

# **Socioeconomic Development and the Growth of Cities: Africa Perspective.**

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## **Abstract**

Cities are the driving force for socioeconomic growth and development. Over 75 percent of the global GDP are generated in cities and urban centers. The future of economic growth in Africa lies within the confines of emerging cities, and the role of cities in economic growth cannot be overemphasized. Future development strategies for new cities must focus on the well-being of its people. Studies have shown that Sub-Sahara Africa is not expected to be urban in the next 25 years. As of 2021, 58 percent of Africa's population lived in rural areas, and Africa is the least urbanized places on earth. In this article, we identified the need for Africa countries to be more urbanised as a necessary condition for economic growth and development. We made comparisons with other developed and developing countries of the world, and the relationship between city development and economic growth. We conclude that that future development strategies for new cities must be people-centered, and integrated with public institutions and infrastructural processes to raise incomes, reduce inequality and improve well-being.

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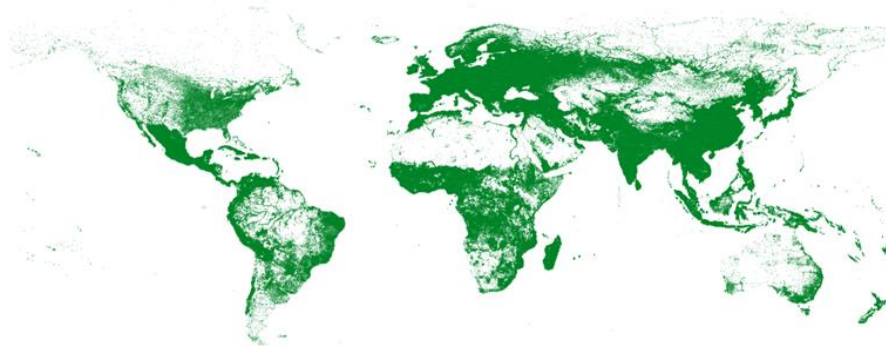
## **I. Introduction**

In Africa, cities grow through urbanization. Several economic and social factors are responsible for changes in the migration patterns of people from rural to urban areas. Urbanization enables cities to grow at a higher percentage, and some of the push-pull factors includes high rate of unemployment, poor living conditions, poor health and education services, lower wages, and fewer infrastructural facilities. According to estimates, about 4.2 billion people, and more than half of the world's population, are living in the urban areas. It is projected that by 2045, this figure would increase to about 6 billion inhabitants living in the urban cities. Cities are usually areas with large number of people living closely together, most cities usually have governments and systems for administering and managing public utilities, and maintaining transportation. The first cities were founded thousands of years ago, largely in areas where land was fertile and arable. During the next several centuries, cities began to emerge and grow in large numbers in size and importance. Most of the Biblical cities of the Middle East and Asia no longer exist, while others have grown steadily for hundreds of years.

The rise and fall of civilization over the past 2,000 years is a function of the rise and fall of the inhabitants living in these great cities of the world. Modern day Iraq, Egypt, Ethiopia, and China had the world largest cities during this age. Some of these cities include Memphis, in ancient Egypt, and was estimated to be the largest for over a century during the period from 2050 BC. Some of the cities in present day Iraq, which include Mesopotamia were founded in 7500 B.C.E., others were formed along the River Nile in Egypt, the Indus River Valley in present day India, and cities around the Yellow River in China. However, growth in cities began around the 11<sup>th</sup> and 12<sup>th</sup> centuries during the commercial revolution. In present day Warka in Iraq, the city of Uruk was among the foremost cities in modern history. Some of the historic cities in Iraq, once fertile, is now a desert.

In Africa, Alexandria in modern day Egypt, founded by the Great Warrior Alexander, flourished until 645 AD, and was the center of commerce in the Middle East. But by the late 18<sup>th</sup> Century, it had become a little-known fishing town with very few inhabitants. Gao, in modern day Mali, was founded by fishermen around the 7<sup>th</sup> Century, later became the capital city of Songhai Empire. Oyo, in present day Nigeria, founded around the 14<sup>th</sup> century, was the largest city in West Africa ( and still is till date) and gained prominence because of its wealth from trade with her neighbors and Europeans .Aksum, in modern day Ethiopia, rose to prominence in the first century C.E., and this ancient city thrived for over ten centuries controlling a large expanse of land and access to trade and commerce. Athens, often referred to as the birthplace of western civilization, founded in 508 BC was renowned for the origin of democracy, philosophy, and history.

Fig. 1 Global Map



For the next 2000 years, cities continued to grow in size, and some of the world’s largest cities of the old age no longer exist, while many have gone extinct. In the first century, Rome had a population of over a million people, it was the largest in medieval Europe, and its population declined dramatically to below 30,000. However, most of the cities in the world continued to grow astronomically. Duranton and Puga (2013) opined that cities tend to grow over time, however, they do not grow at the same rate. People have been attracted to cities as the epicenter of trade, culture, economic opportunities, and progress. However, the after-effect of population growth has not always met the average, until recently, majority of the population lived in the rural areas. The industrial revolution fueled the growth and expansion of cities. Villages grew into towns, and eventually cities. With growth in population, new arrivals swelled the population of urban centers. The urban centers became the home and location of factories, and other buildings used for manufacturing. While the rural areas served as the supply for the inputs of urban manufacturing, it also lost its population to the labor requirements of the urban industries.

