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Africa in the Modern Model of the World Order: A Powerful Player or an Outsider?[1]

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ABSTRACT. *The article analyses the transformation of Africa's position in the emerging new model of world economic development. The author emphasizes that until recently, Africa was assigned the role of an "outsider" of the world economy. The transition of developed countries to a postindustrial and innovative development model has further exacerbated the lagging behind of the region's countries in the foremost areas of the economy. Other negative factors that affected the development of African economies in the second decade of the 21st century include the high dependence of the African economy on commodity exports, the slowdown of China's growth, the socio-economic consequences of the so-called "Arab Spring" and, primarily, the destruction of Libya, the continuation of old and the emergence of new conflicts in a number of African states. Despite numerous and often successful attempts by external forces to make sure that Africa remains an object of the world economy and politics, the continent is increasingly becoming an active "subject" in international relations, and its development in the coming decades may, in our view, change its position in the new model of world development. According to forecasts, including those made by the Institute for African Studies of the Russian Academy of Sciences, from the 2030s, Africa is expected to turn into the most important and almost unique global strategic reserve of raw materials in the "Coming (New) Industrial Revolution" – NPR, Next (in other documents New) Industrial Revolution. The African continent today occupies leading positions in the world precisely due to those commodities that have no equivalents and are vital for the development of defense and innovative technologies of the 21st century. Other important factors in the accelerated development of Africa are the quantitative and qualitative growth of the continent's labor potential, the expansion of consumption in the African domestic markets, the economic diversification in a number of the continent's countries by means of increasing the share of services and industry in the GDP, and a significant improvement in the business climate as a result of better investment legislation and gradual stabilization of domestic politics. Apart from the increase in financial proceeds arriving in various forms, regional integration (including a continental free trade zone) will*

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be a key to accelerating economic growth in the African continent, which will allow for joint and more efficient use of the potential of individual African states. Modern Africa is a dynamically growing market of labor force, consumer goods, investments, modern technologies, and science-intensive machinery. The author anticipates realization of the scenario of gradual evolution of a unified pan-African pole of global significance in the foreseeable future.

KEY WORDS: *Africa, world economic development model, demographic dividend, strategic resources, conflicts, regional integration*

The onset of the 21st century has coincided with a new stage in the development of the world civilization, namely, its gradual transition towards a polycentric model. Bit by bit, new actors in the global arena are changing the rules and terms of the game. The balance of global powers is shifting from West to East and from North to South. International relations, too, are evolving under the impact of the so-called "grand challenges". China and India are growing in their economic potency: even today, by their GDPs (the equivalent of USD 12.263 and 2.488 trillion in 2017, respectively) they occupy the second and seventh places in the world, having left behind not only Russia, but such states as Italy, Canada, Spain, and Australia.[2] Moreover, in 2017, China (USD 23.301 trillion) and India (USD 9.449 trillion) have advanced to the first and third places by purchasing power parity, respectively (the second place is held by the US),[3] entirely overturning all projections of the respectable corporations Goldman Sachs and PricewaterhouseCoopers, whose experts had believed that those countries will join the planet's top ten leading economies no earlier than mid-21st century. In other words, all of the processes unravelling in the world today, on the one hand, are accelerating, and, on the other, are becoming less predictable. Given these factors and despite their volatility, researchers and experts forecast an enhanced growth of the economic potentials of such countries as South Korea, Brazil, Mexico, Indonesia, Malaysia, Turkey, and Iran.

Africa, however, has until recently had to content itself with the role of an outsider in the global economy. The region's countries' underperformance as compared to leading economies was further aggravated by the developed countries' transition to postindustrial and innovative development models. The sophisticated "structural adaptation programs" imposed on the African countries by the Bretton-Wood Institutions, only worsened the poor state of the African population. The West's much publicized obligations to promote its development were not fulfilled, allegedly due to lack of funds. Rich African resources were mercilessly exploited by former colonial powers and other Western states. On top of that, a high level of corruption persists in African countries themselves. The distinguished African Union Commission, chaired by the former South Africa President T. Mbeki found that the illegal outflow of capital from Africa for the last 50 years amounted to over USD 1 trillion and exceeds USD 50 billion annually. All that resulted in the continent's share in the global GDP failing, so far, to cross the threshold of 3% (or 5% by purchasing

