

There are no translations available.

The [World Economic Situation and Prospects 2020](#) is a yearly report born from the collaboration between the United Nations Department of Economic and Social Affairs (UN DESA), the United Nations Conference on Trade and Development (UNCTAD) and the five United Nations Regional Economic Commissions (UNECA, UNECE, UNECLAC, UNESCAP and UNESCWA), with contributions from the United Nations World Tourism Organization (UNWTO), the UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS), and the International Labour Organization (ILO).

The 2020 World Economic Situation and Prospects report highlights how the global economy has significantly deteriorated during 2019, having the world gross product growth (the total monetary or market value of all the finished goods and services produced globally) dropped to 2.3 per cent in 2019, the lowest rate since the global financial crisis of 2008–2009.

The main reasons of such a slowdown are global trade tensions and prolonged trade disputes, the main one being the trade war sparked between the United States of America and China, that apart from considerably reducing the volume of bilateral trade between the two countries, has caused significant disruptions to international supply chains, especially in the electronics and automobile sectors, which have extensive cross-country production networks.

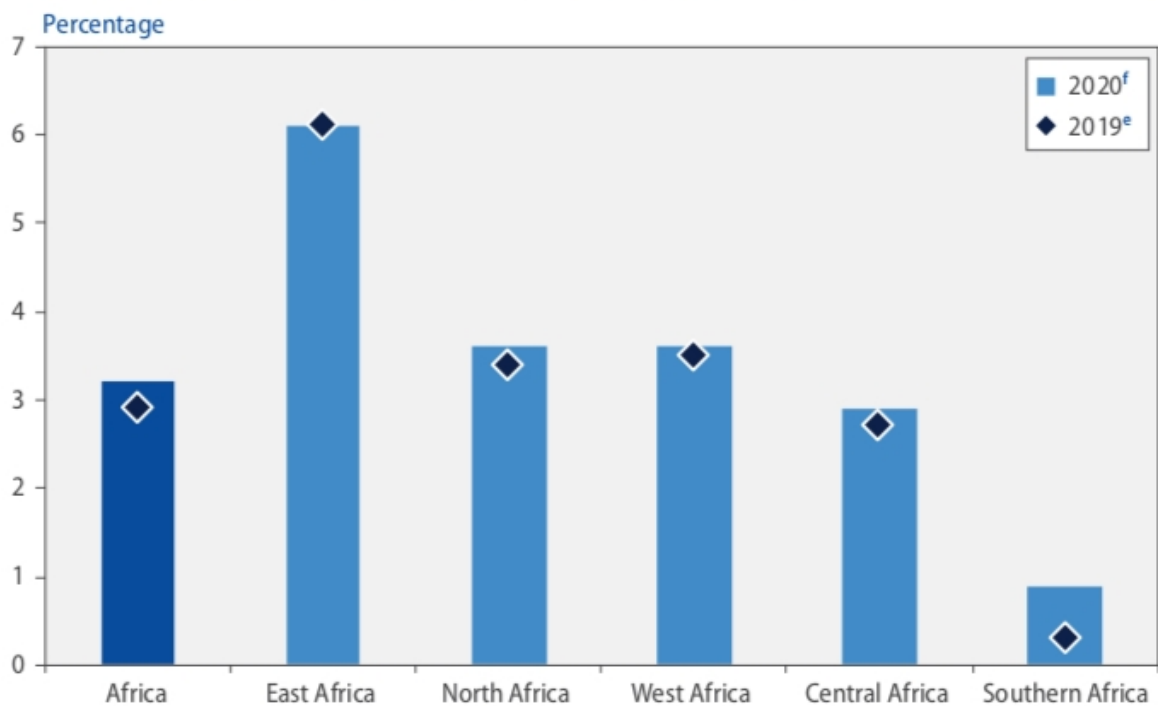
Instead, among the events that must be carefully monitored during 2020 (as they can give rise to new trade tensions), there are the United Kingdom's Brexit (which is hoped to be concluded with a transparent framework for the future relationship between the UK and the European Union), and the current tensions between US and the European Union in connection with issues surrounding agricultural access, tariffs imposed in response to the Airbus subsidy ruling, and repeated threats to impose tariffs on automobiles imported from the European Union.

Least developed countries (LDCs) on the other hand, have seen their economies to accelerate in 2019 because they have remained relatively unaffected by trade disputes, due to their limited integration into global trading networks. These countries however, especially those where the agriculture sector represents an important sector of their economies, are also those that are more vulnerable to climate change, due to the volatile price on international markets of agricultural commodities.

Concerning emerging economies, a warning is raised against the debt dependency/high levels of public debt relative to GDP that, among others, reduce the resilience of such economies to shocks, creating a source of fragility in cases of further deterioration in economic activity.

The final judgement on Africa is that the Continent should try to achieve a more robust and sustained growth path, especially in the West, Central and Southern Africa subregions, being the growth rates of such areas still inadequate to meet their development needs. Here, the report points out, the number of people living in extreme poverty is continually raising, public debt is high, and economies are characterised by a lack of export diversification. East Africa, on the other hand, is indicated as the most dynamic subregion in Africa, as its economic conditions remain robust, while they are improving in North Africa.

Real GDP growth in Africa, by subregion, 2019 and 2020



Source: UN DESA.

Note: e=estimates; f=forecasts