**Fig.2 Countries and city population size**

Countries and Cities Population

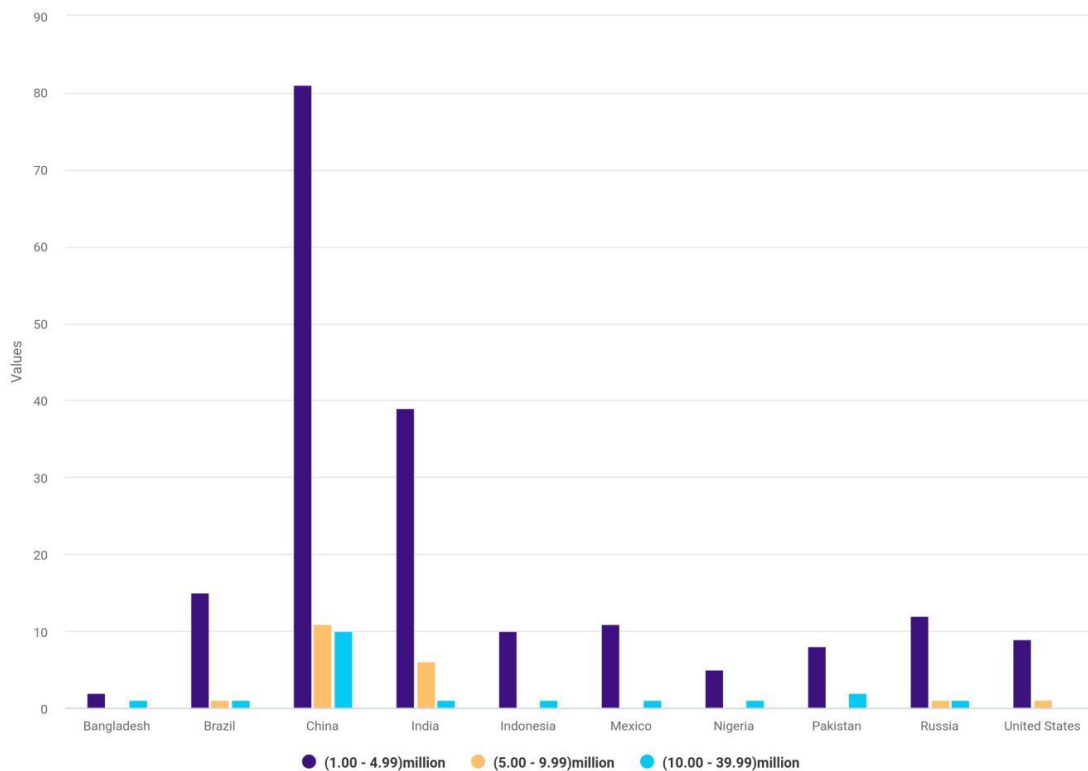
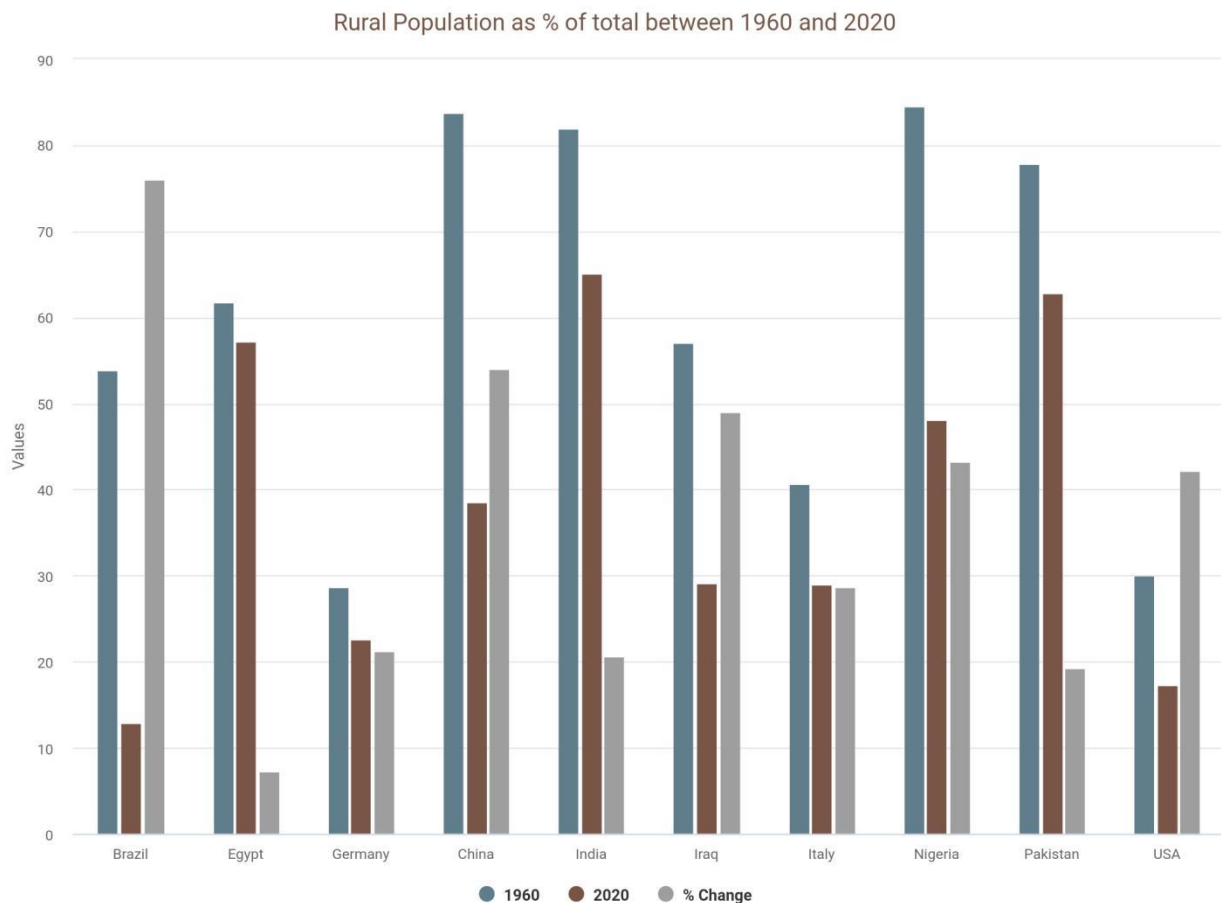