2 Countries by GDP in 2017 (2017) // Investorschool.ru // http://investorschool.ru/rejting-stran-po-vvp-2017, last accessed on October 12, 2018.
3 GDP, PPP (n/y) // Worldbank.org // https://data.worldbank.org/indicator/NY.GDP.MKTP.PP.CD, last accessed on October 12, 2018.

power parity), and, 2.5% in terms of global exports of goods and services.[4]

But the situation is rapidly changing. At present, Africa is developing quite successfully. In the last decade, despite crisis-related phenomena, average growth rate in the continent reached 4–5%, which is significantly higher than the average for the world as a whole [*Fituni* 2010, pp. 8–14]. In the 2010s, this growth has slightly slowed. According to the African Development Bank, most of the decrease in the economic growth rates was in 2016, when they equaled 2.2%.[5] Such a deterioration was due to various factors, the key one being the decrease of prices for raw commodities and fuel that continue to dominate the exports of a considerable number of African states.

According to OECD statistics for 2016, prices for metals and other "non-fuel" raw commodities dropped on the average by 6%, which materially affected the economies of the majority of African countries that predominantly export metals and other types of raw commodities. But the greatest drop occurred in the oil sector: oil prices plummeted from USD 115 per barrel in June 2014 to USD 29 in January 2016. This almost fourfold decrease of oil prices struck the oil exporting countries first, including Nigeria, the largest economy of the continent. The latter accounts for around 30% of the African GDP. Since in 2016 Nigeria's GDP dropped by 1.5%, it adversely affected both the growth rates for the sub-region of West Africa that dropped to 0.4% in 2016, and the overall African ratios. In other parts of Africa, the situation was somewhat on a brighter side: the 2016 GDP growth in Central Africa amounted to 0.8%; 1.1% in South Africa; 3% in North Africa; and 5.3% in East Africa.[6]

Other negative factors that influenced the development of African economies in the second decade of the 21st century include the slower growth of China, the social and economic implications of the so-called "Arab Spring" and, first and foremost, the destruction of Libya, as well as the continuation of pre-existing and the emergence of new conflicts in some of the African states.

Even a minor reduction in the growth rate of the Chinese economy from 6.9% in 2015 to 6.5% in 2017 adversely affected the rate of Africa's development. African economies are heavily dependent on China, since China is the key trade partner and principal investor in the majority of the continent's countries today. It suffices to recall that 30% of African exports are to China and that 83% of such exports are raw commodities. The deceleration of Chinese economy's growth means not only dwindling trade, but also a reduction in investment projects in African states, which ultimately has a negative impact on their development.

The so-called revolution in Libya has had a great adverse impact on Africa's development as a whole. That was due not only to the drastic destruction of the Libyan economy itself, which had an impressive scale by African standards, but a total stoppage of investment projects, which Muammar Gaddafi who has been recently posing as the "pan-African leader", had been implementing or was planning to implement in African states. One should also recall that the Libyan Jamahiriya employed over 1.5 million African migrants who reg-

4 African Economic Outlook 2018 (2018) // African Development Bank Group // https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/African_Economic_Outlook_2018_-_EN.pdf, last accessed on October 12, 2018.

5 African Economic Outlook 2017 (2017) // OECD-ilibrary.org // https://read.oecd-ilibrary.org/development/african-economic-outlook-2017_aeo-2017-en#page38, last accessed on October 12, 2018.

6 African Economic Outlook 2017 (2017) // OECD-ilibrary.org // https://read.oecd-ilibrary.org/development/african-economic-outlook-2017_aeo-2017-en#page24, last accessed on October 12, 2018.

ularly sent money back to their countries. After M. Gaddafi's assassination, some of these people returned home, while others relocated to Europe; in any event, many of them lost their jobs, their incomes dropped, which negatively affected the economic growth in the African continent. This is why not only the Western and, primarily, European, states that suffered from a growing inflow of African migrants and illegal drug and arms trafficking, a greater threat of terrorist attacks and other consequences of Libya's downfall, seek to end the Libyan crisis as soon as possible, but also African countries themselves.

