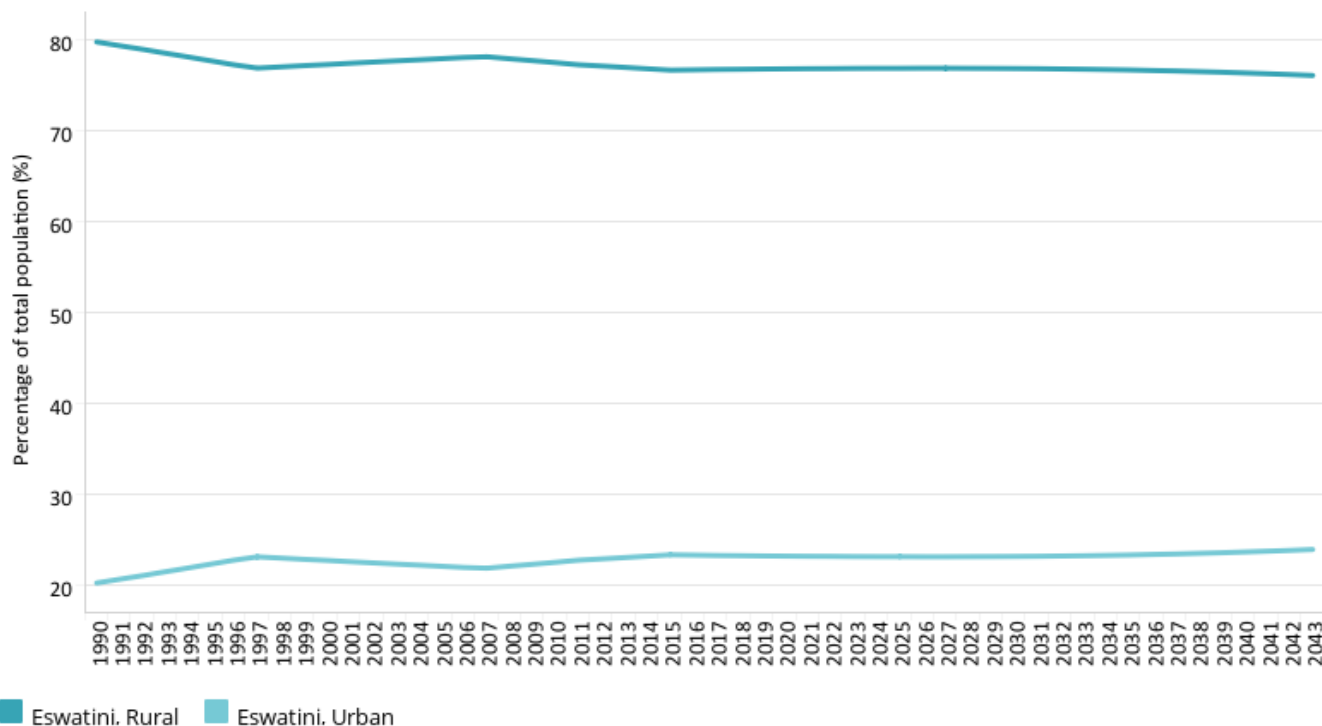
Chart 2 Chart 3 Chart 5 Chart 6 Chart 7 Chart 8 Chart 9 Chart 10 Chart 11 Chart 12 Chart 13

Chart 3: Urban and rural population in CP, 1990–2043

% of population



Eswatini



Source: IFs 7.63 initialising from UN World Urbanization Prospects estimate

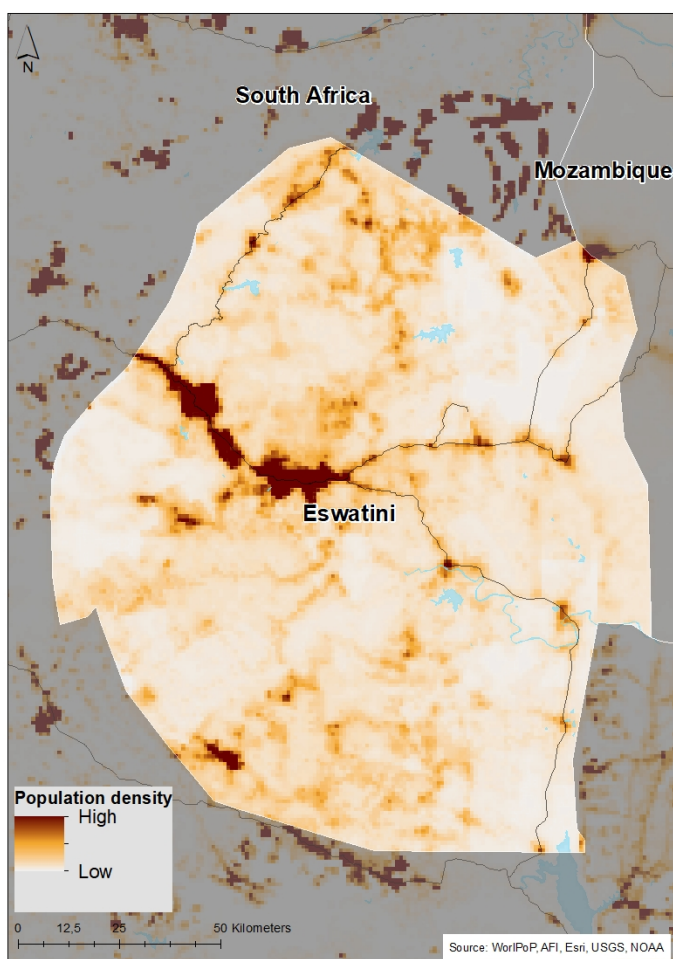
View on Tableau Public

Navigation icons: back, forward, refresh, search, share

Eswatini lacks a formalised land ownership structure [3] but does provide perceived security of tenure with access to landholdings through traditional land governance.[4] Eswatini is a predominantly rural country, with 76.8% of its population in 2019 living in rural agglomerations/clusters throughout the countryside, making it the eighth most rural state in lower middle-income Africa. Rural traditional family clusters throughout Eswatini host 903 000 dwellers. Between 1990 and 2019, urbanisation rates increased only marginally from 20.2% to 23.2%, indicative of an urbanisation stagnation.

