



**Mitigating Economic Dependency in Sub-Saharan Africa**

UN General Assembly Council 4 - Background Guide

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## ***Introduction***

The region of sub-Saharan Africa has a long and complicated history regarding its relationships with other countries and regions around the world. This region is by no means a monolith, and each country must be looked at through a careful and discerning lens.

One subject in question for the future of the region is economic dependency and what it looks like for Africa to move forward independent of outside influence. Currently, Sub-Saharan Africa is very dependent on outside sources of investment, food security, access to global markets, and financial stability. This is unsustainable in the long term and will only lead to more issues in the future. It is important for this committee to address what responsibility any countries of the global north have in solving this issue. Furthermore, this committee must prioritize facilitating a forward-facing Africa.

## ***Background***

Sub-Saharan Africa is the region of land south of the Saharan desert. It includes 46 of the 54 countries in Africa and spans across the continent from the Atlantic to the Indian Ocean. The region has a population of 1.2 billion people living in environments ranging from small rural villages to cities with reported populations of over 17 million.

Starting in the late 1800s, and lasting until 1960, the continent of Africa, except for Ethiopia, was colonized by various European powers. This period of colonization cannot be overlooked when it comes to addressing the topic at hand, as many of the specific issues are directly related to this period of colonialism. Steps need to be taken and have been made in the past through efforts including giving aid. However, different countries in the region of sub-Saharan Africa have required and received different levels and amounts of aid. Furthermore, recent global events such as the conflict in Ukraine and the residual effects of COVID-19 have unevenly affected individual nations.

The following things have contributed to the current state: a need for good governance, unfair trade structures & public debts, a lack of infrastructure, and limited FDI's that fail to provide for development.

Issues with governance often occur because of other instability in the region. For example, political issues in one country tend to destabilize the surrounding nations. Secondly, unfair trade structures and public debts have negatively impacted the region's ability to develop without outside help. Currently, many countries around the world create unbalanced trading structures by heavily subsidizing their own agriculture at the same time as they put in place high agricultural tariffs on other nations. This slows down the development of agriculture in sub-Saharan Africa, causing the region to suffer.

For Africa to continue to move forward, the continent needs to industrialize to end poverty and raise employment levels. One of the main issues slowing industrialization is the lack of appropriate infrastructure for power, water, and transportation services that would enable businesses to prosper in sectors with significant competitive advantages. The African Development Bank estimates that there is a \$68-\$108 billion funding gap for infrastructure across the region. For Africa to accomplish the Sustainable Development Goals, Agenda 2063 of the African Union, and the High Five Goals of the African Development Bank, high-quality infrastructure is a requirement. Increasing economic productivity and maintaining economic growth depend on it. Growth is influenced both directly and indirectly by sound infrastructure.

Because infrastructure services are inputs into production and have an immediate effect on firm productivity, they directly raise total factor productivity (TFP). It promotes overall economic growth as a result of its independent contribution to GDP. By lowering transaction costs and other costs, good infrastructure can also indirectly increase TFP by enabling a more effective use of

traditional productive inputs. It accomplishes this by contributing to the production of almost all goods and services produced by other sectors.

Finally, what foreign investment there is in the continent is concentrated by a few outside investors. Between 2014 and 2018, 16% of foreign investment in Africa came from China. The next leading source of foreign investment was tied between France and the United States with 8%. This level of investment can create reliance on outside states instead of promoting self-dependency within each individual nation and the region.

### ***Efforts of the UN***

One complexity that must be considered is how Africa will reach these levels of infrastructure while also working towards the Sustainable Development Goals. SDG 8 covers Decent Work and Economic Growth and summarizes the desire of the UN to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. Some targets of this sustainable development goal include sustainable economic growth, innovation in economic growth, creation of jobs with equal pay regardless of gender, protection of labor rights, and increased aid for trade support.

