



THE TOP 10 AFRICAN ECONOMIES

Raymond B. Kaniu
July 24, 2026



1. SOUTH AFRICA

Country: South Africa. Estimated Nominal GDP: \$479.96 billion

Economic comparison: Romania: Nominal GDP is approximately \$422 billion. Colombia: \$438 billion. Denmark: \$459 billion.

Financial Capital: Johannesburg: contributing about 16% of the country's gross domestic product and roughly 40% of Gauteng's total economic output.

Major Economic Sectors:

- Finance, Real Estate, and Business Services: Contributes roughly 22% to 23% of total value added, making it the single largest industry driving the economy.
- Wholesale and Retail Trade, Catering, and Accommodation: Accounts for around 13% to 14% of value added, encompassing robust domestic retail and tourism networks.
- Manufacturing: Represents about 12% to 13% of value added as part of the secondary sector, covering automotive assembly, chemicals, and food processing.
- General Government Services: Delivers about 9% to 10% of value added through public administration, health, and educational services.
- Transport, Storage, and Communication: Contributes approximately 7% to 8% of value added, acting as a regional logistics gateway.
- Mining and Quarrying: Historically vital, it accounts for roughly 6% to 8% of value added, driven heavily by platinum group metals, coal, and gold.
- Personal Services: Accounts for roughly 5% of value added.
- Agriculture, Forestry, and Fishing: Makes up about 2% to 3% of value added, though it experiences high quarterly growth volatility.
- Electricity, Gas, and Water: Contributes about 2% of value added.
- Construction: Represents roughly 2% of value added

Main Challenges:

- Massive unemployment at 30%
- Energy security and logistics bottlenecks
- Endemic corruption and a high public debt.





2. EGYPT

Country: Egypt. Estimated Nominal GDP: \$429.64 billion

Economic comparisons: Pakistan: Nominal GDP is approximately \$410 billion. Czech Republic: \$417 billion. Portugal/Chile: \$364 billion.

Financial Capital: Cairo generates over two-thirds of Egypt's gross national product and accounts for roughly 22% of the national economy (PPP).

Major Economic Sectors:

- Services sector: contributes roughly 48% to 51% of GDP driven by Tourism (reaching over USD 15 billion), wholesale and retail trade (~14%), telecommunications (~4%), and transit revenue from the Suez Canal.
- Manufacturing and Industry: contributes 32% of total value added, with manufacturing alone accounting for roughly 12% to 16% driven by food processing, textiles, chemicals, automotive assembly, and non-oil industrial goods.
- Agriculture: contributes 11% to 13% of GDP, driven by crop cultivation (cereals, cotton, sugar cane, citrus fruits) and high-value agricultural exports exceeding USD 10 billion
- Construction & Real Estate: contributes 18% combined (Construction 8%, Real Estate 10%), driven by National infrastructure projects, urban expansion, and residential housing developments.
- Extractives (Oil, Gas, and Mining): contribution varies significantly; 6-20% depending, on direct hydrocarbons inclusion vs. general industrial mining, and driven by natural gas extraction, crude oil production, and petroleum refining.

Main Challenges:

- High external debt
- Persistent inflation and reduced cost of living
- Structural (military and state footprint) and external vulnerabilities.





3. NIGERIA

Country: Nigeria. Estimated Nominal GDP: \$377.37 billion

Financial Capital: Lagos contributes massively to Nigeria's economy by generating over 20% of the national Gross Domestic Product (GDP), capturing roughly 70% of national industrial investments, and housing headquarters for 90% of the country's major corporations.

Economic comparisons: Kazakhstan: Nominal GDP is approximately \$360.46 billion. Finland: \$337.67 billion. Greece: \$307 billion.

Major Economic Sectors:

- Trade: Contributes roughly 18.28% of real GDP, covering wholesale and retail activities.
- Agriculture: Accounts for over 21% to 29% of overall GDP depending on the quarter, with crop production alone driving about 17.80%.
- Real Estate Services: Makes up about 12.80% of real GDP.
- Telecommunications and ICT: Delivers around 11.18% as a key non-oil engine.
- Crude Petroleum and Natural Gas: Represents about 4.05% of real GDP following recent output changes.

