

Beyond Resource Abundance: Economic Successes and Failures across Africa and Libya

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Africa's Growing Appeal for Global Investment

The World Bank recently released a list of countries with the highest ease of doing business and investment in Africa and the world. Since the beginning of the twenty-first century, the African continent has increasingly become a significant destination for investors and business leaders from Asia and the Americas, with interests spanning traditional sectors—such as agriculture, manufacturing, and oil—as well as advanced technologies.

Africa possesses the largest proportion of fertile arable land in the world, amounting to more than 600 million hectares, which is equivalent to 60% of the global total. Furthermore, the continent holds enormous reserves of strategic mineral wealth and a large pool of young people, ensuring an abundance of the labor necessary to drive sustained economic growth in the coming decades.

The Frontrunners: Mauritius and Morocco

Topping the African list is the island nation of Mauritius, which ranks thirteenth (13th) globally and first in Africa. According to the study, this small nation has successfully resolved the standard intricacies and hurdles associated with cross-border investment and operations. Mauritius achieved an annual economic growth rate of 3.76% in 2019 and secured twenty-first place globally in terms of safety and security for its 1.2 million citizens. Socially, economically, and politically, Mauritius consistently ranks as the most stable country on the African continent, maintaining an average gross domestic product (GDP) of twelve billion US dollars per year.

Following Mauritius, Morocco ranks second in Africa and fifty-third (53rd) globally—a remarkable ascent from its position at 114th just a decade ago. Morocco enjoys an annual economic growth rate of 3.1%, a expanding middle class that constitutes 38% of the total population, and an annual GDP of $124 billion. Regionally and continentally, the Kingdom of Morocco occupies a vital economic position, particularly within agriculture, tourism, and light manufacturing.

Recently, Morocco has also transformed into an important hub for the automotive industry, exporting cars, spare parts, machinery, electrical equipment, and fertilizers. Driven by an abundant workforce of skilled, highly educated workers, the Kingdom of Morocco is actively working to establish itself as a premier financial center for the region in the coming years.

Kenya: The Tech Hub of East Africa

Kenya ranks third in Africa and fifty-sixth (56th) globally. The Kenyan economy enjoys an annual growth rate of between 5% and 6%, with its GDP increasing to $90 billion in 2020. This is supported by impressive growth in the technology sector; indeed, Kenya ranks as one of the most vital hubs for the largest tech corporations on the African continent. Major global companies—including Microsoft, IBM, Cisco Systems, and dozens of others—have concentrated their regional operations in the capital city of Nairobi.

Tunisia: A Multilingual and Educated Workforce

Tunisia ranks fourth in Africa and seventy-eighth (78th) globally in terms of ease of doing business and investment, particularly for foreigners. This small nation's primary strength lies in its highly educated demographic; it boasts one of the world's youngest populations—with the average Tunisian aged between 18 and 25—and enjoys a literacy rate of 80%. This high educational standard makes Tunisia an

attractive destination for numerous international companies and organizations seeking investment opportunities in Africa.

Beyond an abundance of educated and trained labor, the workforce offers widespread fluency in Arabic, French, and English. Over the past decade, Tunisia achieved an average economic growth rate of approximately 2.64%, with its GDP reaching $38.8 billion in 2019. Moving forward, Tunisia is actively working to establish itself as a future hub for international organizations operating across Africa.

Continental Rankings and Macroeconomic Landscapes

Following Tunisia on the list are Zambia, Togo, the Seychelles, and the Ivory Coast. While the Arab Republic of Egypt did not place among the top ten most accessible countries for business and investment, it remains recognized as one of the largest commercial markets on the African continent, alongside Nigeria, which stands as Africa's largest economy.

The Reality of Resource-Rich States: The Case of Libya

In stark contrast, Libya—one of Africa's most oil-rich nations—presents a different structural reality. Over the past 45 years, the nation has struggled to build institutions capable of withstanding even the mildest political upheavals. Successive decision-makers have managed the country's vast capabilities and resources without a clear vision or strategic roadmap. A telling example of this systemic lack of planning is that leadership still views spending one billion Libyan dinars on a state-sponsored marriage program as a viable method for rebuilding an economy.

To achieve meaningful recovery, Libya must fundamentally abandon its entrenched culture of arbitrary spending. Instead, it must adopt rigorous policies and structured programs aimed at investing in infrastructure and human capital, both of which are foundational to successful economic growth and sustainable development.

Conclusion: Knowledge-Based Governance vs. Resource Reliance

For researchers and African analysts, the absence of mineral- and oil-rich nations like Libya from ease-of-business rankings—and the simultaneous prominence of smaller, resource-scarce, developing nations—comes as no surprise. In my opinion, the most economically successful countries are those that have entrusted government administration to an academically educated and professionally trained class.

The common denominators in these successful economies are social stability, strict

institutional focus, a prioritized commitment to science and technology, and long-term strategic plans rooted in knowledge and experience. Observers of Libyan politics remain troubled by the government's continued focus on exhausting oil revenues through public consumption, rather than diversifying income sources, reducing unemployment, and breaking the majority of Libyans' total financial dependence on the state for their livelihoods.

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