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Times always change. That is the nature of time. But what appears now is that times are changing faster than they were – only a year or two before. Many calculations are redrawn or recast with a steeper incline. Especially with the onslaught of higher and more precise processing power, quicker LLMs and more real-time LLM-based reasoning – complete with Code/noCode in SQL/NoSQL queries, the global economic landscape of 2025 is poised to be shaped by a confluence of technological innovation, geopolitical shifts, changing societal norms, and environmental imperatives. With global growth projected at 3.2% according to the World Economic Outlook, advancements in the journey towards (an eventual genesis of) artificial intelligence (AI) are expected to contribute significantly to economic productivity through automation and enhanced decision-making systems. What is most important is that with the passage of time over the last three years to be specific, especially after the unleashing of the GPT models and their various competing systems, the 'free hand of cybernetics' appears to have taken an upper hand. Timelines calculated even as late as 2021 – especially with regards to the development and deployment of AI, Gen AI and Tech-Singularities are all being revised. With the advent and industrialization of Quantum Computing

(QC) and QC Chipsets, the possibility frontiers have simply multiplied not by multiples but by exponentials. This chapeaux document posits a focused examination of Africa's unique opportunities and challenges in the backdrop of a select group of global economic trends in leveraging AI for economic growth and human development. The limitation of the paper is a caveat that people all over the world are contemplating, i.e., the possibility of unforeseen or preventable conflicts and their repercussions on the global productive capability domain.

One fundamental presupposition which prevails amongst both the authors is that 2025 would be a "fork year" in terms of matching capabilities and competencies with systems geared towards enterprise level focus and global economic opportunities. This is a year which everyone concerned must take note of, pay heed to and work towards for ensuring that the year next to it yields the best possible outcomes.

1. The Global Macroeconomic Context: A PESTEL Analysis for 2025

As always, our preferred starting point is a PESTEL analytics. For the uninitiated, the PESTEL analysis offers a detailed (and often more casua than causal) exploration of the macro-environmental forces shaping global economic development, enriched with recent case studies and examples:

- **Political:** Geopolitical tensions, such as the ongoing US-China trade contests and Brexit-related economic adjustments, continue to create uncertainties. For instance, the Regional Comprehensive Economic Partnership (RCEP) agreement in Asia is fostering regional integration with a more relaxed set of rules for engagement, providing a counterbalance to a more Western-led trade blocs, as highlighted in a 2024 WTO report. Though somewhat impeded by the regional conflicts, the regional economic and communication integrations are continuing unabated even in 2025. USA, by far the strongest political-economy power of the globe is contemplating drastic changes to its economic behaviour and the EU is oscillating between extremes of conservative and liberal policies with regards to tariffs, trade, taxes and even monetary policies. The autonomy of the European identity as opposed to the individual national components of that identity are playing out on the open market and prompting a global signalling of sorts as to the

nature of investments, trade and technology – which in turn would definitely have a major impact on the policy and planning horizon for the African nations and their respective state systems. One off shoot appears to be a larger deference to the Asian and particularly, the South Asian and East Asian partners of Africa for technology and industry while MENA expands its primary commodity production and trading space with Africa.

- **Economic:** With the US Federal Reserve relaxing its clutches, inflation is anticipated to moderate from 5.9% in 2024 to 4.5% in 2025, according to the IMF. A case in point is also the eurozone, where targeted fiscal policies have stabilized inflation, boosting consumer confidence. Meanwhile, in emerging markets like Brazil, growth is being driven by investment in renewable energy, exemplified by the Amazon solar project projected to power over 1 million homes by 2025, and also breakthroughs in process innovations such as trading currencies, banking and finance through alternative diplomatic and structural engagements. Alternative financing and equity options are becoming clearer and more prominent – giving rise to autonomous production and consumption behaviours. Africa – with its large economically active and ambitious youth population would definitely not be out of this euphoria. Especially with the

opening up of the credit space, the consumption is expected to rise by default. Whether these consumption behaviours could be converted into income and wealth ought to be the primary foci for discussion with regards to the African paradigms in economics.

