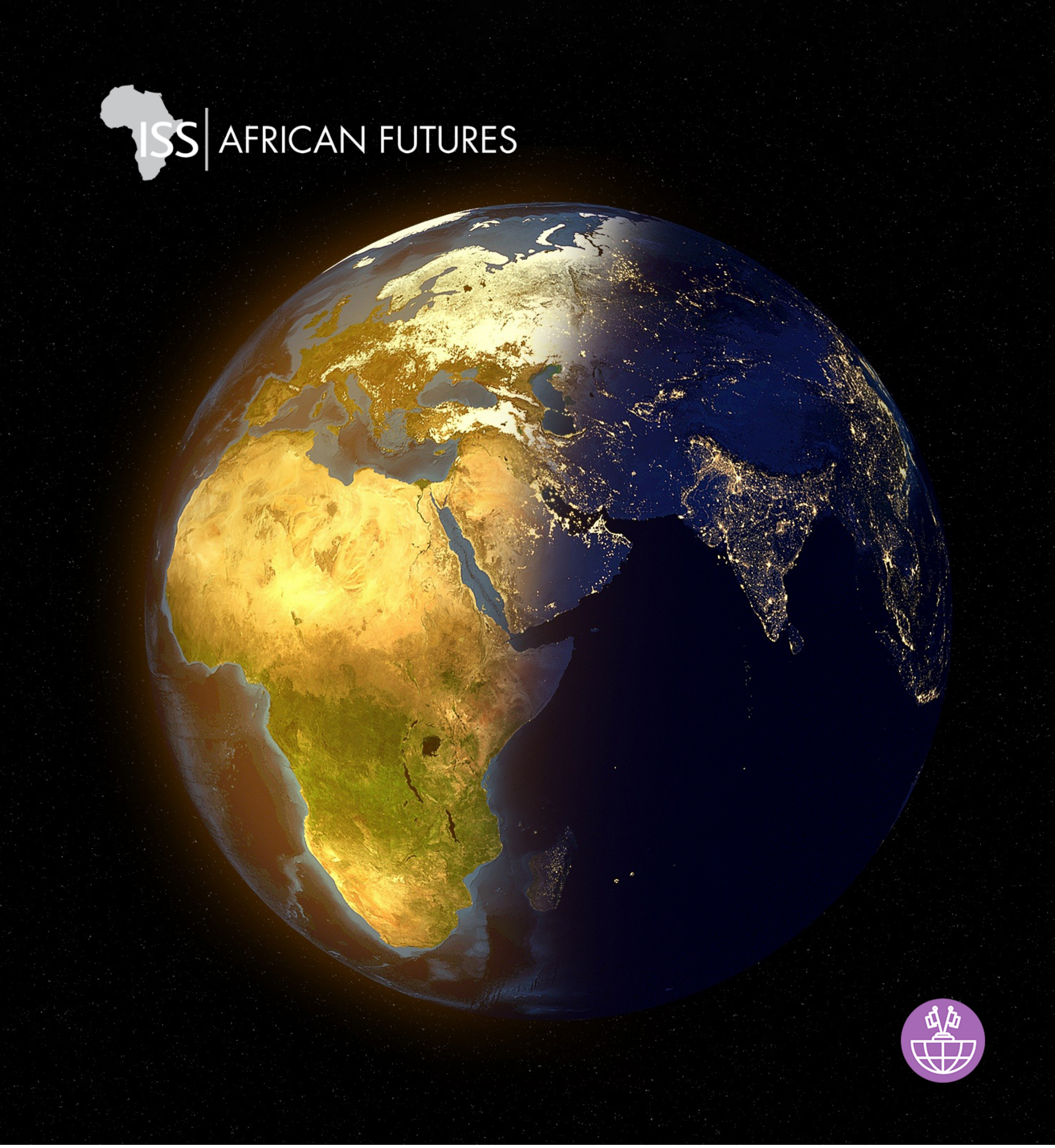

Africa in the World

Thematic Futures

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Africa’s development depends, in part, upon a facilitating global environment. In this theme, we review global trends and then present four global scenarios, asking how a Sustainable World, a Divided World, a World at War and a Growth World impact upon Africa's development. For more information about the International Futures modelling platform we use for our scenarios, please see About this Site.

Summary

This theme starts with an overview of recent trends in power and influence, using trends in Gross Domestic Product per Capita in Purchasing Power Parity (GDPPC), and then three separate indices of power and influence to understand the likely future evolution on a business as usual forecast. The analysis points to incremental improvements in Africa's material power, at odds with the continent's rapidly growing population. We use two

dimensions, globalisation and sustainability to then frame four alternative futures, a Sustainable World, Divided World, World at War and a Growth World.

Globally, economic and political heft is shifting towards Asia. At around 2043, China will overtake the US as the single most powerful country in the world and we examine its ambitions. Still, the West remains dominant in wealth, technology and power for the remainder of the 21st century and will continue to benefit inordinately from a rules-based system created in its image. Other trends include populism and its domestic effects, power diffusion in the West and global decoupling in favour of regionalism. Rather than a new uni- or even bipolar order, the global trend is towards a complex, multipolar global power configuration.

Historically and currently, Africa is a small global player. Its status has been elevated, at times, due to East–West competition, its role in the provision of fossil fuels during the war on terrorism, and the focus on development with the crafting of the Millennium and Sustainable Development Goals. Lately, Africa has again become an area of competition between the West, China and Russia. Its importance is set to increase.

In the alternative global futures scenarios modelled in this theme, the current trajectory most closely aligns with the **Divided World** scenario, reflecting disaffection with the Western rules-based system. This scenario reflects the acceleration of the current trends towards a more fragmented global order, an associated retreat from the Western rules-based system and the more rapid rise of China to become globally dominant towards the end of the forecast horizon.

The **World at War** scenario is the worst case for everyone, as overall gains are below any other. War in Europe and the Middle East is followed by wars in Asia. The scenario could escalate from the war in Ukraine, conflict in the Middle East or in Asia as China and India come to blows. Military expenditure and inequality increase. Africa still grows, but very slowly.

Neoliberal, trickle-down economics and increased corporate concentration characterises the **Growth World** scenario that leads to better economic results but to the detriment of equality and efforts to contain global greenhouse gases, resulting in negative climate change impacts.

The **Sustainable World** scenario maximises Africa's economic potential, such as income and poverty reduction improvements. The international community acts in concert to balance growth and distribution by reducing overall consumption and constraining greenhouse gas emissions. It is, however, the most difficult scenario to attain and most likely to emerge from a crisis such as the World at War scenario.

The impact on the size of Africa's economy, GDP per capita, and poverty levels are starkly different in the four scenarios. Africa is complex and diverse and the examination of the effects differ markedly between countries. Perhaps not unexpectedly, Africa does best in the Sustainable World and worst in the World at War scenario. Regional integration, or the lack thereof, plays an important role in shaping the associated outcomes, but even in the Sustainable World scenario, Africa will still struggle with extreme poverty in 2043.

Various wildcards, such as great power implosion (either in China, the US or the EU), expansion (in the case of the EU), or the accelerated impact of climate change and artificial intelligence, could disrupt the future, which remains inherently unknown.

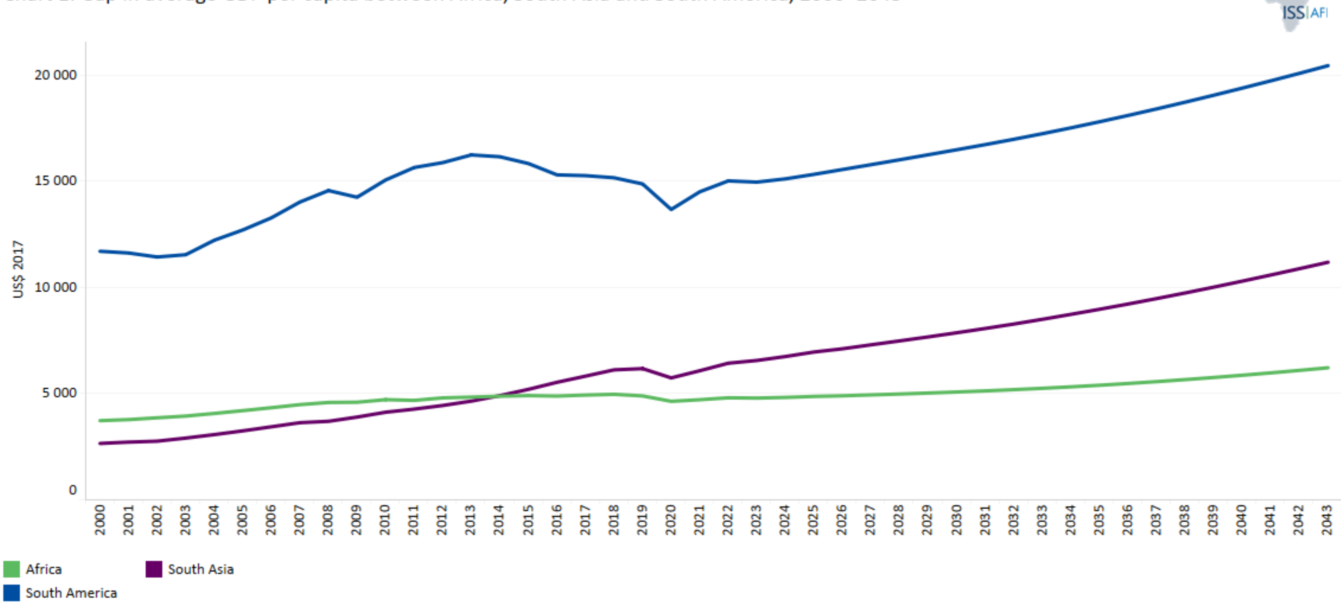
We subsequently examine the implications for Africa of each scenario. The Sustainable World scenario would require a next-generation rules-based system that needs to accommodate China, the US and the EU. The current trajectory towards a Divided World places a cap on Africa’s development potential. Beyond Africa's development needs, the accelerated impact of climate change will require a collaborative approach rather than the current trend towards a political economy of division. Only much deeper economic and political integration in Africa, complemented by more rapid and sustained economic growth could offset the continent's limited role in shaping global orientations.

The theme concludes with a set of policy recommendations. Seen from an African perspective, the headline requirement is clearly the need for geopolitical stability that provides room for Africa's development without efforts to instrumentalise the continent and its member states in the ongoing rivalry between China, the US and others.

Introduction

With some exceptions since independence, Africa has not been able to narrow the gulf between itself and averages for the rest of the world on key indicators of well-being such as infant mortality and life expectancy. Measures of income have done even worse. Using a crude measure such as gross domestic product (GDP) per capita in purchasing power parity, the gap between Africa and the average for the rest of the world has steadily increased, reflected in Chart 1 in the Current Path. Some countries, such as Seychelles, Mauritius and Botswana have done well, with Ethiopia and Rwanda experiencing some of the fastest economic expansions in the world with an average of more than 7.5% per year in recent decades. Nevertheless, most African countries have stagnated or fallen further behind in key development indicators, even when compared to other developing regions such as South Asia and South America, reflected in Chart 1 below which includes data from 2000 and a forecast to 2043.

Chart 1: Gap in average GDP per capita between Africa, South Asia and South America, 2000–2043



Source: IFs 8.19 initialising from WDI data

So what would the future look like?

As background to this study, we used various datasets and indices, including the Global Power Index (GPI), the Diplomacy, Military and Economy (DiME) index and the Formal Bilateral Influence Capacity (FBIC) index to explore the likely evolution of power and influence globally. The first two indices measure power potential, a slippery and challenging exercise. The third, FBIC, is a measure of the bilateral influence of one country over another, which is particularly complex to quantify.

Africa is deeply affected by what happens globally, as we demonstrate below.

Our forecasts indicate that, on its current development trajectory, the growing divergence between Africa and the rest of the world, including other developing regions using GDP per capita, is likely to increase. Things are improving in Africa but more slowly than elsewhere, with large country-to-country variations.

Five recent successive shocks have accelerated that trend: the impact of the 2008/09 global financial crisis, the COVID-19 pandemic, Russia’s invasion of Ukraine, the deteriorating relations between China and the West and the resurgence of hostilities in the Middle East with events in Gaza. The world is entering uncharted territory with the effects of climate change, which is a structural driver of scarcity, and the disruptive impact of artificial intelligence.

Given its dependence on imported food, Africa is especially at risk of food insecurity. The threat of a simultaneous harvest failure in the six global breadbaskets that produce 60% of the world's corn, rice, soy and wheat crops is rapidly increasing, among other risks.

Thus, the UN Secretary-General's report, Our Common Agenda, notes that 'we are at an inflexion point in history' facing a stark choice between 'breakdown' and 'breakthrough'.

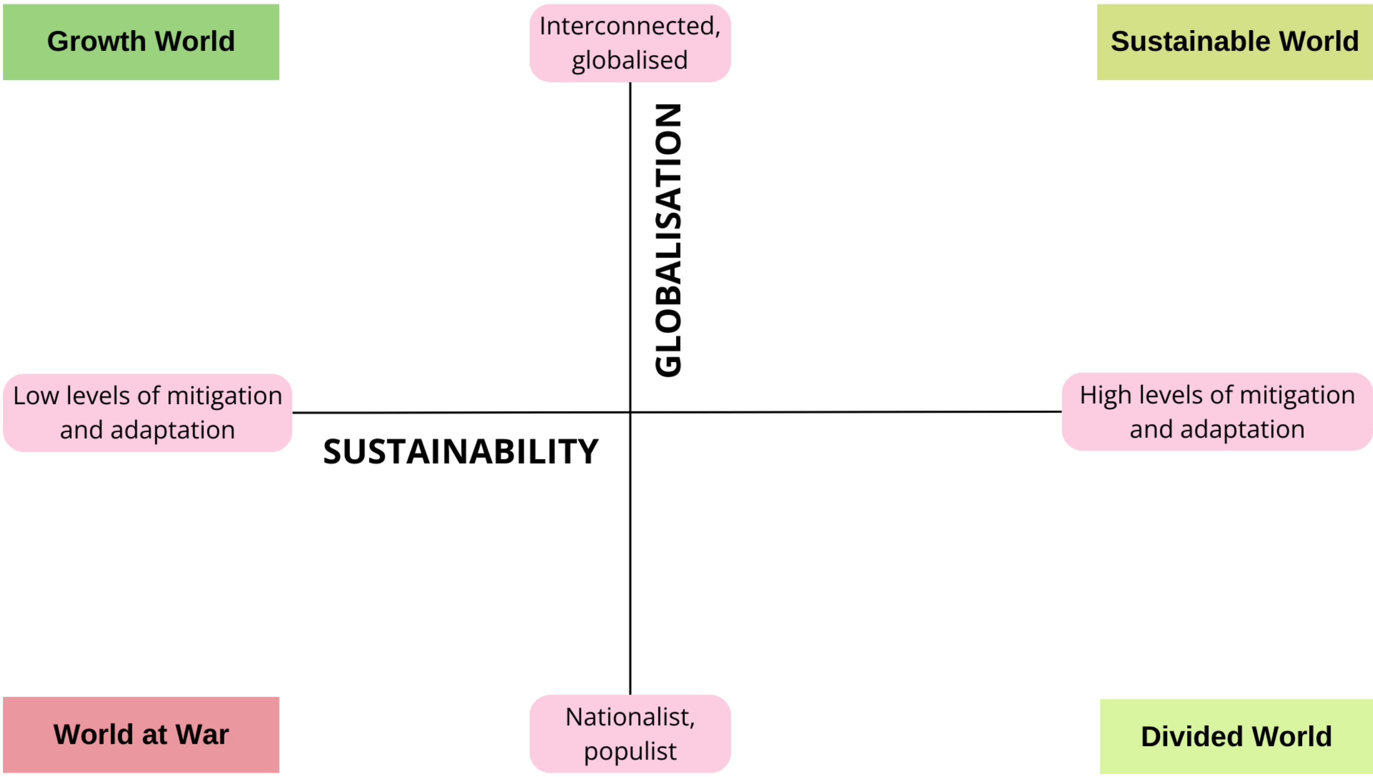
To what extent will the growing divergence between averages for Africa and the rest of the world impact global sustainability and stability, including increased migration to Europe and within the continent? Is it possible to envisage a stable world so starkly divided between Europe and Africa in wealth and quality of life? The average GDP per capita in Africa is only 12% of that in the European Union (EU), with a 15-year gap in average life expectancy. We expect both gaps to only close marginally over the next two decades.

Fixing these alarming discrepancies will require better governance in Africa, characterised by more robust, more capacitated states with fit-for-purpose institutions, more security, and improvements across various economic and human development sectors, much of which is within Africa's domestic policy space. We examine many of these considerations in this website's geographic and thematic analyses.

Rapid development in Africa will also require a facilitating global environment — the subject of this theme. Below, we model Africa's development potential in four future global scenarios. Therefore, we ask **what is the impact of global geopolitical dynamics on Africa's development.**

The first scenario, a **Sustainable World** scenario, is a world that prioritises sustainability, equity and the pursuit of the objectives set out in the Sustainable Development Goals. In a second **Growth World** scenario, countries focus on the rapid improvements in income and returns on investment, eschewing environmental concerns, but do so still within a global, rules-based context. While the two scenarios diverge and will impact Africa's development differently, they represent a more favourable and facilitating international order. The third indicative scenario is of a **Divided World** with a future characterised by a sense of global fracturing, populism, nationalism and a retreat from globalisation — effectively, the fraying of the rules-based system as we know it, with its complex lattice of norms and institutions. The final scenario is a **World at War**, where competition between the West and its competitors, led by China, dominates all aspects of the global economy, politics and relations with violent outcomes. In addition to fragmentation in Libya, Sudan and the Sahel, more African stages fracture as competing armed groups vie for power. Shut out of the prospects for more rapid development, Africans suffer.

Chart 2: Scenario framework



An **African scenario** mainly based on trade integration effects complements each global scenario. The respective impacts of these four scenarios range from Africa's economic potential and poverty reduction being maximised (in the Sustainable World scenario) to Africa's prosperity being obstructed (in the World at War scenario).

