Findings of a Duke Policy Research Initiative on Middle Income Africa

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2000
The Economist
The hopeless continent

2011
The Economist
Africa rising

2013
The Economist
Aspiring Africa
4 Questions

• On Growth: Has Africa Missed the Bus?

• On Debt: Is Africa Headed Into Another Debt Crisis?

• On China: Is China Helping or Hurting Africa?
  • Gill and Karakülah (2018a, 2018b, and 2018c)

• On India: Is India Helping Africa?
  • Dixit, Gill, and Kumar (2018)
Has Africa Missed the Bus?
The Condescending Consensus on the Continent’s Growth

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Is Africa Headed Into Another Debt Crisis?
Assessing the Solvency of Governments in a Sluggish Subcontinent

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10 Takeaways from the Papers
1) No growth miracle in Sub-Saharan Africa

Source: Gill and Karakülah (2018a)
Per capita GDP growth

**Africa vs East Asia**

**Africa vs South Asia**

Source: Gill and Karakülal (2018a)
2) Africa will not do well unless its three largest economies do well.

Source: Gill and Karakülah (2018a)
3) Nigeria, South Africa and Angola have not been doing well

A. Growth


B. Per capita GDP growth

4) Africa’s largest countries have some structural attributes of low income economies

Sources: Gill and Karakülalh (2018a)
5) Needed: Big transformations in education, electricity, and taxes

Source: Gill and Karakülah (2018a)
About 600 million people live without access to electricity

Few countries in Africa mobilize enough tax revenues to develop quickly


Source: Gill and Karakülal (2018a)
6) Africa’s debt relief, and rebound

Source: Gill and Karakülah (2018b)
The result of relief?

Source: Gill and Karakülah (2018b)
7) Debt dynamics matter more than debt levels

Source: Gill and Karakülalıha (2018b)
Scenario 1: Debt levels

Scenario 2: Debt levels and change in debt

Scenario 3: Debt levels, change in debt and ability to pay

Sources: Gill and Karakülah (2018b)
8) China is now Africa’s most active development partner

Source: Gill and Karakülhal (2018c)
9) Chinese finance is not yet a big burden for most of Africa’s governments

Source: Gill and Karakülah (2018c)
10) India has become Africa’s second largest trading partner

Source: Gill, Dixit and Kumar (2018)
Not just health services:
Pharmaceutical and medicine exports by India to Africa

Source: Gill, Dixit and Kumar (2018)
All four DCID papers will be posted on the Duke conference website

“The farther backward you can look, the farther forward you can see.”
Winston Churchill