Eswatini is expected to remain predominantly rural throughout the forecast horizon, and by 2043 it is forecast that 76.1% of the population will still be living in rural spaces throughout the country. This is in contrast to the average urbanisation rate of lower middle-income Africa that is expected to be 59% compared to 23.9% for Eswatini in 2043. The high rural rates result in an uncontrolled process of development and lack of basic services, creating additional environmental issues such as degradation and pollution.

Chart 4: Population density map for 2019



Much of Eswatini's population is distributed along the MR3 corridor that connects the country's administrative capital Mbabane to the industrial hub and second biggest town of Manzini. This east to west corridor has seen much development the past couple of decades and continued infrastructure development will likely further attract people towards this corridor.

Eswatini has a small land area with a geographical size of 17 364 km². Its population density of 0.7 people per hectare in 2019 is above the 0.6 average for Africa's lower middle-income countries and above the 0.5 average for Africa. The country boasts four distinct agro-ecological zones with topography varying from mountainous to flat. In the Current Path forecast, the population density is expected to increase to 0.9 people per hectare, falling below the average for lower middle-income Africa that is projected to be 1 person per hectare by 2043. With a slower urbanisation rate than its lower middle-income peers, much of the expected densification will be within rural clusters.



Economics: Current Path

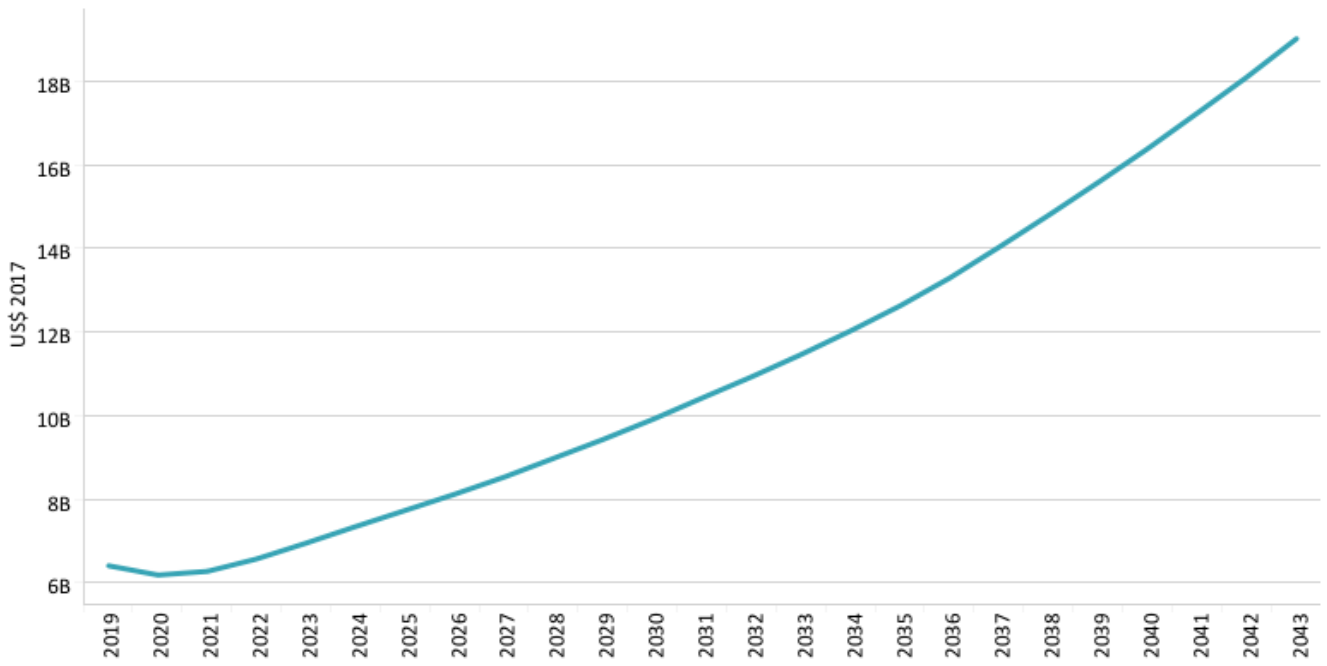
Chart 2 Chart 3 Chart 5 Chart 6 Chart 7 Chart 8 Chart 9 Chart 10 Chart 11 Chart 12 Chart 13

Chart 5: GDP in CP, 1990–2043

Market exchange rates



Eswatini



Eswatini

Source: IFs 7.63 initialising from International Monetary Fund World Economic Outlook database

[View on Tableau Public](#)