Figure 2 depicts cities population size in the 10 most populous countries in the world. There are over 4 million cities in the world, and 192 of these have a population of between 1 and 4.9 million. 20 have between 5 and 9.9 million, 18 of these cities have over 10 million inhabitants. China has 10 cities with over 10 million people.

India, 7 cities with population of over 5 million, and the United States with 2 cities of over 5 million people. The growth of cities results from the growth in commerce, availability of resources, human and capital, development of efficient transportation and communications system, and economic opportunities. Lagos is the largest city in Africa, with a population of over 15 million inhabitants (2020). There are only 3 cities in Africa with population exceeding 5 million.

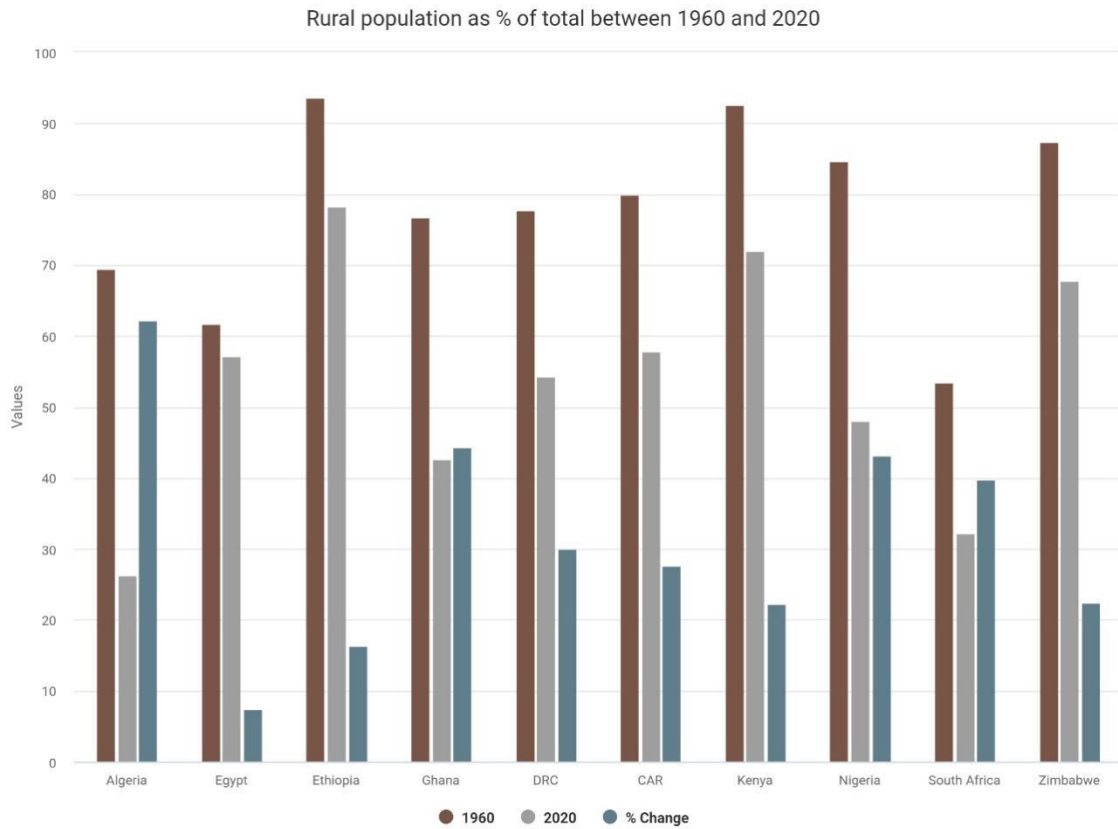
U.N DESA Report (2022) predicts that about 2.5 billion people will be living in cities and urban centers. Studies have also shown that Sub-Sahara Africa is not expected to be urban in the next 25 years. As of 2021, 58 percent of Africa's population lived in rural areas, and Africa is the least urbanized places on earth. However, the urbanization rate is expected to grow among the fastest in the next decade. OECD reports that since the beginning of 1990, Africa's rapid urbanization has been largely due to a high growth rate in its population, and partly due to the reclassification of rural residents.