- **Sociocultural:** A heightened focus on sustainability is transforming industries. For example, Unilever's "Future Foods Initiative" in Southeast Asia aims to reduce carbon emissions in food production by 30% by 2025, aligning with the UN Sustainable Development Goals to foster ethical consumerism. Selling antiquated political narratives to the GenZ would be next to impossible. But a caveat in sight is the GenZ's impatience which makes it susceptible to social media blitz and thereby giving rapid tactical advantage to any enteprise sufficiently organised. Make America Great Again is already there and Africa for the Africans are gaining currency. How institutions and their narratives live upto the popular demands in an era of open and individual media (read, social media) would be of interest.
- **Technological:** AI and IoT advancements are spearheading industrial transformation, with Germany's Industry 4.0 initiatives being a prime example. By integrating AI into supply chains, German manufacturers have achieved a 20% reduction in operational costs. Globally,

the AI-powered automation market is projected to surpass $75 billion by 2025, according to a 2024 Gartner report. Chipsets with multitudes of GPU-cores and neural engines are fast deviating from the x86 or AMD64 instructions. One personal hypothesis that at least of the authors hold here is that there would eventually be a colour coded chemical relay replaing assembly languages and OS – as biological-cell-to-computer interfaces become more poignant and prominent. After all, traditional silicone based chipsets, even for that matter, the current QC combinations do not come even close to the way even biological cells operate. The anthropocene is fast coming to the boundaries of a technocene and human individuals and their societies are waking up to the possibilities.

- **Environmental:** Global climate commitments, such as the European Green Deal, aim to achieve carbon neutrality by 2050. A recent McKinsey study reveals that China's $1 trillion investment in green infrastructure is expected to reduce its carbon footprint by 15% by 2030 while generating millions of green jobs. The Saudi-led initiative for farming and greeing from the Maghreb to MENA and the assertion of more politically autonomous african leadership on the environmental domain would certainly impact the way Africa interacts or

chooses to interact with the rest of the world – especially – with the North or with the West.

- **Legal:** Regulatory frameworks are increasingly adapting to digital advancements. The EU's General Data Protection Regulation (GDPR) continues to influence global standards, with countries like India and Brazil implementing similar data privacy laws to safeguard consumer rights in digital transactions. Additionally, the 2025 OECD guidelines on ethical AI emphasize accountability in algorithmic decision-making. Most probably because of a strong colonial impact, Africa as a continent has not really experimented with the concept of temporary migration for business and enterprise. How, businesses and individuals, and with the help of AI – enterprises, distributed ecosystems and generic systems would engage the African dreams would be a matter of possibility and challenge for the many communities, ethnicities, and ethno-linguistic peoples of the African continent and the African descent. How the colours of Africa conform to a changing medley of the rules of engagement and laws of the lands – particularly those defining income, wealth and ownership would be a matter of interest as far as the future pathways in the economic domain would be concerned.

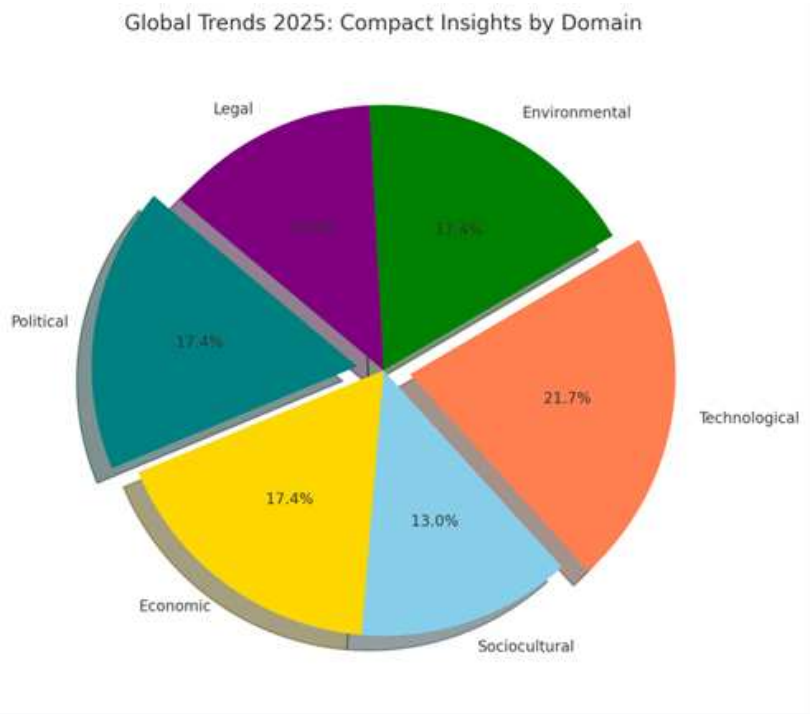

Figure: Visualizations of the global trends for 2025, segmented by domain

2. AI as a Global Economic Catalyst

The narratives, traits and trends passing through Africa are many, manifold, and multi-polar. To navigate these dynamic forces, strategic frameworks are helpful. For the analysis caprried out for this chapeaux note, we have used a mix of three such frameworks. These frameworks help us triangulate and isolate the issues and suggest possible course ahead. The frameworks in consideration are Zenger's (2013) Insight-