Navigation icons: Refresh, Previous, Next, Home, Print, Share

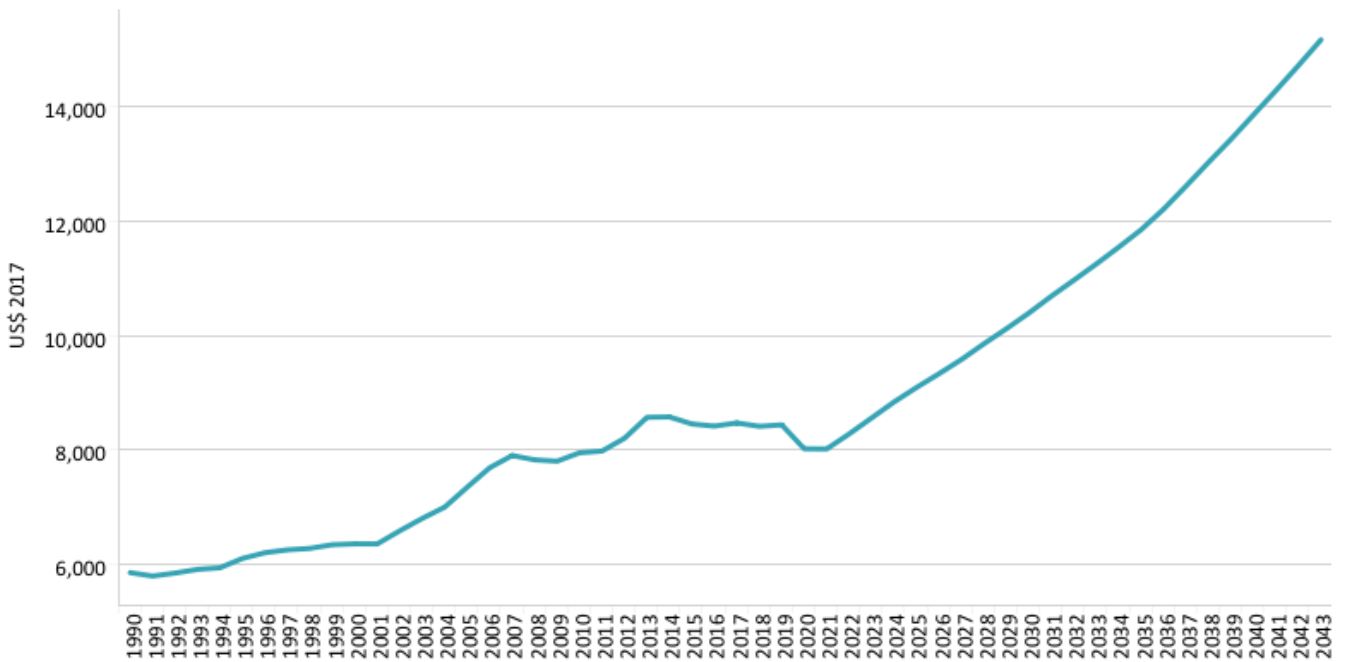
Eswatini enjoyed sustained economic growth in the first decade of the century, growing from US\$3.6 billion in 2000 to US\$5.1 billion by 2010 — an annual average of 4.2% growth. This was still on the back of heavy investment in Eswatini in the 1980s and 1990s that attracted sizable foreign investment and boasted a vibrant private sector. Economic growth rates in 2005 and 2006 neared 6%. However, the past decade has seen a slowing down of growth, mainly due to the country's overreliance on volatile SACU revenues, the negative effect of the COVID-19 pandemic on trade, increasing debt, growing income inequality and a persistently high disease burden. The poor economic performance over the past decade saw the economy only grow by US\$1.1 billion to US\$6.2 billion in 2020 — 2.7% annual growth.

Eswatini's currency is linked to the South African rand; its economy is also closely tied to South Africa's and the country is reliant on its neighbour for imports and exports. The country has a rich mineral base and the economy is fairly well diversified. While the service sector contributes the most to the country's GDP, industry inclusive of construction and agriculture also plays a very important role. The country's rich biodiversity and cultural history attracts tourists, while agriculture is the main source of income for the vast majority of the country's rural households. [5] On the Current Path, the economy of Eswatini is forecast to grow from US\$6.4 billion in 2019 to US\$19 billion by 2043 — a sizable increase of US\$12.7 billion, or 67%, within the next 24 years. Unlocking this potential would however demand a more favourable investment climate.

Chart 6: GDP per capita in CP, 1990–2043
Purchasing power parity



Eswatini



Eswatini

Source: IFs 7.63 initialising from UN Population Division World Population Prospects and World Development Indicators data

[View on Tableau Public](#)

Navigation icons: back, forward, refresh, search, share

Although many of the charts in the sectoral scenarios also include GDP per capita, this overview is an essential point of departure for interpreting the general economic outlook of Eswatini.

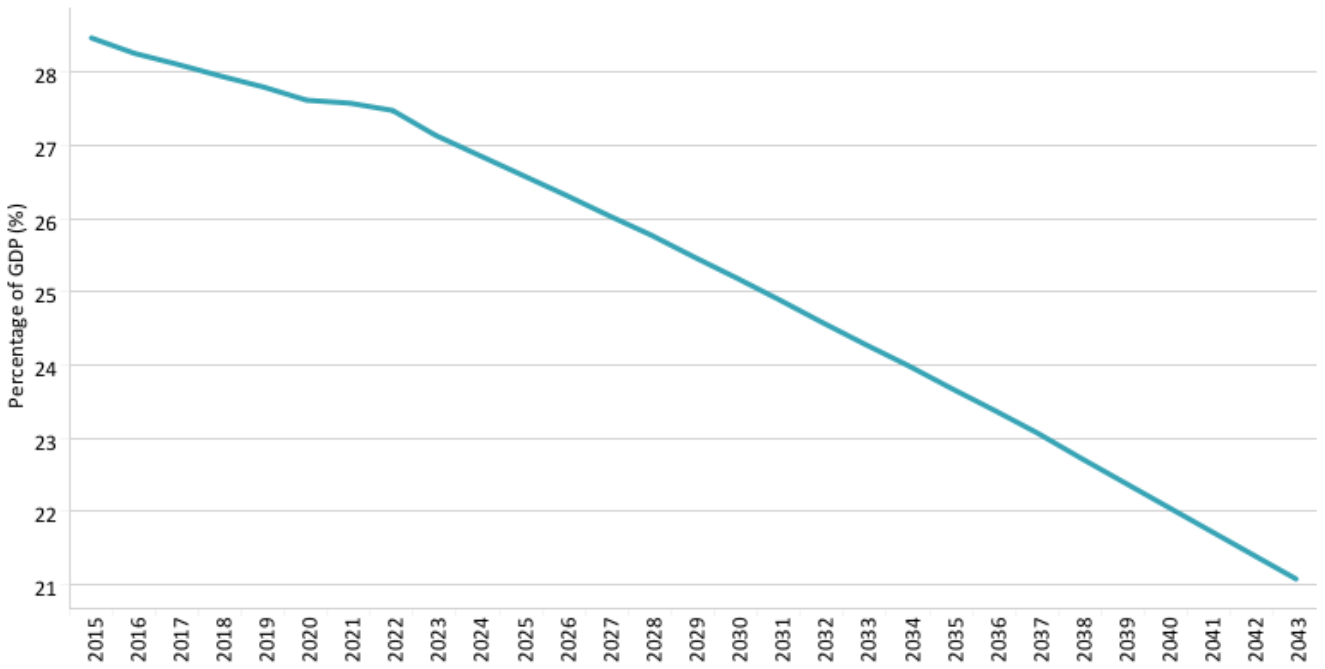
Eswatini has high per capita income levels for a lower middle-income country. Even though the country has the sixth smallest economy among the group, its small population size contributes to the fourth highest GDP per capita among its peers. The per capita income of US\$8 441 in 2019 for Eswatini was above the average of US\$6 989 for lower middle-income Africa and above the average of US\$5 289 for Africa. The income is however not evenly distributed and the country had the tenth highest income inequality in the world in 2019.[6] The majority of the rural population still lives in extreme poverty while a small number of elites earn the vast majority of the country's income.

