

## Africa's economic growth

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### ABSTRACT

Africa is a continent rich in resources, despite the fact that many of the Africans who were extremely poor. Africa is the poorest inhabited continent judging this based on god per capita. Given that the world bank in 2005 in sub-saharan Africa, 50 percent of people living on \$ 1.25 a day, it was among the poorest 70 cents a day. Despite such a bad situation, in certain parts of Africa achieved good economic results over the last 10 years. According to international economic organizations such as. World bank, and the assessment of the world's major financial newspapers in recent years in honor of African countries in the midst of one of the fastest growing economies in the world.

*Keywords:* Africa; South Africa; African economy

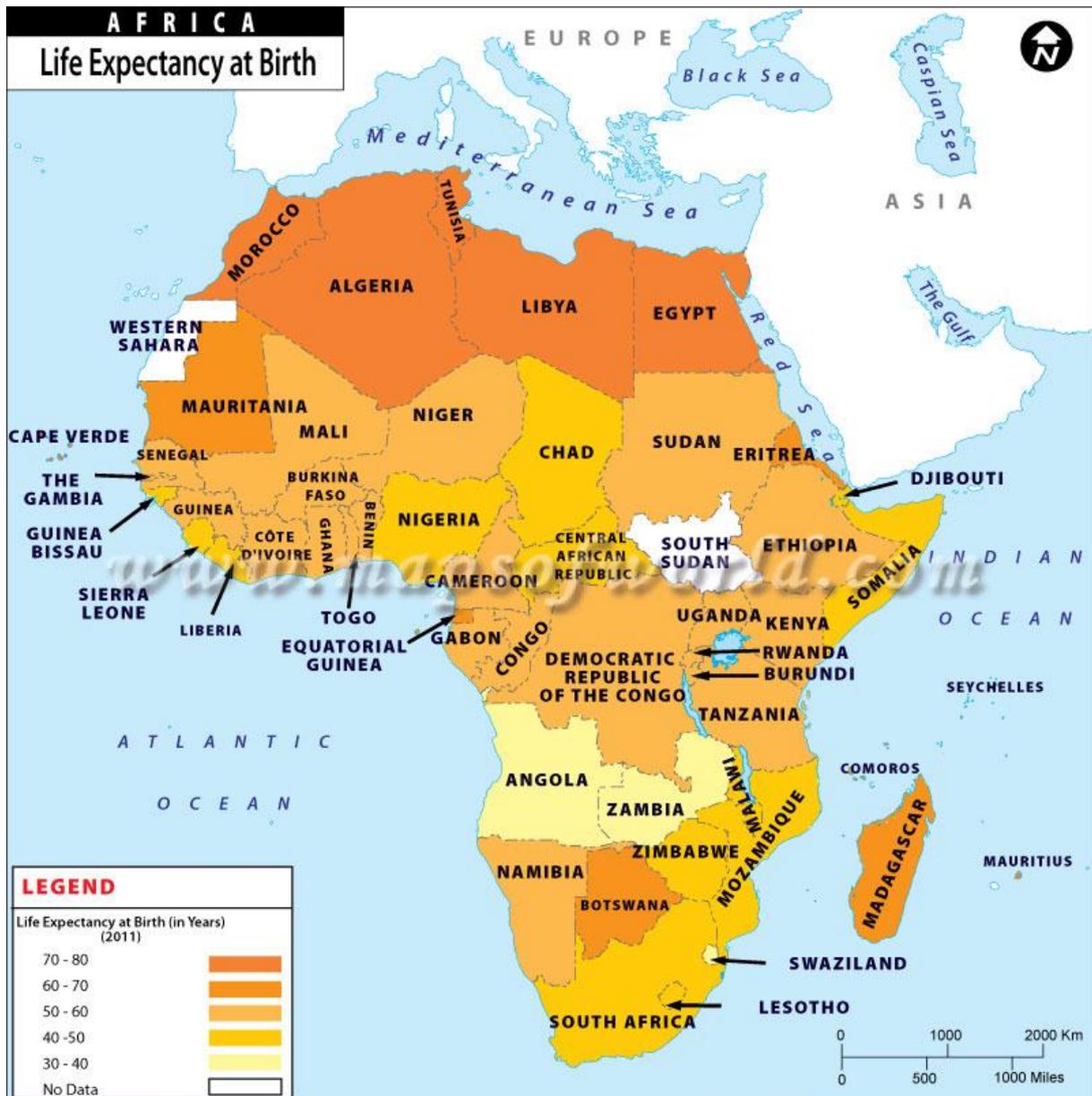
### 1. INTRODUCTION

World Cup taking place foot in South Africa drew the world's attention on Africa. Interestingly, most of the comments have a positive and optimistic tone of which is related to the fact that it's past decade was one of the best in the history of Africa. In the years 2000-2008, the average annual growth rate was 4.9%, with 2.4% in the 90 'century.