Africa's economic, GDP per capita, and poverty levels are starkly different across these scenarios, highlighting the continent's diverse potential outcomes based on global trends and integration efforts.

A rising China but still a dominant West

The rise of China and surrounding Asia as the most important source of economic growth globally and the associated shift of economic heft eastward is well established and widely reported. Given its growing population and deepening ties with China, Africa is well-positioned to benefit from this trend. The result is a commensurate reduction in the West's relative economic and political weight and the rise of additional sources of capital and influence, such as from the Middle East (particularly the UAE and Saudi Arabia), reflecting an associated trend towards **regionalism** that reinforces global fracturing. Today, Asia's economy is less dependent on trade with other regions and is increasingly more integrated and self-sufficient. China is at the heart of Asia, but Asia is much more than China, as the region includes many dynamic economies and large powers such as India and Japan — both of whom are at odds with China.

For over a century, the US has been the most powerful country in the world (both in hard and soft power terms). It has successfully presented a narrative that equates global development, stability and progress with American interests. The close connection that it has established between democracy, the free market and so-called Western values is, however, starting to fray.

The US derives considerable advantage from its dominant global position. Globalisation allowed it substantial advantages, attracting investment and allowing the US to manipulate the international system to its benefit. The status of the US dollar as the global reserve currency allows America to consistently run a more significant current account deficit than other countries. That advantage will fade in the years ahead as the use of national currencies in some regions, including in Africa, gains momentum, but it will take a long time.

The fracking revolution in the US, together with the fallout from the war in Ukraine, means that China has become the most significant fossil energy market for the billions of dollars of oil exports from the Middle East, Russia, Venezuela and others. A new world energy order is taking shape that will eventually transact in various currencies, not only in the dollar. That shift will set the scene for the steady diminution of the dollar-based financial system and the benefits that flowed from it for the US. While China powers ahead, expanding its relations in the region through the Belt and Road Initiative and other efforts, the US is in danger of withdrawing from the world. Globalisation is now less popular than previously, with the belief that it allows 'others' to steal US intellectual property and catch up in a remarkable display of historical amnesia. The reaction to globalisation across rural America and the rise of domestic populism has translated into a resurgence of nationalism and a degree of isolationism detracting from US soft power.

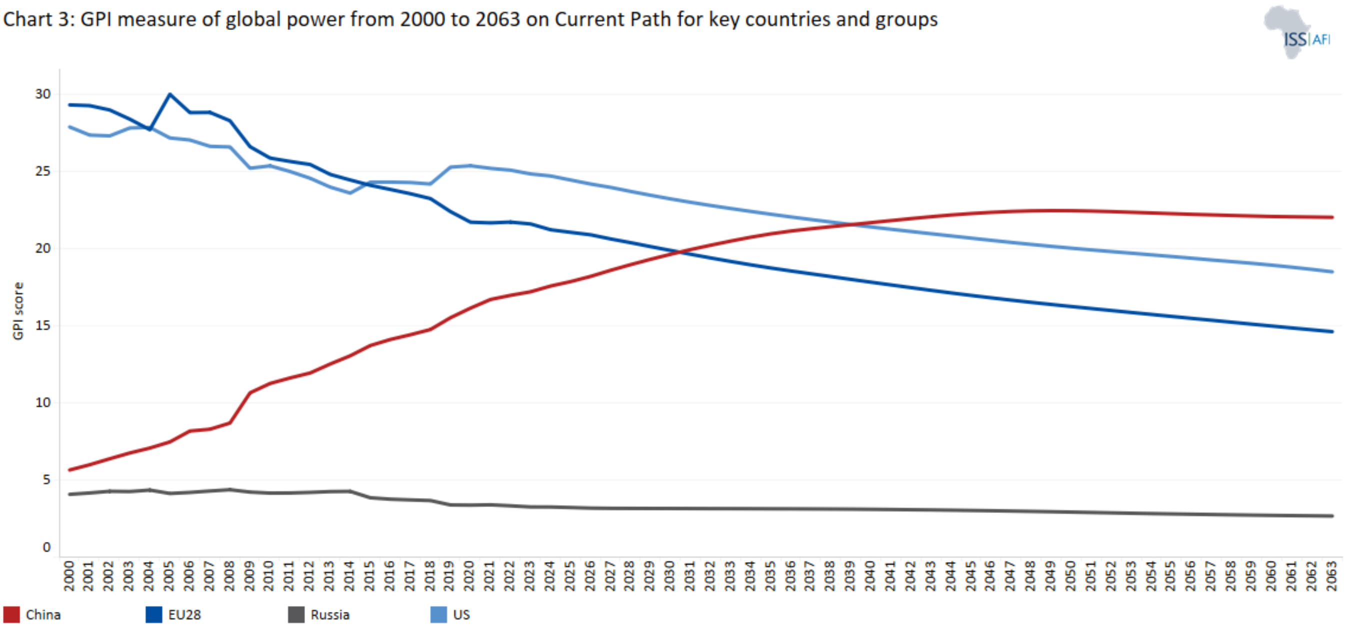
The presidency of Donald Trump and the US's lack of consistency on global matters — ranging from its vacillations on the utility of NATO (Trump), stepping away from membership of the International Criminal Court (that predates Trump) to a lack of support for the World Trade Organization — have been deeply damaging to the US. It has undermined its global appeal and the trust that others have in the US as a dependable ally, notably where foreign policy approaches may diverge significantly between presidents, such as views on Ukraine, North Korea, Russia and Taiwan when comparing the Trump administration with those of Obama or Biden.

Given economic growth in Asia and elsewhere, the US's hard and soft power advantage is declining. Its reaction to the September 11, 2001, terrorist attacks, its subsequent military operations in Afghanistan and, in 2003, the disastrous invasion of Iraq that rescued Al Qaeda from the jaws of defeat and ignited ISIS have affected perceptions of US hard power capabilities, even as the success of Western military equipment on the battlefield in Ukraine has restored some of that lost advantage. More recently, the impunity that the West has provided to Israel for the oppression, repression and war that it is pursuing in the wake of the terror attacks by Hamas of 7 October 2023 has reinforced views amongst the global South that different standards apply for people generally considered part of the 'civilised West' versus the rest.

The trend in the decline in the soft power of attraction enjoyed by the US is well established. Most damaging was the image of a mob violently occupying Capitol Hill at the instigation of Donald Trump as he sought to overturn the presidential election results of 2020. The damage will resume if he is re-elected as US president in 2024, with significant ramifications for the US.

The inevitable power transition between the US and China is confirmed by work published early in 2022 by our colleagues at the Frederick S Pardee Center for International Futures. Using 29 alternative scenarios about the future diplomatic, military and economic capabilities of the US and China (including forecasts of nuclear weapon stockpiles) within its Diplomacy, Military and Economy (DiME) Index, the Pardee Center concludes that Chinese capabilities surpass the United States in 26 scenarios before 2060, with the most frequent period of power transition being the early 2040s. Chart 3 presents one scenario result consisting of the per cent of the global power of the EU 28 (including the UK given its alignment as part of the West), the US, the Russian Federation and China from 2000 with a forecast to 2063, this time using the Global Power Index (GPI).

Chart 3: GPI measure of global power from 2000 to 2063 on Current Path for key countries and groups



Source: IFs 8.19 initialising from DIME data

The EU, with an economy comparable in size to that of China and the US, sets the global 'ethical' standard among larger powers on many issues, ranging from antitrust activities to Internet privacy, membership of international organisations, etc. Still, it suffers from an acute deficit in hard power capabilities compared to the US and China. Its social-democratic or more egalitarian model of development, particularly that of the Nordic countries, stands in sharp contrast to the raw capitalism in the US and the denial of individual rights in China although that model is steadily in question with the rise of populist parties. For the time being, European soft power is more significant than any other group of countries although its stance on intellectual property waiver for COVID-19 vaccines, rising xenophobia and its response to Ukraine vs Palestine is steadily eroding that advantage. **Populism is driving politics in Europe** and it will negatively affect its relations with Africa.

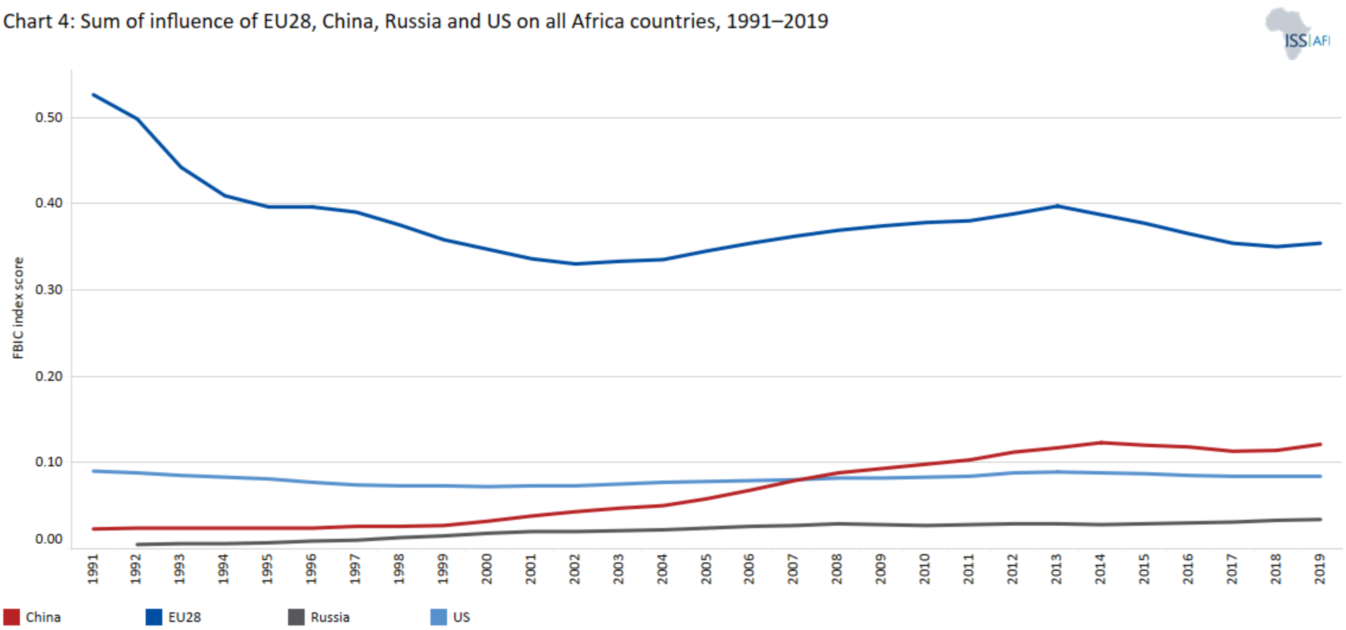
Given its history of colonialism, it is not surprising that even in 2000, the combined US/EU group had eight times more influence in Africa than the combined influence of China and Russia. But by 2023, the ratio had declined to only three times more influence, and it is declining.[1]

Also, Western countries evidence a trend of power **diffusion** away from the state, which is today less central in many people's lives as additional patterns of interaction emerge. New technologies, the internet, and lately artificial intelligence, detract from social cohesion, infusing hate speech, extremism, and conspiracy theories into echo chambers on social media that serve to divide rather than cohere society. A range of non-state actors, including from the private sector, civil society, and social media influencers, now serve as alternative sources of authority and reference, complicating and crowding the space previously occupied by traditional media, bureaucracies and elected representatives.

These technologies detract from the ability of democracies to offer freedom of speech and access to information in a balanced and unbiased manner, both of which are now increasingly manipulated, whilst strengthening the ability of centralised systems of authoritarian countries such as China and Russia to monitor and control their populations. The power of generative Artificial Intelligence in today's connected yet divided world is such that the World Economic Forum's Global Risks Report 2024 identified misinformation and disinformation as the number one global risk over the next two years, given the number of elections that will occur.

The flow of materials from Africa to China and the investments made by Bejing in building infrastructure in and trade with Africa are shifting relationships. Using FBIC (see Chart 4), China has increased its influence in 53 countries, and FBIC only calculates a small decline in one country, Tunisia. The UK has seen a decline in its influence in most African countries. Taking 2000 as a baseline, by 2019, the UK had increased its influence in 18 African countries but experienced a decline of double that number. The recent surge in anti-French sentiment in its former African colonies speaks for itself. The picture for the US is mixed. Following waning Russian influence for much of the 1990s, Moscow is making a concerted effort to expand its political and economic footprint in Africa as it seeks to attack Western influence wherever possible. Still, with an economy, the size of Brazil lags significantly behind great powers, the US and China.

Chart 4: Sum of influence of EU28, China, Russia and US on all Africa countries, 1991–2019



Source: IFs 8.19 using bilateral data

Measures of influence are at an early stage of development but are bound to become more popular over time.

In summary, should we consider the West (North America, Europe, Japan, South Korea and others) as one group and juxtapose it with countries aligned with China, the relative power and influence of the West is declining as a portion of the global total but remains dominant globally as the wealth and technology of its citizens and states significantly outpaces that of others. Despite the rise of China and Asia, the GDP per capita gap between North America, Europe and Japan, compared to China, has remained constant or will likely increase. The comparative advantage of citizens and countries in the West vs China and its few true partners, such as North Korea, Cambodia and others, remains large across the forecast horizon.

Although China will become hugely influential within our forecast period, its rise does not translate into globally dominant power capabilities in any of the four scenarios. Even a combination of 17 countries that include China, Russia, Iran and various other potential allies does not compare in power potential and influence to a combined West. The obsession among most analysts about the inevitable power transition between China and the US generally misses this larger picture. Current indications would, however, point to China becoming more influential in Africa than any other single country and the continent's future increasingly tied to Asia, particularly when including ties to countries such as India, South Korea and Indonesia. Rather than a new uni- or even bipolar order, **the global trend is towards a complex, multipolar global power configuration**.

The GPI and DiME indices clarify the actual state of power in the international system using a set of carefully curated measures and weights. In 2023, a combined West[2] constituted 57% of total power in GPI, declining to 46% in 2043, while China, Russia, Iran and others would increase from 25% to 32%. Using the DiME Index, the West would have accounted for

54% of global power in 2023 and a group consisting of China, Russia, Iran and others[3], 22%. By 2043, the numbers are 45% and 27%, respectively.

In considering these findings, it is essential to recognise the benefits that accrue to the US (and Europe) as the historical 'system makers' and, therefore, 'privilege takers' of the current global order. This group of industrialised, rich countries shares several core values (such as a market-based economy, democracy and human rights) and various cultural traits. The North Atlantic powers have dominated world affairs since the Industrial Revolution and have shaped today's rules, norms and values to determine inter-state relations in their interests.

We consider several large and powerful countries outside the North Atlantic basin as part of the West in the calculations included previously, including Japan, South Korea, Australia and New Zealand although the orientation of these countries could shift in China's favour as leaders position themselves to benefit from China's rise. New alliances may also appear, such as between India and Japan. A Chinese decision to incorporate Taiwan and continued internal repression and human rights issues concerning communities such as the Uyghurs in China could exacerbate current regional divisions. The unification of the two Koreas would likely shift that country into a non-aligned grouping or China's orbit, given the proximity impact and the accompanying trade-offs. Similar to the problematic history that the US has in its relations in Central and South America, China's giantism is encouraging efforts at resisting its domination in Asia, particularly by the six or so countries that have territorial disputes with it.

The current configuration comes with significant penalties for those on the margins of the system makers, including for Africa, practically reflected in voting rights in important institutions such as the IMF and the World Bank, on the UN Security Council and punitive risk ratings from Western-based credit agencies, among others.

The rise of Asia is reshaping global relations. Beyond its growing economic heft, East and South-East Asia has a larger population than any other region. It is increasingly interconnected through efforts such as China's Belt and Road Initiative. Still, the region does not have the associated political superstructure, alliances or shared values to translate its growing economic heft into coherent power potential.

Views on China's global ambitions differ. Parag Khanna[4] argues that China's primary interests are 'foreign resources and markets, not foreign colonies.' He argues that its grand strategy of building global infrastructure and engagement in regions such as Africa aims to reduce its dependence on the West, bind its neighbourhood more closely together and reduce its reliance on foreign suppliers such as minerals from Australia and high technology from the US. In this view, China's ambition is regional, not global dominance, but it does require a facilitating international context. Students of Xi Jinping, such as Steve Tsang and Olivia Cheung, differ. Their book, *The Political Thought of Xi Jinping* makes a compelling case of huge ambition, to 'make China great again'. The successive release by President Xi of China's proposal on building a community with a shared future for humanity (in 2013), its Global Development Initiative (at the UN General Assembly in 2021), a Global Security Initiative (in 2022), in 2023, its Global Civilisation Initiative and, in September the same year its proposal on Reform and Development of Global Governance, present a comprehensive alternative framework to the Western rules-based system including on views on national sovereignty, national development, human rights, climate change, green and low-carbon development, globalisation, the role of the private sector, and more. It presents a model of domestic and foreign relations where regional powers are likely to dominate, free from interference from elsewhere, and where governments pursue national policies without the constraints of a free media, foreign interference or the need to balance the executive, judiciary and legislature - all subject to the requirement to pay due homage in a Sino-centric world.

Other regions and groups such as Latin America and the Caribbean, Oceania, and the Middle East (including Turkiye) each constitute less than 5% of global GDP, except for Latin America and the Caribbean, which have a share of almost 7%. However, that portion will decline to below 5% by 2043. Many countries may consider themselves a bishop or a castle (rook) in the global chess game, but most are plodding pawns.

Whereas the West will continue to dominate in many aspects of material and soft power calculations, the picture is also a growing divide opening up with the Global South.

Africa: A pawn rather than a player?

Against the background outlined above, we next consider Africa’s place and power in the international arena.

Recent history

Africa’s standing was elevated after independence, with East and West competing for influence until the collapse of the Berlin Wall in 1989 robbed it of that strategic value. Until then, important states on the continent were courted with money and arms as part of the Cold War competition between Washington and Moscow. Democracy and considerations of human rights were generally trumped by loyalty, although sections within the development assistance community in some Western countries pushed against this crude division.