The gap between Eswatini's income per capita and that of the average for lower middle-income Africa has stayed relatively consistent the past couple of decades. In 1990 Eswatini's income per capita was US\$1 439 above the average for its income peers on the continent; in 2019 the gap remained at US\$1 432. In the Current Path forecast, GDP per capita for Eswatini is expected to increase to US\$15 162 in 2043, US\$6 020 and US\$8 005 above the projected averages for lower middle-income Africa and Africa, respectively, in the same year.

Chart 7: Informal sector value in CP, 2015–2043
% of GDP



Eswatini



Eswatini

Source: IFs 7.63 initialising from UN Economic Commission for Europe [2008]; Elgin and Oztunali [2012]; Schneider and Enste [2012]

[View on Tableau Public](#)

Navigation icons: back, forward, refresh, search, share

The informal economy comprises activities that have market value and would add to tax revenue and GDP if they were recorded. Countries with high informality have a host of development challenges such as higher poverty, lower per capita incomes, greater income inequality, and weaker productivity investment, among others. They also struggle with a lack of social safety nets and unregulated work environments. In Eswatini the informal economy is a vital mechanism for income earning and supporting a livelihood and the cornerstone of many small and medium sized enterprises.[7] Although the sector provides a means of survival for those employed at these enterprises, increased formalisation holds various benefits, including increased government revenue through taxation, higher productivity per capita and increased security for the workforce.

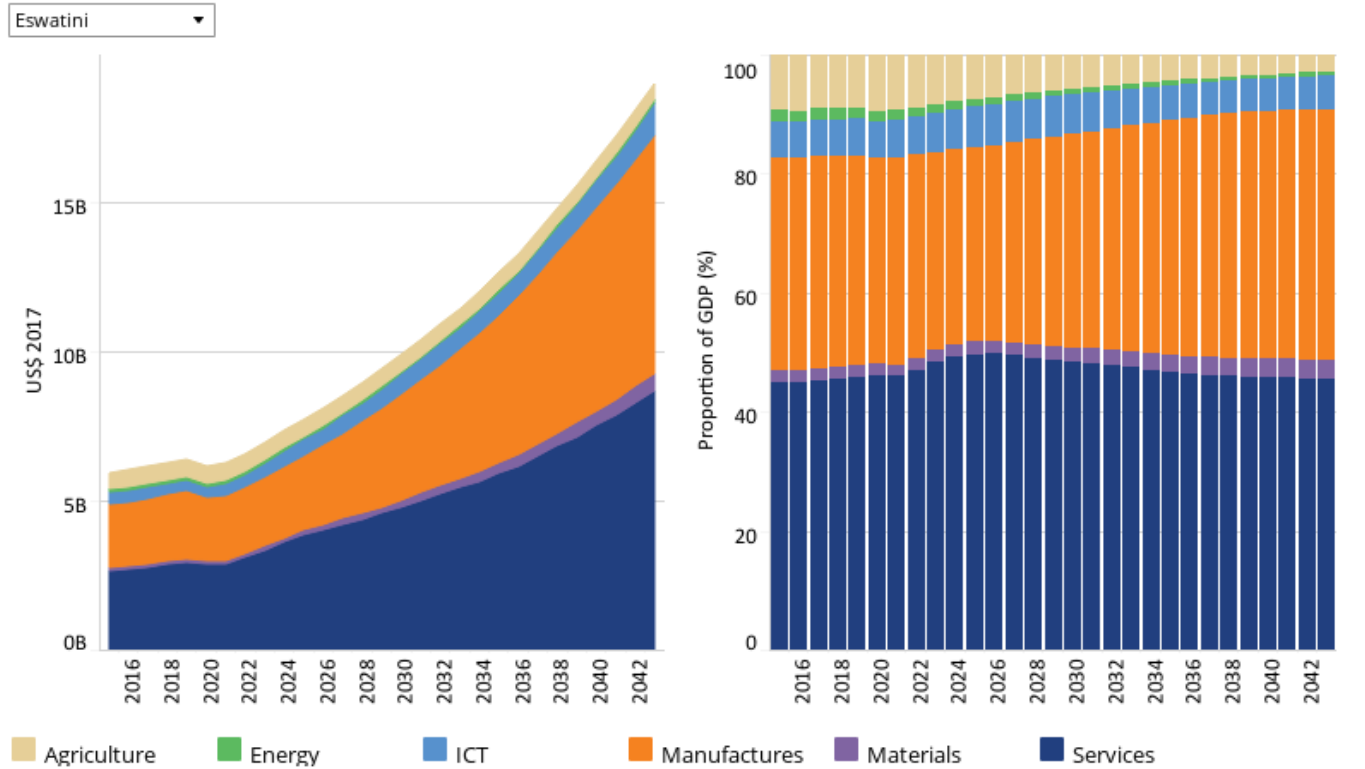
Eswatini has a large informal sector, albeit smaller than the average for its lower middle-income peers. In 2019, the size of the informal economy was estimated at 27.8% of GDP, amounting to a value of US\$1.6 billion. This is 1.4 percentage points below the average of lower middle-income Africa and 1.9 percentage points higher than the average of Africa. The informal economy is an important employer in Eswatini, and in 2019, 45% of Eswatini’s labour force worked in the informal sector.

On the current development trajectory, the size of the informal sector is forecast to modestly decline to 21.1% of GDP by 2043. This will amount to an informal economy with a value of US\$3.7 billion by 2043 — a much faster rate of reduction compared to Africa and lower middle-income Africa.