Unstable environment in other African states, too, impedes their progressive development. Although the total number of conflicts in the continent has dropped in the recent years, it remains high. In 2016 to 2017, armed conflicts continued in countries such as the DRC, the CAR, Burundi, Libya, Mali, Nigeria, Somalia, South Sudan, Cameroon, and Ethiopia.

Both internal and external factors lie at the heart of African conflicts. The unusually varied ethnic and religious structure of the African population, the artificial boundaries of states of the "Dark Continent" drawn by colonial powers, the power race, social and economic underdevelopment, poverty, hunger, unemployment, especially among the young, by far do not exhaust the list of "domestic African" causes of war and conflict. This should include corruption, low quality training and functioning of customs and tax authorities and the flourishing shadow economy that facilitate the flight of capital from African countries and prevent foreign investments [*Fituni* 2000].

External actors interested in using rich African resources and markets are clearly using the existing contradictions for their own benefit and are actively meddling in the internal affairs of African states, adding fuel to the flames of hostilities and color revolutions.

On the cusp of 20th and 21st centuries, the growth of the Western states slowed down, resulting in a certain reduction of their scale of consumption. Numerous surveys conducted in Germany, France, and the UK revealed that these countries' nationals have for the first time in post-WWII history noted that today they are worse off than five years ago. And that is due not only to the migrant crisis, but also the exhaustion of internal factors that spurred the development of Western states within the existing growth model. To find a solution to this situation, these countries (primarily the US that is losing its role as the world hegemon) are expanding their defense industry and starting local and regional conflicts under the guise of promotion of the so-called ideals of democracy and combatting terrorism. Creation of a number of military headquarters in the African territory allegedly for resolving conflicts, accommodating a large military contingent there, development of military infrastructure, including retention of old and creation of new military bases, supply of arms to pro-Western African regimes and other such actions not only serve the aim of expansion and successful (including economically) functioning of the defense industries of the US and EU states, but also secure control over African resources of strategic importance.

Despite numerous and often successful attempts at making sure that Africa remains an object of the world economy and politics, the continent is increasingly acting as a subject in international relations, and its development in the decades to come can, we believe, change its position in the new model of global development.

Thus, already in 2017, the growth of economy on the continent is preliminarily estimated at 3.6% and is expected to increase to 4.3% in 2018. Analysts project that GDP growth rates on the average for Africa South of Sahara can once again exceed 5% in the next few decades (starting from the 2020s). Even now they exceed 7% annually in five countries. These are Burkina Faso (8.4% in 2017), Ethiopia (8.1%), Côte d'Ivoire (7.3%), Tanzania (7.2%), and Ghana (7.1%). Against the breakdown of the old and the ripening of a new economic model for the world, some analysts suggest that by the year 2050 the African economy may grow from 2.2 trillion (according to 2017 data) to USD 29 trillion and thus exceed the GDPs of the US and the EU [*Abramova* 2017, p. 7].

The opportunities for the economic growth of the African continent are expanding owing to the increase of prices for raw commodities that started in late 2016, but that factor is not decisive for Africa's development.

Beginning from the 2030s, Africa, according to current projections, including those offered by the Institute for African Studies of the Russian Academy of Sciences, will turn into a single important and almost unique global strategic reserve of raw materials in the imminent NPR, or Next (or New, in some documents) Industrial Revolution. The African continent occupies leading positions in the world today precisely in terms of raw commodities that have no equivalents and are vital for the development of defense-related and innovative 21st century technologies. Put another way, a whole number of metals imported by the NATO countries (cobalt, lithium, coltan, etc.) has acquired military and strategic importance. Thus, for instance, the extent to which the US military and defense industry depends on imports from some Sub-Saharan Africa states (the DRC, South Africa, Zimbabwe, etc.) of non-ferrous and rare metals required to manufacture modern arms, in particular, military aviation engines, goes as far as 60%, and exceeds 70% for cobalt.