**Fig. 3. Rural population in 10 countries of the world as a % of total between 1960 and 2020**



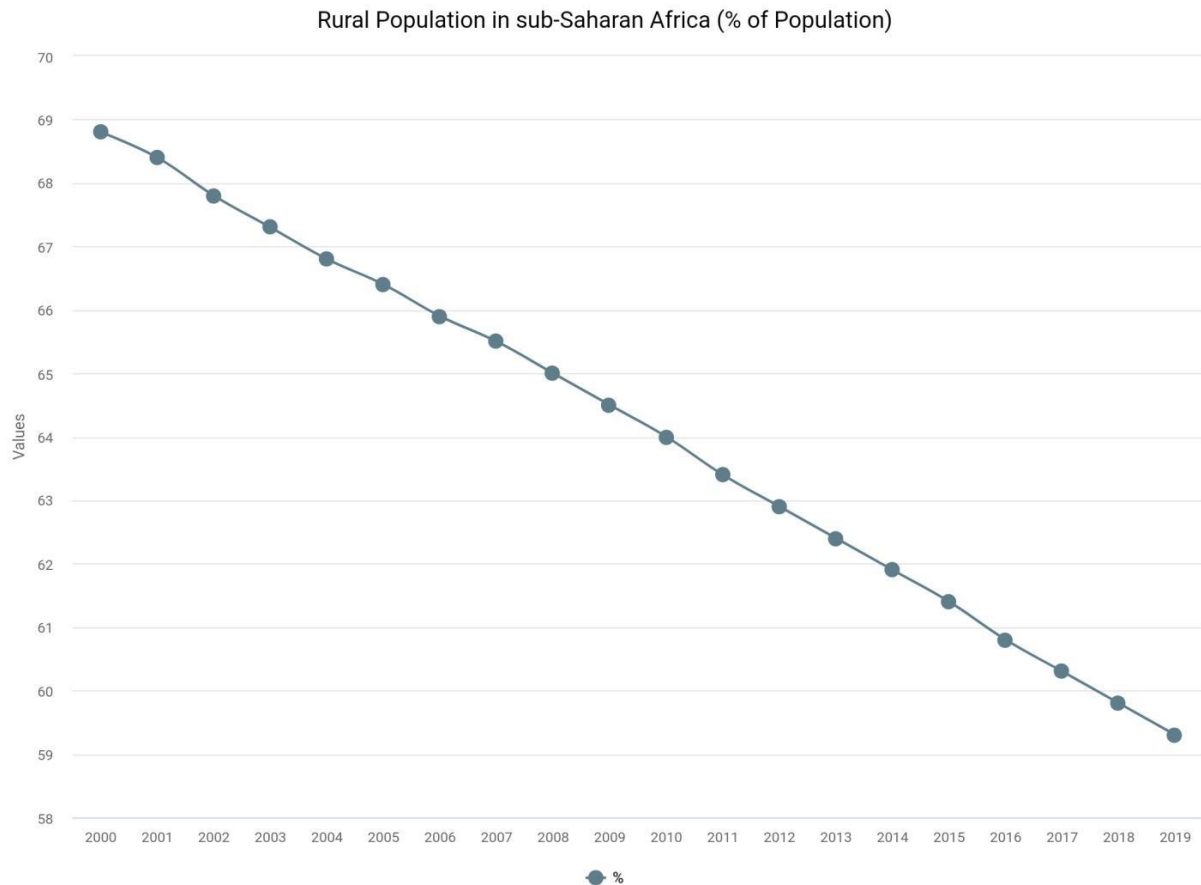
In figure 3, between 1960 and 2020, rural population declined by an average of 36 percent. Brazil experienced a dramatic decrease in her rural population by 75 percent between this period, and China, Iraq, and the United States declined by 53, 49, and 42 percent respectively. While some countries experienced steep decline, others remained stable over time. The size and demographics of the population change when birth rates increase, people moving to larger towns for better standard of living, and quest for better education. In the advanced countries, cities grew in size as industries and the size of the workforce grew. Workers and their families relocated to places closer to their jobs and means of livelihood. Overall, some of these countries are still largely rural. Between 1960 and 2020, the change in rural population in Egypt, Pakistan, and India was 7, 19, and 20 percent respectively.