Chart 8: Value added by sector in CP, 2015–2043

Billions US\$ 2017 and % of GDP



Source: IFs 7.63 initialising from International Monetary Fund World Economic Outlook database

[View on Tableau Public](#)

Share

The IFs platform uses data from the Global Trade and Analysis Project (GTAP) to classify economic activity into six sectors: agriculture, energy, materials (including mining), manufacturing, services and information and communication technologies (ICT). Most other sources use a threefold distinction between only agriculture, industry and services with the result that data may differ.

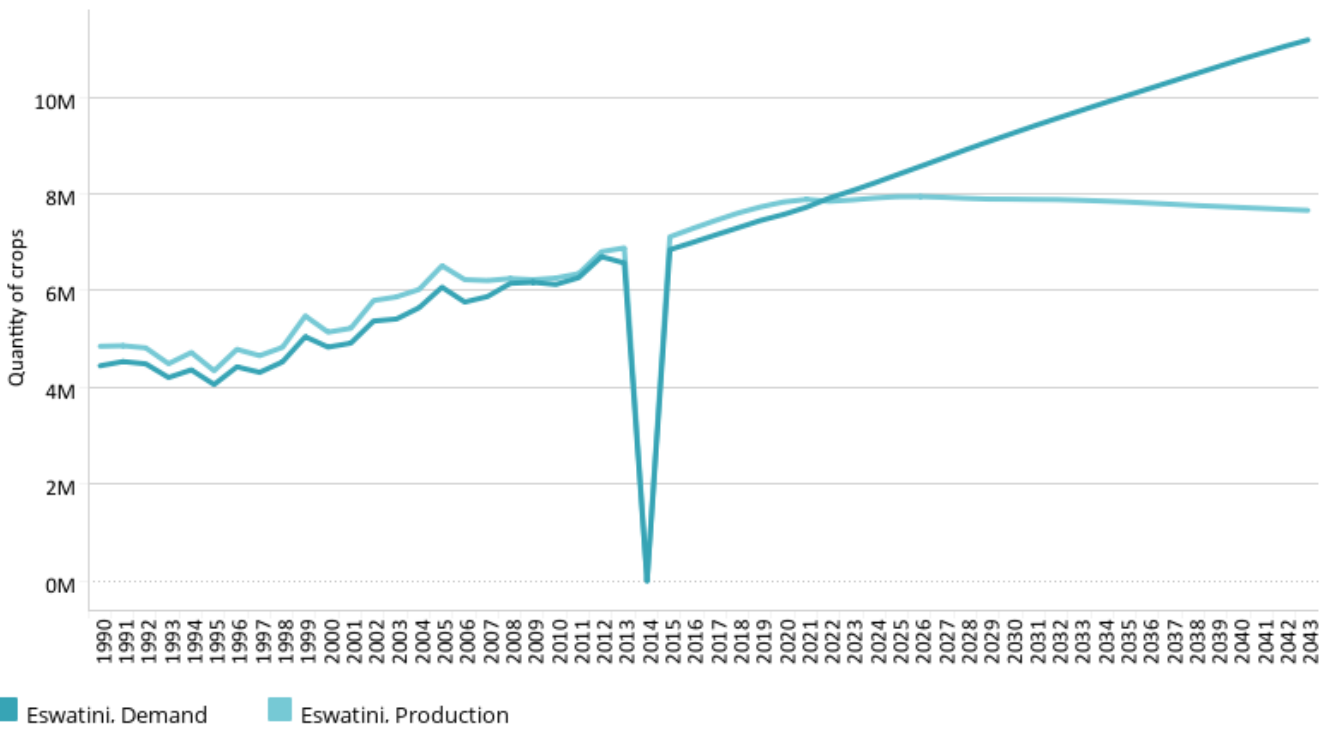
Eswatini’s economic structure has changed significantly from the 1970s to date. In 1970, agriculture made up a significant portion of the economy contributing as much as 30% to the total GDP. Manufacturing contributed an already steady 11.5% of GDP, while the service sector contributed nearly 35% to the economy. Today the economy is fairly well diversified. While agriculture has subsided in regard to its economic contribution, the manufacturing sector has grown significantly, signalling a shift away from the primary economy.

In 2019, the agriculture sector contributed nearly 9% of GDP (valued at US\$600 million), while the manufacturing sector had grown to 35% (valued at US\$2.3 billion) and the service sector stood strong at 45.8% (valued at US\$2.9 billion). In the Current Path forecast, the contribution of the service sector is expected to still stand at 45.6% (valued at US\$8.7 billion) throughout the forecast horizon. The manufacturing sector is expected to continue growing steadily and is likely to contribute 42% (US\$8 billion) while agriculture will continue to decrease contributing only 2.9% (US\$500 million) by 2043.

Chart 9: Agriculture production/demand in CP, 1990–2043
Crops million tons



Eswatini



Source: IFs 7.63 initialising from Food and Agriculture Organization Food Balance Sheets

[View on Tableau Public](#)

Navigation icons: back, forward, refresh, search, share

The data on agricultural production and demand in the IFs forecasting platform initialises from data provided on food balances by the Food and Agriculture Organization (FAO). IFs contains data on numerous types of agriculture but aggregates its forecast into crops, meat and fish, presented in million metric tons. Chart 9 shows agricultural production and demand as a total of all three categories.

The large rural population in Eswatini engages in subsistence farming and an estimated 70% are dependent on this sector for supporting their livelihoods. Food security remains a consistent challenge for the country and droughts, natural disasters, unsustainable farming techniques and variable rainfall patterns threaten the sector. The government has substantially invested in irrigation projects to guard against droughts through numerous small-scale dams, but soil erosion, overgrazing and low productivity in this sector still threaten food security.[8] Most local farmers are small-scale subsistence farmers cultivating rain-fed maize, while commercial farming is dominated by sugar cane, cotton, citrus and livestock. The agriculture sector is highly susceptible to drought and variability in rainfall, which, together with a lack of water provision and reticulation, remain obstacles for development of the sector.

