Economic growth in sub-Saharan Africa: 1885-2008: Evidence from eight countries

By Stephen Broadberry and Leigh Gardner

> "Avoiding episodes of shrinking needs to be given a higher priority in understanding the transition to sustained economic growth."

Research on African economic growth has often focused on the question of what went wrong. The only available data on Africa's long-run economic performance began in 1950, and showed that most African economies had grown little between 1950 and 2000. Conversely, a resurgence of growth since 2000 prompted new questions about what changed and whether Africa had finally turned a corner.

Could a longer-term view give us a more complete understanding of economic growth in Africa? In other regions, historical national accounts have extended our knowledge of patterns of growth and development over centuries into the past (Broadberry, 2021). In a recent paper we apply a similar approach for Africa. We present annual estimates of GDP per capita in countries spread across sub-Saharan Africa for the period 1885–2008, encompassing both the colonial and post-independence periods (Broadberry and Gardner, 2022).

Historical national accounts for sub-Saharan Africa

The absence of annual data on per capita incomes in Africa over the long run has limited Africa's appearance in comparative historical work on economic growth and development. Prior to the publication of our paper, South Africa was the only country for which there existed annual estimates for the Cape Colony (Fourie and van Zanden, 2013).

We use economic data collected by colonial governments to reconstruct historical national accounts for eight countries from across sub-Saharan Africa (Ghana, Nigeria, Kenya, Uganda, Malawi, Zambia, Zimbabwe and South Africa) to reconstruct annual measures of GDP per capita before 1950. We then splice these estimates onto existing series from 1950 onwards to create annual estimates of GDP per capita for the colonial and post-independence periods. ▶

Economic growth in sub-Saharan Africa

Our annual series provide a more detailed picture than previous estimates for the colonial period, which have been restricted to benchmark years (see, e.g., the pioneering work of Prados de la Escosura, 2010) or single countries (Jerven, 2014). The data show that many African economies had per capita incomes above subsistence from at least the late 19th century.

As an example, Figure 1 compares the growth trajectories of Ghana, Nigeria and South Africa. It shows that the three countries were comparable in terms of their levels of income during the late 19th century. Ghana kept pace until the interwar period, when the expansion of South Africa's manufacturing sector provided the basis for more sustained growth there.

We also show that Africa as a whole was not significantly poorer than large Asian economies until the late 20th century. Figure 2 compares a weighted average of our eight countries with the GDP per capita of China, India and Latin America.

While Latin America had systematically higher levels of GDP per capita since the late 19th century, levels of GDP per capita in Africa were comparable or even higher than India and China until Africa's long period of shrinking in the 1980s.

Our data also show, however, that overall gains in per capita income were limited due to repeated periods of negative growth, or shrinking. Studies of other regions suggest that the transition to sustained growth depends not so much on increasing the pace of growth as on reducing the frequency and severity of periods of shrinking (Broadberry and Wallis, 2017).

Table 1 shows the average rate of change of per capita income during periods of both growing and shrinking, comparing African economies to that of the UK. It shows that while African economies grew faster than the UK through most of the period, they also shrank faster and more frequently.

Figure 1: Per capita GDP in West Africa compared with South Africa (1990 international dollars, log scale)