Main Challenges:

- High Inflation: Rapidly rising costs for food and basic goods severely erode purchasing power.
- Foreign Exchange Pressures: Sharp depreciation of the naira increases import and production expenses.
- Fiscal Pressures: Mounting debt service costs and low federal revenue collection relative to GDP limit public investment.
- Insecurity and Structural Gaps: Persistent violence in farming regions and poor transport/power networks raise the cost of doing business.





4. ALGERIA

Country: Algeria. Estimated Nominal GDP: \$317.17 billion.

Financial Capital: Algiers, the capital city, is the primary financial, commercial, and administrative hub of Algeria, generating an estimated 20 to 30 percent of the nation's total economic output (GDP).

Economic comparisons: Greece: Nominal GDP is approximately \$307 billion. Iran: \$300.29 billion. New Zealand: \$278.64 billion.

Major Economic Sectors:

- Services (Public and Private Services, Trade, and Administration): 45% to 50% of GDP. It represents the largest collective portion of domestic economic activity.
- Hydrocarbons (Oil and Natural Gas): 15% to 30% of GDP directly (fluctuating based on global energy prices and production quotas), though it accounts for roughly 90% of export earnings and a large share of state revenues.
- Agriculture: 10% to 12% of GDP. Employs nearly a quarter of the national workforce, focusing on cereal production, date farming, livestock, and Mediterranean crops.
- Construction and Public Works: 10% to 11% of GDP. Driven heavily by state-funded infrastructure investments, housing projects, and public works.
- Manufacturing and Industry (Non-hydrocarbon): 5% to 8% of GDP. Relatively small but expanding, covering agri-food processing, pharmaceuticals, construction materials, and light assembly.

Main Challenges:

- Oil and Gas Reliance: Hydrocarbons account for over 80% of exports and roughly 45% of government revenues, leaving the budget vulnerable to global price swings.
- Widening Budget Deficits: High public spending and social welfare programs have strained public finances, pushing the budget deficit past 13% of GDP.
- State-Led Model: A dominant public sector crowds out private enterprise, while bureaucratic hurdles and shifting regulations deter foreign investment.
- Banking Constraints: Low financial penetration and limited credit availability restrict private business growth and modernization.
-





5. MOROCCO

Country: Morocco. Estimated Nominal GDP: \$194.33 billion.

Financial Capital: Casablanca is Morocco's primary economic engine, generating approximately 32% of the national Gross Domestic Product (GDP) through the Casablanca-Settat Region Economy. As the country's commercial capital, it handles over 50% of foreign trade, hosts 60% of national businesses, and anchors key sectors like finance, manufacturing, and logistics

Economic comparisons: Uzbekistan: Nominal GDP is approximately \$181.5 billion. Kuwait: \$172.92 billion. Slovakia: \$168.9 billion.

Major Economic Sectors:

- Services and Tourism: Accounts for over half of the GDP and employs nearly 46% of the workforce, driven by a massive influx of international visitors and a strong financial sector.
- Automotive and Aerospace Manufacturing: Positioned as Africa's leading automotive exporter, producing hundreds of thousands of vehicles annually alongside high-value aerospace components.
- Phosphates and Mining: Represents a foundational pillar of national wealth, with Morocco holding the world's largest reserves of phosphate and leading global fertilizer production via the OCP Group.
- Agriculture and Fisheries: Employs a large portion of the rural workforce, supplying Europe with citrus fruits, early-season vegetables, and extensive Atlantic seafood catches.

Main Challenges:

- High Youth Joblessness: Overall unemployment hovers around 12.8% to 13%, with youth unemployment (ages 15–24) soaring past 35% to 37%.
- Low Female Participation: Female labor force participation remains severely constrained at roughly 19% to 20.5%.
- Pervasive Informality: The informal sector accounts for roughly 30% to 75% of employment, undermining tax revenues and worker social protections.
- Spatial Disparities: Stark economic divides persist between booming urban/coastal hubs (like Casablanca and Tangier) and lagging rural interior regions.





6. ANGOLA

Country: Angola. Estimated Nominal GDP: \$152.35 billion.

Financial Capital: Luanda leads national production as the top provincial contributor to Angola's GDP, accounting for roughly 31.8% to 32.2% of the national total.

Economic comparisons: Bulgaria: Nominal GDP is approximately \$148.12 billion. Ecuador: \$138.19 billion. Dominican Republic: \$136.15 billion.