However, this had little impact on the global economy as the African economy is relatively small, with a GDP of \$ 1.6 trillion corresponds to Brazil and Russia. In popular belief, African economic growth of the past decade was associated with a bull market in the commodity market.

McKinsey Global Institute study shows, however, that the primary sector directly responsible for about 1/3 of African economic growth. The remainder of the increase came from structural changes in the African economy.

Due to political and economic reform has increased the productivity of the African economy, which is still in the 80 'and 90' fell.



I wonder how much growth in other sectors, such as retail, is a result of the improvement in the income associated with the revenues from the export of raw materials. In the case of sub-Saharan African mineral exports increased from 11 billion to \$ 96 billion in the past decade.

It should be noted, however, that despite the growth averaged across the continent remains divided on countries that have had moderate success and are well on their way to the relative prosperity and the state, which for several decades can not go on this way.

This shows the chart below, which shows the size of the GDP, GDP per capita, share of exports in GDP and the share of services and industrial production in GDP in individual African countries:

Country segments in Africa<sup>1</sup>



<sup>1</sup>Includes countries with 2008 GDP ≥\$10 billion or real GDP growth rate of ≥7% from 2000-08; excludes 22 countries, which accounted for 3% of African GDP in 2008.

Source: Organisation for Economic Co-operation and Development (OECD); World Bank World Development Indicators; McKinsey Global Institute analysis

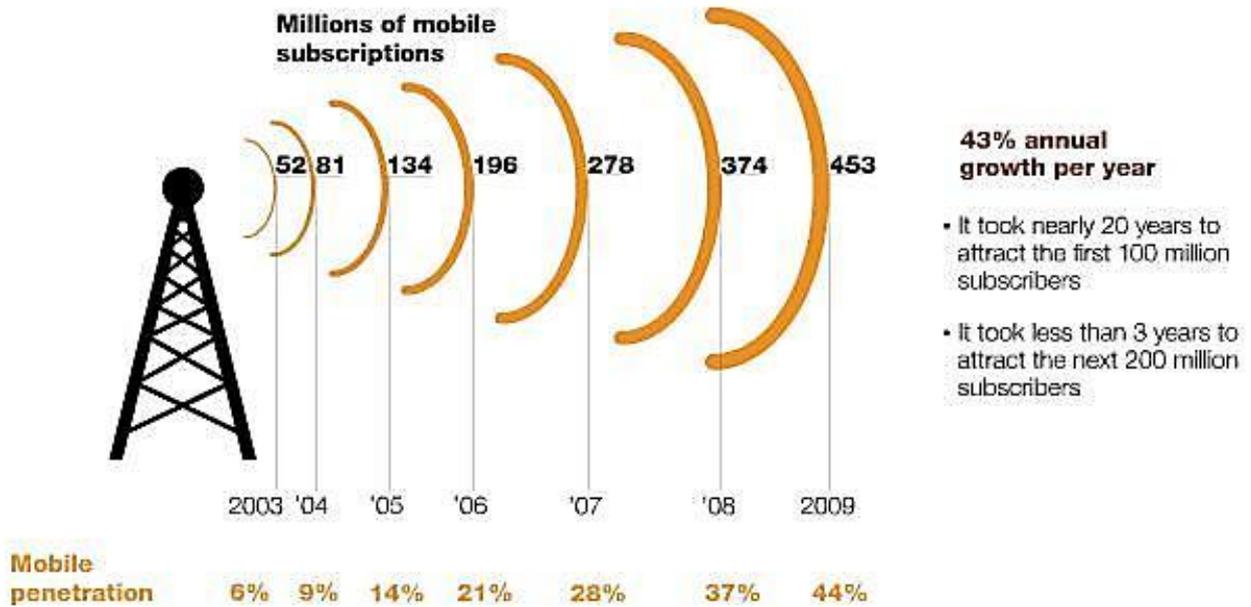
A good illustration of the changes that are taking place in Africa telephone mobile. Pawn telephones market is what counts pass readers asked about the penetration (number of mobile phones per 100 inhabitants), the mobile phone market in Africa?

Currently, about 45% of Africans have a mobile phone, 65% live in the signal. In the case of market penetration, 45% of the level of Polish in 2003. It is quite likely that Africa 'jump' relatively expensive and inefficient step landline and 'catch up with the world' in the case of mobile telephony.