**Fig. 4. Rural population growth as % of total in Africa between 1960 and 2022**



With a population of 1.4 billion (2022) and a growth rate of 2.4 percent, Africa’s population is expected to double by 2050. Asogwa et al (2020) posited that urban areas are the major drivers in assessing a country’s level of economic development and well-being, as the growth of cities drive economic prosperity, technological progress, and consumption. Population experts have deduced that 40 percent of sub-Sahara Africa’s population live in cities, and in the next decade or more, the United Nations projects that the 10 fastest growing cities will be in Africa. The growth in urbanization has no direct relationship with the growth and development of basic infrastructure, as the pace of urban development outpace infrastructural development. Africa’s rural population has been on the decline since 2000, largely due to the high levels of rural urban migration, lack of basic infrastructural facilities, low pricing of agricultural products, lack of employment opportunities, low standard of living, and “Pull” factors toward urban living. As at 2022, sub-Sahara Africa rural population was estimated at 678 million and this represents a marginal increase of 1.45 percent from 2021.

**Fig.5. Rural population in sub-Saharan Africa as % of total population between 2000 and 2019.**



In Figure 5, rural population in sub-Saharan Africa has declined dramatically between 2000 and 2019, at an average of 66 percent in 20 years. Sub-Saharan Africa is still largely rural, and over 43 percent of total employment engaged in the agricultural sector (2020). Kamer (2022) observed that the share of total employment declined marginally between 2010 and 2020 by 6 percent, from 49 to 43 percent. The population of people living in cities is expected to grow from a staggering 4.4 billion (2020) to approximately 6.6 billion by 2050. With Africa's urban population expecting to also double by 2050, adding a staggering 800 million, which represents the current urban population (2020) of Europe and North America, and many of the major cities in Africa are lagging behind in taking advantage of growing benefits of urbanization (Madden and Gutman, 2020). Urbanization is the future of Africa's economic growth. Urbanization reduces poverty and inequality by raising the levels of employment, quality of life, and economic well-being.