In 2019, the country produced 7.5 million tons of agricultural produce, many through commercial farms earmarked for export. The sector remains vital to the country and sugar cane continues to be a key part of this sector's outputs. Maize production has ramped up in the past two decades but is highly susceptible to drought. Much of the 7.7 million metric tons of agricultural demand in 2019 could not be met with current internal production and the country does not produce enough food to feed itself. Food assistance has been brought into the country on previous occasions to stave off nutritional and food insecurity and much of the demand for agricultural products are met through imports from South Africa. Top imported commodities include wheat, maize, rice, fruits and vegetables.[9]

Land release, especially from the government, can open up more arable land for cultivation. In the Current Path forecast, the country will continue to produce around 7.7 million metric tons by 2043 and while much of this would be earmarked for export, the growing demand for basic foodstuff will be increasingly unmet through local production. By 2043 demand for agricultural produce will be 11.2 million metric tons. While the country has a strong import market from South Africa, fluctuations in food prices and regional droughts threaten food security and makes the country susceptible to food price shocks.



Poverty: Current Path

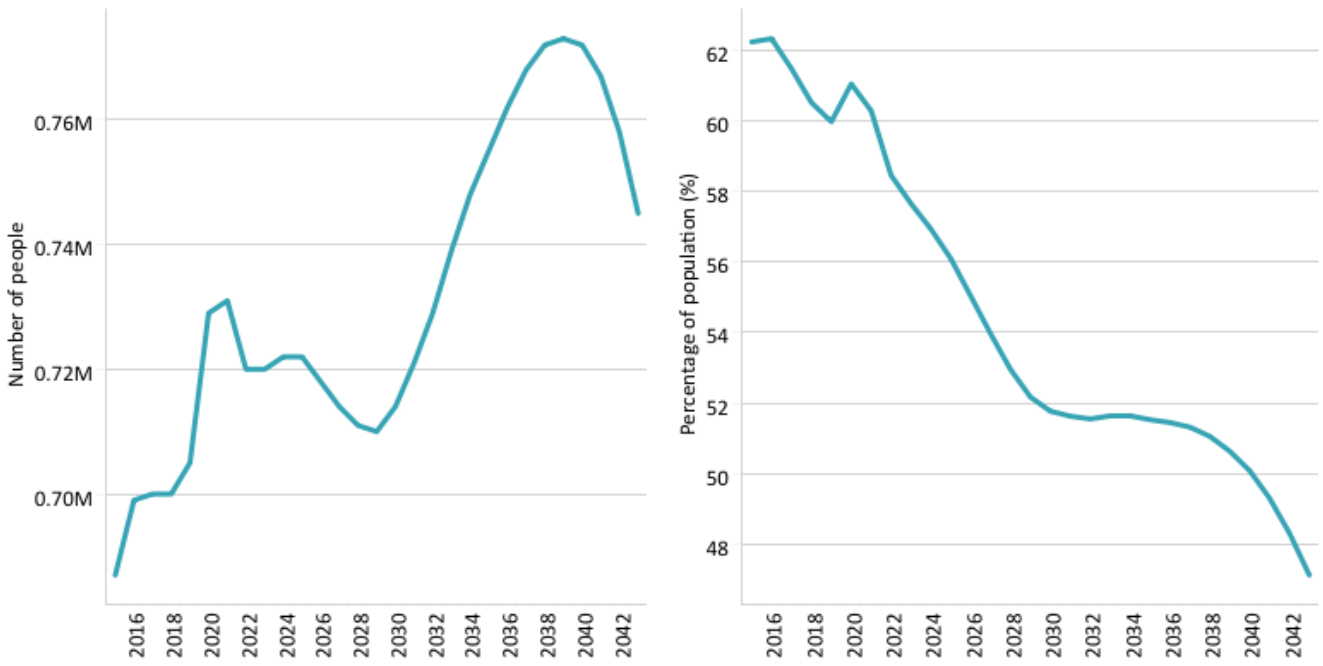
Chart 2 Chart 3 Chart 5 Chart 6 Chart 7 Chart 8 Chart 9 Chart 10 Chart 11 Chart 12 Chart 13

Chart 10: Poverty in CP, 2015–2043

Millions of people and % of total population



Eswatini \$3.20



Eswatini

Source: IFs 7.63 initialising from UN Population Division Population Prospects estimate, World Development Indicators population data and DevPalNet World Bank data

View on Tableau Public

Navigation icons: back, forward, refresh, search, share

There are numerous methodologies for and approaches to defining poverty. We measure income poverty and use GDP per capita as a proxy. In 2015, the World Bank adopted the measure of US\$1.90 per person per day (in 2011 international prices), also used to measure progress towards the achievement of Sustainable Development Goal (SDG) 1 of eradicating extreme poverty. To account for extreme poverty in richer countries occurring at slightly higher levels of income than in poor countries, the World Bank introduced three additional poverty lines in 2017:

- US\$3.20 for lower middle-income countries
- US\$5.50 for upper middle-income countries
- US\$22.70 for high-income countries.

The country has made steady progress in raising GDP per capita, but unemployment remains high, especially among the youth, causing discontent and tension within this group. Furthermore, poverty remains an endemic problem that burdens communities, especially those situated in rural areas. The growth of the manufacturing sector in Eswatini, together with the introduction of grants to support vulnerable households, has however significantly reduced poverty over the past four decades.

The past decade has seen slow progress. Poverty rates had fallen to 60% (710 000 people) in 2019 using the US\$3.20 benchmark and although a reasonable feat, this is still 10 percentage points above the average for lower middle-income Africa. Inequality is also high and apart from income poverty, the population suffers from a lack of access to basic social services. In 2017, it was estimated that nearly 57% of children were deprived in four or more dimensions of well-being.[10]

Eswatini's export markets were affected by the COVID-19 pandemic and this negatively affected the country's fight against poverty, although the country is forecast to recover in the short term. In the Current Path forecast, the extreme poverty rate is forecast to decline to 47.1% in 2043 (using the US\$3.20 benchmark), equivalent to 750 000 people. The projected extreme poverty rate in 2043 is 8.8 percentage points above the average for lower middle-income Africa in the same year.

