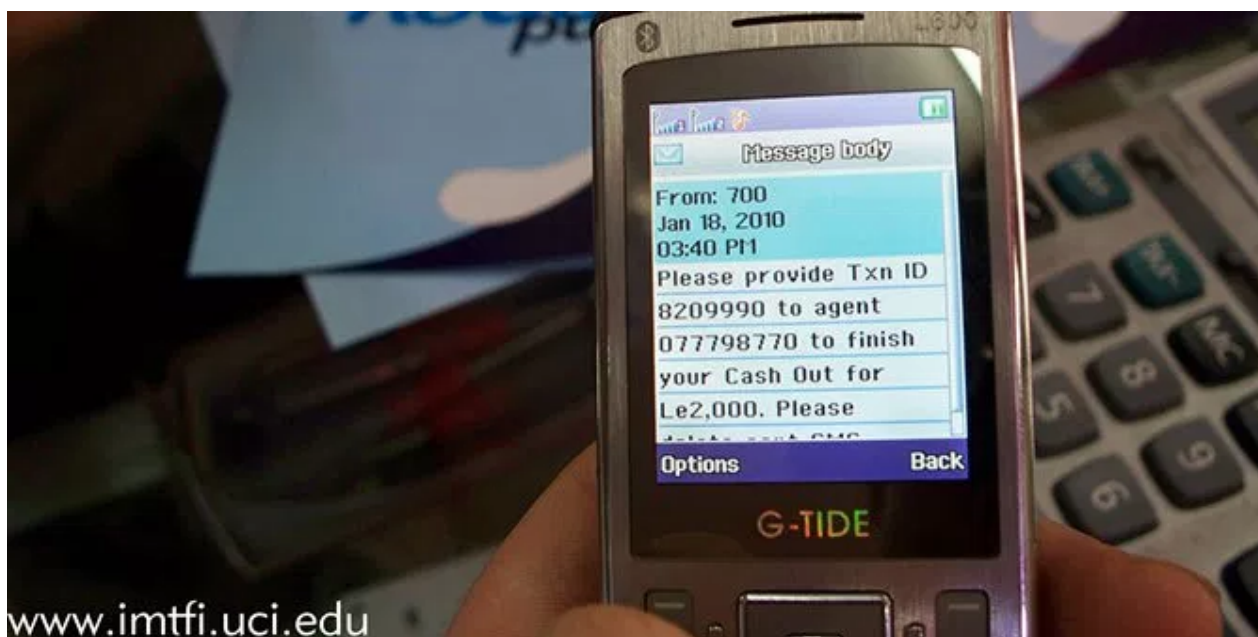


## Technology could prove to be a gamechanger for Africa

*In the fourth of a series of articles ahead of the **2016 LSE Africa Summit** which will explore the themes of **Challenging Conventions and Thinking Beyond Investment**, Samuel Baker examines the potential technology has to boost Africa's growth.*

It is predicted that Africa's population will peak at a quarter of the world's population by 2050. Despite a rapidly growing population, there are some socio-economic factors that may pose challenges to the continent's development, such as the gap between infrastructure and population growth. Strong infrastructure is the lifeblood of economic development because it attracts investment, ensures job opportunities, and increases output; thus, poor infrastructural development impedes economic growth.

Despite these challenges, Africa has a rare bright spot that is believed to be a potential game-changer: the technology wave. Some have argued that with an upward slope of the technology curve in Africa, the continent need not worry about infrastructural issues. Technological advancement has the potential **to lift Africa's growth on its own**. Indeed, in some areas, technology in Africa is proven to work effectively beyond the impediments caused by a lack of proper infrastructure on the continent. But could it lead Africa's next growth frontier?



Cash out money transfer in Sierra Leone using a mobile phone Photo Credit: Ben Lyon

Mobile money services have encouraged financial inclusion which was a long-term challenge for Africa. Africa's unbanked population has been supported to get access to financial services, helping households to save and obtain loans or credit at lower costs. Despite poor infrastructure to support a proper banking system, financial services across Africa have flourished as a result of mobile technology. Tech start-ups mostly established by young Africans are capitalising on this technology while mimicking the Silicon Valley model to create solutions tailored to the African market. This is now creating employment opportunities, boosting demand, and increasing consumption.

This trend has piqued the interest of many venture capitalists and private equity investors and it is now predicted that venture capital to Africa will rise to **US\$608m in 2018**. Increased uptake in mobile technology has also attracted many people to social media which is consistently changing Africa's political space. Easy and quick access to reliable information through social media

platforms prompts many Africans within and outside the continent to actively engage in politics, ensuring transparency and accountability across governments. As transparency and accountability improve in Africa, the longstanding risk attached to the continent for its lack of rule of law is expected to fade away gradually, prompting many investment opportunities and therefore boosting economic growth.

The revolution however has not simply just been in mobile technology. It has been said that Rwanda will **harbour the world's first drone port** where drones will be used to transport medical supplies quickly and at a lower cost. If this is successful, it would support the country's health sector and may render existing infrastructural challenges obsolete, such as road transport that would otherwise make it difficult to access medical services. With such potential benefits of technology, Africa will indeed continue to rise; however, it is important to continue to address the existing challenges that impede growth.

Technology could be an alternative for most African countries to diversify their economies away from heavily relying on commodity exports. It was surprising that despite the current oil crisis the world is facing, much emphasis during Uganda's presidential debates was about what the candidates would do to ensure that Uganda produces more oil. This shows how much the continent views commodities as the number one driver of economic growth regardless of the persisting risks caused by a lack of diversification. Evolving technology should therefore be used as a tool to boost capacity in other sectors, help countries diversify away from the heavy reliance on commodities and also strengthen cutting edge innovations that enable them to compete on a global level.

Governments will nevertheless need to focus on infrastructure investment that will increase internet access across countries and make better education more accessible, especially for R&D programmes that will support innovation across the continent. The technology and telecoms sector may not save the continent until these challenges are addressed adequately, but it can be leveraged to boost other areas of the economy.

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**Registration for the 2016 LSE Africa Summit, *Africa within a Global Context* is now open! [Click here](#) to submit an application to attend the Research Conference on April 22 and the Business Conference on April 23.**

The Research Conference, subtitled "Challenging Conventions," will feature panel discussions on Law and Illicit Financial Flows, the Politics of Knowledge, and the importance of Social Media as a Space for Agency. During a break out session in the afternoon, established and upcoming researchers will present papers on China-Africa relations, the 'global' land grab and global responses to gendered realities.

The Business Conference, featuring African leaders in business and policy from more than a dozen countries, will focus on how companies can "Think Beyond Investment" in Africa. This dynamic event will feature four key panels with prominent speakers from Africa, discussing the role of Leadership, Financing Africa's Growth, Energy, the importance of Investing in Human Capital and Technology and Telecommunication Industries on the continent.

To apply, attendees should be prepared to submit a CV and indicate which sessions they are interested in attending. Successful applicants will be informed within two weeks.

**The views expressed in this post are those of the author and in no way reflect those of the Africa at LSE blog or the London School of Economics and Political Science.**



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