After that, Africa’s oil exports and location in the US war against terrorism briefly elevated its status at different points in time. Violent, political Islam spread from Afghanistan and Syria to North-West Africa and East Africa, primarily driven by the displacement effect of US military interventions in Asia and the Middle East. The period coincided with a brief unipolar moment during which the US achieved peak power and influence in the absence of a rival.

Africa’s importance again dissipated thereafter, allowing for a brief period during which development priorities rose in international prominence. That period culminated with the agreement on the Millennium Development Goals in 2000 and, in 2015, on the Sustainable Development Goals. The boom in hydraulic fracturing for oil and gas in the US that started in these years effectively ended its dependence on imported fossil fuels and hence concerns about stability in the Middle East as well as in key African states such as Angola and Nigeria, and the support that it had provided to oil-rich autocracies.

While Africa's relations with the US and the extent to which it was instrumentalised by Washington and Moscow is evident from the previous summary, European–African, not US–African, relations have been deeper and more enduring, not surprising given colonialism. Europe shares the same time zones and key languages, and the two are geographically proximate. Europe is Africa’s largest trading partner and it has the most extensive stock of foreign direct investment in Africa. However, the growing popularity of right-wing parties in Sweden, Germany, France and Italy is the single most consequential domestic trend in several decades and it is increasingly determining Europe's foreign and international relations with Africa. At its extreme are responses by the UK and Italy to send African asylum seekers to Rwanda and Albania on a one-way ticket. Other measures include the hardening of borders such as by Spain and large grants and loans to countries such as Egypt in return for efforts by the government of President Abdel Fattah El-Sisi to clamp down on the transit of migrants to Europe. Structurally it it is fuelled by globlisation and the extent to which blue-collar jobs in manufacturing have moved to Asia, the rural/urban political divides in rich countries, and feed off deep-seated historical and cultural impressions and fears that go back centuries.

In contrast to the declining relations with the US and Europe, China’s footprint and influence in Africa has become more important each year. ‘No other country comes near the breadth and depth of China’s engagement in Africa,’ wrote *The Economist* in an in-depth study of the relationship in May 2022.

During the 1960s and 1970s, as the Cold War intensified, China–Africa relations were political and ideological to the extent that, in 1971, when the UN voted for China to replace Taiwan, 26 African countries voted in favour. Itself a poverty-stricken country, China provided military support and aid to the African continent. The construction of the Tazara railway line in support of the frontline states in their conflict with apartheid South Africa, then primarily supported by the West, serves as the most prominent showpiece.

China's relationship with Africa changed during the 1990s as it increased in economic and political importance. A booming China needed oil and metals and eventually found an outlet for its sizable current account surplus and work for its construction companies that had built its roads, railway lines and ports, which perfectly matched Africa's need for investment and infrastructure. However, China's annual loans to Africa shrank with the onset of the COVID-19 pandemic, in tandem with the steady reductions in its current account surplus. Trade and return on investment are now more critical for China, even as it continues to buy favours in Africa, such as the recent gift of a building (and bugging) the tower block that hosts the offices of the African Union Commission in Addis Ababa, the modern parliament building to the governments of Zimbabwe and Malawi. Zimbabwe, which has an external debt of US$14.4 billion, is among those heavily indebted to China, which is the only country willing to extend loans to Harare due to its deficient domestic investment environment, poor governance and dismal repayment record.

After a COVID-19-induced decline in 2020, the value of trade between China and Africa rose by 35% to US$245 billion in 2021. China is Africa's largest bilateral creditor (as a group, Western private banks have a larger share) and a crucial source of infrastructure construction and investment. Its projects also are concluded more rapidly. The average infrastructure project in the Belt and Road Initiative takes 2.8 years, roughly a third of the time needed by the World Bank or the African Development Bank, in part because environmental impact studies and other regulations are sometimes bypassed. Whereas the West provides aid and, through its various agencies, concessional loans, Chinese development finance takes the form of loans at near market rates, much of it for infrastructure.

However, China's hard-nosed practice is quite different from its benevolent 'win-win' rhetoric. Contracts include strict confidentiality clauses, requirements that China be repaid ahead of others, the use of escrow accounts and specific identification of which revenues would be required to pay back loans. Because Chinese creditors are numerous and fragmented, keeping track is complex. More than one newly elected African leader (most recently President Hakainde Hichilema of Zambia) has found the amounts that his country owed to China are much higher than initially thought.

China's role in Africa is expanding beyond trade and loans. Already, Chinese firms account for an estimated one-eighth of the continent's industrial output. Its digital infrastructure is critical to Africa's communication, much of that built by Huawei, a company under US sanctions. The result is that political, military and cultural ties are all becoming closer. African views about China are now more favourable than those of the US, although a majority of Africans still list the US significantly ahead of China as a preferred future model given its more open society system of governance.

Relations between China and Africa have therefore deepened. In April 2022, for example, China's special envoy to the Horn of Africa, Xue Bing, offered to help 'silence the guns' in the Horn of Africa — a pragmatic move by an influential investor. China has about 400 construction and manufacturing projects worth over US$4 billion in Ethiopia alone. Since 2020 and until the Pretoria peace agreement in December 2022, Ethiopia was mired in a vicious ethnic conflict with the federal government in Addis Ababa pitted against rebel forces in the northern Tigray region.

The response in the West to China's growing influence in Africa has been alarmist with recent efforts to counter the Belt and Road Initiative in Africa and elsewhere. In 2021, the Biden administration launched its Build Back Better World, and the EU launched its Global Gateway; in 2022, the G7 club announced its Partnership for Global Infrastructure and Investment (PGII) to mobilise US$600 billion in infrastructure projects over the next five years and with a particular focus on Africa. And suddenly, senior US and European diplomats visit the continent.

Africa's prospects

Despite its large population, Africa is a small global player with its combined influence diminished by the number of its constituent countries and its current lack of economic and political integration. Without a supranational authority such as the EU Commission and its various structures and much deeper economic integration, the calculation of Africa's power potential is inevitably less than the sum of its more than 50 members, which, using DiME, constituted a mere 5.3% of global power in 2023. Because of the increased weighting of technology within modern indices of power (as apposed to historical measure that placed considerable weight on population size), by 2043, Africa will only increase its portion of global power to 6% while then constituting 25% of the world's population. Different from the EU, the Commission of the AU is essentially an intergovernmental secretariat with limited and circumscribed policy latitude and the continent still has to register practical progress on trade integration.

However, there is also a flip side to Africa's large number of constituent states, illustrated by Russia's recent charm offensive that followed its invasion of Ukraine and subsequent sanctions and ostracism from the West. Russia accounts for almost half of Africa's arms imports, and is a major supplier (along with Ukraine) of Africa's cereal imports, which was badly disrupted by the war. But it accounts for only 1% of the continent's foreign direct investment (FDI). This is minute compared to the stock of Europe's FDI in Africa and recent FDI flows from China, Africa's largest trading partner. The large number of African states and their relative weakness means that they offer numerous opportunities for Russia (and others) to pursue a proxy war with the West such as by offering military support (though the Wager group, now known as the Africa Corps) and protection to coup makers in the Sahel, leading to the ouster of French and US forces from the region.

Africa's economic growth and population increase will steadily increase its power potential but more slowly than most analysts think.

An important reason is that Africa's labour force is quite small in relation to its dependants (children and the elderly) although it is increasing rapidly, while workers suffer from low levels of education, with some exceptions, and poor health. Africa is rapidly approaching a double burden of disease as the rates of non-communicable disease are increasing rapidly. The result is that Africa's labour productivity is about one-fifth the average of the rest of the world, and together with high poverty levels and low incomes, the capital per working-age person is even less.

Although it receives relatively large amounts of capital through remittance inflows and aid, Africa loses substantial amounts due to corruption and illicit financial outflows. Because of extreme poverty levels, unemployment, high levels of inequality and limited government revenues to improve basic services delivery, key African countries, including Nigeria, South Africa and others, experience high crime levels and instability. However, perceptions of instability are often generalised to apply equally to all African countries. Finally, much of Africa's physical capital, such as roads, rail, water, electricity and other essential infrastructures, is still of a colonial-era vintage, but it is being improved largely due to recent investments by China in railways, ports and associated infrastructure.

Manufacturing and services will expand rapidly on the continent – although much of this growth will initially be at the lower end of the value-add curve due to its dependence on commodity exports. Until recently, the evolution of complex global supply chains meant that the location of least-cost manufacturing tended to gravitate towards the region with the cheapest labour, with domestic stability, policy certainty and access to a large market, typically Asia. Given reductions in input costs, the push towards reshoring and diversification and the need to reduce carbon emissions provide incentives to locate manufacturers closer to the future market in which Africa features prominently. Sub-Saharan Africa will increasingly feature as a location where industry can thrive, although this depends upon the rapid integration of its fragmented markets, the provision of infrastructure, and investment in improving its human capital endowment.

Eventually, regional economic communities with common currencies, freedom of movement of labour and capital across borders, and standard import and export tariffs will increase Africa's attraction as a location for manufacturing. Indeed, Africa took a big step towards this goal when its members ratified the African Continental Free Trade Agreement (AfCFTA).

These prospects do not hide the fact that Africa has effectively been an instrument of global power competition since independence, reflected in the preceding analysis, although health and humanitarian relief considerations have also been prominent. Its limited influence is hardly surprising since the entire economy of Africa only recently broached 3% of the world economy. It will increase to 5% of the world economy on current expectations by 2043.

Rather than a more productive economy, the increase in Africa's power potential is a result of the continent's rapidly growing population. Nigeria, Africa's largest economy, constitutes a mere 0.5% of the global economy and will increase that portion by only 0.1 percentage points to 0.6% by 2043, reflecting its lack of global economic significance in spite of its large population, but not the extent to which it dominates within Africa, as its economy accounts for 16% of the continental total.

Against that background, the following section presents four global scenarios and then examines their impact on Africa.

Scenarios

Logic and modelling

We use two dimensions to frame alternative global futures: the extent of globalisation (on the vertical axis) and the pursuit of sustainability (on the horizontal axis). This framework leads to four broad global scenarios: a Sustainable World, a Divided World, a World at War and a Growth World. No scenario seeks to present the current global trajectory, which would inevitably be somewhere between these ideal types. Chart 5 summarises key characteristics of all four scenarios.

In the **Growth World** commercial and trade interests dominate. It leads to better economic results but to the detriment of equality and efforts to contain global greenhouse gases, resulting in negative climate change impacts, slow reductions in extreme poverty and an increase in inequality. Instead of continental integration, African countries and regions link up with Europe, the Persian Gulf, the North American Free Trade Agreement (NAFTA) and China, signing preferential agreements with non-African countries.

The **World at War** scenario is the worst case for everyone, as overall gains are below any other with successive wars between major powers. Autocracy increases everywhere, and those African countries that avoid fracturing try to grow based on their small domestic market without the advantages of trade integration.

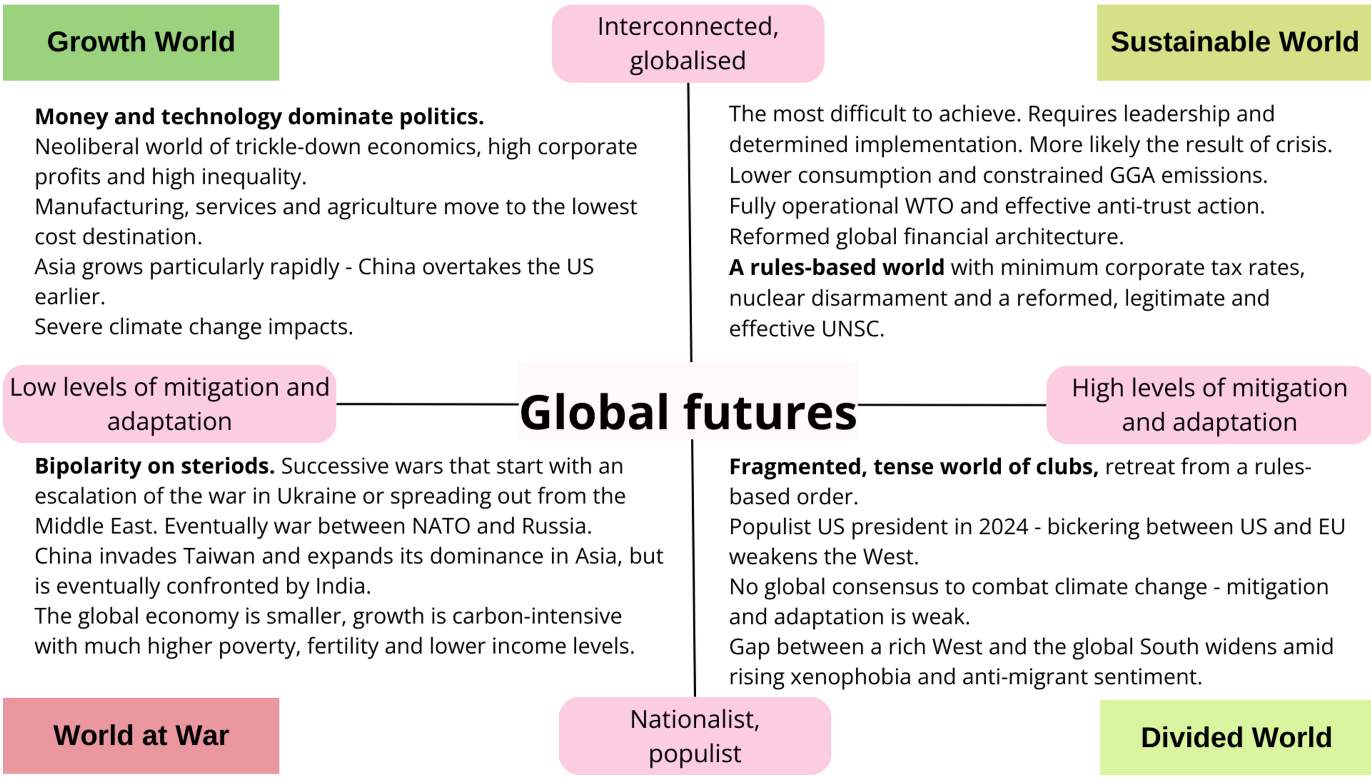
The **Sustainable World** maximises economic growth, improves income, and reduces poverty but is the most difficult to attain given its focus on multilateralism, environmental sustainability and equity. The associated African scenario includes the full implementation of the AfCFTA and steady progress in accountability, democracy and stability.

In a **Divided World**, the sense of instability increases. Everyone seems to be angry, selfish and unhappy and xenophobia and anti-migrant sentiment increase as rates of migration accelerate. However, limited trade integration at the level of regions such as East Africa does progress.

In summary, the size of the world economy will increase to US$173 trillion by 2043 in the Growth World scenario, but with high associated carbon emissions from fossil fuels at 10.5 billion tons per annum in 2043 (or 38.5 billion tons of CO_2 equivalent) and increasing year-on-year thereafter. By comparison, the global economy in the Sustainable World scenario will be at US$166 trillion, i.e. 1.6% smaller but releasing 14% less carbon (at 9 billion tons in 2043), with the latter on a sharp downward trend. More importantly, the Growth World will have almost 100 million more extremely poor people than the Sustainable World, the majority of whom will be in sub-Saharan Africa. The World at War scenario results in a much smaller world economy at US$133 trillion in 2043, with Africa growing particularly slowly despite its much larger population. In spite of the smaller global economy, carbon emissions from fossil fuels will be at 9.6 billion tons in 2043.

The scenario closest to the current global trajectory is the Divided World scenario, with 727 million extremely poor people in 2043, significantly more than in the Sustainable or Growth World scenarios, and a global economy at US$161 trillion in size.

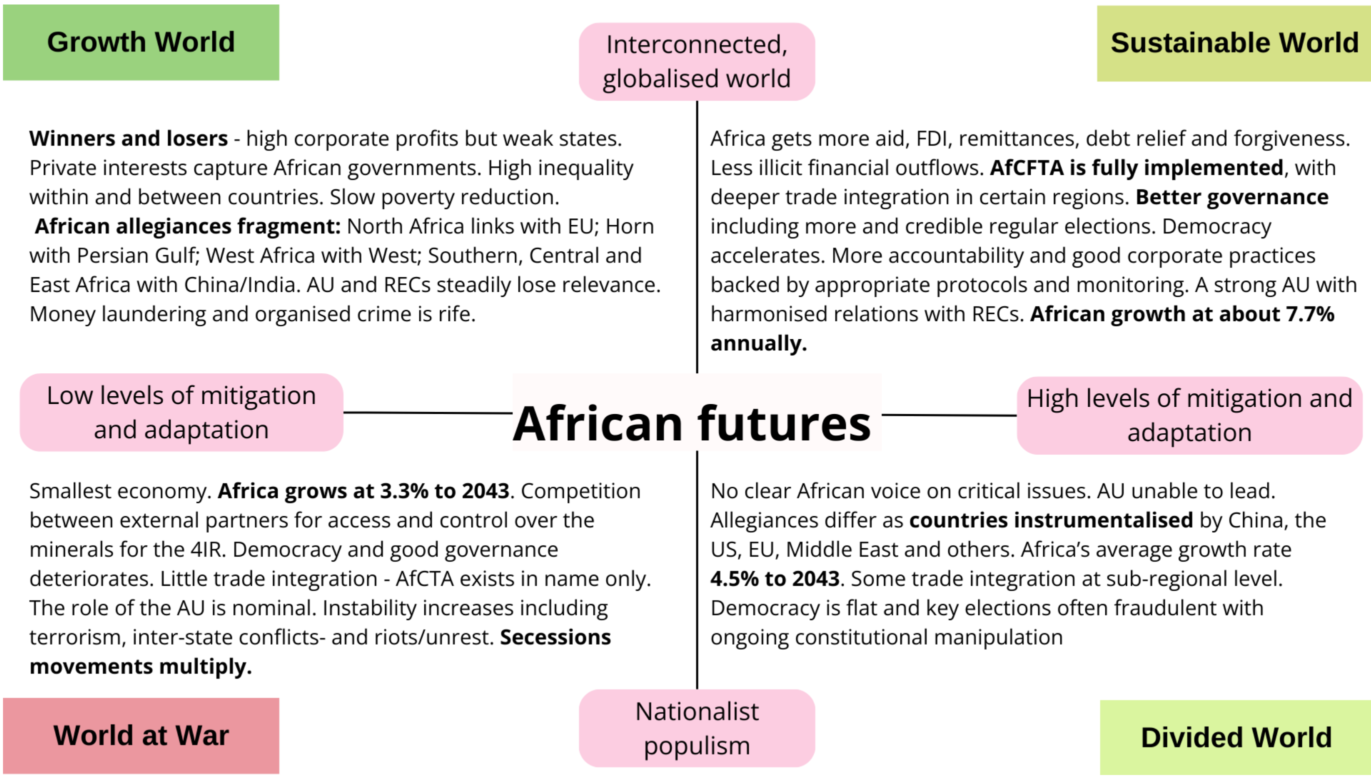
Chart 5: Summary feature of four global scenarios



Each global scenario has an African scenario associated which is primarily premised on trade integration effects. The interventions for each global scenario are listed in an Annex at the end of this page. The interventions applied to Africa in the Growth World and in the Sustainable World draw on the modelling done for the Combined Agenda 2063 scenario for each African country. We discuss the impacts for Africa further below.

