Governance
Governance scenario
Governance scenario

Chart 18 presents the logic that underpins the Governance scenario, divided into the three dimensions of governance, more stability/security, capacity and inclusion.

Chart 18: The Governance scenario

In the Governance scenario, more stability uses data from the Political Instability Task force[1] to model:

- a reduction in the probability and magnitude of state failure/internal war, and
- a reduction in the probability and magnitude of abrupt regime change.

Capacity is enhanced by improving the quality of government regulation, government effectiveness (both from the WGI) and reductions in corruption using the ICG from Transparency International.

Inclusion improves as a result of:

- an improvement in levels of democracy using the Polity IV index
- an improvement in gender empowerment using the gender empowerment measure (GEM) from the UNDP[2], and
- more economic freedom, using the associated index from the Fraser Institute.

Each intervention initialises from country-specific data and the forecast uses an algorithm in associated with the level of development of that country.

The impact of the scenario on the combined government index (the average of improvements in security, capacity and inclusion) is presented in Chart 19. The data is presented as the per cent increase in governance for each African country.
The scenario shows that more stability, capacity and inclusion would translate into more rapid economic growth in Africa. In the Governance scenario, the size of the African economy by 2043 will be US$972.5 billion larger than in the Current Path forecast (in market exchange rates). This is equivalent to a 11.5% improvement. Given its large economy, Nigeria would gain the most (US$208 billion or 14% larger), followed by Egypt (US$130 billion or 13% larger), South Africa (US$872 billion or 11% larger) and Ethiopia (US$51 billion or 14% larger) and. Expressed as a per cent improvement, the economy of Uganda gains most from the Governance scenario with a 2043 economy that is 16.4% larger than in the Current Path forecast, followed by Namibia with a 15% improvement. South Sudan gains the least — only 7%.

Chart 20 presents the impact of the Governance scenario on GDP per capita in PPP for each African country compared with the Current Path forecast in 2043. The data is presented in the per cent improvement achieved in 2043. Improvement ranges from 12.5% in Namibia (an improvement of US$1 998), 11% in Uganda (an improvement of US$542) and Eswatini (an improvement of US$1 819 or 10.4%) to 4.6% in South Sudan (US$203). On average, GDP per capita improves by 7.9% by 2043, an increase of US$510 (US$7 618 instead of US$7 062).
The Governance scenario reduces the number of extremely poor Africans (using US$1.90) by 45.5 million in 2043, equivalent to a difference of 2 percentage points. Somalia, Nigeria and CAR experience the largest reduction at almost four percentage points by 2043. Given its large numbers of extremely poor persons, it is no surprise that Nigeria gains the most, followed by the DR Congo. The DR Congo would, in 2043, have 4.7 million fewer persons living in extreme poverty, and Nigeria would have 14.2 million fewer extremely poor persons.
Endnotes

1. Previously known as the State Failure Task Force.

2. GEM has subsequently been replaced with the Gender Development Index (GDI) and the Gender Inequality Index (GII).

Donors and sponsors

Re-use 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

About the authors

Dr Jakkie Cilliers is the ISS’s founder and former executive director of the ISS. He currently serves as chair of the ISS Board of Trustees and head of the African Futures and Innovation (AFI) programme at the Pretoria office of the ISS. His 2017 best-seller Fate of the Nation addresses South Africa’s futures from political, economic and social perspectives. His three most recent books, *Africa First! Igniting a Growth Revolution* (March 2020), *The Future of Africa: Challenges and Opportunities* (April 2021), and *Africa Tomorrow: Pathways to Prosperity* (June 2022) take a rigorous look at the continent as a whole.

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.

The opinions expressed do not necessarily reflect those of the ISS, its trustees, members of the Advisory Council or donors. Authors contribute to ISS publications in their personal capacity.