Foresight-CrossSight – which uses a dynamic mix of data analytics to anticipate trends, understand scenarios, and explore cross-sector opportunities; the various combinations and possibilities thereof for competitive gains by deploying one or more methods for adaptation, aggregation and arbitrage for international expansion by Ghemawat (2011) and the ongoing discourse on the Oxford Vantage Point of the TMO Framework, technology, markets, and organizations, mphasizing synergy among technological adoption, market evolution, and organizational adaptability.

Artificial intelligence (AI), particularly, Gen AI is redefining the rules of engagement in the domain of political economy dispensation. It is playing a transformative role in shaping global economic landscapes, catalyzing innovation, efficiency, and growth across regions. Whether or not the gains would be equitable, if not, at least inclusive, is a question of ethics and no laws can intercede. AI-Driven Industrialization, i.e., enhancing efficiency and productivity, particularly in more traditional manufacturing hubs create cases in point. Germany's Industry 4.0 initiatives exemplify this trend, achieving a 20% cost reduction in operations. Intelligent Supply Chain Management (SCM), i.e., real-timing logistics with AI-powered analytics is changing the nature of the game. Globally, trade efficiency is improving, contributing to a projected $33 trillion trade volume by 2024 (Source: UNCTAD,

2024). Intelligent Human Capita, i.e., exemplifying a dual challenge of automation-driven job displacement and demand for new skills. Globally, 97 million new roles for AI specialists are anticipated by 2025, underscoring the need for reskilling initiatives (Source: McKinsey Global Institute, 2024). AI is fast creating a new level and typology in living and livelihoods, by urbansiation and by taking the urban amenities to the hitherto rural and inaccessible spaces. AI can play a significant role in managing the complexities associated with rapid urbanization and the creation of urban amenities. In Urban Planning and Design, with Predictive Analytics, AI algorithms can predict future population growth, migration patterns, and the resultant demand for housing, infrastructure, and services. AI can create virtual models of cities (digital twins) to simulate urban scenarios, allowing planners to visualize the impacts of new developments or changes in urban policy before implementation. This aids in creating more effective urban designs that are resilient to future challenges. For Resource Management, AI can optimize energy use in smart grids, reducing waste and improving sustainability by predicting demand patterns and adjusting the supply accordingly. This directly supports the creation of energy-efficient urban amenities like smart buildings and public lighting systems and smart waste sorting and collection processes, thus enhancing urban living conditions. AI is also attempting to transform transportation

and mobility with real-time traffic management, autonomous public transport systems enhancing connectivity within, across and beyond urban concentrations. Predictive Policing and public health monitoring adds to the public safety and health. Data-driven AI solutions help in Pollution Control, and greater public engagement and services. AI's ability to handle big data, learn from it, and make predictions or recommendations makes it an invaluable tool in navigating the challenges of rapid urbanization while promoting the creation of more livable, sustainable, and efficient urban environments. However, the implementation of AI in urban contexts must consider ethical, privacy, and equity issues to ensure that all urban dwellers benefit from these advancements.

By providing region-specific insights and addressing global trends, AI demonstrates its role as a linchpin for future economic growth, offering scalable solutions to global and localized challenges.A comparative analysis reveals how AI adoption varies globally give a clever picture of the situation:

- **North America and Europe:** North America leads in AI adoption, with the U.S. expected to allocate over $190 billion in AI spending by 2025, driven by advancements in healthcare, finance, and autonomous systems. Europe, emphasizing ethical AI, has initiatives like "AI

Made in Europe" to maintain competitiveness while adhering to strict regulatory frameworks (Source: PwC, 2024). Increasingly, the protocols are becoming hungrier. Blockchains are fast integrating the documentation and authentication ecosystems, giving increasingly more systemic advantage to enterprises incubating in these landscapes. The human factor as a cost disadvantage to the rest of the world is fast becoming extinct. Garage enterprises are giving rise to the new AI barons who are inheriting the intergenerational wealth from their more conventional industrial peerage for AI production and expansion/assimilation.