The key characteristics for each of the African scenarios that are associated with the four global scenarios are summarised in Chart 6.

Chart 6: African scenario characteristics associated with each global scenario



Divided World

The **Divided World** scenario reflects the acceleration of the current trends towards a more fragmented global order, an associated retreat from the Western rules-based system and the more rapid rise of China to become globally dominant towards the end of the forecast horizon.

Populist party successes in Germany, France, Italy, Finland, Netherlands, Sweden, Denmark and Austria follow the election of a populist US president in November 2024. Instead of pulling together, the pursuit of own interests rather than a common approach to China and on matters such as support to Ukraine, is to the detriment of the West. This ultimately undermines the Western rules-based system which is, by 2040, hardly recogniseable from its current form.

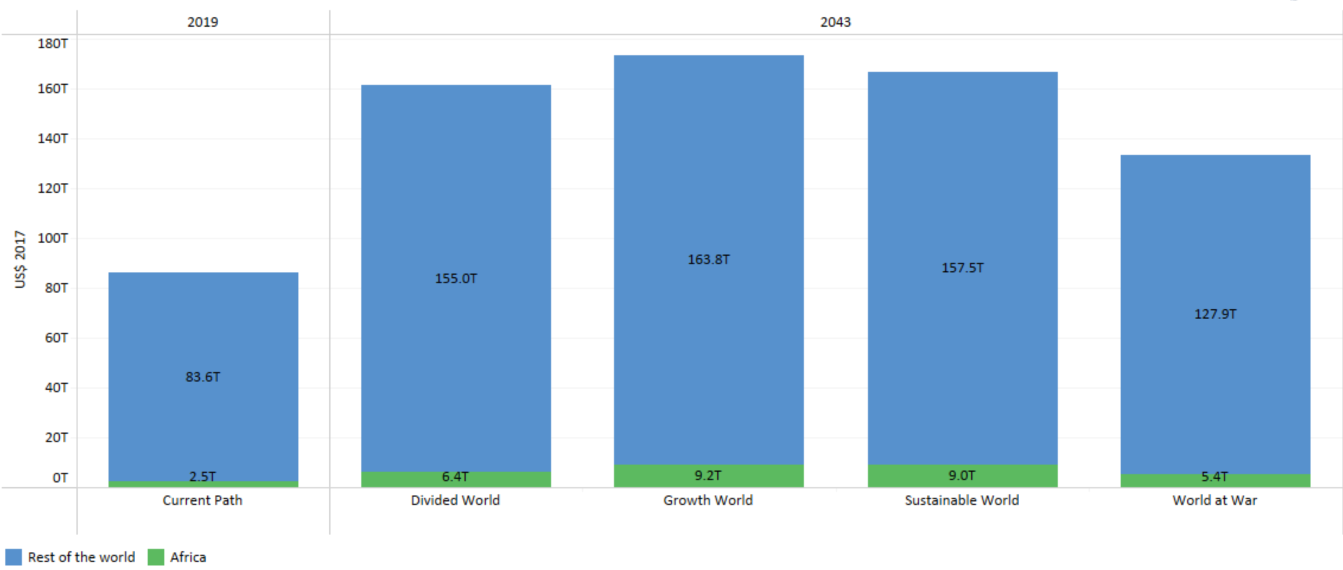
The West is divided, with the US and the EU constantly bickering and pulling in different directions, providing the opportunity for others, most prominently China and Russia, to exploit these differences to their advantage. Having been driven closer due to European sanctions on Russian oil and gas, the rapprochement between China and Russia proceeded apace, with the latter eventually entirely dependent upon China for oil and gas exports, in addition to its exports of agriculture to the rest of the world.

Although the EU avoids another Brexit moment, it is consumed by bickering in the wake of the end of the war in Ukraine in 2027 with the cessation of Crimea to Russia. Since the US and the EU do not act as one in this scenario, China overtakes the EU in 2024 and the US in 2034, using the Global Power Index, although much later using DiME, which applies heavier weightings to technological sophistication.

On this trajectory, the steady loss in legitimacy, influence and salience of the UN proceeds apace. By 2043, the Security Council has been waning for more than a decade, and non-permanent members do not attend its sessions in protest against the veto of permanent members. Local solutions including industrial subsidies and hard border control dominate. The free movement of labour, knowledge and eventually capital is increasingly restricted. Uncertainty and insecurity mean that the number of nuclear-armed states increases as efforts to contain proliferation collapse.

Nominally, three clubs dominate and jockey for influence: an expanded G7, an expanded BRICS,[5] and a group of countries trying to stay out of the fight, mainly consisting of the bulk of African countries, India and others from South America and Asia. The clubs can only partially cloak the differences in approaches among their members, however, with the regular appearance of new clubs and alliances as countries seek the best partners to pursue their interests, but none last.

Chart 7: GDP of Africa and the rest of the world in 2043 under different scenarios



Source: IFs 8.19 initialising from WDI data

India pursues its interests and alliances, including with Africa. Still, it struggles to gain traction for its traditional independent stance, given its worsening relations with Pakistan after New Delhi's 2019 unilateral decision to alter Kashmir's constitutional status. In this scenario, armed confrontation along their shared borders becomes endemic.

The Asian region is particularly tense, with the Chinese invasion of Taiwan likely to occur towards the end of the forecast horizon. At this point, the decline in the relative power of the US vis-à-vis China is such that the occupation proceeds relatively quickly with nominal military intervention from the US and its allies although extensive financial and other sanctions follow.

The degree to which Russia disregarded the UN Charter with its invasion of Ukraine and Israel then defied the UN Security Council in 2024 in its war on Gaza emboldens others. In addition to the US, countries such as Turkey, Iran, India, Pakistan, Myanmar, North Korea, Saudi Arabia, UAE, Malaysia, Rwanda, Egypt and others regularly violate previously sacrosanct international norms of behaviour. Domestic priorities regularly trump the global good, including the fraying of humanitarian practices, regressive legislation and practices in respect of the widespread reintroduction of the death penalty, rolling back of progress with women's rights and even the reintroduction of practices such as female genital mutilation in Africa. The Gambia first proposed a bill to this effect in 2024 and it was subsequently legislated in Uganda, Somalia and several others.

Perceptions in this scenario reinforce long-standing caricatures of Africa (corrupt, poor, suffering) and the West (unequal, selfish, exploitative). Chinese efforts towards an alternative global order (non-interference, mutual respect, and social order based on domestic surveillance and control) gain traction. Rather than pulling together, the African Union is divided, and an African voice is generally absent from discussions about global futures. Some countries try to remain non-aligned; others align with the West or China. There is no solid African voice or position on crucial issues ranging from peace and security to climate change and development, and more countries pivot away from democracy to pursue their version of the Chinese dream. A lack of coherence in decision-making on crucial development policies means that Africa falls further behind average development indicators in the rest of the world.

Attitudes harden. This world is more crowded, angry and fearful, with a substantial illegal migrant movement that drives populist politics and xenophobia in Europe and North America, reducing the ability of these countries and regions to play a meaningful and positive role in international politics. Africa’s colonial legacy transforms into a decidedly anti-Western sentiment. Africa is again a theater for proxy wars between Russia and the West and, by 2026, France, the UK, and the US have effectively been ejected from Africa, losing access to their previous military bases. Whereas the US had 29 military bases in 15 African countries in 2019, by 2026, it is down to five, and by 2030, only Camp Lemonnier in Djibouti remained. Illegal migration to the EU becomes a big problem and regularly overwhelms border arrangements with violent clashes and deaths.

In the Divided World, relations between most African and European countries deteriorate significantly, and the once close partnership between the EU and the AU is eventually a distant memory. China gains the most in this scenario with the determined pursuit of the ambitions of Xi Jinping and his vision to 'make China great again', a globally respected leader in high technology manufacturing, particularly as regards the green economy.

There is little appetite for follow-on Sustainable Development Goals in a Divided World. Efforts to pursue sustainable development are partially abandoned in this scenario and have limited and inconsistent effects. Sustainable development solutions are regional and scattered. Efforts to contain carbon emissions and combat climate change proceed apace but they are weaker and less effective than the Sustainable World scenario, given the lack of coordinated international action. China powers ahead, however, and within a decade emerges as the undisputed global leader in the sustainable economic space, serving as the dominant supplier of batteries, wind and solar solutions, and associated technologies.

However, African countries are adept at playing China, Europe, and the US off against one another, as they have done for several decades. African subregions, such as the Economic Community of West African States (ECOWAS), deepen existing levels of economic integration, but progress with the AfCFTA stalls. Conflicts are complex, with the number of actors involved constantly increasing, frustrating African efforts at mediation. The effects of climate change are evident across Africa but most visible in the Sahel and the Horn of Africa. With its large, youthful and poor population, instability in Africa increases.

In summary, the Divided World scenario predicts a future marked by global fragmentation, where rising populism and geopolitical tensions diminish Western influence and pave the way for China's dominance. This division undermines global cooperation and international norms, leading to a world where regional interests trump collective efforts, exacerbating geopolitical tensions, particularly in Asia, and increasing nuclear armament. As a result, sustainable development is sidelined, global governance weakens, and Africa faces heightened instability and challenges in economic integration, reflecting the broader global shift towards prioritizing national over collective interests.

World at War

Hard power competition dominates in the **World at War** scenario that consists of successive large-scale wars that eventually engulf all leading economies and include nuclear weapon exchanges. Efforts to review the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) collapsed and, in 2026, the New START treaty[x] finally lapsed, having been on life-support since the February 2023 State of the Nation address by Russian President Vladimir Putin that his country would suspend participation.

The first large-scale conflict is the escalation of Russia's war on Ukraine into a broader military confrontation with NATO. The war in Ukraine has already pushed Russia closer to China as the primary destination for its oil and gas exports. In April 2024 the two countries pledged to work more closely together to maintain international industrial supply chain stability. 'China and Russia will be more active in pursuing the convergence of their interests... and work together to maintain international industrial supply chain stability,' a ministry statement quoted Chinese foreign Ministry Wang Yi as saying. Under full sanctions from the West, Russia has no other outlet for its fossil fuel exports upon which its economy depends.

Others that join the China–Russia military cooperation, include Iran[6] (which has a long-standing aggrievement with the West), North Korea, Pakistan, and eventually Vietnam and Cambodia. For China, importing gas and oil from Russia bolsters its efforts to reduce its reliance on strategic resources from Western suppliers. Still, it remains dependent on oil and gas from the Middle East. Russia and China do not enter a formal military alliance to oppose NATO but military cooperation is close, building on the statement by Chinese President Xi Jinping and Russian President Vladimir Putin in February 2022 that their partnership has 'no limits' as the two vowed to deepen cooperation on various fronts. Already, in 2022, NATO added China to its perceived threat environment.

China bides its time and then uses the distraction provided by the war between NATO and Russia to invade Taiwan (this could also happen without the distraction of the war between Russia and NATO), with subsequent military intervention from the US and Japan that eventually prove largely symbolic given the threat of a strategic nuclear exchange.

A second trigger for the World at War scenario could come from the Middle East. Following the horrific terror attacks by Hamas on Israel on 7 October 2023, the Jewish state lashed out in Gaza, the West Bank, into Lebanon, Syria, Yemen, the Red Sea, the Arabian Sea and eventually Iran. The US, which had tried to resist the growing regional conflaguration, going so far as to support UN Security Council decisions that seek to constrain and eventually condemn Israel, is drawn into support military for its ally, alienating long-standing partners such as Saudi Arabia and Egypt where popular sentiment force both countries to abandon their efforts at moderation. The first indication of what is to come is the collapse of the Abraham Accords of 2020 that briefly normalised relations between Israel, the United Arab Emirates and Bahrain. Eventually it is separate deadly attacks by Houthi's and the Islamic State in the region including clear evidence of the extent of military support to Iran from Russia that tip the scales into a bloody confrontation - opening up a front from Ukraine to the Middle East. Israel is, eventually forced to agree to a two-state solution along the lines of the 1967 delimitations.

A third trigger (or successive regional war) is border conflict and, eventually, a war between India and China. Although India will continue to have significantly fewer power capabilities than China across the forecast horizon, the two are increasingly regional and global power competitors with a shared long border. The significant disparities in their material power capabilities make this only likely towards the end of our forecast horizon.

In addition to direct conflict, the often violent rivalry between Chinese-supported, nuclear-armed Pakistan and India over Kashmir could also trigger conflict between China and India, particularly if the two look to balance their relations with Washington and Beijing. India already fought a brief war with China in 1962, and India and Pakistan have had numerous border skirmishes and military stand-offs.

In this world, India's alarm at Chinese assertion and aggression, particularly in the South China Sea, sees it align itself more closely with the West to balance Islamabad's close relations with Beijing. In a starkly bipolar world, there would be less space for India's traditional non-aligned orientation.

New Delhi's decisions are complicated by its relations with Russia, with which it has traditionally had cordial but guarded relations, buying most of its arms from there.

The defining characteristic of the World at War scenario is the division of the globe into two poles with little space for others — a return of global relations to a bipolar era reminiscent of the height of the Cold War but on steroids. The US House of Representatives passed the Countering Malign Russian Activities in Africa Act on 27 April 2022 as a clear sign of where things could go. After approval by the Senate, it was signed into law by the incoming US President in 2025, placing African countries that trade with Russia under sanctions. China is in a different league from the former USSR, however. In 2021, China was already the largest trading partner for 120 countries and regions, including the US and the EU. Its economy is already more significant than the US's, using purchasing power parity and the Chinese economy will surpass the US in 2031 at market exchange rates. By 2043, the Chinese economy will be 34% larger than the US economy in market exchange rates and nearly 60% larger in purchasing power parity terms.

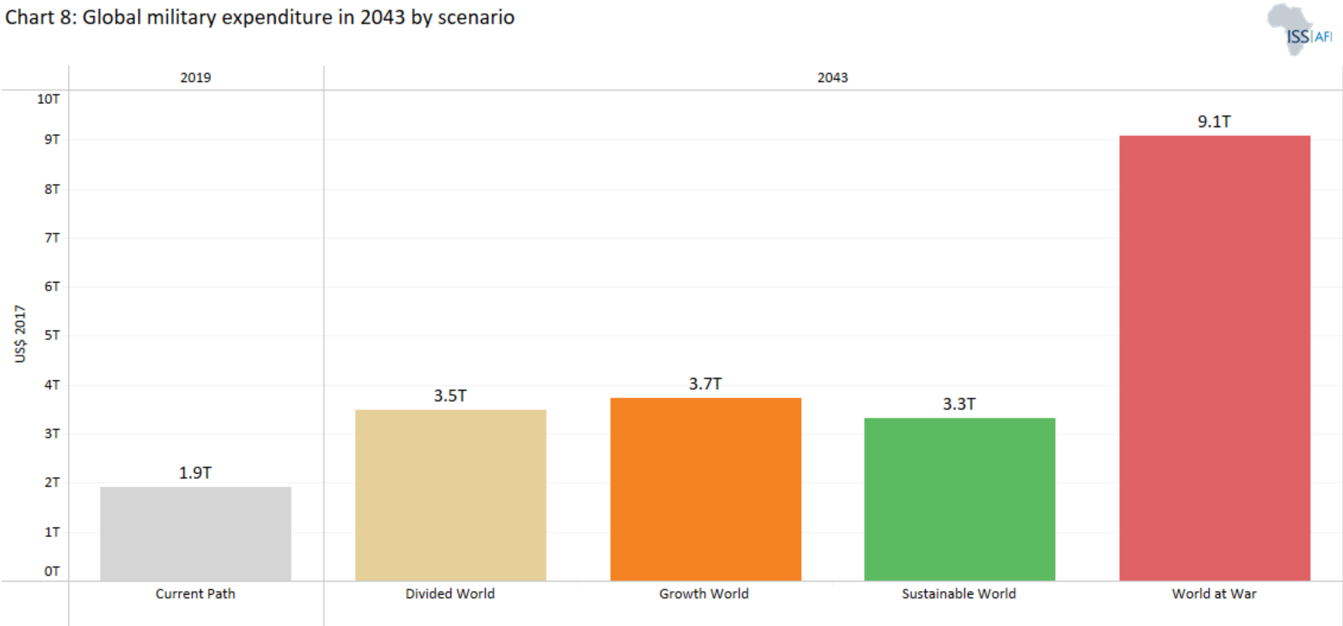
The intense competition between a declining US and rising China in this scenario will affect every country and region in the world, even as struggles for self-determination and independence intensify, such as efforts by the Kurds to establish their homeland, the ongoing struggle of the Palestinians to escape the yoke of Israeli repression and occupation, and in regions such as the Sahel in Africa.

