

SADC INFRASTRUCTURE FUTURES

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A FEW POINTS

- **Economics & Geography**
- **China's Role in Regional Connectivity**
- **'Advantages of Backwardness'**
 - **Green transition & green urbanisation**
 - **Youth-rich – but build and connect for aged too**

DEVELOPMENT LEVEL/ACCESS TO FINANCE

| Income Group | Countries |
|---------------------|---|
| Low-income | Madagascar, Malawi, Mozambique, Zambia |
| Income range | (\$1,085 OR LESS) |
| Lower-Middle-income | Angola, Comoros, Eswatini, Lesotho, Mauritius, Tanzania, Zimbabwe |
| Income range | (\$1,086 TO \$4,255) |
| Upper-Middle-Income | Botswana, Namibia, South Africa |
| Income | (\$4,256 TO \$13,205) |
| High-Income | Seychelles |
| Income range | (\$13,205 OR MORE) |

VARIED ECONOMIC GEOGRAPHY



CHINA'S ROLE IN REGION

- 1. 21st century history – Tanzara Railway which was built to unlock landlocked Zambia's exports via Tanzania**
- 2. Over last quarter-century Angola is the outlier in terms China's lending to Africa**
 - Even a model named after it, the Angola Model
- 3. Region also includes only country in Africa recognizing Taiwan as a sovereign (Eswatini)**
- 4. And far far more.**

ADVANTAGES OF BACKWARDNESS (8)

- 1. Learn from Angola's experience of lending from China (and also eg. Zimbabwe's & Botswana's)**
- 2. Prepare Madagascar, Malawi, Mozambique & Zambia ahead of time for middle-income lending period – middle-income is when China Dev Bank comes in**
- 3. Green transition – as much as possible (AIIB?)**
- 4. Old before rich: build for the aged too as old people catch trains too**

ADVANTAGES OF BACKWARDNESS (8)

- 5. Clever cross-country strategy that also makes most of new competition & ageing/slowing growth elsewhere**
- 6. Capture land values, especially where land is not state-owned**
- 7. Take advantage of digitisation in first instance**
- 8. Region's minerals are at the heart of the GLOBAL green energy transition – China sees this clearly.**

NON-PHYSICAL CAPITAL CONNECTIVITY

1. Region is rich in languages

- Foster an “Erasmus” type student exchange agenda so that Swahili, French, Portuguese, English... are more easily shared/acquired in youth
- Especially foster this for the English speaking regions

2. Foster TVET shared standards etc, and degree-recognition etc.

- China has just launched a global TVET league.