- **Asia-Pacific:** Countries like China and India are at the forefront of AI integration, with China investing over $300 billion in AI research and applications. India's focus on leveraging AI for agricultural productivity and smart cities aligns with its projected 39% CAGR in AI market growth (Source: Gartner, 2024). At a scale difference, Malaysia, Indonesia, and South Korea are also exerting their captive and specialised prowess through chip-making (i.e., enabling IoT usage and therefore access to and from Gen AI). The marked investment expenditure by the KSA and the UAE into AI, urbanisation and metropolitan access to AI-genesis, is attempting to make deep dents in the

productive landscape of AI and everything digital. More importantly, Asia, true to its heritage, is becoming a melting pot for the AI designs and still there abounds entrepreneurial opportunities capable of hosting first generation designs – with the possibility of eventual upgradation and enhancements.

- **Latin America:** AI adoption is growing, albeit slower, with Brazil and Mexico focusing on financial technology (fintech) and smart governance. Brazil's AI-driven initiatives in banking are projected to reduce fraud by 35% by 2025 (Source: Latin America AI Report, 2023). The important observation is that AI adoption in the area is concentric solely to enterprises and business or other agencies engaged in economic dispensation which are capital intensive and display high entry and exit barriers making the AI governance distinctly more skewed towards the established status quo.
- **Africa:** Africa's AI market is still nascent but rapidly evolving, with countries like Rwanda and Egypt setting benchmarks for AI policy and adoption. AI applications in agriculture and finance are helping address unique challenges, as seen with precision farming tools like PlantVillage boosting crop yields by up to 67% in certain regions (Source: African Development Bank, 2024). Africa's GDP is

projected to grow at 4.3% annually from 2024 to 2025. AI has the potential to add $1.2 trillion to the continent's GDP by 2030, representing a 5.6% increase. Even with its nominal US$ 3.1 trillion economy and many captive and unreported markets, the African landscape is the most fertile for testing and developing AI solutions at scale. Especially given its BOP status, the African communities display magnificent possibilities for developing AI solutions complete with financial feedback loops and serving basic amenities and utilities such as access and security to food, education, health, and ambitions for urbanisation.

3. Africa's Economic Development Through AI

3.1 Current State and Potential Impact

- **3.1.1 Economic Growth:** Africa's GDP is expected to experience a steady growth of 4.3% per year from 2024 to 2025, and this is even considered a conservative projection. The integration of AI technologies across various sectors has the potential to significantly boost the continent's economy, with estimates suggesting it could add a substantial $1.2 trillion to Africa's GDP by the year 2030. This AI-driven growth represents a notable 5.6% increase in the overall GDP. The African Development Bank recognizes the transformative power of digital technologies and emphasizes that embracing digital transformation can further accelerate Africa's economic growth trajectory. Initiatives like the Smart Africa Alliance are seen as key drivers in promoting and facilitating this digital transformation across the continent.

- **3.1. 2 Sector-Specific Transformations:**
  - **Agriculture:** With over 65% of the workforce engaged in agriculture, AI tools like PlantVillage are enhancing productivity through precision farming and pest detection. For example, Nigeria's AI-driven irrigation systems have increased rice yields by 40%,

demonstrating tangible benefits.

- **Healthcare:** AI-driven diagnostics and telemedicine can address the shortage of healthcare professionals, with platforms like Zipline's drone delivery system revolutionizing access to medical supplies in remote areas.

- **Finance:** AI is enhancing financial inclusion through risk assessment and fraud detection, with South Africa's AI spending in financial services growing at a 35.4% CAGR. M-Pesa's AI integration for micro-loans has provided access to over 3 million unbanked individuals. A closer and careful consideration of the African finance, banking and equity sector reveals very interesting and often unsettling discoveries. The finance and equity sector in Africa has been undergoing significant transformation, driven by both local and international dynamics. African banks have expanded significantly, with a focus on digital banking platforms to increase financial inclusion. The number of fintech companies in Africa nearly tripled from 2020 to 2024, showcasing a boom in digital financial services. In spite of the growth, the sector faces challenges such

as high funding costs, concerns about asset quality due to economic conditions, and competition from fintech disruptors. The war in Ukraine has also introduced new concerns regarding funding costs due to rising interest rates and more expensive bond funding.