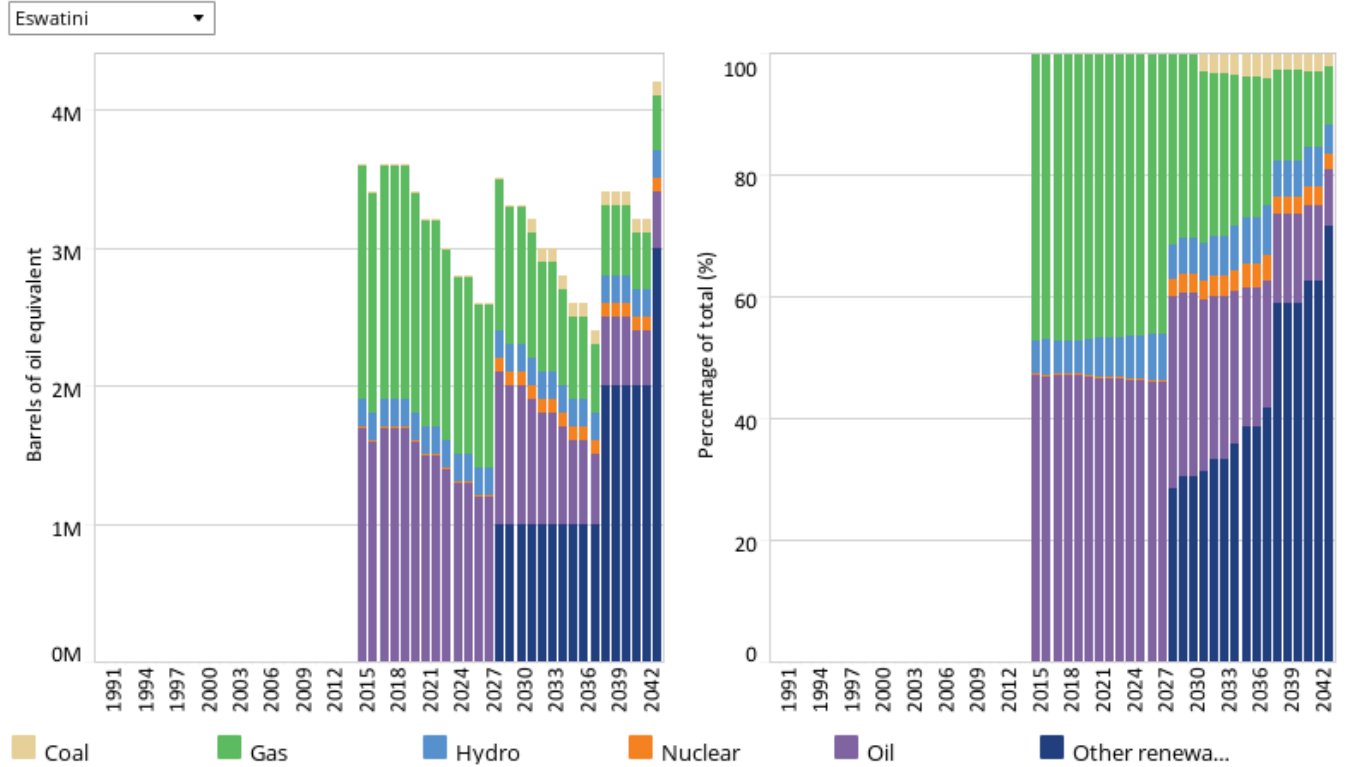


Carbon Emissions/Energy: Current Path

Chart 2 Chart 3 Chart 5 Chart 6 Chart 7 Chart 8 Chart 9 Chart 10 Chart 11 Chart 12 Chart 13

Chart 11: Energy production by type in CP, 1990–2043

Barrels of oil equivalent and % of energy production



Source: IFs 7.63 initialising from World Energy Outlook data

[View on Tableau Public](#)

Navigation icons: back, forward, refresh, search, and share.

The IFs platform forecasts six types of energy, namely oil, gas, coal, hydro, nuclear and other renewables. To allow comparisons between different types of energy, the data is converted into billion barrels of oil equivalent (BBOE). The energy contained in a barrel of oil is approximately 5.8 million British thermal units (MBTUs) or 1 700 kilowatt-hours (kWh) of energy.

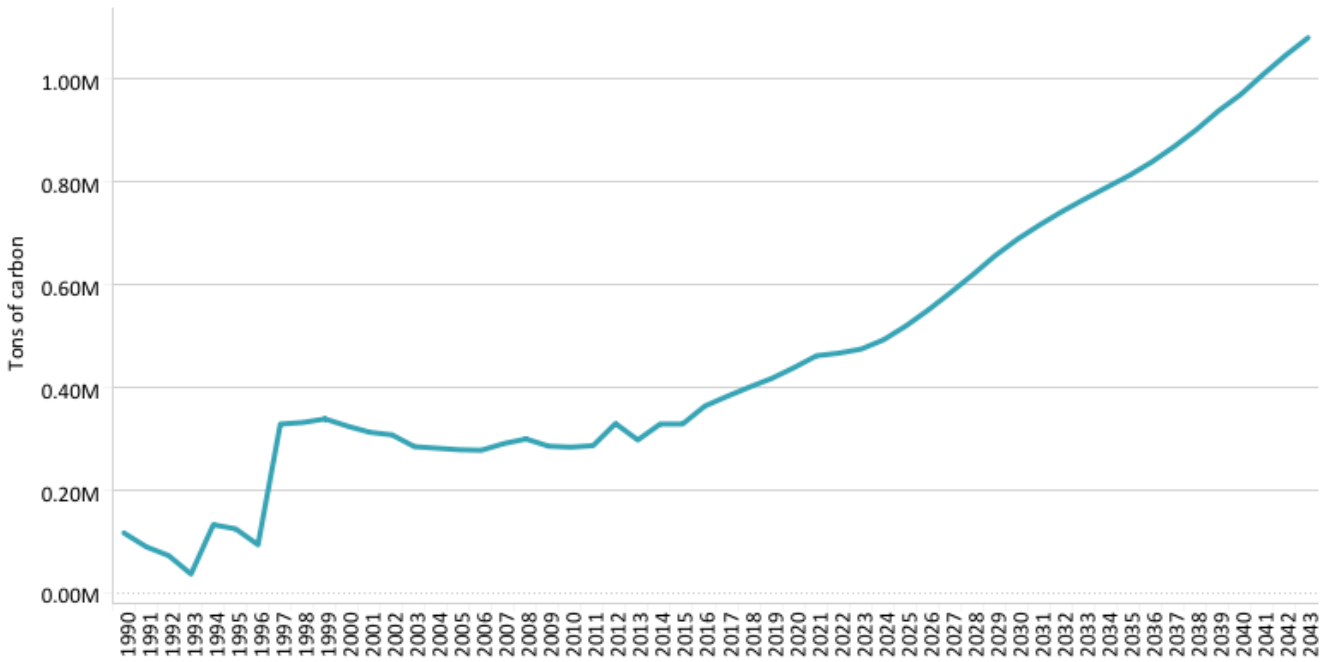
Eswatini's state-owned power utility EEC operates four hydropower plants that provide an estimated 17% of the total energy consumed in the country. Eswatini currently has independent power producers (IPPs) that run hydro, biomass and solar PV technologies but the country has potential for bringing onboard more IPPs. The country is heavily reliant on imports from South Africa to meet the rest of its energy demands, while energy is occasionally imported from Mozambique too.