Major Economic Sectors:

- Agriculture: Employs a large share of the rural workforce, focusing on cassava, maize, and beans, and has grown to represent a leading domestic output share.
- Oil and Gas: Acts as the primary source of foreign exchange and government revenue, anchored by major offshore reserves managed alongside state entities like Sonangol.
- Diamond Mining: Positions Angola globally as a top producer of diamonds, centered in provinces like Lunda Norte and Lunda Sul.
- Construction and Infrastructure: Driven by transport initiatives like the Lobito Corridor, rebuilding roads, railways, and ports.

Main Challenges:

- Oil Reliance: Hydrocarbons generate roughly 30% of GDP and up to 95% of export earnings, leaving public finances exposed to global price shifts.
- High inflation rates and past currency depreciation of the Kwanza reduce household purchasing power, while domestic agriculture remains underfunded, forcing costly food imports.
- Structural & social obstacles with large segments of the population without employment, and bureaucratic inefficiencies and infrastructure deficits continue to hamper non-oil sector growth.





7. KENYA

Country: Kenya. Estimated Nominal GDP: \$147.26 billion.

Financial Capital: Nairobi is the single largest economic contributor to Kenya's national output, generating approximately 27% to 27.5% of the country's total Gross Value Added (GVA) and GDP.

Economic comparisons: Croatia: Nominal GDP is approximately \$116.57 billion. Venezuela: \$112.03 billion. Luxembourg: \$110.42 billion.

Major Economic Sectors:

- Agriculture: Contributes roughly 22% to 25% of GDP directly, serving as the main source of employment and rural livelihoods through tea, coffee, and horticulture exports.
- Financial and Insurance Services: Acts as a leading regional hub with high financial inclusion and robust banking performance.
- Tourism and Hospitality: Functions as a top foreign exchange earner powered by wildlife safaris and coastal attractions
- Manufacturing: Primarily agro-based, adding value to local farming outputs and contributing over 10% of GDP.
- Transport and Storage: Serves East and Central Africa through the port gateway of Mombasa and expanding regional infrastructure.
- Construction and Real Estate: Driven by public infrastructure investments and urban housing demand.

Main Challenges:

- Total public debt exceeds safe net present value benchmarks, hovering well past 67% of GDP.
- Overall unemployment remains high, with youth joblessness estimated at roughly 30%
- Unequal distribution of wealth, land ownership, and regional development deepens social inequality across urban and rural settlements.
- Persistent concerns regarding public resource management and corruption continue to deter private and foreign investment.





8. DEMOCRATIC REPUBLIC OF CONGO

Country: Democratic Republic of Congo. Estimated Nominal GDP: \$123.41 billion.

Financial Capital: Kinshasa serves as the financial, commercial, and administrative core of the Democratic Republic of the Congo, contributing over 33% of total GDP and urban economic activity.

Economic comparisons: Oman: Nominal GDP is approximately \$117.18 billion. Serbia: \$112.11 billion. Costa Rica: \$109.93 billion.

Major Economic Sectors:

- **Mining and Extraction:** World's top producer of cobalt and a leading producer of refined copper. Major reserves of industrial diamonds, gold, and coltan. Accounts for over 80% of export revenues and a massive portion of government income.
- **Agriculture and Forestry:** Employs more than three-fourths of the country's total working population. Dominated by local food crops like cassava, rice, and corn. Main cash crops include coffee, palm oil, rubber, cotton, and cocoa.
- **Services and Trade:** Makes up roughly one-third of the nation's Gross Domestic Product (GDP). Involves local retail markets, transport, banking, and telecommunication networks.

Main Challenges:

- **Resource Over-Reliance:** The economy relies heavily on copper and cobalt exports, making it vulnerable to global commodity price swings.
- **Insecurity and Conflict:** Escalating violence in the eastern region has tripled defense spending and disrupted local markets and supply chains.
- **Infrastructure Gaps:** Unreliable electricity, poor roads, and low digital literacy choke manufacturing and small business growth.
- **Weak Governance:** Corruption, mineral smuggling, and a massive informal economy undermine public revenues and official investment.
- **Human Capital Constraints:** Limited access to basic healthcare and quality education keeps productivity low and restricts formal job creation





9. ETHIOPIA

Country: Ethiopia. Estimated Nominal GDP: \$121.53 billion.

Financial Capital: Addis Ababa generates roughly 29% of Ethiopia's urban GDP and accounts for about 40.9% of the nation's non-agricultural sector output. As the country's economic and political capital, it drives a major share of national trade, manufacturing, and services.