Other crucial factors for Africa's accelerated development are the expansion of the scale of consumption in internal markets of the African countries, diversification of economies of a number of the continent's states by way of increasing the share of services and industrial production, substantial betterment of the business climate as a result of improvement of the investment legislation and gradual stabilization of the domestic political state of affairs. We will begin with the latter factor. For the last 7 years, that is, from 2011 through 2017, African countries have significantly raised their index of competitiveness. Some countries, such as Rwanda and Mauritius, where the relevant index reached 4.49, as well as Botswana (4.29), Kenia (3.9), Ethiopia (3.77), Senegal (3.74), Côte d'Ivoire (3.7) and Ghana (3.69), surpassed the buoyant economies of the South East Asia, including Indonesia, Cambodia, and Myanmar, where it does not go beyond 3.6.[7]

In the Doing Business index, three African countries, namely, Mauritius (25th place), Rwanda (41st) and Morocco (69th) have outperformed such countries as Indonesia (72nd), China (78th), and India (100th). The top hundred also includes Kenia (80th), Botswana (81st), South Africa (82nd), Zambia (85th), Tunisia (88th) and the Seychelles (95th).[8]

In other words, by its investment appeal, Africa is not in any way inferior to Asian leaders of development, and even surpasses them in some cases.

Improvement of investment climate in the African continent facilitates increase of the volume of investments from abroad. In

7 Global Competitiveness Index (n/y) // World Economic Forum // http://reports.weforum.org/global-competitiveness-index-2017-2018/competitiveness-rankings/, last accessed on October 12, 2018.

8 Doing Business 2018. Reforming to Create Jobs (2018) // Doingbusiness.org // http://www.doingbusiness.org/~/media/WBG/DoingBusiness/Documents/Annual-Reports/English/DB2018-Full-Report.pdf, last accessed on October 12, 2018.

2017, the inflow of foreign investments to Africa was USD 57.5 billion, that is USD 1.5 billion more than the ODA received by African states (USD 56 billion in 2017). Here, most of the foreign capital was not invested into mining, but into such industries as production of consumer goods, infrastructure, services, including finance, as well as the information and telecommunications sectors [*Novikova* 2017, pp. 56–63]. It is noteworthy that a considerable portion of investments came from developing countries, including from the Far and Middle Eastern regions.

Implementation of infrastructure projects may become most promising in the forthcoming years. Such projects can amount to as much as USD 50 billion annually. Despite substantial recent growth, Africa's infrastructure remains underdeveloped, especially as compared to other regions of the world. More than a half of African population (645 million) has limited access to electricity, and a mere one third of village inhabitants live in 2 km to the closest road (this figure exceeds two thirds in other developing countries). Annual growth of public investments into infrastructure alone equals 3% and may speed up further in the years to come.[9]

The growth of public consumption, including through the implementation of major investment projects, is a powerful force that drives the economic growth of African states. But the main trigger of development of the African economy in the 2000s was the rise in private consumption. According to our calculations, in the period in question, its contribution to economic growth was 40% to 60%. On the average, private consumption in Africa demonstrated a 3.6% annual growth from 2010 through 2016. In the immediate future this figure is highly likely to rise to 4%.[10] Such consumption growth is largely due to the quickly increasing African population and the accelerated emergence of the middle class, which even today numbers 350 million people or one third of Africa's populace. According to our calculations, the continent's domestic consumption in 2017 exceeded USD 920 billion (in 2008, it equaled 680 billion) and may grow to USD 2.2 trillion by 2030. This growth is expected to occur mostly due to the increase of purchasing power of the middle class whose number will have (at least) doubled by then.[11]

Money transfers by migrants are an important source of development for many African countries. They serve as one of the most important sources of foreign currency received by a great number of African states. African migrants' money transfers from abroad in 2017 amounted to USD 66.2 billion, which was 2.4% more than in 2016.[12] According to our calculations, the 10% per capita growth of transfers in African states decreases the share of the poor in a country by the average of 3.5%. World Bank experts have assessed that transfers by relatives have reduced the share of the poorest population in African countries that are the principal receivers of such transfers (Egypt, Morocco, Tunisia, Lesotho, Eritrea, Ghana, Uganda) by the average of 5–6%, triggering growth in consumer demand. Owing to their multiplying effect, transfers from abroad supply new stimuli for the development of African economy.

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9 African Economic Outlook 2017 (2017) // OECD-ilibrary.org // https://read.oecd-ilibrary.org/development/african-economic-outlook-2017_aeo-2017-en#page30, last accessed on October 12, 2018..

