

No. 374 June 2010

Will Africa Finally Take Off?

By Gary Becker

10 June 2010

After many decades of hopelessness, there are finally grounds for believing that sub-Saharan Africa may be close to taking off toward sustained economic growth. Africa has rebounded from the worldwide recession faster than many other nations. The International Monetary Fund estimates that African GDP rose by 4.7 per cent in 2009, and the Fund forecasts that Africa's growth will increase still further to almost 6 per cent in 2010. The rate of economic progress is not uniform in all the African economies, but these are impressive figures for a continent that has disappointed for so long.

Several factors explain why Africa's future looks rather bright. Probably number one is the continuing discovery in Africa of minerals and fossil fuels that are demanded by China, India, and other countries as world economic growth picks up. Experts estimate that the recently discovered coal deposits in Mozambique are the largest new coal reserves since the major finds in Australia during the 1960s. Oil reserves in Nigeria, Ghana, and other parts of Africa constitute more than 10% of the world's reserves of oil, and South Africa has 40% of the world's gold. Africa also has about one third of the world's cobalt- a mineral used to prepare magnetic, wear-resistant, and high-strength alloys- and many other minerals.

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This article was published in the [Becker-Posner Blog](#) on 6 June 2010.

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