Is economic development in Africa has some importance for investors? With the emerging opinions that in a global portfolio of emerging market equity weight should correspond to the weight of the so-called mature markets. frontier markets may become the new emerging markets.

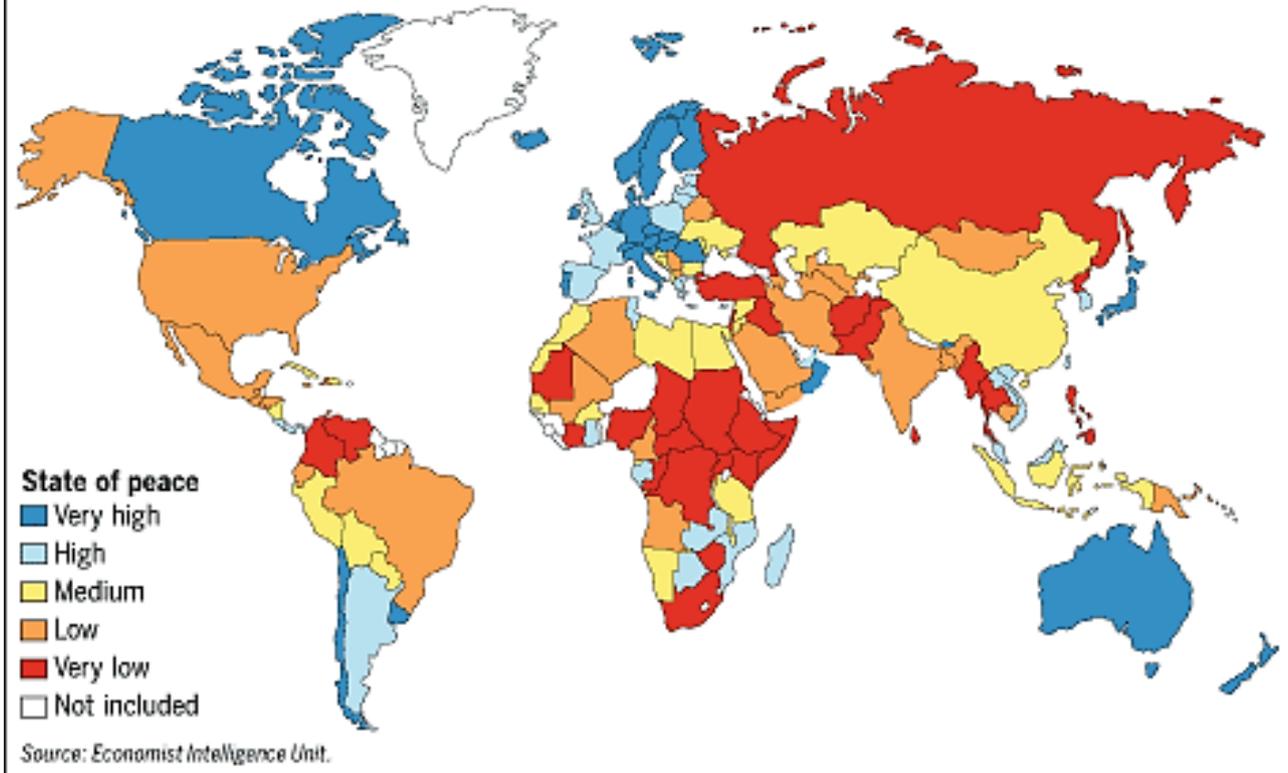
Perhaps a few dozen investors will be looking for extra income in Africa and South Asia and not in the BRIC and the EMEA.

Africa's mobile-phone market



Source: 2010 Informa Telecoms & Media

Global Peace index 2008



## **2. CONCLUSIONS**

Poverty is the result of almost constant war going here. The real source of war is, in turn, really wealth. As soon as it discovers an African country that has important raw materials for industries of Western, once created the possibility of involvement in armed conflict, which will ultimately benefit the only weapons traffickers. The war in the Democratic Republic of Congo is related to the cobalt raw material highly sought after by the electronics industry. In Sudan it comes to oil, the Angolan oil and diamonds, as in Liberia.

The cause of war is the lack of true democracy. On the one hand there is the falsification of the presidential elections, with the participation of former countries. So it was in Togo, in Central Africa and Chad, where France has imposed voters their preferences. On the other hand, some democratically elected governments were overthrown with the blessing of the Western countries, especially France. I think about the overthrow of a few years ago the president of the Republic of Congo Pascal Bissouba. It was the beginning of the civil war without precedent in the country. Its traces are visible in the south of the republic today. In the Diocese of Kinkala destroyed, for example, houses, churches and monasteries, villages were looted, and many women raped.

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