Africa becomes a key area of strategic and sometimes violent competition for control of its strategic mineral resources in the World at War scenario, and unable to benefit from its beneficiation. China has been a first mover in securing a supply of the strategic minerals required to transition to a renewables-based future, including lithium, nickel, cobalt, manganese and palladium. Chinese companies were the only ones willing to invest in a country like the DR Congo for years. As a result, by 2021, Chinese companies controlled 60% of global cobalt reserves and 80% of the world's cobalt refining capacity, which helped China secure a significant lead as an electronic vehicle battery maker to the extent that a single Chinese company, Contemporary Amperex Technology Co., Limited (CATL), controls one-third of the entire global battery market.

Chart 8 depicts world military expenditure. Whereas it averaged just above 2% of GDP in 2023, by 2043, it will have increased to 6.8% in the World at War scenario and 2.7% in the Divided World scenario. Instead of spending US$3.3 trillion on the military in 2043 (in the Sustainable World scenario), the world will spend almost three times that amount at US$9.1 trillion. From a low base military expenditure in Africa increases sixfold from US$50.3 billion in 2023 to US$315.3 billion by 2043.

As arms purchases and the number of arms increase, Africa is again flooded by surplus weaponry, older stocks are replaced with more modern armaments, and countries upgrade and replace their systems, as happened at the end of the Cold War. The ready supply of weapons encourages the violent rupture of several African countries.

Chart 8: Global military expenditure in 2043 by scenario



Source: IFs 8.19 initialising from SIPRI data

Democracy declines globally and Africans are pressured to choose sides to the extent that problems emerge in the interoperability of the Internet, which is now segmented into regional fiefdoms. The momentum towards the AfCFTA and trade integration at the subregional level fails. Each country does the best that it can, on its own. Groups in Sudan, Nigeria, Ethiopia and Cameroon take up arms to secede.

Instead of African states being able to secure their territories and borders, in the World at War scenario, the Islamic State further spreads its influence to establish the caliphate's future after being defeated and driven out of Syria and Iraq. Already, in 2022, at least 20 countries directly experienced the group's activities, with more than 20 others used for logistics and to mobilise funds and other resources. In this scenario, Iran and Russia play an important role in funding, supporting and expanding terror in Western-aligned African countries.

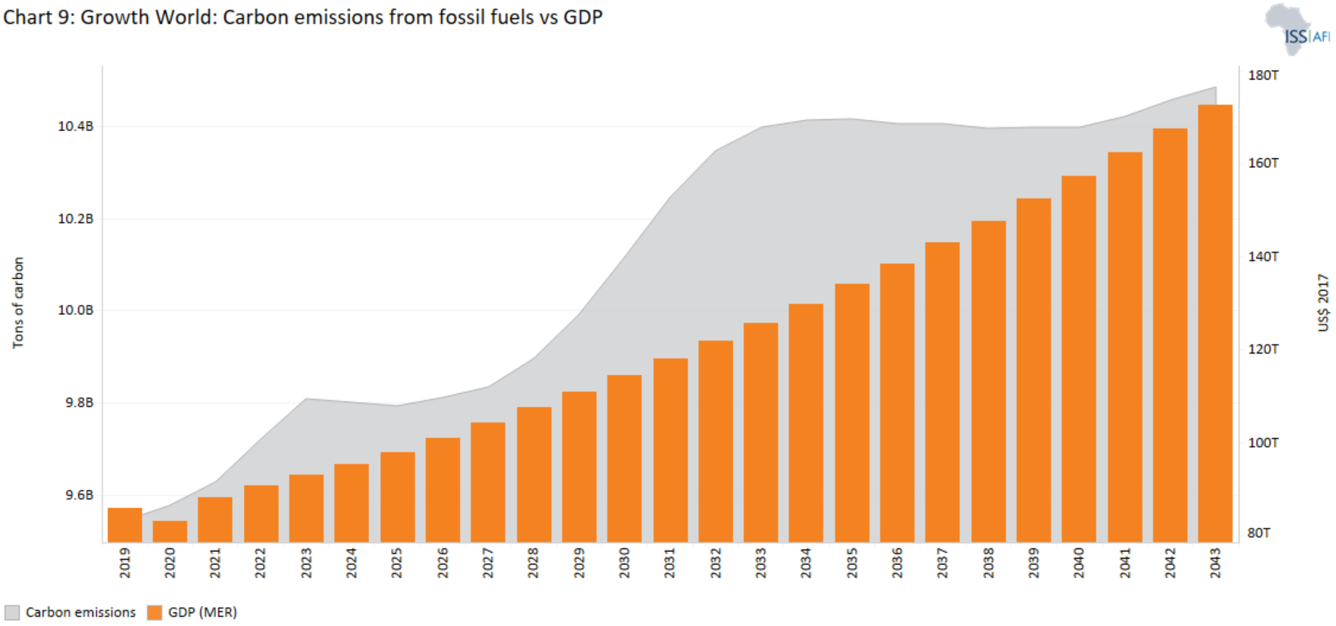
In summary, the World at War scenario predicts a future defined by intensified global military conflicts, including significant wars among major economies and nuclear exchanges. The breakdown of nuclear non-proliferation treaties and escalating tensions, particularly between NATO and Russia and between China and India, underscores a shift towards a bipolar global division reminiscent of the Cold War but intensified. This era of hard power competition sees the US and China as central figures, with Africa becoming a strategic battleground for mineral resources and military influence, leading to a dramatic increase in military expenditures and armament. The scenario highlights the dire consequences of global divisions, emphasizing the need for strategic alliances and the significant impact of leadership decisions on global stability and regional conflicts.

Growth World

Neoliberal, trickle-down economics and increased corporate concentration characterise the **Growth World** with little care for the environment. This high-growth, unequal world would see slow reductions in extreme poverty and a rise of the power and influence of private capital. Efforts to introduce minimum tax rates for corporations, which started in 2021 when 136 countries agreed to implement a 15% global minimum rate, do not get off the ground. Instead, large corporations, originally particularly characteristic of the US, increase their power and profits everywhere including in the EU that was originally a bastion of anti-trust legislation. All profits flow back to the corporate head offices of a handful of global behemoths. The US and the EU both step away from anti-trust efforts that could reign in anticompetitive behaviour and through mergers, major industries consolidate their presence in the services, finance and manufacturing sectors. Lack of competitiveness lets companies lower wages, increase prices and dilute the quality of their products. The practice of tax avoidance through profit shifting to low-tax jurisdictions effectively leads to a race to the bottom as countries compete to attract foreign direct investment. Developing countries suffer in the process as monies are drained away to tax havens and least-cost locations. Unemployment rises globally.

Chart 9 shows the rapid growth in world GDP in the Growth World scenario, passing US$173 trillion by 2043, and the simultaneous rise of carbon emissions to the end of the forecast horizon. In contrast to the Sustainable World scenario, income growth comes at the cost of a more rapidly deteriorating environment and growing inequality.

Chart 9: Growth World: Carbon emissions from fossil fuels vs GDP



Source: IFs 8.19 initialising from Appalachian State University and WDI data

Competition between China, the US and Europe remains. Still, the unexpected death of Xi Jinping in 2026 reverses the tightening of central social, political and economic control from Bejing, and his successor relaxes the harsh clampdown on economic and political freedoms that had come to characterise Xi Jinping's third five-year term as the nation's president. China is rewarded by massive inward investment. The restrictions on ownership and investment in Western countries disappear almost overnight as business leaders scramble to cash in on the largest global market. Instead of contracting, global value chains expand, and the period of reshoring and friendshoring manufacturing in 2022/5 is, by 2030, a distant memory. The lowest-cost considerations again drive the location of factories and manufacturing. Instead of moving from China to surrounding countries with lower labour costs, the extent of state subsidies, excellent infrastructure and numerous incentives see China strengthen its position as the high-technology factory of the world. Skilled migration to China also resumes, and other countries that provide quality of life, security for investment, and the required information technology attract the best and brightest. Companies now compete in an unregulated global market to provide high-end services without establishing a legal presence or paying taxes elsewhere. The Chinese economy grows more rapidly in the Growth World than in any other scenario. As incomes rise, domestic pressure for more freedom increases, together with growing inequality, making China’s future more unpredictable.

With a focus on maximising profit and the extraction of rents, the saliency of the United Nations and its Security Council and various agencies decline in this scenario. The developed world adapts to the impact of climate change, but the developing world suffers. Instead of the AfCFTA, African subregions link up externally, such as North Africa with the EU, several West African countries enter into agreements with the US, countries in the Horn of Africa with the Middle East, and those in East and Southern Africa with China. Central Africa trails behind. More significant migration flows will inevitably follow.

In summary, the Growth World scenario illustrates a future dominated by neoliberal economics and corporate power, leading to significant global GDP growth and environmental degradation, with large corporations bypassing efforts to implement global minimum tax rates and anti-trust legislation, further exacerbating inequality and unemployment. This world sees China's economic and political landscape transform following Xi Jinping's unexpected death, resulting in massive inward investment and a shift towards less regulated global markets, while the developing world, particularly Africa, faces increased suffering from climate change impacts and external economic dependencies.

Sustainable World

In the **Sustainable World** scenario, the international community collectively balances growth and distribution by reducing overall consumption and constraining greenhouse gas emissions. Collaboration and norm development extend across multiple sectors, including a resurgence in the World Trade Organization (WTO) role and others, such as the introduction and steady increase of a global minimum corporate tax rate, which stands at 20% by 2043. Domestically, the US pursues aggressive antitrust policies to increase competition and rein in the corrosive effect of private monies on domestic politics.

This future is most likely to emerge from a crisis, such as the impact of the World at War scenario, the rapid acceleration of the effects of climate change and repeat global pandemics to the extent that a reluctant world community is forced to a collective response. In March 2023, the United Nations climate experts warned that the world would hit 1.5 degrees Celsius warming above preindustrial levels by early 2030 and that the Earth was on a trajectory towards two to three degrees Celsius by 2100.

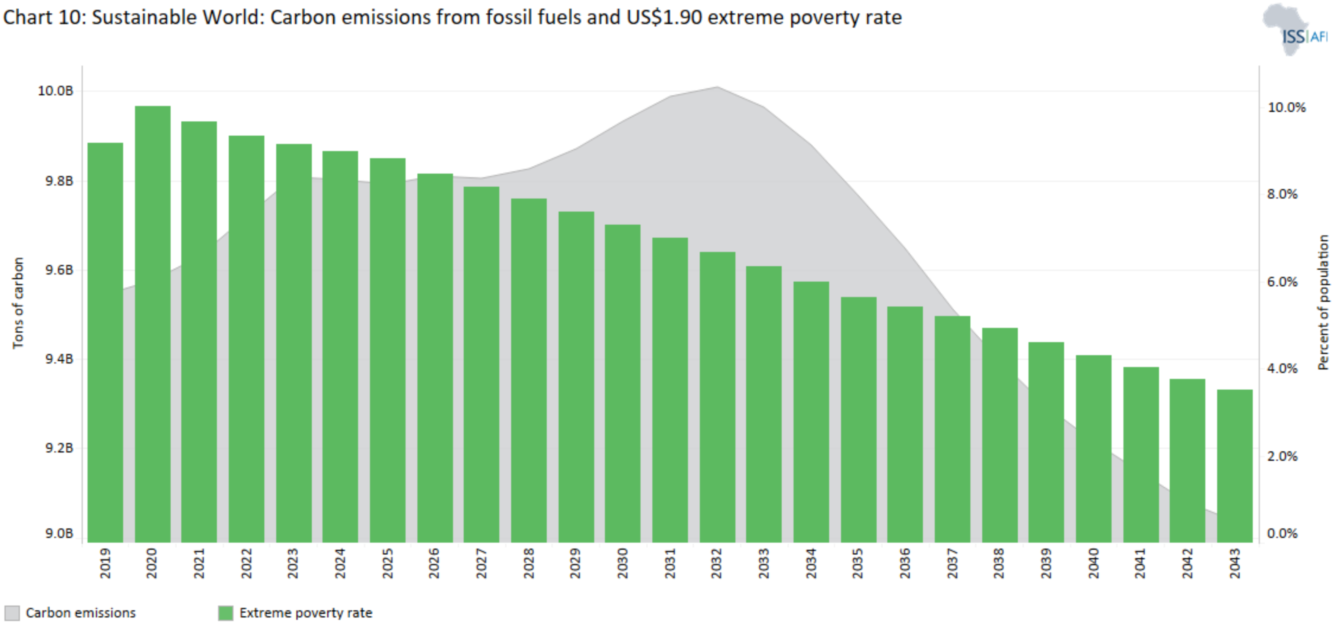
In terms of great power competition a Sustainable World scenario is more likely to be associated with an expanded and more influential EU. Different from the US and China, the EU has limited hard power and prioritises its role as an advocate of a global rules-based system, reflected in its approach to digital sovereignty, harmonised rules on fair access and use of data that protects individual rights and democratic freedoms, amongst others.

The Sustainable World scenario is the most difficult to achieve. Unlike the other three scenarios, leaders with little in common must take bold steps to realise a better world that will inevitably run into significant domestic resistance. It is only possible with the realisation amongst key Western leaders, working with countries such as China and India, that a future rules-based system will eventually require rethinking all aspects of global collaboration and governance, including the International Financial Institutions and the UN Security Council.

Under the auspices of the UN, this scenario would see countries craft and agree on an ambitious set of follow-on Sustainable Development Goals beyond 2030 to eliminate extreme poverty in the most affected region, sub-Saharan Africa, which is also under significant threat from climate change. These follow-on goals and targets merge climate mitigation and adaptation ambitions into an overarching and comprehensive Global Sustainability Framework (GSF) that flows from the 2024 Summit on the Future. Part and parcel of the GSF is a new push for aid to low and low-middle-income African countries. Whereas aid to Africa amounted to US$64 billion in 2023 (2.4% of Africa’s GDP), by 2043, it has more than doubled to US$133 billion, more significant than in any other scenario, although now accounting for only 1.5% of Africa’s much larger GDP.

Commitments of this nature mean the world can sustainably pursue poverty alleviation, reduce carbon emissions and advance environmental protection. Chart 109 shows the dual impact of the Sustainable World scenario on global poverty and carbon emissions. Extreme poverty in Africa falls from 572 million (39% of the population) in 2023 to 316 million (14.5%) in 2043. Globally, carbon emissions from fossil fuels peak in 2032 at 10 billion tons of carbon and, by 2043, have declined to 9 billion tons (33.2 billion tons of CO_2 equivalent).

Chart 10: Sustainable World: Carbon emissions from fossil fuels and US$1.90 extreme poverty rate



Source: IFs 8.19 initialising from Appalachian State University and PovcalNet data

In this world, an expanded G20 has replaced the G7 and the BRICS and coordinates responses to global turbulence, such as recurring pandemics that are a feature of a 2043 world with only 9.2 billion people, close to the lowest forecasts made by the UN Population Division two decades previously. This is a rules-based future that eventually includes a revision of voting rights in both the World Bank and the International Monetary Fund, an end to permanent members, and the veto within the UN Security Council. By 2043, a reformed Council will consist of powerful countries with increased voting rights, groups like the EU, and a rotational system of other members. However, it remains a council of states that does not include non-state actors such as civil society or business.

Nuclear disarmament also proceeds apace. In July 2022, 122 countries adopted an international treaty banning nuclear weapons. The treaty makes it illegal for signatories to develop, test, produce, manufacture, acquire, possess, stockpile, transfer, use or threaten nuclear weapon use or to encourage anyone to engage in these activities. In the Sustainable World scenario, the UK and France, then the US, China, Russia, India and Pakistan eventually signed and ratified the treaty, followed by others, including Israel and Korea, shortly after unification.

The momentum for the nuclear-armed states to join started in 2022 with the review conference on the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). It followed the extension of the New START treaty between the US and Russia, initially set to expire in 2026.

The AfCFTA is fully implemented in Africa by 2033 and discussions on deeper economic and political integration follow. By 2043, Africa has progressed significantly towards establishing a continental customs union, with subregions such as the Southern African Customs Union (SACU) having even found a common market. All countries are democratic, and regular elections see a steady turnover of leadership as Africans hold their leadership to account.

In summary, the Sustainable World scenario envisions a future where global cooperation leads to balanced growth, reduced consumption, and significant environmental sustainability efforts, including a strengthened role for the WTO and an increased global minimum corporate tax rate. This scenario, emerging from crises like climate change and global pandemics, would necessitate ambitious global governance reforms, including the implementation of comprehensive Sustainable Development Goals aimed at eliminating extreme poverty and significantly reducing carbon emissions. It foresees an era of enhanced global cooperation, with the EU playing a pivotal role in advocating for a rules-based system, and a fully implemented AfCFTA driving Africa towards greater economic and political integration, supported by increased aid and a commitment to nuclear disarmament.