- **Equity:** Equity markets in Africa have become crucial for funding investments. They facilitate foreign direct investment (FDI) and portfolio investments, contributing to economic growth. However, African markets are often seen as independent from global markets, offering diversification benefits but also with their unique challenges. Africa's private equity sector has seen robust fundraising, with notable deals in 2019 reaching close to $900 million, indicating strong investor interest despite global economic volatility. The sector has the potential to attract capital, especially in countries like Nigeria and South Africa, with investments in sectors like infrastructure, energy, and technology.

- **Fintech:** The fintech sector is experiencing exponential growth too, driven by the need for better financial inclusion and the adoption of mobile

technology. There's a growing trend towards blended finance models, where public and private funds are combined to de-risk investments, particularly for SMEs which are central to Africa's economic fabric. This approach has been pivotal in addressing the financing gap for small and medium enterprises.

- One key area which is seriously need of being reshaped is the **Development Finance and Infrastructure with behemoth** Institutions like the Africa Finance Corporation (AFC) and their near-myopic focus on providing debt and equity finance for infrastructure, helping to bridge Africa's infrastructure deficit. While **Green Finance is providing** increasing attention on sustainable investments, with initiatives like green bonds and climate action projects gaining traction, aimed at mobilizing resources for environmentally friendly projects, there is markedly no large ecosystem for providing **innovation**, **entrepreneurship** and **enterprise** support for the start-up ecosystem of Africa. Artificial Intelligence with its superior authentication, validation, disbursement and feedback, could easily create a large market of bankable

individuals, societies and enterprises, bypassing state-level ineffiiencies – which we would be calling ‘institutional voids’ and leverage on the ‘complementary asset portfolios’ which are already there and can leveraged for further deepening their impact.

3.2 Challenges to AI Adoption

With challenges like regulatory hurdles, funding costs, and economic volatility remain significant, necessitating innovative approaches to harness the full potential of this dynamic sector. Africa’s economic trajectory in 2025 presents a complex landscape shaped by both significant challenges and promising opportunities, particularly in the realms of infrastructure, AI skills development, and data ecosystems:

3.2.1 Infrastructure:

- **Internet Access:** As of 2025, just around 40% of Africa’s population has access to the internet, a figure that lags significantly behind global averages. This limited access is particularly acute in Central and West Africa, where connectivity can be as low as 24% and 30% respectively. The rural-urban divide is stark; in Nigeria, for instance, rural areas frequently depend on satellite internet, which

is not only expensive but also unreliable, as noted in the ITU's 2023 report.

- **Urban vs. Rural Disparity:** This digital divide between urban and rural areas is further compounded by the lack of infrastructure in rural zones. In some regions, the cost of a gigabyte of mobile data can consume a significant portion of the average monthly income, with affordability being a major barrier as highlighted by the GSMA's 2024 connectivity report.
- **Digital Infrastructure Investment:** Efforts are being made to bridge this gap. Investments in Africa's digital infrastructure are expected to reach $6 billion annually by 2025, with a focus on expanding fiber networks and improving mobile broadband services. The Equinix Blog emphasizes the need for both digital skills and infrastructure to overcome the digital divide.

3.2.2 Skills Gap:

- **AI Specialists:** Africa hosts approximately 2,400 AI-focused organizations, but the number of AI specialists is notably low. This scarcity directly impacts the continent's ability to innovate and implement AI solutions.
- **Educational Deficit:** According to UNESCO's 2024 study, only about 10% of higher education institutions in Africa offer specialized AI courses. This educational gap is

critical, as AI-driven solutions could significantly enhance sectors like agriculture, health, and urban planning.

- **Skill Development Initiatives:** Programs like Andela, which trains developers in AI and software engineering, are crucial steps forward. However, the scale of these initiatives needs to be vastly increased to meet demand. For example, Andela has trained over 20,000 developers across Africa, yet this number is dwarfed by the continent's needs.
- **Government and Private Sector Collaboration:** There's a push for more collaborative efforts between governments, educational institutions, and private sectors to foster AI education, as discussed in the panel at the 56th Session of the Economic Commission for Africa.

3.2.3 Data Ecosystem:

- **Data Accessibility and Quality:** The lack of a robust data ecosystem is a significant hurdle. Only about 10% of data repositories in Africa are locally accessible, leading to reliance on external data which might not be tailored to African contexts.
- **Governance and Storage:** Fragmented data governance across countries results in inconsistent data policies, impacting the development of AI. The African Union's efforts

towards a data policy framework aim to address these inconsistencies, but implementation varies widely.