10 Calculated using World Bank (2017). World Development Indicators 2017. Washington, DC. © World Bank.

11 Calculated using above sources and African Economic Outlook 2017 (2017) // OECD-ilibrary.org // https://read.oecd-ilibrary.org/development/african-economic-outlook-2017_aeo-2017-en#page29, last accessed on October 12, 2018.

12 African Economic Outlook 2017 (2017) // OECD-ilibrary.org // https://read.oecd-ilibrary.org/development/african-economic-outlook-2017_aeo-2017-en#page18, last accessed on October 12, 2018.

To use them efficiently for development, it is necessary, first and foremost, to integrate transfer-receiving households into the formal financial sector. Even now some African countries are successfully doing just that. At the same time, although a considerable portion of funds received from abroad is used by Africans for consumer needs, the so-called savings, or investment portion of transfers is growing and, in some cases, amounts to 40% [*Abramova* 2013, pp. 278–279].

Apart from financial receipts, irrespective of form, regional integration that will allow for the collective and more efficient use of the potential of individual African states will have paramount importance for the facilitation of economic growth in the African continent.

A pivotal point for the development of integration processes in the African continent was reached during the summit of the African Union in Addis Abebe in 2013 that resulted in the adoption of the 50th Anniversary Solemn Declaration of the Organization of African Unity (OAU), transformed into the African Union (AU) on July 9, 2002. The principal objectives stated in the Declaration are the unification and development of regional economic communities as the "building blocks" of the AU and "speed[ing] up the process of attaining the objectives of the African Economic Community", including the creation of the "Continental Free Trade Area." It promised to make Africa "conflict-free" by 2020 and "rid the continent of wars" [*Korendyasov, Urnov, Shubin* 2013, pp. 8–9]. The regional associations created in the territory of Africa, despite all complications, are gradually putting to practice reforms that have to some extent already secured a visible level of legal unity, freedom of movement of persons, goods, capital, services, uniform regulation of economic activities and labor relations in each integration group. The main integration associations in the continent that the African Union views as a sort of building blocks for the future common African market are the ECOWAS (Economic Community of West African States), COMESA (Common Market for Eastern and Southern Africa), SADC (Southern African Development Community), the EAC (East African Community), ECCAS (Economic Community of Central African States), CEN-SAD (Community of Sahel-Saharan States), IGAD (Inter-Governmental Authority on Development of East Africa), and AMU (Arab Maghreb Union).

The summit also adopted "Agenda 2063" – a strategic plan for the development of the African continent in the next 50 years. The Agenda provides the following timeline for forming the continental integration institutes:

- creation of the African Customs Union – 2019;
- establishment of the common African market – 2025;
- institutionalization of a currency union – 2030;
- inception of uniform institutes for the legislative, executive and judiciary, and uniform nationality (citizenship) – 2063.

A vital step towards implementing "Agenda 2063" was made on March 19–21, 2018 at the Extraordinary Summit of the African Union, where a decision was made to create the African Continental Free Trade Area (AfCFTA). It is the largest interstate trade agreement in the world since the creation of WTO in 1995. The agreement envisages lowering customs duties by 90% for signatory states in the next five years. The Summit's decision was signed by 44 African states, subsequently joined by 5 more countries: South Africa, Sierra-Leone, Lesotho, Burundi and Namibia. Nigeria, the largest African economy, has until recently abstained from signing the agreement, which we believe was hampering the practical implementation of this rather ambitious project. Nigeria's concern was that the greatest benefits of the agreement would be reaped by other countries, primarily South Africa, rather than Nigeria itself. But on July 11, 2018, after a meeting with the South African president Cyril Ramaphosa, who replaced Jacob Zuma, Nigeria's head of state, Mohammed Bukhari, eventually resolved to adhere to the agreement that will help translate into reality the African dream of seeing domestic African trade soar.[13] Although from among 49 signatories only 6 ratified the document, its adoption by the vast majority of African states, in and of itself, is an important step towards real economic integration.