**Fig. 6. Sub-Saharan Africa rural population between 2010 and 2019**

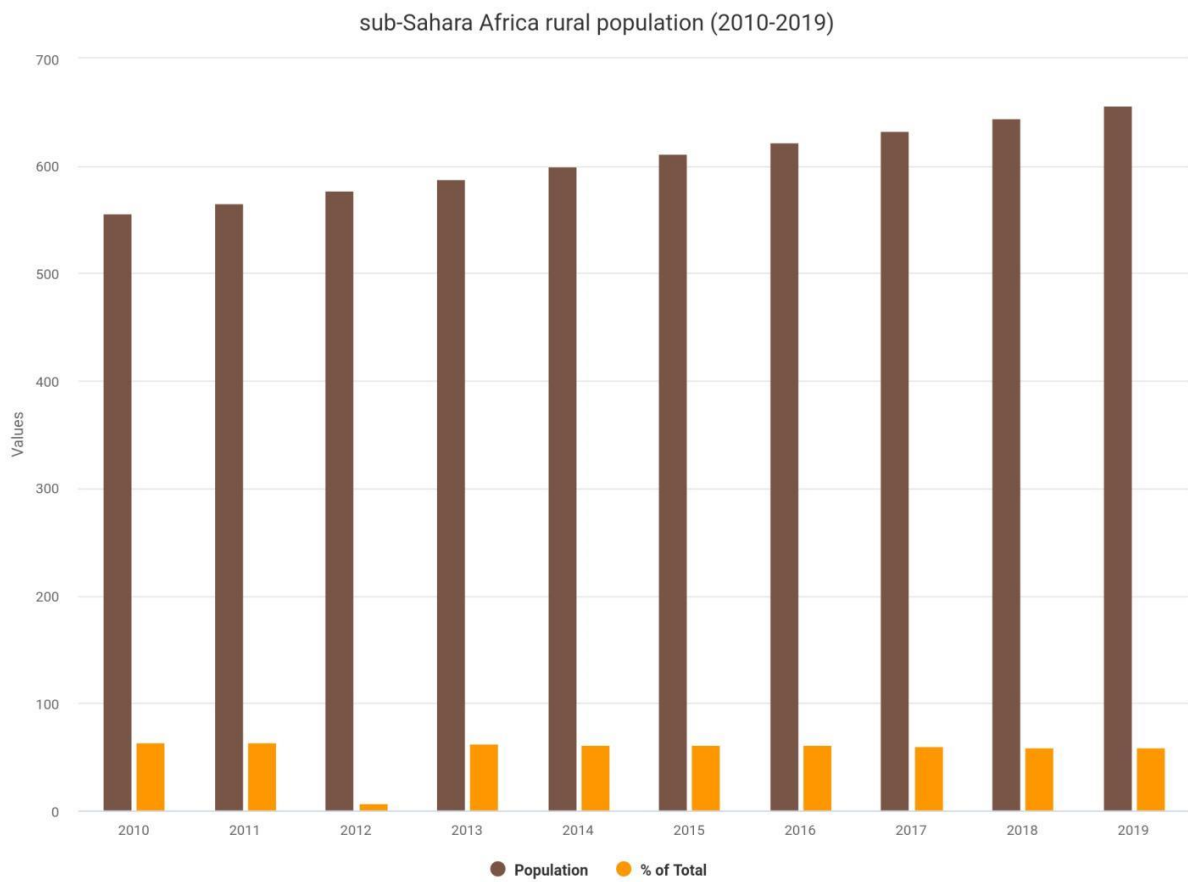


Figure 6 shows the relationship between population growth and urban population in sub-Sahara Africa between 2010 and 2019. In 10 years, rural population grew by 100 million, representing a 5 percent decline, as a percentage of total population. There are several reasons why many people in the rural areas of Africa migrate to the urban areas. Drought occasioned by climate change, famine, rural conflicts and land disputes, general decline in subsistence farming resulting from technological development in agricultural production, poverty, and lack of infrastructure in rural Africa. There is also the “Pull Effect” in rural-urban migration. Many rural dwellers are attracted to many opportunities in the urban areas, and the prospect of job opportunities, better living conditions, education, political freedom, and security are more visible in urban life. Studies have shown that unemployment in the rural areas is the biggest “Pull” factor responsible for over 80 percent of the reason people migrate. Rural communities play an important role in the economies of most developed countries, and these communities play a major role in providing food and creating jobs.

### **City Growth and Economic Development**

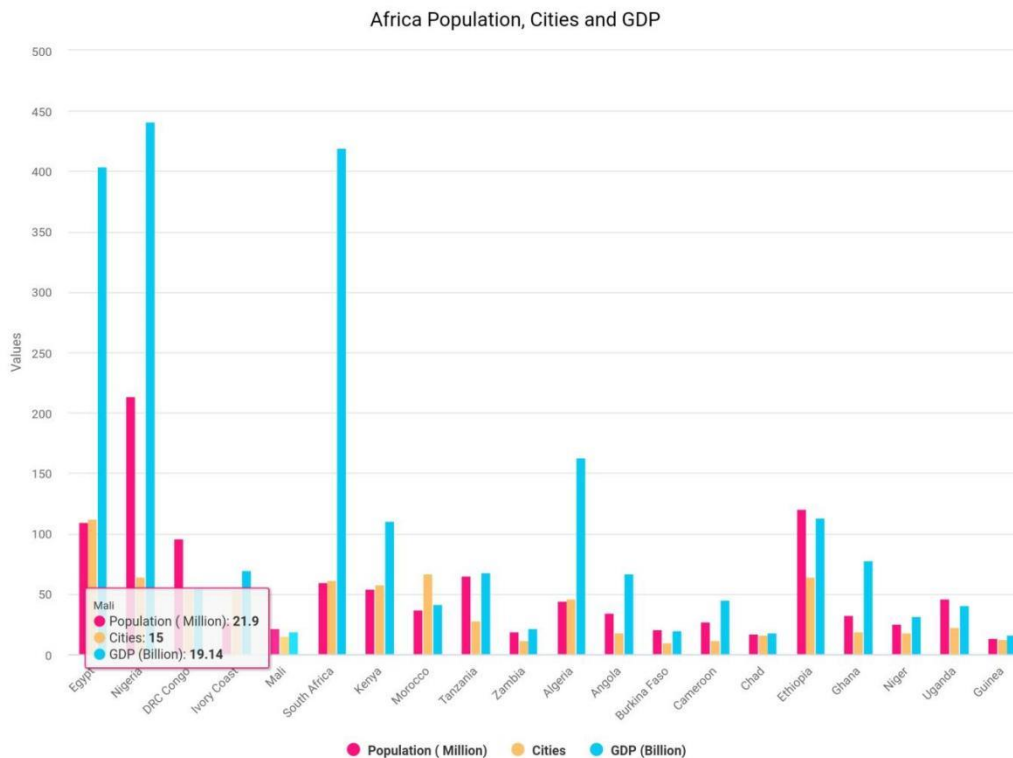
Development initiatives and the provision of infrastructural facilities in the developing countries of Africa are often urban-focused. The development and growth of new cities is usually not the focus in Africa’s economic growth initiatives. Urban and city development in Sub-Saharan Africa is largely elitist in policies and strategy. This is mainly due to the lack of the “trickle-down” effects of development initiatives in Africa. Policies toward efficient, productive, and infrastructural investments will drive the growth of new cities in Africa, in the next decade. The development of Africa’s rural areas by integrating rural-urban growth strategies, through the provision of infrastructural linkages, would also facilitate the emergence of new cities. Africa rural communities lack access to basic infrastructure such as roads and highways, housing, bridges, transportation facilities, health and educational services, communication and internet services, and affordable and reliable electricity. The absence of these basic facilities and services are responsible for the rapid rural-urban migration, and low agricultural output in the economies of most countries in developing Africa.