- **Local Data Initiatives:** Positive strides are being made, such as Kenya's Open Data Program, which has made strides in improving data access for development purposes. However, the scale of these initiatives needs to be expanded to cover more of the continent and ensure data is of high quality and relevance.
- **Opportunities for AI Development:** The challenge of data scarcity also presents an opportunity for innovation in AI that can function with less data or generate synthetic data that respects local cultural and environmental nuances. The World Bank's 2024 analysis on digital infrastructure underscores the need for local data solutions to enhance AI applications in Africa.

Africa's economic future in 2025 is at a crucial turning point, particularly regarding infrastructure, skills, and data ecosystems. While these areas currently face obstacles to growth, ongoing initiatives and investments show promise for substantial progress. There is a growing emphasis on establishing an environment that fosters digital transformation, which has the potential to drive significant socioeconomic advancements throughout the continent.

3.3 Strategic Interventions for Africa

- **Policy and Regulation:** AI governance is advancing, with seven African nations already implementing strategies focusing on ethical AI use and data protection. Policies like Ghana's National AI Strategy offer blueprints for effective implementation.
- **Investment in Education:** Incorporating AI and data science in curricula is crucial, supported by initiatives like the Africa Centre of Competence for AI & Digital Skilling. The partnership between Google and Nigeria's government has trained 100,000 youths in digital skills, paving the way for future AI talent.
- **Infrastructure Development:** Investments in digital infrastructure, including broadband and energy, are vital for leveraging AI effectively. Programs such as the World Bank's Digital Economy for Africa initiative aim to connect 100 million Africans by 2030.
- **Encouraging Local Innovation:** Supporting startups and research centers, such as the African Research Centre on AI in Congo, can foster homegrown solutions. Kenya's "AI for Good" program, for instance, has led to the development of 50 new AI-driven solutions in health and agriculture.

3.4 Global and Local Collaboration

- **Partnerships:** International collaborations for technology transfer and funding, like the UK's $100 million responsible AI initiative, are essential. Partnerships with the EU's Horizon 2025 program also provide African nations with cutting-edge AI technologies and expertise.
- **Cross-Continental Learning:** Learning from early adopters like Mauritius, Egypt, and Rwanda can guide other nations. Rwanda's AI-powered traffic management systems, which have reduced congestion by 30%, serve as a model for scalable urban solutions. Real-world examples and ongoing projects, such as AI-driven education platforms in Uganda or Ethiopia's AI-enabled logistics hubs, highlight the transformative potential of artificial intelligence in Africa's economic development.

4. Additional Global and Regional Pathways for Development

- **Green Growth and Circular Economy:** Investments in renewable energy, such as

India's $500 billion green infrastructure initiative, are transforming economies. In Africa, the Lake Turkana Wind Power Project in Kenya has become a beacon of renewable energy success, supplying 15% of the nation's energy needs and demonstrating the viability of large-scale clean energy solutions. Globally, circular economy practices, like Sweden's waste-to-energy systems, have reduced landfill use by 50% over the last decade.

- **Decentralized and Digital Economies:** Blockchain technology is reshaping financial and governance structures. In Africa, blockchain is facilitating land registration in Ghana, enhancing transparency and reducing disputes. Globally, platforms like Ethereum are enabling decentralized finance (DeFi) solutions, which saw a market value exceeding $250 billion in 2024, according to CoinDesk. Initiatives such as South Korea's blockchain-powered smart cities showcase the transformative potential of these technologies in governance.
- **Tokenised Economy**: A platform that tokenizes physical and intangible assets in Africa, making investment opportunities accessible to a broader audience through blockchain technology – would democratize investment in African assets, promote financial inclusion, and drive economic growth through innovative blockchain solutions. But the vision

must be as broad and as deep as to (someday) become the leading platform for asset tokenization in Africa, enhancing wealth distribution and economic stability.

