**EAST AFRICA & THE HORN: 3 SCENARIOS TO 2022**

**A REGIONAL SUCCESS STORY**
- 2nd fastest growing region behind East Asia
- A growing middle class

The region's high growth is expected to continue over the next several years.

**Economic Growth:**
- Sub-Saharan Africa: 3.6%
- East Africa: 6.3%
- Ethiopia: 10%
- Tanzania: 7%
- Rwanda: 7%
- Kenya: 5.5%
- Uganda: 5%

In recent years the region has benefited from lower global commodity prices, especially oil, and therefore a reduction in food prices and an increase in household purchasing power.

Oil and gas discoveries have been made in almost every major East African economy and are due to come online in the next 5 years, hopefully just as prices recover.

**Foreign investment from:**
- US (security)
- Europe (particularly to Sudan and Eritrea to stem the flow of migrants/refugees)
- China (trade & large developmental infrastructure projects)
- Israel (surveillance tools)
- Russia (arms)
- India

**1. TANZANIAN STABILITY, REGIONAL FRAGILITY**
- Ethiopia's protests turn violent
- Commodity prices rise
- Interest & investment in the region rise, but fuel insecurity remains unchanged
- Western aid remains unchanged

Tanzania leads the region successfully

**2. SUNRISE OVER THE INDIAN OCEAN**
- The Gulf States & Turkey invest in the Red Sea Zone
- China & US withdraw from region
- India becomes the biggest investor in 2018
- Food prices shoot up in 2019 & 2020
- Western aid is withdrawn

**3. THE WARMTH OF CONSENSUS**
- Eritrea and Sudan ally with the Gulf States & Egypt
- China & US maintain influence in the region
- Western aid is channelled through government
- The region is stronger and working to blunt South Sudan's conflict

Both port projects succeed and strengthen the region.

**LEGEND**
- PROSPERITY
- STABILITY
- FRAGILITY

**POSSIBLE GAME-CHANGERS**
- Pandemic
- Death of a long-standing leader

**CONCLUSION**
External influence and investment will shape the region in years to come. Will money upend the political marketplace and prompt violence? Or will influence peddling be channeled into infrastructure to link the region and launch it on a developmental path towards long-term prosperity?