Impact on Africa

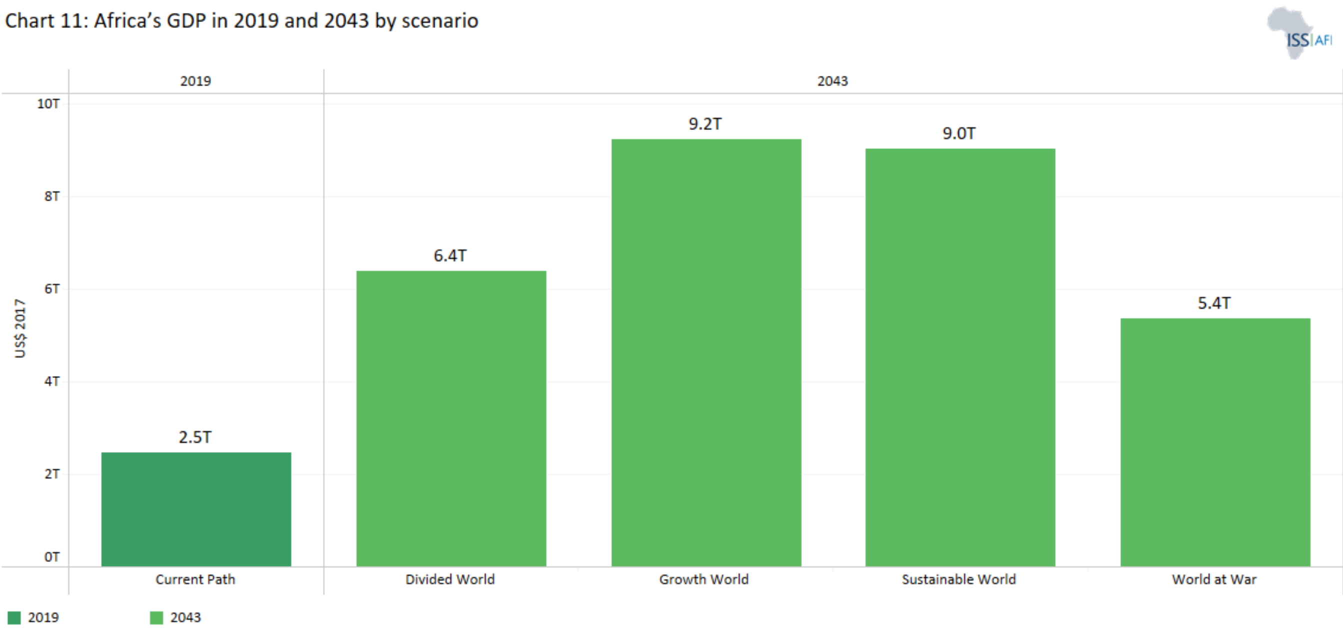
The analysis presented in this theme often refers to Africa as if it were a single country, despite its vast diversity. The reality is much more complex with cultural, linguistic and other differences.

Most African countries have small populations and economies. In 2023, only seven countries had economies larger than US$100 billion, while 18 were less than US$10 billion. While a few countries, such as Nigeria, have large populations, 21 African countries had fewer than 10 million people in 2023. Africa is also divided politically, and the imprint of Belgian, German, Spanish, Portuguese, British and French colonialism continues to affect domestic and foreign policies as well as the orientation of its ruling elites. Because the various regional organisations such as ECOWAS and the African Union have no supranational powers, Africa seldom speaks with one voice on international issues.

In 2023, Africa constituted less than 3% of the world economy. Despite rapid population growth, Africa will only constitute 5.5% in 2043 in the Sustainable or Growth World scenarios, which deliver the most rapid economic growth. Meanwhile, its population will increase from 18% to 25% of the global population. The size of the world economy will increase to US$173 trillion by 2043 in the Growth World scenario, closely followed by the Sustainable World scenario at US$166 trillion, but with significant differences in the number of extremely poor people, the majority of whom will be in sub-Saharan Africa. A Divided World would result in global economic output of US$161 trillion in 2043. A World at War scenario results in a world economy producing a combined GDP of US$133 trillion in 2043, with Africa growing particularly slowly despite its much larger population.

While Africa gains more in the Sustainable World than in the Growth World, both in the size of the African economy (see Chart 11) and in average GDP per capita terms (see Chart 12), the reverse is valid for the rest of the world.

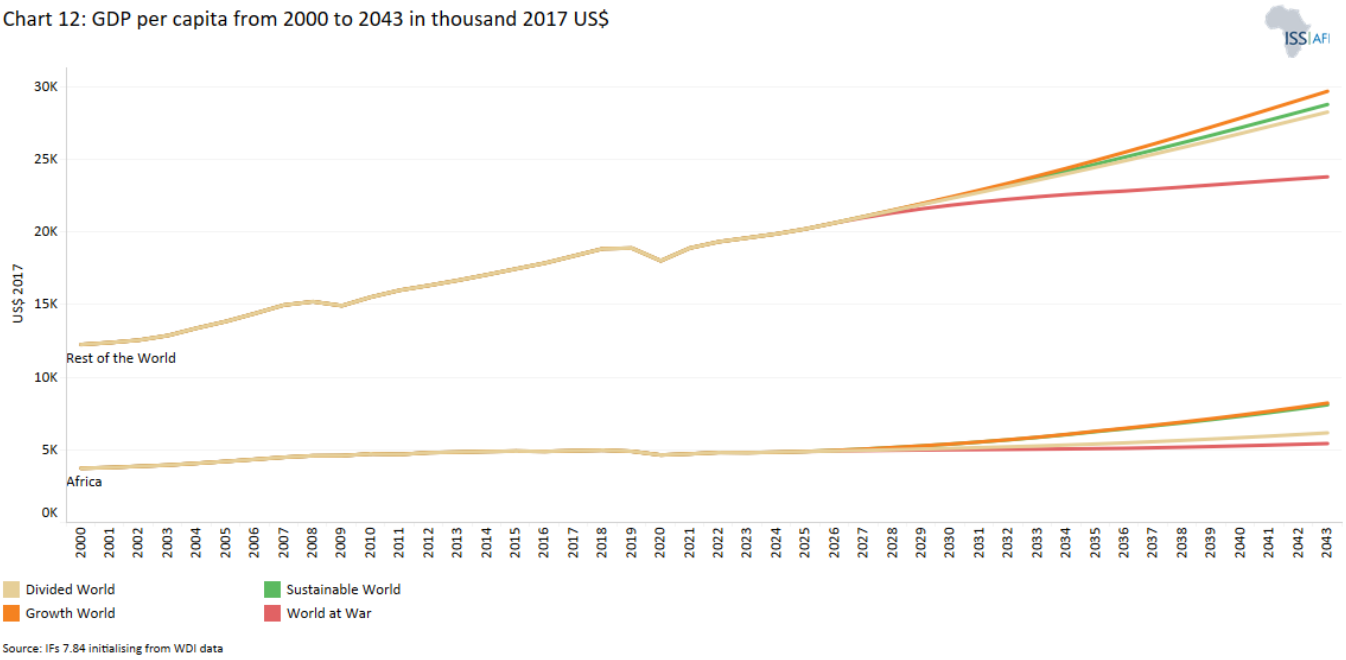
Chart 11: Africa's GDP in 2019 and 2043 by scenario



Source: IFs 8.19 initialising from WDI data

The nature of this type of 'big picture' analysis also glosses over the different impacts that each scenario has on individual African countries. For example, the countries that get the most significant income increase — in the Sustainable World scenario — are Seychelles, Eswatini, Djibouti and Egypt, seeing a more than US$5 000 increase in GDP per capita in 2043 compared to Africa’s current development forecast. Countries that gain the least are Guinea Bissau, Lesotho, Niger, Republic of Congo, Malawi, Eritrea, the Central African Republic, Chad, South Sudan, Burundi, Somalia and the DR Congo. In these countries, GDP per capita in 2043 is above the Current Path forecast but below US$1 000. However, Guinea Bissau, Mozambique, South Sudan, Madagascar, Eritrea, Sierra Leone, Somalia, Malawi, Burundi and Liberia are countries that will experience more than a 20 percentage point decline in extreme poverty in 2043, reflecting the complex trade-offs in considering the impact of the various scenarios.

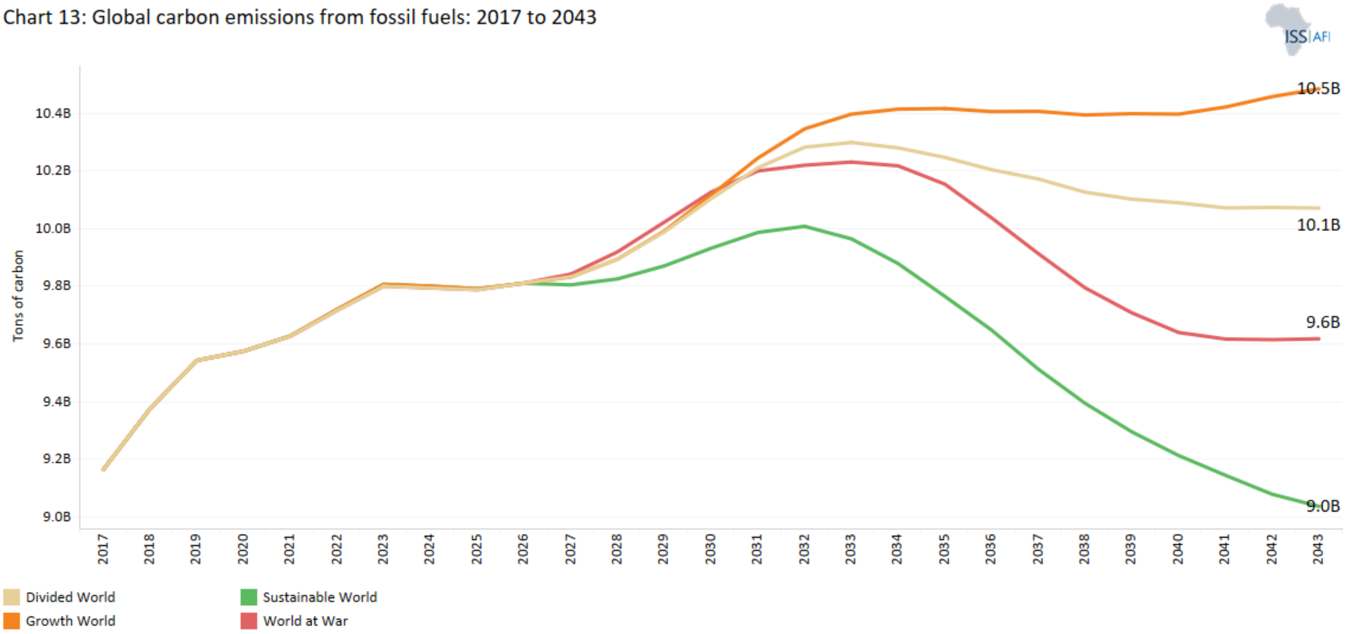
Chart 12: GDP per capita from 2000 to 2043 in thousand 2017 US$



The difference in economic growth in the Growth World comes at a high price: elevated greenhouse gas emissions that do not peak within the forecast horizon and continue to increase beyond 2043. At this point, carbon emissions from fossil fuels are at 10.6 billion tons of carbon (equivalent to 39.9 billion tons of CO_2). The result is more severe global warming than in any other scenario. Even though the global economy in the World at War scenario is significantly smaller, this scenario has the second highest carbon emissions in 2043 at 9.6 billion tons due to the associated increase in fossil fuel use as a portion of total energy. Conversely, emissions in the Divided World scenario peak in 2030 and decline to 10.2 billion tons (equivalent to 37.4 billion tons of CO_2) per annum by 2043. As the name suggests, in the Sustainable World scenario, emissions peak earlier, in 2030, and decline to 9.3 billion tons (equivalent to 34.1 billion tons of CO_2) by 2043, continuing to reduce thereafter.

Carbon emissions from fossil fuel use in the rest of the world (i.e. the world without Africa) peak in 2033/4, and decline at different rates after that (Chart 13). In comparison, carbon emissions from fossil fuel use in Africa increase in all four scenarios, given Africa's curren low levels of energy use and growing population. In absolute terms, emissions are highest in the Growth World scenario (at 1.08 billion tons of carbon in 2043) and lowest in the World at War scenario (at 840 million tons). The climate and energy themes provide additional analyses of carbon emissions and Africa's energy transition.

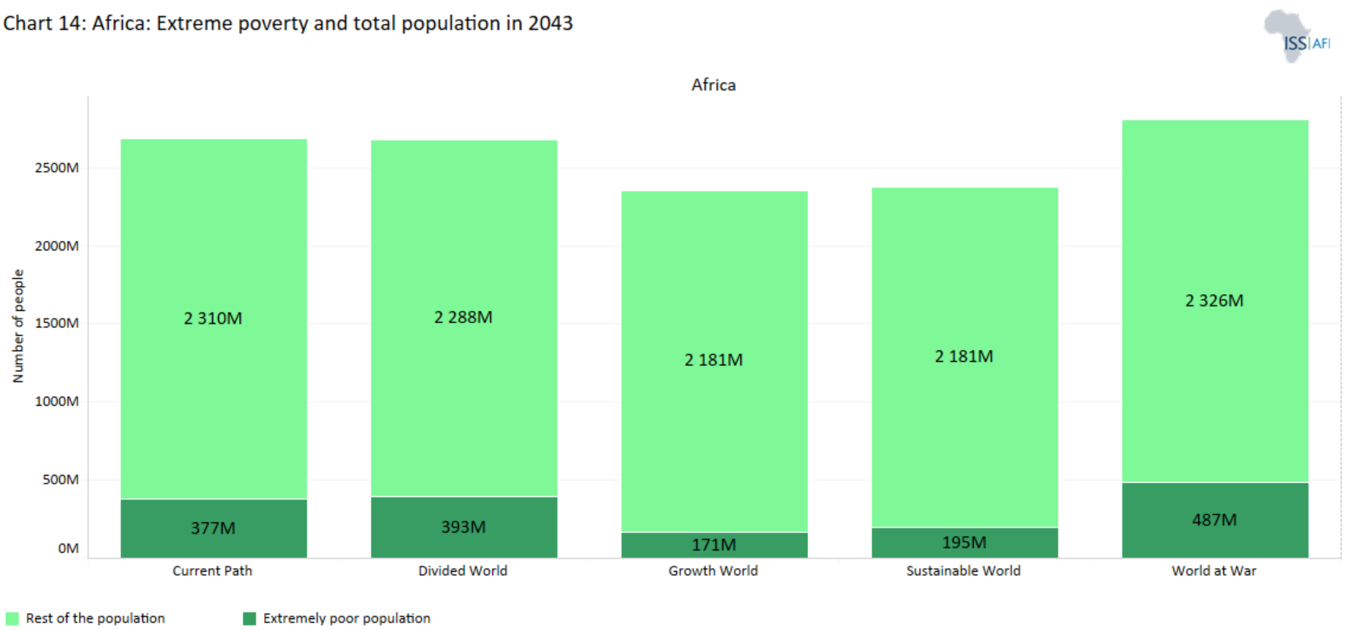
Chart 13: Global carbon emissions from fossil fuels: 2017 to 2043



Source: IFs 8.19 initialising from Appalachian State University data

The differences in economic well-being are particularly evident in Sub-Saharan Africa, the region with the largest poverty burden globally at at 565 million people in 2023, equivalent to 45% of its population. The extreme poverty rate in Sub-Saharan Africa will decline rapidly to 16% in the Sustainable World and be highest in the World at War scenario at 33%, equivalent to 316 million and 630 million people, respectively (Chart 14 and 15).

Chart 14: Africa: Extreme poverty and total population in 2043

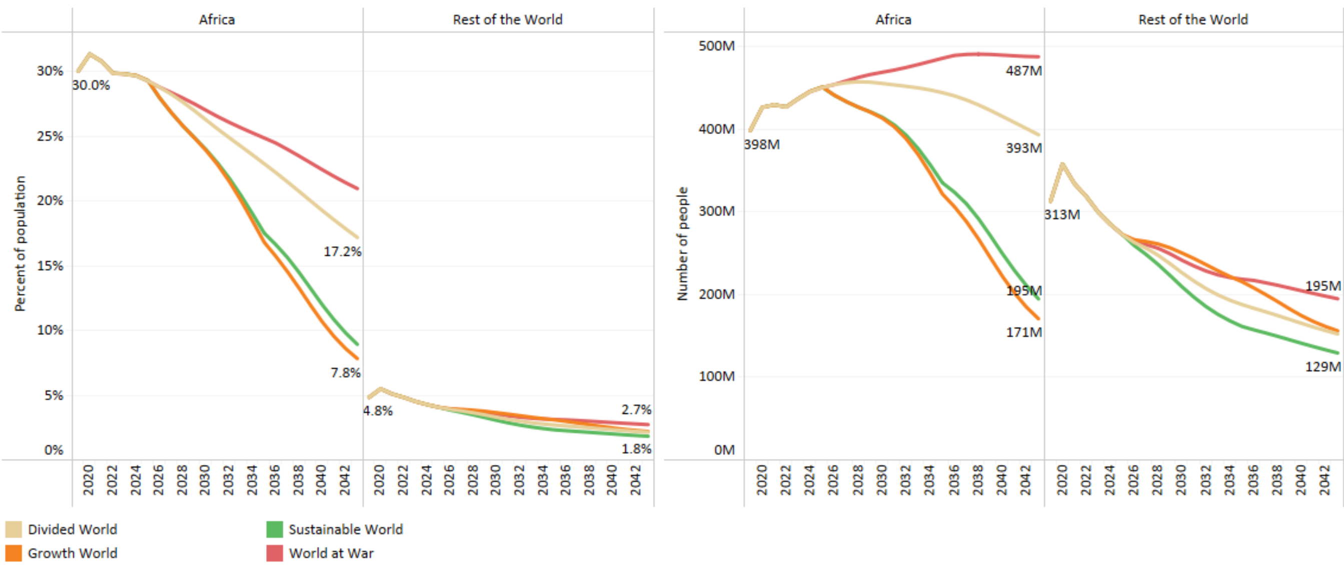


Source: IFs 8.19 initialising from UNPD, WDI and PovcalNet data

In the Sustainable World scenario, inequality in Africa decreases by 4 percentage points between 2019 and 2043 despite of rapid economic growth. The scenario increases gender empowerment and greater participation of women in the workforce, leading to better outcomes on the Gini and other indices that reflect income distribution.

A closed, rigidly divided world (the World at War and even the Divided World) will not benefit Africa. Africa did not do well during the Cold War, and instability increased significantly in the years leading up to the collapse of the Berlin Wall in 1989. The pattern could likely repeat itself in these scenarios, which is worrying as the current global trajectory is closest to the Divided World scenario. Russia's invasion of Ukraine and events in Gaza have accelerated global divisions. In the former, a permanent member of the UN Security Council that is mandated to ensure international peace and security has invaded another and in the latter, Israel violates international law and ignores Council decisions. Views differ, however. Westerners are typically more pessimistic than people from Asia, which is understandable since power and economic weight will continue to shift towards Asia in all four scenarios. Still, a lot depends on what happens between the US and the EU, the choices made by India, the extent to which China and Russia cement a potential alliance, and who joins them.