Most countries of sub-Saharan Africa have developed strategies for implementing various programs aimed at attracting and retaining communities in the rural areas. Overall, the emergence of new cities would be the most trans-formative factor in driving growth in Africa in the 21<sup>st</sup> century. As at 2022, there are over 7,600 cities in Africa with a growth of 51 percent between 1990 and 2022, and a total population of 490 million people.

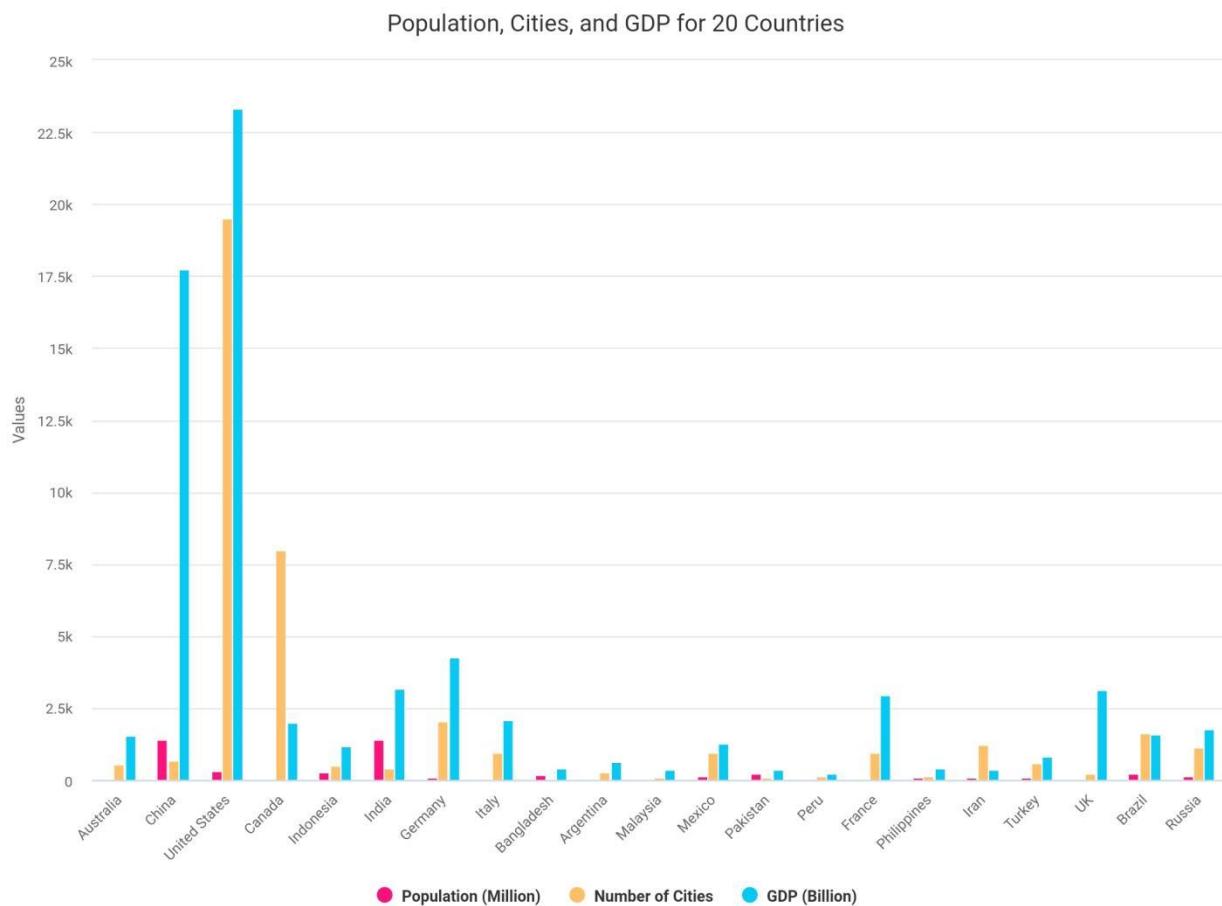
In comparison, there are over 4 million productive and economic-driven cities in the world. The United States has over 108,000 (2022) productive cities and towns in all the 50 states, including Puerto Rico, US Virgin Islands, and District of Columbia. In comparison, China has over 1,830 cities, and the largest city in the world by population. Cities are the growth factors for global economic activities, generating over 80 percent of the world’s GDP. Cities create jobs, investments, and ultimately raise income and well-being. Haughwout and Inman (2002) noted that cities must operate efficiently for long term growth. The cities are places of research and innovation, technological advancement, growth in commerce, and infrastructural advancement. Cities are where science and technology thrive.