These SDG targets line up with Agenda 2063, created by the African Union as a specific set of targets for Africa to meet by 2063. This agenda was developed as a strategic plan to direct the socioeconomic change of the continent of Africa over the next thirty years. It aims to promote inclusive and sustainable development. One specific target is that of transformed economies, which includes sustainable and inclusive economic growth, economic diversification and resilience, and manufacturing and industrialization driven by science, technology, and innovation.

Important previous resolutions of the UN include the Addis Ababa Action Agenda, and the Framework for a Renewed United Nations-African Union Partnership on Africa's Integration and Development Agenda 2017–2027.

The Addis Ababa Action Agenda aimed to match finance and policy priorities with those of the economy, society, and the environment. The three facets the Addis Agenda sought to achieve sustainable development through were inclusive economic growth, the protection of the environment, and the promotion of social inclusion. To fully take advantage of all financial flows for sustainable development, the AAAA emphasized the necessity for integrated national funding frameworks.

The Framework for a Renewed United Nations-African Union Partnership on Africa's Integration and Development Agenda 2017–2027. This resolution recognizes work that had been done already under the partnership between the AU and the UN and created a plan for continued cooperation between the two intergovernmental organizations. The framework stresses the importance of programmatic and institutional support, as well as building up economic centers in the region of sub-Saharan Africa. It also commits resources to support the development of beneficial policies, and the cooperation of the two organizations.

One essential partner of the UN in the region is the African Union (AU). The AU aims to increase solidarity and cohesion among African nations and people. Agenda 2063 was created as a strategic framework for the achievement of Africa's long-term socio-economic goals and the vision of an integrated, wealthy, and peaceful Africa. To guarantee that the goals of the African people are realized, Agenda 2063 asks for more collaboration and support for African-driven projects. Specific steps the AU has taken to address economic dependency include creating the African Continental Free Trade Area (AfCFTA), which includes a goal of gradually eliminating tariffs on 90% of the goods and services that flow through the region by 2035. The AU has also established a peace fund with the goal of providing predictable funding without relying on outside sources. However, this fund has only received 15% of its target amount.

A second organization that is working towards Agenda 2063 and the economy of sub-Saharan Africa is the African Development Fund (ADF). The ADF was created in 1972 and started operating in 1974. It belongs to the African Development Bank Group but is a distinct legal international entity. The Fund's goal is to give low-income African nations access to affordable resources and information services.

Currently, thirty-three of the forty-six countries in sub-Saharan Africa have been designated by the UN as the least developed nations in the world. Furthermore, a few countries outside of the region have historically given most of the aid, including the United States, France, and Great Britain. In terms of investment, South Africa, Nigeria, Ethiopia, and the Republic of the Congo received the most foreign direct investment. Angola, Zambia, and Lesotho have received the least amount of FDI. European investors are the largest shareholders of FDI stock in Africa, led by the United Kingdom (\$60 billion), France (\$54 billion) and the Netherlands (\$54 billion). However, China is the region's largest trading partner, exchanging \$200 billion worth of trade.

GA4 has recently been focused on creating durable peace through sustainable development in Africa. Two resolutions specifically, 77/270 and 77/271, cover "Partnership for Africa's Development: Progress in Implementation and International Support". The desire of this resolution is that through the development of infrastructure, nations in sub-Saharan Africa currently engaged in any type of conflict will create an environment that fosters peace.

### ***Conclusion***

In conclusion, the council must address the current issues sub-Saharan Africa faces economically and do so in an economically independent way. Remembering the history that affected the development of the region today, the council should further address whether or not northern nations are responsible for finding a solution to this problem. Finally, the council should

prioritize solutions that involve the nations belonging to the region, in ways that will empower them and build an Africa ready to step into the future.

***Resources***

Addis Ababa Action Agenda: [Addis Ababa Action Agenda](#)

Framework for a Renewed United Nations-African Union Partnership on Africa's Integration and Development Agenda 2017–2027: [Renewed Partnership](#)

[RES 77/270](#)

[RES 77/271](#)