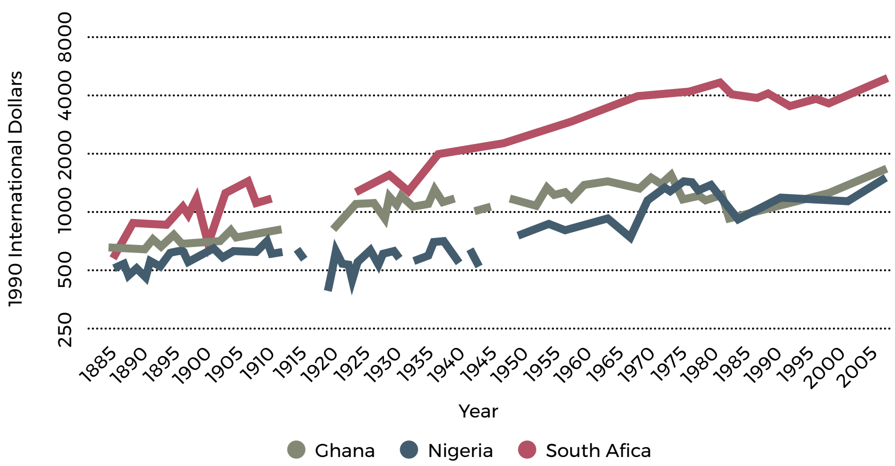
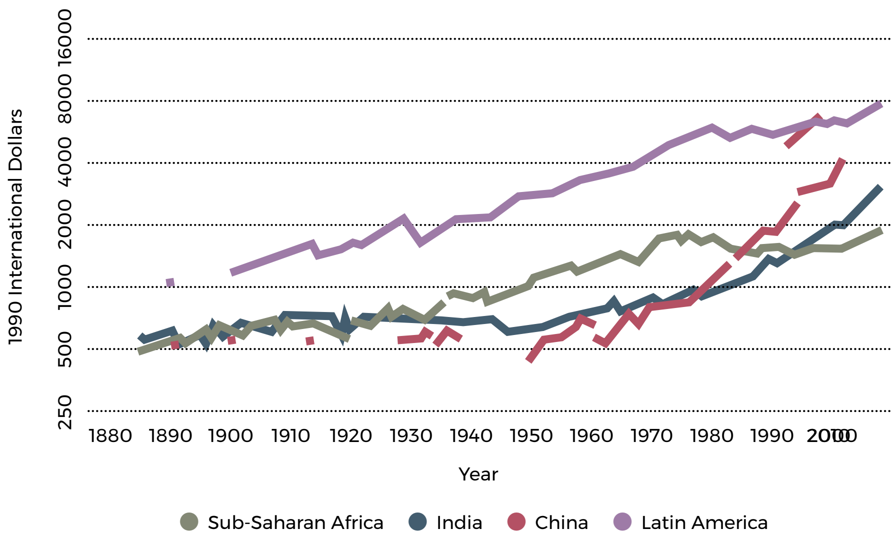


Figure 2: Per capita GDP in developing countries (1990 international dollars, log scale)



Next steps

This is not yet a complete picture of African growth. The sample of countries include only British colonies. Colonisation was not random, and it may be that the economic performance of British colonies was systematically different from countries colonised by other powers or those which remained independent. However, it does provide several lessons for those interested in Africa's long-run development.

First, it is possible to use historical data to reconstruct historical national accounts for Africa, and this paper is intended to inspire further studies on other parts of the continent so as to bring the continent more firmly into narratives of long-run growth.

Second, the paper calls for greater attention to the causes and consequences of periods of shrinking. Studies of African economic development have tended to focus on growth – either explaining its absence, or proposing methods to increase its rate. However, our data suggest that long-run gains in per capita income have been undermined not by a lack of growth but by the frequency of shrinking.

Table 1: Average rate of change of per capita income in growing years and shrinking years in Africa and the United Kingdom 1885–2008 (% per annum)

	1885–1910	1926–1938	1950–1980	1980–2008
South Africa				
Growing	10.49	7.92	2.37	2.15
Shrinking	-11.06	-4.37	-0.89	-2.53
Zimbabwe				
Growing	–	3.41	4.50	4.26
Shrinking	–	-3.29	-2.86	-4.70
Ghana				
Growing	2.69	7.33	4.08	2.28
Shrinking	-1.69	-6.55	-4.44	-7.17
Nigeria				
Growing	3.59	–	5.28	3.33
Shrinking	-5.36	–	-6.20	-3.73
Kenya				
Growing	–	11.89	3.73	1.93
Shrinking	–	-9.95	-4.28	-1.89
Uganda				
Growing	–	5.28	3.09	3.32
Shrinking	–	-5.55	-3.85	-3.95
Zambia				
Growing	–	5.59	5.70	3.08
Shrinking	–	-1.40	-4.23	-4.73
Malawi				
Growing	–	4.42	3.75	3.88
Shrinking	–	-2.67	-2.83	-4.49
UK				
Growing	2.54	3.07	2.67	2.56
Shrinking	-1.69	-3.43	-0.88	-1.09

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The data are available on the African Economic History Network website the CAGE Global Economic History Database and in Appendix 1 of the paper.

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