Thus, in developing integration processes, using its competitive strengths in the resource sphere, actively balancing between old and new partners, attracting capital and technologies, activating the human capital, today's Africa is steadily turning into an authoritative actor in global politics and economy, and the much-needed link in countering grand challenges. Contemporary African economy is making effective steps to diversification and balance across a whole range of areas – geographic, industrial, consumer and production-related, property types to production factors ratio and their contribution to the GDP.

Two new trends are emerging in the economic development of African states: namely, the role of the real sector of the economy is rising and the development of industries oriented at domestic, rather than foreign, consumers, is accelerating.

Experts with the Institute for African Studies of the Russian Academy of Sciences believe that a likely scenario is that of the evolvement of a **unified pan-African pole of global significance**. Here, we must elaborate on another important factor that will shortly have a massive impact not only on the development of the African continent and its transformation from an object into a subject of international relations, but also on the development and restructuring of the entire world economy.

The African continent is one of the key factors of global demographic processes.

At one time, it was the population of Africa that made a valuable contribution to the development of global economy. From the 16th through the 19th century, Africa played the role of the main supplier of slaves, primarily to the American continent. African slave labor was the foundation, on which capital initially accumulated in the US economy. Various accounts from that period suggest that 12 to 17 million Africans were sold to the New World countries. This delivered a colossal demographic blow on the African continent, abandoned by its most active and healthy people of childbearing age. The African genetic pool was largely destroyed, throwing the continent centuries back. For the US, however, the arrival of African slaves provided an initial impulse that would have never been secured solely through white colonist labor.

Today, in the age of globalization, when workforce is relatively freely moving from country to country, Africa is once again attaining an important role in the global development, gradually turning into the main supplier of labor resources, due to its great number of young and employable population that is growing at ever-accelerating speeds.

Today, the principal demographic giants are China with its 1.4 billion population, and India, whose population has exceeded 1.3 billion. In total, these two

13 Morocco-Nigeria to Finally Sign the African Free Trade Agreement (2018) // Menafn.com, July 14, 2018 // https://menafn.com/qn_news_story_s.aspx?storyid=1097163675&title=Morocco--Nigeria-to-Finally-Sign-the-African-Free-Trade-Agreement&src=RSS, last accessed on October 12, 2018.

countries today are home to about 40% of the population of the globe. By virtue of its sustained efforts and successful one-child policy of limiting the birthrate, China curbed the population growth to 0.3%. In India, this indicator is still rather high and exceeds 1.5%. According to UN forecasts, by 2024, that country will rank first by population, beating China. In the next decade, the world's population will grow in absolute terms mostly owing to these two countries. **But starting from around 2030, the center of global demographic growth will shift to Africa,** where population grows at the highest in the world annual rate of 2.5%.[14] The UN estimates that from 2017 through 2050, our planet's population will increase by 2.2 billion people. Africa's contribution to this growth will be 1.3 billion, or 60%. Nigeria will remain the indisputable demographic leader in the African continent, that even now occupies the seventh place in the ranking of states by population, and will rise to become the third by 2050.[15]

The traditionally accelerated growth of population of the developing countries, referred to in academic literature as the "democratic explosion", has been seen as a threat to the development of the countries of Asia, Africa and Latin America, since it was associated with an increase in un- or underemployment, poverty and famine. Today, in the conditions of globalization and formation of an international labor market, where the workforce's flow from region to region is considerably expedited due not only to social and economic, technological, information and communications, and political factors; one of the drives of accelerated growth of the developing countries is the demographic factor (or, in modern terminology, the demographic dividend), namely, the rapid increase of primarily employable population of the countries of the East and South, and the aging of the population of the West. Notably, economic peaks in the first two decades of the 21st century were hit by countries with young and quickly growing population – not only the abovementioned China and India, but also Indonesia, Brazil, Mexico, the Philippines, Vietnam and others. In Africa in the 2000s, a true leap was made by Nigeria (198 million) and Egypt (98 million) – two of the most densely populated Sub-Saharan and North African countries. Nigeria turned into Africa's largest economy South of Sahara by GDP, both by the exchange rate (USD 375.8 billion in 2017), and by PPP (USD 1,119 billion in 2017), having outdone its tradition rival, South Africa, and taken the 21st and 22nd places, respectively, in the global ranking of states by GDP. As to Egypt, it took the first place in Africa by PPP (USD 1,129 billion) and third by the exchange rate (USD 235 billion), letting South Africa (USD 349 billion) forward.[16] Interestingly, the second most populated African state, Ethiopia (105 million inhabitants in 2017) has been showing economy growth rates of 8% in the recent years.