Technological centers can only be established in urban and city centers which makes exchange of knowledge and ideas much easier. The cities are places where communication, transportation, trade, and government institutions are integrated. Fullerton (1997) opined that the success of development policies, strategies, and programs may vary depending on the institutional setting. Overall, independent institutional framework is key to city growth and development. Growth of cities, high income levels and improved well-being are correlated, and studies have shown that the richer a country is, the more urbanized, and more wealthier it becomes. As new cities emerge in the developing countries, there is a corresponding increase in the level of GDP. Trade and commerce, level of technology, efficient transportation and communication system will raise the level of economic growth. However, industrial expansion and increase in population changes the social structure of the city. Environmental pollution, noise, traffic gridlocks, sanitation and health challenges become the norm. However, cities and urban centers with better amenities grow faster (Duranton, 2013)

**Fig. 7. Africa Population, Cities, and GDP (2021) for 20 countries.**



**Fig.8 Population, Cities, and GDP (2021) for 20 countries**



In figure 7 and 8, a cursory observation would reveal correlation between number of cities, growth in population, and GDP. Africa has fewer cities, in comparison, with other countries of the world. United States has over 19,000 cities, with a population of 332 million inhabitants, it has the highest GDP in the world. Metropolitan areas in the United States account for over 70 percent of GDP, and 65 percent of employment. In 2021, finance, real estate, insurance, rental, and the leasing industries accounted for most values in the GDP, and this is largely attributed to growth in city development. Urban and city development and the provision of adequate, and necessary “pull” factors, are lacking in Africa. Nigeria, the most populous country in Africa, has over 64 productive cities, with a total GDP of 440 billion (2021). Egypt has over 112 productive cities contributing substantially to its GDP of 404.1 billion (2021). As of 2022, Egypt plans to build 20 new cities in different locations, over the next several years. This is largely due to the expanding population, and the “depopulation” of Cairo and some of its major cities. Egypt currently (2021) has a GDP growth rate of 3.3 percent, and a forecast of about 6% by 2027.

**Elitism and City Development in Africa.**

Development initiatives in African countries are predominantly metropolitan, and mainly urban-focused. Crippling social challenges which include inadequate basic infrastructure, slums, squalor, and low standard of living are the resultant effect of urban development. In Africa, it is estimated that over 60 percent of urban and city inhabitants live in slums and abject poverty. The development of new cities and urban centers is mainly to eliminate these social ills, rather than reduce poverty and inequality. Africa is building new cities across the continent, and most African leaders largely focus on new country capital, mainly for administrative purposes. The future of Africa is to build new smart cities that will drive economic growth and development. The Eko Atlantic City, in Lagos Nigeria, Konza Techno City in Kenya, Kigali Metro-City, and the Modderfontein City in South Africa, are some of the cities that are touted to drive growth in the next decade. However, the developmental strategies for these new cities are not focused on reducing poverty and income inequality, and improving well-being for its population.

The emergence and growth of cities is a major factor for economic development. There is a significant relationship between growth of cities and rising income levels. In figure 8, there is a correlation between the number of cities and high GDP growth rates. This shows that the richer a country is, the more urbanized it is, and the larger a city is, the more prosperous and wealthy it becomes. Innovation and the introduction of new skills,



research and development, and technology are generally centralized in the urban centers. New cities facilitate the sharing of ideas, acquisition of new skills, development of new technology, and ultimately, high productivity levels. The global future is the emergence of smart cities, where information and communication technology are integrated with a municipality's institution and infrastructure to improve operational efficiency, improve the quality of government processes and services, and ultimately provide economic opportunities for its citizens. The main development strategy for the emergence of smart cities is to optimize city functions and drive economic growth for improved welfare. The top 10 smart cities in the world have developed innovation centered around the quality of life for its citizens. This connects citizens with government processes, which enhances communication, and improve the quality of life and economic well-being.

## II. Conclusion

New cities in Africa must be people-focused. The future of Africa's growth and development lies in the emergence of new cities. Africa must embrace the future and plan for economic growth that would integrate innovation and technology with institutions, and infrastructure to improve communication between government and the people and ultimately raise the levels of economic well-being, reduce poverty, and income inequality. The role of cities in economic development cannot be overemphasized. Economic growth and development results in innovation and technological advancement. The use of technology improves processes and facilitate efficiency and improved profits, and ultimately raise income levels and improved welfare. Cities are places of innovation and emergence of new ideas, and this attracts quality human capital which encourages free flow of information. Africa is still largely rural and agriculture-driven. The improvements in rural agriculture, innovation and scientific research for improved yields in agricultural output are developed in cities. With new cities in Africa, trade, commerce, communication and information technology would increase, as a necessary condition for economic growth and development.

Future development strategies for new cities must be people-centered. As at 2022, over 420 million Africans were living in extreme poverty, and the number of poor people increased from the 2021 figures. In 2022, 12 percent of the global poor lived in Nigeria. Nigeria is the most populous country in Africa. Nigeria currently has a little over 58 productive cities that contributes less than 10 percent of its GDP of 440 billion (2021). The Eko Atlantic City project in Lagos Nigeria, is expected to attract over 200,000 people, and create over 150,000 jobs upon completion. The project is a prime real estate public-private initiative that is located in the heart of a city with a staggering population of over 15 million people. Analysts have argued that this project is elitist and does not meet the criteria of a smart city that would integrate information and communication technology and innovation, with government institution and infrastructural processes, that would improve institutional processes, raise productivity levels, and reduce income inequality, in a country with over 130 million people living in poverty.

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