- **Reshaping Global Trade Dynamics:** Regional trade agreements like the African Continental Free Trade Agreement (AfCFTA) are fostering new trade patterns, projected to boost intra-African trade by over 50% by 2030. Globally, advancements in AI-driven trade logistics, such as predictive analytics for supply chains, are reducing costs and delays, facilitating a 15% increase in trade efficiency across regions, as highlighted in a 2024 UNCTAD report.
- **New Work Paradigms:** The gig economy and employee well-being are redefining work structures. For instance, Africa's Jobberman platform connects millions to freelance opportunities, while global companies like Microsoft are adopting four-day workweeks, reporting a 40% increase in productivity. Enhanced remote work solutions, driven by AI and IoT, are bridging workforce participation gaps in developing regions.
- **Global Collaboration and Resilience:** Addressing shared challenges like climate change and pandemics requires collective effort. The COVAX initiative exemplifies global health cooperation, delivering over 2 billion vaccine doses worldwide by 2024. Similarly,

climate alliances, such as the Global Methane Pledge, aim to reduce emissions by 30% by 2030, underscoring the importance of multilateral commitments for a resilient future.

- **Green Growth and Circular Economy:** Investments in renewable energy are expected to add $500 billion to India's GDP by 2025, with similar initiatives benefiting Africa.
- **Decentralized and Digital Economies:** Blockchain technology is reshaping financial and governance structures globally.
- **Reshaping Global Trade Dynamics:** Regional trade agreements like the Africa Continental Free Trade Agreement foster new trade patterns.
- **New Work Paradigms:** The gig economy and focus on employee well-being are redefining work structures. Work must come to the human individual residing in the communities of Africa. In a digitised, tokenized world, productivity must be limitless. Productivity ought to be limited only by the limits of imagination and not by access.
- **Global Collaboration and Resilience:** Tackling shared challenges like climate change and pandemics requires collective effort. South-South Cooperation can play a major role here

5. Ways Forward

The economic landscape of 2025 will be characterized by rapid technological change, societal shifts, and environmental demands. Africa's integration into this dynamic global ecosystem depends on leveraging AI to address its unique challenges while fostering innovation and inclusivity. Globally, strategic foresight combined with investments in technology, human capital, and sustainability will be pivotal for fostering a prosperous and resilient economy.

There must be a way out for putting the innovative and entrepreneurial capabilities out into the market. Blindly drawing on pure monetarist and Keynesian models for devoroment planning may not work after all. Instead, a careful and balanced approach which combines capabilities and competencies with the mainframe ecosystems of production, trade and consumption – commensurate with income, wealth and agency is a must. A financial model grounded in Austrian School economics which could or would likely exhibit the following characteristics would be our preferred choice of instruments :

– Sound Money: Preference for a commodity-based (read, realtime) currency like gold, or at least advocating for currencies that are not subject to arbitrary inflation by central banks.

– An Open Central Banking: Opposition to central banks like the Federal Reserve, instead promoting a system where money supply is determined by market forces. Instead, a central banking system which acts both as a repository of value and signalling system for productive tendencies would be preferable. While not all Austrian economists agree, many criticize fractional reserve banking for what they see as inherently fraudulent or at least prone to causing economic instability. Same is applicable for African state systems which bind their spending patterns to such practices. Internal high standards and integrity would ensure that the price signals in the lending markets are consistent with the productive capabilities needed.

– Free Banking: Encouragement of competition in banking, where banks issue their own currency backed by tangible assets, leading to a system where bad banks fail naturally. Competitive efficiencies must transcend and translate into competitive gains.

– Minimal Regulation: Advocating for very little government regulation, believing that markets are best regulated by the actions of informed individuals and enterprises.

– Focus on Savings and Investment: Emphasis on savings as a source of investment capital rather than credit expansion, which aligns with Austrian

business cycle theory suggesting that malinvestment occurs due to artificially low interest rates. Case in point : let the markets decide.

– Entrepreneurial Discovery: an AI based system for Banks which would potentially focus more on funding entrepreneurial ventures where the risk and return are clear, rather than speculative investments ought to work better for Africa. However, due diligence Use of price signals as the primary mechanism for resource allocation, rather than central planning or government intervention would be preferable.

There ought to be several competing ways forward. As there always is. The pertinent question would be whether the commitment to see to the end of each road is there amongst the decision makers and also amongst the stakeholders in abundance.
Substantial resources must be committed to the development of AI capabilities so that the ensuing futures are favourable to the African communities and to the African economies. Failure to do so would result in possibly irreversible virtual dependencies to systems and enterprises if not countries and regions which would be acquiring and investing in those technologies.

Marked investments made in the finance and equity sector with the potential for growth in digital and fintech services, increased private equity activity,

and a shift towards more sustainable and inclusive financial models – would yield manifest dividends. However, what one needs is 'patience'. Africa is the cradle of human civilization. It has withstood time. One needs to be respectful of this fact.

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