This transformation of a "demographic curse" into a "demographic dividend" is due to a complex of causes.

The foremost one has already been mentioned above. It concerns the re-formatting of the structure of the global labor resource market, a fair share of such resources being today secured by developing countries, including Africa. Even

14 African Economic Outlook 2016 (2016) // African Development Bank Group // https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AEO_2016_Report_Full_English.pdf, last accessed on October 12, 2018.

15 World Population Prospects: The 2017 Revision (2017) // United Nations. Department of Economic and Social Affairs // https://www.un.org/development/desa/publications/world-population-prospects-the-2017-revision.html, last accessed on October 12, 2018.

16 GDP, PPP (n/y) // Worldbank.org // https://data.worldbank.org/indicator/NY.GDP.MKTP.PP.CD, last accessed on October 12, 2018

now, 80% of the planet's labor force is concentrated in the countries of Asia, Africa, and Latin America; it is they that ensure more than 90% of the global labor market's growth. Certainly, modern production technologies, and, in particular, the use of robots, are reducing the need for manpower. Nevertheless, as evidenced by the practice of the developed countries, a deficit of employable people remains, in the first place, in the sphere of services. New types of needs arise that demand new types of labor. Besides, labor-intensive segments in the production spheres are not going anywhere in the foreseeable future. An especially acute deficit of manpower will be suffered by Europe, whose population is increasingly ageing. In view of this circumstance, European authorities are forced to implement pension reforms and simplify access for migrant workers from Asian and African countries, understanding very well that the normal functioning of their economies and the preservation of the customary level of well-being and consumption are possible only subject to a mass inflow of young workers. There are two key ways of solving this problem: either to import workforce from abroad (a path fraught with aggravation of social tensions and erosion of the traditional European identity), or to relocate own enterprises to regions with high labor potential, including to Africa. In either case, the African component in the formation of the planet's workforce will grow, thereby increasing the continent's role in the global economic environment.

Nor should one forget that in Africa itself, a demand for manpower grows in view of the high rates of the economy's growth and a lower (as compared to developed states) level of technological development.

Moreover, many Asian countries, traditionally thought of as young, are in fact no longer new (Taiwan, Singapore, South Korea) or will "age" in the foreseeable future (China). From among large global regions, only Africa South of Sahara finds itself at the second stage of demographic transition [*Fituni* 2017, pp. 3–15]. The continuing high birthrate and low death rate, given the relatively low average life expectancy (55 years) and diminishing infant mortality, lead to the preponderance of young people in the population structure. According to 2018 data, the average age for Sub-Saharan African residents is 20 years. This means that in the near future, the international labor market will be largely shaped by African, rather than Asian states.[17]

The second important consequence of the impact caused by the "demographic dividend" is the growth and changing structure of global consumption. The increase in the number of population of a country physically raises the volumes of consumption, thereby expanding the domestic market in countries with rapidly growing population. In such cases, a large share of young people also changes the very structure of consumption, ensuring demand for new goods. It is no secret that two thirds of Africans possess cellphones, including the newest models, although many of them starve. In many African countries (Kenya, Nigeria, South Africa, etc.) the sectors of mobile and Internet banking services are growing with an unprecedented speed. It is the young who act as both the principal consumers and creators of modern commodities, while older generations (that will keep rising in numbers in the developed countries) do not show any heightened demand for novelties and pre-

17 United Nations, Department of Economic and Social Affairs, Population Division (2017) // World Population Prospects: The 2017 Revision, Volume II: Demographic Profiles (ST/ESA/SER.A/400) // https://esa.un.org/Unpd/wpp/Publications/Files/WPP2017_Volume-II-Demographic-Profiles.pdf, last accessed on October 12, 2018.