In 2019, fossil fuels still made up the bulk of the energy production in the country, the result of the high import dependency from South Africa's fossil fuel intensive energy utility Eskom. The current master energy plan further supports the role of IPPs in energy production and increased energy self-sufficiency, and by 2043 it is forecast that renewables will make up the largest share of energy production in the country. For economic growth to take off, the country needs to urgently address the supply gap as well as the rural electricity access rate.

Chart 12: Carbon emissions in CP, 1990–2043
 Million tons of carbon (note, not CO₂ equivalent)



Eswatini



Eswatini

Source: IFs 7.63 initialising from Carbon Dioxide Information Analysis Center data

[View on Tableau Public](#)

Navigation icons: back, forward, refresh, search, share

Carbon is released in many ways, but the three most important contributors to greenhouse gases are carbon dioxide (CO₂), carbon monoxide (CO) and methane (CH₄). Since each has a different molecular weight, IFs uses carbon. Many other sites and calculations use CO₂ equivalent.

Eswatini is a low carbon emitter, with 100 000 tons of carbon emissions in 2019. Its carbon emissions are dwarfed by South Africa, yet Eswatini is still reliant on its neighbour's energy exports to meet its own needs. In 2019, Eswatini's emissions placed it in 44th position in Africa and 157th in the world, and among lower middle-income countries in Africa it ranked fifth lowest. In the Current Path forecast, carbon emissions are likely to increase to 1.1 million tons by 2043. The country has great renewable energy potential and its energy plans cater to that.

Endnotes

1. F Maphanga and C Vandome, [eSwatini monarchy must address demands for democratic reform](#), Chatham House, 25 August 2021
2. RM Maphalala, [Mineral Resources of Swaziland](#), Geological Survey and Mines Department, June 2006
3. S Allison, [eSwatini tests the limits of its absolute monarchy](#), Institute of Security Studies, 4 September 2018
4. World Bank, [The Kingdom of Eswatini, Toward Equal Opportunity: Accelerating Inclusion and Poverty Reduction](#), Systematic Country Diagnostic, 14 December 2020
5. Kingdom of Eswatini, [Ministry of Economic Planning & Development, National Development Plan 2019/20–2021/22, Towards Economic Recovery](#)
6. World Food Programme, [Eswatini](#)
7. M Mohammed and T Sacolo, [Explaining the shadow economy in Eswatini](#), Eseparc
8. African Development Bank, [Kingdom of Swaziland Country Strategy Paper 2014–2018](#), December 2013
9. N Njeim, [Socioeconomic impacts of infrastructure investment in Eswatini: the case of LUSIP](#), MSc diss, University of Arkansas, Fayetteville, 2018
10. Kingdom of Eswatini, [Ministry of Economic Planning & Development, National Development Plan 2019/20–2021/22, Towards Economic Recovery](#)

Donors and sponsors



Reuse our work

- All visualizations, data, and text produced by African Futures are completely open access under the [Creative Commons BY license](#). You have the permission to use, distribute, and reproduce these in any medium, provided the source and authors are credited.
- The data produced by third parties and made available by African Futures is subject to the license terms from the original third-party authors. We will always indicate the original source of the data in our documentation, so you should always check the license of any such third-party data before use and redistribution.
- All of our charts [can be embedded](#) in any site.

Cite this research

Alize le Roux (2024) Eswatini. Published online at futures.issafrica.org. Retrieved from <https://futures.issafrica.org/geographic/countries/eswatini/> [Online Resource] Updated 30 November 2023.



About the authors

Ms Alize le Roux joined the AFI in May 2021 as a senior researcher. Before joining the ISS, she worked as a principal geo-informatics researcher at the CSIR, supporting various local and national policy- and decision-makers with long-term planning support. Alize has 14 years of experience in spatial data analysis, disaster risk reduction and urban and regional modelling. She has a master's degree in geographical sciences from the University of Utrecht, specialising in multi-hazard risk assessments and spatial decision support systems.

About African Futures & Innovation

Scenarios and forecasting can help Africa identify and respond to opportunities and threats. The work of the African Futures & Innovation (AFI) program at the Institute for Security Studies aims to understand and address a widening gap between indices of wellbeing in Africa and elsewhere in the world. The AFI helps stakeholders understand likely future developments. Research findings and their policy implications are widely disseminated, often in collaboration with in-country partners. Forecasting tools inspire debate and provide insights into possible trajectories that inform planning, prioritisation and effective resource allocation. Africa's future depends on today's choices and actions by governments and their non-governmental and international partners. The AFI provides empirical data that informs short- and medium-term decisions with long-term implications. The AFI enhances Africa's capacity to prepare for and respond to future challenges. The program is headed by Dr Jakkie Cilliers.