Chart 15: Extreme poverty per scenario in Africa and rest of the world in each scenario, 2019–2043



Source: IFs 8.19 initialising from UNPD, WDI and PovcalNet data

Furthermore, the choices made in areas such as digital sovereignty will have a long-term impact. Does Africa pursue an approach with an emphasis on the rights of the individual on the one hand, as is the case in Europe, or the prioritisation of the collective interests of the state on the other, as is the case for China? Or does Africa allow for private sector competition that drives costs down and allows the continent to pursue the least-cost solution (such as the approach of the US) which leaves little room for Africa's own private sector? For example, procurement choices on digital infrastructure could create a path dependency with geopolitical implications. African governments with low state capacity, large youthful populations and characterised by insecurity may, for instance, prefer the state-centred stability approach of China over the EU's orientation towards individual rights and democratic freedoms.

Africa will significantly close the gap with other regions in the Sustainable World scenario regarding electricity access, literacy rates, the human development index (HDI) and malnourishment. However, it will still rank at the bottom compared to other regions. Higher life expectancy, better literacy rates and education follow. In contrast to the Growth World, the Sustainable World balances large economic gains with greater equality and a smaller carbon footprint.

Given its marginal position in the global economy but a large and growing population and the impact of climate change on Africa, the Growth World scenario and its associated high carbon emissions are not advantageous to Africa. The World at War is a lose-lose scenario for all countries, and the current trajectory towards a Divided World constrains Africa's growth and development. Our analysis indicates that Africa's 'development potential' in the Divided World scenario is only 63% of that in the Sustainable World, using GDP per capita as an indicator.

In material power terms (using GPI or the DiME Index), Africa remains a minor player in international affairs, regardless of the scenario — and the reader is reminded about the large number of African countries that constitute the continent, meaning that the effective exercise of 'African' power is invariably lower than the sum of all countries. For example, the tripling of Africa's GDP in the Sustainable World scenario means Africa will see its share of global power increase by a mere two percentage points from its 2023 level to more than 7% of the global total in 2043, using the DiME Index.

Still, as a collective, the African continent could carry more weight towards the middle of the 21st century in the Sustainable World scenario. If the African Union could speak with one voice globally and maintain that unity, Africa would become a swing region with significant soft and discourse power mainly because of its large population numbers and the collective voice of its 55 member states.

Wildcards: Great power implosion and climate change

The four scenarios presented in this study and the associated African scenarios could be upended by any number of developments, particularly the impact of a **great power implosion, regional developments** in Europe or Asia, and **technology**, artificial intelligence in particular.

In *How Civil Wars Start: And How to Stop Them*, Barbara F Walter presents internal conflict and competition within big powers as one of the gravest threats to global peace, particularly the increased likelihood of a second civil war in the US. Academic reviews of her work indicate that she has exaggerated the threat posed by political polarisation in the US. For example, Moyer, Matthews and others find that wealthier, politically consolidated states (all of which are democratic) typically have more civil conflict onset associated with minority repression, not evident in the US, than any other cluster of motivated variables.

The US is already starkly divided and increasingly violent, as seen in January 2021 with the effort at an unconstitutional power grab after Donald Trump lost the presidential elections. Should Trump or someone of his populist orientation be elected in 2024, the US will be in deep trouble as the potential of a Western partnership to constrain China's growing power and influence will not be realised. Continuing Trump's previous policies will also strengthen the hand of autocrats everywhere. It will accelerate the trend toward a Divided World or even the World at War scenario.

A variant of **great power implosion** in China and Russia would likely follow democratisation in either, or both. In the case of Russia, which will experience a steady dimunition of its material power base in all scenarios, disruptive change is almost sure to follow the end of the presidency of Vladimir Putin who has ruled since 1999. While change in both countries, also in North Korea, and the democratisation of oil-rich Middle Eastern countries, may be desirable from a liberal and normative perspective, all will likely come with considerable negative economic consequences. In the case of China, these will be global.

The correlation between income and democracy is contested but, according to a significant body of work, democracy becomes very likely beyond certain income levels. If that theory holds, the Chinese Communist Party and many countries in the Middle East will soon be in trouble. The democratisation of China (i.e., replacing the current authoritarian model with a political system that provides for greater individual choice and freedoms) will almost inevitably be violent and economically disruptive. Chinese growth rates differ per scenario, steadily declining in all four as its economy matures and its population ages. Yet, it is highest in the Growth World, averaging 4.8% per annum from 2024 to 2043, implying that this scenario would present China with the earliest associated challenge.

Regional developments could also alter the world in substantive ways, such as the breakup of the EU or a radical reduction in its membership. The UK has already left the EU. At regular intervals, others threatened the same, although Russia's war on Ukraine and the damage that Brexit did to the UK has reduced threats of similar endeavours by others. The EU27 economy was surpassed by that of China in terms of purchasing power parity in 2016 and 2022, also using market exchange rates. Given reasonable expectations of Chinese vs EU27 economic growth rates, this gap will increase in future, although the West remains significant larger as a single group than other market. The EU further serves as an essential advocate of a rules-based international order on matters ranging from consumer protection to human rights. A breakup of the EU will have significant adverse effects globally. On the contrary, substantial enlargement with the UK rejoining the EU, including other countries such as Türkiye or a democratic Russia, could unlock positive opportunities.

Should Asians set their differences aside, strengthen their political cooperation and overcome the deep divisions between countries such as Japan, Korea and India with China, Asia would become globally dominant. We could see a vastly different international order emerge. However, that is unlikely, given the tensions between China, India and Japan. Historically, two adjacent large powers (China and India) compete rather than cooperate, and relations between these two have become frosty. More likely, vital Asian countries such as Japan and others will enter closer ties with India as a bulwark against China.

The complex and unpredictable ways that environmental changes are intertwined with development and security illustrate how the biosphere crisis can only be successfully addressed through international cooperation. Europe recently experienced its worst drought in 500 years, much of Pakistan was under water, and portions of Africa are facing long-term distress with massive suffering and loss of life. Beyond Africa's needs, the window for global action to respond to these challenges is closing.

The **accelerated impact of environmental change** is undoubtedly the most significant threat to humanity, particularly in poorer regions with less capacity to cope. Catastrophic climate-change 'tipping points', for example, are nearing — from surging sea levels as polar ice melts to spiking temperatures as methane escapes from permafrost — that would drive an unstoppable cycle of higher global temperatures and more melting. Africa is particularly vulnerable due to its weak adaptive capacity, increased dependence on ecosystems for livelihoods, and rain-fed agriculture. Currently, the continent is warming faster than the rest of the world, on average, and scientists warn that large portions of Africa may become uninhabitable by mid-century or earlier. Variations in rainfall are significant and extreme weather events are becoming more regular, obviously with substantial regional variations. Globally, the accelerated impact of climate change is the most likely driver that could unlock progress towards a Sustainable World. We examine these trends in the separate Climate Futures theme.

The advent of **artificial intelligence** and its potential unintended consequences is undoubtedly another wildcard. Particularly in the Divided World, World at War and Growth World scenarios an aggressive state or private sector competition could lead to a race to the bottom, with the rapid development of autonomous killer systems and lack of regulation and control. Even in the Sustainable World, the extent to which a comprehensive regulatory regime could be pursued is debatable, given the technology's rapid evolution.

The challenge is twofold. On the one hand, 'rather than creating jobs and opportunities for the majority of the population in poor and middle-income countries, the current path of AI is raising the demand for capital, highly skilled production workers, and even higher-skilled services, such as management-consulting and tech companies'.[7]

On the other hand, digital tools are used for massive data collection and processing - potent assets in both autocratic governments and private companies alike, interested in surveillance and the dependence upon big data for social control and their business model, respectively. The power of generative Artificial Intelligence in today's connected yet dividing world is such that the World Economic Forum's Global Risks Report 2024 identifies **misinformation and disinformation** as the number one global risk, given the number of elections that will occur.

It is important to underline how much a more crowded, interdependant world is changing interstate relations. The split between an apparent self-centred West and the Global South gained substantive impetus when, at the height of the devastating COVID-19 pandemic, European vaccine manufacturers blocked efforts to relax patent rights whilst simultaneously hoarding available vaccines for domestic use. In this changing world, Western countries underestimate how deeply intertwined their future is with the Global South regarding stability, growth, and environmental change. The divide was illustrated by the Global South's ambivalence in a forum such as the UN General Assembly on Russia's invasion of Ukraine, the decision in September 2023 to expand the original group of Brazil, Russia, India, China and South Africa (BRICS) to include six additional countries with more to follow and the very different responses to events in Gaza when comparing that in the West with reactions from the Global South.[8]

The first opportunity for a global reset could be the landmark 'Summit of the Future: multilateral solutions for a better tomorrow',[9] scheduled in the General Assembly for September 2024, which has been billed as 'the moment to agree on concrete solutions to challenges that have emerged or grown since 2015'. The outcome document of this Summit will be an intergovernmental negotiated 'Pact for the Future' to reinvigorate multilateralism, boost the implementation of existing commitments, and restore trust between states. However, if 2024 is to see a global momentum towards the Sustainability World scenario, much work lies ahead.

Conclusion: For Africa — politics for development

Scenarios are not predictions. They are tools that help to frame alternative futures systematically and to enable a coherent discussion and analysis. Scenarios done using the traditional two-dimensional analysis - in this case, the extent of global fracturing versus efforts at sustainability - present four divergent alternatives that assist in the associated modelling and conceptualisation. Reality will be much more complex and typically ends up somewhere in between. Done well, however, scenarios surface structural trends and the outcomes or effects of different pathways.

Our analysis started by presenting the recent history and likely forecasts of the **global distribution of material power** and influence, focusing on China and the US. In line with the more detailed research done by our colleagues at the Frederick S Pardee Center for International Futures at the University of Denver, we find that a power transition that would see China overtake the US as the most powerful country in the world will likely occur before mid-century. However, a larger group of rich countries that share a commitment to individual (as opposed to collective) aspirations (democracy, individual human rights, etc.), aka the West, will continue to dominate globally and maintain a technological, wealth and power advantage even over a global axis led by Chinese and Russian concepts for subsequent decades. These divisions are, however, set to become less stark and decline in importance with the emergence of regionalism.

The **emergence of China** as the most powerful country globally will inevitably reshape global relations. However, it will occur in a more crowded and complex world where the ability to exercise power will likely be more constrained than in recent history. Given the combined material power of the West and China's relative international isolation (it inspires fear rather than attraction and has tense relations in its neighbourhood), this trend will eventually deliver a global order that will evolve quite differently from the so-called liberal international order even as Asia partly 'decouples' from the rest of the world. There are many examples of Chinese integration with the existing rules and norms such as the extent to which its actions on debt relief for Africa today are to collaborate with the international financial institutions rather than operate outside them and the steady adoption of best project standards in expanded infrastructure in Africa and elsewhere. In that future, Africa will geographically straddle a Western-dominated Atlantic to its north and west and an Indian and Pacific Ocean zone eastward, with China at its core but contested areas of influence emanating from India and others.

Several developments could disrupt this broad structural trend, namely great power implosion in China (most likely as a result of pressures towards democracy) or the US (as internal political divisions widen), or the contraction or the expansion of the EU (through, for example, readmission of the UK, the inclusion of Türkiye and a democratic Russia). Deeper regional integration in Asia, the accelerated impact of climate change, the relations between the US and the EU, and India's foreign policy orientations will likely determine the nature of the subsequent global order. Leadership and leaders matter. Because of the influence of individual leaders such as Xi Jinping, Vladimir Putin and potentially Donald Trump in shaping their countries' domestic and foreign policies, what happens to them individually could have global ramifications.

Debates on power and influence, such as that set out above, focus on so-called 'great powers' or the 'states that make the most difference,' which does not include any African country. That is typical and occurs despite the large populations of a country such as Nigeria, which, by 2043, would have a population close to 400 million people, making it the third most populous country globally. On its current development trajectory, 145 million Nigerians will still live in extreme poverty. In the Sustainable World, Nigeria would have only 86 million extremely poor people - 22% instead of 37% of its population. Historically, a combination of population growth, slow employment growth and relative deprivation translate into more rapid outward migration, and it will be no different this time. **Migration** from Africa is set to increase, and it will have significant economic and sometimes political effects, particularly in Europe. Africans will bring their enormous enterprising, creative, and connectivity assets, which are already evident in the world of music, the arts, film, and literature, as well as in the realm of sport. Therefore, the first effects will likely be cultural, then economic, and ultimately also political. The Old World is ageing, and its demand for lower-skilled labour, which Africa has a large surplus, is increasing. If job opportunities exist, labour will follow, and it will be hard to stop.

Even as no African country emerges as a significant global power, the distribution of power in the 21st century does make the bed in which African states sleep. The issue for Africa is if that bed facilitates more rapid development. For developed countries, the question is whether global stability is possible given the significant wealth, income, health, and education disparities between Africa and neighbouring regions such as Europe, the Middle East, and Asia.

Against this background, Africa's leaders must be aware of the limited space for the continent's development and the uphill battle to realise a Sustainable World scenario. **Africa needs geopolitical stability** that allows for economic growth and human development. For example, rather than the all-consuming preoccupation by the West with the war in Ukraine, Africans are seized with the second-order economic effect of the war and the impact it has on driving up global food and fuel prices. African responses to the war reflect a widening divide between the West and the Global South, recently accelerated by events in Gaza.

Africa's foreign policy and development efforts should unequivocally support the policies and approaches that would advance the Sustainable 'best of world' objective through greater convergence and more robust, more effective continental institutions, which support and sustain Africa's aspirations and values as enshrined in Agenda 2063. There is considerable scope in this regard by, for example, upgrading the African Governance Platform into a binding legal protocol similar to that of the Peace and Security Council (PSC) and then holding leaders to account, rationalising the plethora of AU-related institutions that litter the continent but provide little or no added value (such as a toothless Pan-African Parliament), strengthening the relationship between the PSC and the A3 - the acronym for the three African countries that serve on the UN Security Council, etc. Then there are a host of practical measures, such as a lack of progress in implementing the Yamoussoukro Decision on open skies to deregulate air services entirely within the domestic domain of African governments that had made limited progress since 1999, when it was adopted. Most important is the movement towards ever larger integrated free trade regions in Africa that have the most significant development potential for Africa over long-term horizons. Given the political will, many practical measures can be implemented to reduce non-tariff constraints on cross-border trade.

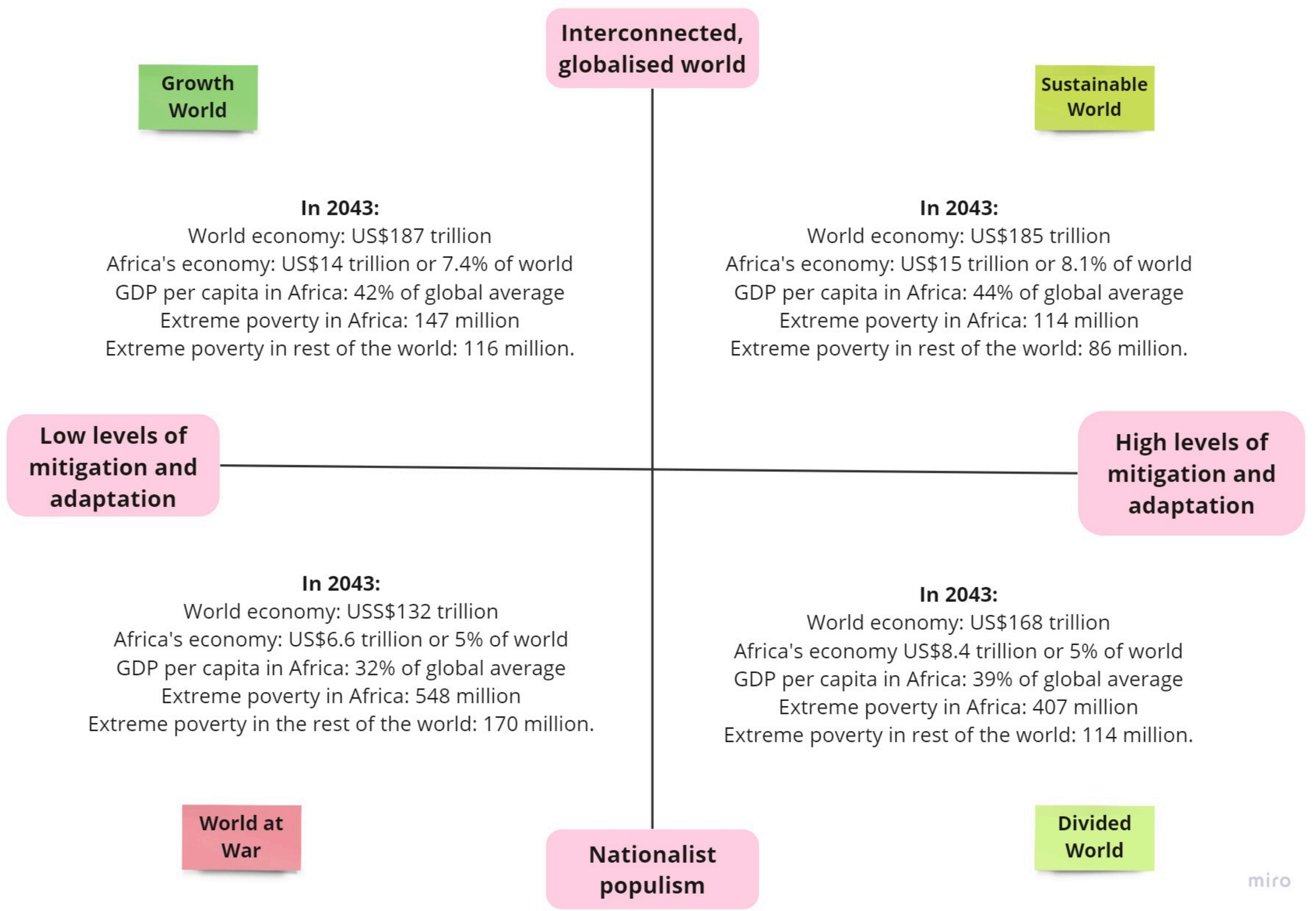
The **priority for African leadership** is to focus laser-like on every obstacle to maximise its sustainable development prospects. That includes a next-generation rules-based global system that will facilitate poverty reduction, economic growth, stability and investment in the Global South. Africa needs to awaken to the importance of advocating for a reformed rules-based system that serves its development interests and needs to presents specific proposals in this regard or at least take a more activist role.