fer the conservative models they are used to. Of course, it is difficult to assume that in the next ten or twenty years Africans will overtake leading positions in research and development. But even now the highest competition in African universities is at the IT faculties. The market for traditional consumer goods, too, is expanding. Money transfers by Africans from abroad allow the migrants' families to buy computers, television sets and even automobiles. In 20–30 years, most of the cars, household appliances, electronics and other durable goods will be sold in Africa, instead of Asia. The quantitative and qualitative growth of the consumer market will serve as a powerful drive for the development of African, and, in the future, global economy. That is what happened in China in the late 1990s. According to UN data, by mid-21st century, African population pursuant to the Medium Variant will be 2.5 billion people, accounting for 26% of the population of the globe. And by 2100, there will be as many as 4,468 million Africans, making 40% of all people living on the Earth. Interestingly, from 2050 to 2100, not only the European (from 716 million in 2050 to 653 million in 2100), but also Asian (according to the estimates, from 5,257 million in 2050 to 4,780 million in 2100) population is expected to drop.[18] Thus, by the end of the 21st century the world will essentially be largely "African".

There is yet another important advantage of the countries with young and quickly growing population. Prevalence of seniors in the population structure dramatically increases the demographic burden and, consequently, healthcare and pension coverage costs. This is what the Western countries are facing now. In African states, however, residents older than 60 years constitute just 5% of the population, allowing to save budget costs and use them for development.

Modern day Africa is a dynamically growing market for production and services, modern technologies, science-intensive products, workforce and consumer goods. Despite the outdated perceptions of those still enthralled by the stereotypes of the 1970s and 1980s, Africa has already entered the stage of industrial rise and accelerated modernization of its production potential. The continent's economic growth is speeding up, including due to the quickly proliferating middle class with its increased demand for consumer and new innovative goods, as well as modern services.

Changes in the position the African continent holds in the global frame are drawing the attention of major international players, both traditional (the US, UK, France, Germany), and new (China, Japan, India, Brazil, Turkey, Iran, Indonesia, Australia and even New Zealand). The fight for political and economic domination in the African continent is gaining momentum. This refers not only to ensuring security and the "struggle for strategic resources and markets". All these countries are well aware that in 2020–2030s, when the African continent becomes the main source of the world's new labor resources, consumer demand and natural potential for the development of world civilization, it is only with Africa's help that they will be able to secure stable positions and areas of influence for themselves in the future competitive struggle.

Russia, alas, has only in the recent 2 or 3 years realized the importance of the "African vector" in decision-making on the strategic objectives of its own economic

18 United Nations, Department of Economic and Social Affairs, Population Division (2017) // World Population Prospects: The 2017 Revision, Volume II: Demographic Profiles (ST/ESA/SER.A/400) // https://esa.un.org/Unpd/wpp/Publications/Files/WPP2017_Volume-II-Demographic-Profiles.pdf, last accessed on October 12, 2018.

development. This was largely due to the sanctions introduced by Western states. Russian economic operators are reluctant to leave their comfort zone and re-orient their focus from the West to the South. They will, however, have to do that. The U-turn towards Africa is evidenced by a Ministry of Foreign Affairs panel resolving, in May 2018, to develop a new Concept of Relations between the Russian Federation and African States. The preceding Concept was adopted in 1994 and no longer serves either Russian, or African interests. The first "Russia – Africa" business forum that took place on May 16 at the Ministry of Economic Development, with the participation of large Russian companies, also testifies to the serious interests of our government agencies and business community with respect to the African continent. A large contribution to the development of Russian-African relations was made when S.V. Lavrov visited Angola, Namibia, Mozambique, Zimbabwe, and Ethiopia in March 2018. A large-scale Russian-African forum is planned in Russia in 2019. Russia is making efforts to regain its positions on the continent, lost in the 1990s, but this is becoming increasingly difficult due to growing competition, changing African elites, Russia's diminished financial means. This is why our country must define the African states that hold the most potential for political and economic interaction, priority industries for cooperation, and concentrate first and foremost on those. Russia must return to Africa in the earnest and to stay, in order to not fall behind, clearly understanding the need for interaction with Africans in all spheres. Active Russian-African cooperation will allow both countries to derive geopolitical and geo-economic dividends, facilitating the growth of their economies and reinforcing the positions the Russian Federation and African states occupy in the international arena.

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