Economic comparisons: Luxembourg: Nominal GDP is approximately \$110.42 billion. Belarus: \$102.04 billion. Uruguay: \$96.09 billion.

Major Economic Sectors:

- **Agriculture:** Employs roughly 80% of the labor force and serves as the primary source of food and rural livelihoods. Major crops include teff, maize, wheat, barley, and oilseeds. Coffee is the leading foreign currency earner, alongside livestock, pulses, and cut flowers.
- **Services (Tertiary Sector):** Accounts for the largest portion of the Gross Domestic Product (around 38% to 45%). Dominated by transport, wholesale and retail trade, real estate, and public administration. Rapid expansion in digital financial services, mobile money, and information technology.
- **Industry:** Contributes roughly 12% to 24% of GDP. Growth is led by government-backed industrial parks focusing on textiles, garments, and light manufacturing.
- **Construction & Energy:** Driven heavily by massive infrastructure projects, public works, and expanding energy generation like the Grand Ethiopian Renaissance Dam (GERD).

Main Challenges:

- Rising prices for food and basic goods strain household purchasing power.
- Heavy debt distress and servicing obligations constrain public spending and led to recent debt restructuring needs.
- Regional conflicts and internal security issues damage investor confidence and disrupt local markets.
- Job creation fails to keep pace with rapid population growth and a large youth demographic.
- Recurrent droughts and weather shocks disrupt rain-fed agriculture, which employs the majority of the workforce.





10. GHANA

Country: Ghana. Estimated Nominal GDP: \$118.29 billion.

Financial Capital: Accra and the surrounding Greater Accra region contribute approximately 37% of Ghana's total GDP, driven heavily by services, commerce, and industry.

Economic comparisons: Oman: Nominal GDP is approximately \$117.18 billion. Croatia: \$116.57 billion. Lithuania: \$105.91 billion.

Major Economic Sectors:

- Services Sector: Accounts for about 46.8% of the country's GDP, driven by information and communication technology (ICT), banking, finance, transport, and tourism.
- Industry Sector: Makes up around 29.7% of GDP, driven by mining (gold, bauxite, manganese), oil and gas production, manufacturing, and construction.
- Agriculture Sector: Generates roughly 23.5% of GDP and employs a large portion of the rural workforce, driven by cocoa production (ranking among the world's top producers), food crops (cassava, yam, maize), and cash crops like cashew and palm oil.

Main Challenges:

- High debt burdens and debt-servicing costs consume a major share of government revenues.
- Persistent inflation above target levels continues to erode household purchasing power.
- Exchange rate fluctuations and the depreciation of the cedi increase the cost of imported goods and debt servicing.
- High youth unemployment and underemployment remain critical issues.
- The economy relies heavily on primary commodity exports like gold and cocoa while lacking deep industrial diversification





DIPLOMACY
TECH+SOCIETY
INFRASTRUCTURE
GLOBAL BUSINESS

info@strahlcomposite.org
strahlcomposite.org
Nairobi, Kenya

LOOKING FORWARD

Africa's economic growth is projected to moderate slightly to 4.2% in 2026—down from 4.4% in 2025—before rebounding to 4.4% in 2027, according to the African Development Bank Group. The continent remains resilient despite global trade tensions, high debt burdens, and geopolitical conflicts.

Regional Growth Performance

- East Africa: Leads the continent with growth projected at 5.9% in 2026, though slightly eased from 2025 due to global import and energy cost pressures.
- West Africa: Maintains steady momentum with an estimated 4.7% growth rate, supported by agricultural output and infrastructure investments.
- North Africa: Expected to slow moderately to 4.0% amid shifting regional tourism and supply adjustments.
- Central Africa: Sees a slight uptick to 3.8% driven by stable extractive and oil commodity prices.
- Southern Africa: Remains subdued at 2.1% due to structural constraints, energy costs, and mining slowdowns.

Economic Challenges and Risks

- Inflation: Projected to average around 10.4% across the continent, continuing to squeeze household budgets and purchasing power.
- Debt Distress: High public debt-to-GDP ratios and expensive debt-service obligations restrict vital government spending on public infrastructure and social programs.
- Global Shocks: Spillovers from Middle East conflicts and tighter international financial conditions threaten currency stability and export revenues.