Largely a Western creation, in its current form, the rules-based order constrained armed conflict between major powers during the Cold War era. However, that containment resulted in several proxy wars in Africa and elsewhere. It has not facilitated Africa's development since it is primarily premised on maintaining a global structure that skews developmental advantages to the already rich. It allowed the developed world to spew such amounts of carbon into the atmosphere that it now constrains a similar development pathway for others, even as China is now the most significant global emitter of greenhouse gases by a large margin. For all the progress that globalisation has unlocked, such as through trade and knowledge transfers, the current international system embeds privilege through profit shifting and a global tax regime that does not enforce tax obligations where profits are generated. A world with five permanent seats and a veto within the UN Security Council is regularly touted as the most glaring example of the vast global ramifications, even if the declining authority of the Council would make current proposals on reform more symbolic than substantive.

AU member states need to focus on the pursuit of a **facilitating environment** for more rapid growth and poverty alleviation, even as the commitment to national development by ruling elites is absent in Equatorial Guinea, South Sudan, Eswatini and others in addition to a clutch of Francophone countries that have recently fallen victim to military takeovers. Since the achievement of the Agenda 2063 vision is shared amongst only some African leaders, it is up to critical African states to decide if they are willing to embark upon a two-track approach where some countries commit earlier to higher standards of governance than others. Many attempts have been made to achieve this, such as the Conference on Security, Stability, Development and Cooperation in Africa (CSSDCA), NEPAD and the African Peer Review Mechanism (APRM), pointing to the many hurdles to such a strategy. The differentiated approach in implementing the African Continental Free Trade Area goes in this direction, but much more is required. For example, countries in the Sahel are currently not viable partners in regional integration or even many matters relating to better governance. Taking this forward will require a different approach to one that seeks to herd every African country towards a common goal.

Meanwhile, the current trajectory towards a Divided World places a cap on Africa's development potential. Compared to the Sustainable World, GDP per capita in Africa will be 24% lower (US$6 193 vs US$8 094), and extreme poverty in Africa will be 69% higher (562 vs 332 million), reflected in Chart 16.

Chart 16: Comparing scenario impact on economic size, GDP PC and extreme poverty



Hastening this trend, the war in Ukraine and the fear of China's rising influence have significant collateral damage effects. **The West** needs to make a sharp differentiation between China and Russia and resist simplistic narratives that pit a benevolent West against bad China associated with evil Russia in Africa. While the US and China are both increasingly embracing the idea of a bipolar struggle, Africans need to work for a multipolar world where they are not in the pocket of any great power.

There is, simply put, no strategic profit to be gained by the ongoing demonisation of China in the US and Europe and vice versa. The Chinese Communist Party will not abandon its collectivist views on politics and development as much as democratic countries will not abandon a belief in individual freedoms and political rights. Nor can the West constrain China's momentum towards great power status. What is needed is a determined effort to rebuild relations between the West and China to one of mutual respect and acknowledgement of the differences in approaches to development and governance.

Africa can continue to seek profit from playing the West off against China as it has in the past, which is likely the default position on the current global trajectory towards a Divided World. Such an opportunistic approach has clear limitations, however. What ultimately matters is what Africans decide and do themselves daily. In contributing to Africa Tomorrow, Cobus van Staden cogently argues that this is more urgent concerning China, which presents the most significant opportunities.

'Bluntly put,' he writes, 'if Africa wants positive outcomes from China, it needs to be more hard-nosed, more prepared, more ruthless than the Chinese. This means coming to the negotiating table with the same international legal teams as

Chinese contractors, being similarly uncompromising in contract language, being willing to walk away from deals if they do not serve inclusive development goals and cracking down hard on any labour or environmental abuses by foreign companies. ... It means withdrawing African buy-in from geopolitical "New Cold War" narratives and indulging these powers to the extent they serve African purposes.' Africa should similarly not commit to foreign policy support on specific matters where its interests are not directly at stake.

The time for unreasonable confidentiality clauses and political conditionality is past. Choosing to side with China, Russia, the US or Europe on matters not directly concerned with Africa or playing the one-off against the other serves no purpose.

Developmentally minded African governments should commit to a minimum set of **project transparency and implementation requirements** (such as public consultation and environmental standards) that apply across the board for all companies and countries that invest in the participating African countries. The requirements should be clear, simple, and public, with all subsequent agreements disclosed, available upon request, and bolstered in a binding legal protocol followed by domestic enactment and implementation.

It is self-evident that coordinated positions among Africa's leading countries on critical matters such as foreign investment, particularly in the mining sector, regarding beneficiation and transparency would maximise the ability to shape the international rules to the advantage of the participating countries. Strengthening Africa's investment and financing models, with outside support where appropriate, would boost the continent's fortunes. To facilitate **investment into Africa**, critical countries with the proper governance institutions and regulatory standards could set themselves up as investment routes to facilitate inward capital flows - a role that Hong Kong played in respect of China for many years.

Looking to the West, what Africa needs is for Western governments to find ways to de-risk investment by its banks and the private sector in the continent. Ultimately, low investments are driven by colonial-era hangovers and negative perceptions that have been deeply ingrained in a Western world that has provided a drip-feed of aid to Africa since the 1960s. Europeans and Americans regularly berate Africans for their lack of development in return for this payment, much of which was to buy loyalty during the Cold War, without sufficient recognition that the amounts and modalities are insufficient to change fundamentals such as Africa's poor human capital endowment that could unlock more rapid growth.

Instead, most Africans see aid as a nominal tax paid for past injustices and an international system skewed against the continent's development. Western rating agencies play a significant role in this regard. They have, for decades, adopted a punitive approach to investment in Africa compared to other regions, driven by the private sector's demand for a secure investment and a lack of knowledge of the continent based on the adverse reporting from a sprinkling of Western news reporters located in Nairobi or Cape Town. Changing these perceptions requires ongoing engagement, communication and much greater visibility of Africa's development efforts in Europe and North America. It requires massive student exchange programmes, regular trade fairs and political dialogue — not only visits when gas from Russia runs dry or to counter China's growing influence in Africa.

Much more important for Africa than aid is **a reset in the relations** between the West and China. The trajectory towards a Divided World will likely accelerate the continent's ongoing and emergent challenges. It is evident in the extent to which Moscow has already been able to leverage its limited assets in producing fertiliser, wheat, energy, arms, and military cooperation to pursue an anti-Western agenda in Africa to the detriment of stability and development. Africans need to take political and diplomatic action to avoid further collateral damage.

China, Europe, and the US are Africa's most important development partners, even as the continent's trade with other countries in the Global South is increasing. Africa desperately needs Chinese loans, investment and domestic manufacturing contributions, and what the US and the EU can offer under their various initiatives, such as the US's Build Back Better World, the EU's Global Gateway, and the G7's Partnership for Global Infrastructure and Investment. Chinese companies have already built 60% of World Bank projects, and the West does not have the tools to replace that supply; it has many other offerings, including technology, investment standards, data protection standards, and expertise in project management. Above all, the West sits atop a dam of potential investment monies that could improve Africa's prospects, given a more reasonable risk and investment framework.

Beyond Africa's development needs, the accelerated **impact of climate change** will, almost inevitably, require an entirely different mindset and approach to the current trend towards a political economy of division. Separate themes on climate change and energy provide significant additional context and interpretation. They forecast Africa's likely energy transition and the Current Path forecast of carbon emissions, and the impact of various sectoral scenarios on carbon emissions ranging from an agricultural revolution to a manufacturing transition. Inevitably, those economic transitions with the highest growth content, such as implementing the African Continental Free Trade Agreement, result in the most significant increase in greenhouse gas emissions. Although emissions per capita in Africa are very low, the rapid growth in the continent's population, on top of the expansion of electricity access and greater energy intensity as incomes rise, points to a continent that, by 2065, will emit more carbon from fossil fuels than China. As Africa is not responsible for climate change, what happens in Africa will determine global climate futures.

Amongst others, Africa needs to have a severe bout of introspection about **population growth** if it is to grow economically more rapidly, improve the prospects for its young population, and curb greenhouse gas emissions in its own and global interests. The theme on demographics explains that rapid population growth in Africa is a drag on development, given the low ratio of working-age persons to dependents. Eventually, only much deeper economic and political integration complemented by much more rapid and sustained economic growth in Africa could offset the continent's limited role in shaping global orientations - but that needs to occur sustainably.

How do global players construct a collaborative rather than competitive global system that will enable humanity to survive and prosper in the long term, particularly in Africa? The elements are well established. Most recently, they were reiterated in the UN Secretary-General's briefing to the General Assembly on Priorities for 2023. ''The world', Antonio Guterres warned, 'is staring down the barrel of a confluence of challenges unlike any others in our lifetime. ... This is not a time for tinkering. It is a time for transformation.' Many elements of an appropriate reform agenda are reflected in the September 2021 report by UN Secretary-General 'Our Common Agenda', but instead of action, Guterres warned, 'the chances of further escalation and bloodshed keep growing.' Amongst a host of priorities for urgent action, he lists an agenda for the radical transformation of the global financial architecture to place the needs of developing countries at the centre of every decision and mechanism of that system.

Ahead of the 2024 UN Summit and its Pact for the Future, the required reforms of the international financial and tax architecture were set out in a May 2023 UN policy brief in six areas ranging from global economic governance to a reformed global tax architecture. Collectively, these would end the divergence, economic fragmentation and geopolitical fractures, rebuild trust and support convergence towards effective global financial governance and attract more significant flows of private capital to invest in the capacity of developing countries to alleviate poverty and suffering.

In summary, our analysis predicts a power transition with China potentially surpassing the US before mid-century, although a Western alliance led by democratic values is expected to maintain a significant advantage. This evolving global order, away from a liberal international order, will see regionalism rise, with China integrating into global governance standards despite its international isolation. Disruptions could arise from internal political turmoil in great powers like the US and China, the EU's fluctuation, or deeper Asian regional integration. Climate change emerges as a critical global challenge, requiring cooperative responses. Artificial Intelligence (AI) poses risks and opportunities, depending on its management across different global scenarios.

Africa, despite its diversity and challenges, will not emerge as a significant global power but will be profoundly affected by these global trends. The continent's development, heavily influenced by external relations, will require navigating a complex international landscape marked by the West's dynamics with China and Russia. Africa's growth and human development hinge on global stability and cooperative governance, emphasizing the need for a reformed global order that addresses the disparities between Africa and other regions. The continent's response to climate change, population growth, and the pursuit of sustainable development amidst global divisions will be crucial. Ultimately, the global community's ability to construct a collaborative system, as outlined in various UN agendas, will determine Africa's and humanity's long-term prosperity.

Chart 17: Recommendations

Africa must

1. Africa needs geopolitical stability. End to US-China rivalry. No instrumentalist
2. Relentlessly pursue development interests:
    a. Conditions for FDI, knowledge transfers and domestic linkages
    b. Full transparency on all government contracts, loans to state and SOE's etc. No hidden debt. Non-reciprocal tax information exchange mechanisms
3. Effective continental institutions for development:
    a. Legally binding protocol on good governance
    b. Continental technical standards, e.g. railways
4. Two-track approach to trade integration and better governance?
5. Financial and trade architecture fit for 21st century:
    a. Reduced cost of sovereign borrowing and debt relief
    b. More democratic and representative decision-making in IFs
    c. Massively scale-up development and climate financing, including from private finance
    d. Global tax reform

Annex

First year for all interventions in 2026 unless indicated otherwise.			
Name	**Description**	**Group**	**Intervention**
Divided World			
carbtax	Carbon tax dollars/ton	World except Africa	10 years interpolate to 50 in 2036, maintain
gdsm	Government expenditure by destination multiplier (military)	World except Africa	10 years interpolate to 1.5 in 2036, maintain
goveffectm	Government effectiveness	World except Africa	10 years interpolate to 0.95

	multiplier on quality		in 2033
sfintlwaradd	State failure/internal war addition (probability)	World except Africa	10 years interpolate to 0.15 in 2033
World at War			
resorm	Resources of energy (fossil fuels) multiplier (oil)	World	In 2026 increase to 3 and maintain
resorm	Resources of energy (fossil fuels) multiplier (gas)	World	In 2026 increase to 3 and maintain
tfrm	Total fertility rate multiplier	World	10 year interpolate to 1.05 in 2035, maintain
protecm	Protectionism in trade, multiplier on import prices (total)	World	10 year interpolate to 1.2 in 2035, maintain
gdsm	Government expenditure by destination multiplier (military)	World	10 years interpolate to 10 in 2035, maintain
goveffectm	Government effectiveness multiplier on quality	World	10 years interpolate to 0.7 in 2035, maintain
govcorruptm	Government corruption multiplier	World	10 years interpolate to 0.6 in 2035, maintain
democm	Democracy level multiplier	World	10 years interpolate to 0.5 in 2035, maintain
sfintlwaradd	State failure/internal war addition (probability)	World	10 years interpolate to 0.8 in 2035
Growth World			
resorm	Resources of energy (fossil fuels) multiplier (oil)	World except Africa	In 2026 increase to 1.1, maintain

resorm	Resources of energy (fossil fuels) multiplier (gas)	World except Africa	In 2026 increase to 1.1, maintain
invm	Investment in economy (total)	World except Africa	10 years interpolate to 1.1 in 2035, maintain
protecm	Protectionism in trade, multiplier on import process (total)	World except Africa	10 year interpolate to 0.9 in 2035, maintain
xsm	Exports multiplier (total)	World except Africa	10 years interpolate to 1.1 in 2035, maintain
firmtaxrm	Firm tax rate multiplier	World except Africa	10 years interpolate to 0.9 in 2035, maintain
econfreem	Economic freedom multiplier	World except Africa	10 years interpolate to 1.1 in 2035, maintain
	Various	Similar to intervention for Combined Agenda 2063 for African states	
Sustainable World (scenario consists of the Combined Agenda 2063 scenario for Africa plus interventions for the World except Africa which are listed below)			
qem-Q	Capital cost to output ratio in energy multiplier (other renewables)	World except Africa	10 years interpolate to 1.1 in 2035, maintain
tfrm	TFR multiplier	World except Africa	10 years interpolate to 0.9 in 2035, maintain
forestm	Forest protection multiplier	World except Africa	10 years interpolate to 1.005 in 2035, maintain
carbtax	Carbon tax dollars/ton	High-income economies	10 years interpolate to 200 in 2035, maintain
carbtax	Carbon tax dollars/ton	Upper middle-income economies	10 years interpolate to 150 in 2035, maintain

carbtax	Carbon tax dollars/ton	Lower middle-income economies	10 years interpolate to 100 in 2035, maintain
carbtax	Carbon tax dollars/ton	Low income economies	10 years interpolate to 50 in 2035, maintain
govhhtrnwelm	Government to household welfare transfers (unskilled)	World except Africa	10 years interpolate to 1.2 in 2035, maintain
hhtaxrm	Household tax rate multiplier (skilled)	World except Africa	10 years interpolate to 1.1 in 2035, maintain
gdsm	Government expenditure by destination multiplier (health)	World except Africa	10 years interpolate to 1.1 in 2035, maintain
gdsm	Government expenditure by destination multiplier (education)	World except Africa	10 years interpolate to 1.1 in 2035, maintain
aiddon	Aid (foreign) donations as % of GDP percent	World except Africa	Stabilise at 2025 levels (0.13878)
firmtaxrm	Firm tax rate multiplier	World except Africa	10 years interpolate to 1.2 in 2035, maintain
goveffectm	Government effectiveness (quality) multiplier	World except Africa	10 years interpolate to 1.1 in 2035, maintain
govcorruptm	Government corruption multiplier	World except Africa	10 years interpolate to 1.1 in 2035, maintain

Endnotes

1. Using FBIC. Currently the IFs system does not provide for a forecast of FBIC
2. Consisting of Argentina, Australia, Austria, Belgium, Canada, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Luxembourg, Morocco, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Singapore, Spain, Sweden, Ukraine, UK and the US.
3. Consisting of Cambodia, China, Hong Kong, Iran, Kazakhstan, North Korea, Laos, Malaysia, Mongolia, Myanmar, Nepal, Pakistan, Russia, Timor-Leste, and Vietnam.
4. Conceptually, the FBIC Index is a bilateral measure, where one country or a group of countries 'sends' its influence to another. The amount of traffic (such as trade and financial flows) between the two is termed the 'bandwidth', and the extent to which if favours the sending or receiving state is termed the 'dependence'. Together they measure how much one state influences the other. Countries with high levels of dependence (such as many African countries on trade with China) are more easily influenced, but FBIC also reflects the stock of influence that the West has built up in several centuries of engagement in Africa. See JD Moyer, CJ Meisel, AS Matthews, DK Bohl and MJ Burrows, China-US competition: Measuring global influence, The Atlantic Council, May 2021.
5. Countries that had apparently expressed interest by 2022 include Bangladesh, Indonesia, Mexico, Turkey, Egypt, Algeria, Sudan, Syria, Saudi Arabia, Pakistan, Venezuela and Nigeria.
6. Russia and Iran are both under sanctions from the West and were military allies in the conflict in Syria. During July 2022, President Putin visited Iran and the two countries are expanding ties.
7. Daren Acemoglu & Simon Johnson, *Power and Progress: our thousand-year struggle over technology and prosperity*, Basic Books, London, 2023 p 336
8. M Burrows and A Darnal, Is the West losing the Global South? forthcoming, Stimson centre
9. UN General Assembly, Seventy-sixth session, Agenda item 124: Strengthening of the United Nations system, A/76/L.87, 7 September 2022, Draft resolution submitted by the President of the General Assembly Modalities for the Summit of the Future.

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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 oce 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.

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