MOMENTUM AFRICA

OUTLOOK

ISSUE 01 JAN-MAR 2026

GOVERNING UNDER PRESSURE

A MOMENTUM LEADERSHIP INTELLIGENCE ANALYSIS FOR 2026

MOMENTUM
AFRICA PARTNERS

TABLE OF CONTENTS

FOREWORD

Africa is entering a period in which the old assumptions about power, legitimacy, and governance are no longer sufficient when governing under pressure.

Across the continent, the foundations that have long underpinned political authority are fraying. Chief among them is the belief that winning elections confers legitimacy that can be drawn upon gradually over time. That belief no longer reflects political reality. Elections remain indispensable. But they no longer secure trust, patience, or consent in perpetuity. In today's Africa, legitimacy is earned continuously through performance.

This is an uncomfortable truth for incumbents. Electoral victory is no longer a political buffer. It does not insulate governments from the consequences of weak delivery, rising living costs, unreliable services, or unmet expectations. Authority now erodes through daily experience, often quietly, before it manifests as open political crisis.

The reason is structural. Africa's governing environment has changed.

Demography is reshaping politics faster than institutions are adapting. A young, urbanising, and digitally connected population is less deferential, more networked, and far less willing to accept explanations without results. Urban centres have become both engines of productivity and focal points of political pressure, where failures in transport, food prices, housing, energy, and security are felt immediately and collectively.

At the same time, fiscal space across much of the continent is tightening. Governments are being forced to make harder choices on subsidies, taxation, debt, and public spending at precisely the moment when citizen expectations of the state are rising. These economic pressures are no longer technocratic concerns; they are political variables, capable of triggering rapid shifts in public trust.

Overlaying this is a more demanding external environment. Africa's strategic importance in climate transition, critical minerals, energy, digital infrastructure, and geopolitics has increased sharply. External engagement has become more transactional, more interest-driven, and less forgiving of institutional weakness. This creates opportunity, but it also exposes states that lack clarity about what they seek to protect, what they are prepared to trade, and how they intend to deliver on commitments made.

These megatrends are converging. And in 2026, their interaction will matter more than any single election or policy pronouncement.

For governments and political leaders, the implication is stark: legitimacy can no longer be managed through symbolism, rhetoric, or inherited authority. It must be built, and rebuilt, through disciplined execution. This requires narrowing priorities, sequencing reform carefully, and delivering visibly on a small number of outcomes that citizens experience directly. Reform without delivery now weakens authority rather than strengthening it.

It also requires a shift in mindset. Governing today is less about announcing ambition and more about demonstrating capability under constraint. Leaders who continue to treat implementation as a technical afterthought will find that policy credibility evaporates quickly. Those who recognise delivery as the core of political survival will retain room to manoeuvre, even in difficult circumstances.

But governments cannot navigate this terrain alone.

Private sector investors and development partners must also adjust their approach. Engagement models that focus primarily on policy alignment, financing commitments, or project design, while treating governance and delivery as background conditions, are increasingly misaligned with reality. In environments where legitimacy is contested and institutions are under strain, interventions that do not strengthen system capability risk underperforming or, worse, exacerbating instability.

Sustainable returns, political, social, and financial, now depend on whether governments can execute under pressure, absorb shocks, and maintain public trust. This places a premium on partnerships that invest in delivery systems, institutional coordination, and adaptive implementation, rather than assuming these will emerge organically.

This Outlook is grounded in these realities. It examines the megatrends reshaping Africa's political economy; demography, urbanisation, climate stress, technological change, resource dynamics, and geopolitical realignment, and asks what they mean for legitimacy, leadership, and partnership in 2026 and beyond. Its argument is direct: legitimacy has become performance-based, and systems that cannot deliver will be exposed.

The years ahead will reward leaders who govern with discipline rather than denial. They will reward partners and investors who understand that opportunity rests on functioning systems, not just favourable signals. And they will penalise those who continue to operate as if authority, trust, and stability can be assumed.

Africa does not lack vision. It lacks sufficient execution under pressure.

Closing that gap is now the defining task of leadership.

January Makamba
Former Minister for Foreign Affairs and East African Cooperation
United Republic of Tanzania

THESIS

AFRICA ENTERS 2026 AT A CROSSROADS. THE COST OF INACTION IS NOW HIGHER THAN THE COST OF REFORM AND WHILE THE WORLD IS PIVOTING TOWARD AFRICA, THE CONTINENT MUST DECIDE HOW TO PIVOT TOWARD ITSELF.

2025 was a year of shocks and a stress test that revealed the gap between ambition and execution. As we enter 2026, Africa's megatrends are colliding with security spillovers, contested elections, and a multipolar contest for influence. This brief explains what is changing economically, politically, and socially, and what senior leaders in government, private sector and development agencies must do next.

HOW MOMENTUM THINKS ABOUT MEGATRENDS

The term megatrends is often used loosely to describe everything from technology adoption to demographic shifts without clarity on which forces truly matter, how they interact, or why they demand different leadership responses. Momentum uses the concept more deliberately.

For us, megatrends are structural forces that operate beyond electoral cycles, market dynamics, or donor programmes. They are deep currents that reshape incentives, power, and behaviour across economies, political systems, and societies regardless of who is in office. What distinguishes a megatrend from a policy issue is not scale alone, but irreversibility and systemic impact.

Momentum's identification of Africa's megatrends is grounded in three principles:

1

THEY CUT ACROSS ECONOMIC, POLITICAL, AND SOCIAL SYSTEMS SIMULTANEOUSLY

A true megatrend does not sit neatly in one sector. Demographics alter labour markets and political legitimacy. Climate shocks affect food prices and urban stability. Digital systems reshape service delivery and electoral integrity. We prioritise trends that reorder multiple systems at once.

2

THEY INTERACT WITH EACH OTHER AND OFTEN IN DESTABILISING WAYS

Africa's challenges do not arrive one at a time. Rapid urbanisation collides with youth unemployment; climate volatility amplifies fiscal stress; geopolitical competition reshapes industrial policy choices. Momentum focuses on the collision points, where trends compound risk or unlock opportunity.

3

THEY CHANGE THE RULES OF LEADERSHIP, NOT JUST POLICY CHOICES

Megatrends redefine what it means to govern, invest, and partner. They shift legitimacy from promises to performance, from alignment to leverage, from plans to delivery. Leaders who fail to adapt their operating model, not just their policies, fall behind.

Using this lens, Momentum has identified five megatrends that will most decisively shape Africa's trajectory through 2026 and beyond. These were selected because they consistently surface across countries, regions, and sectors where Momentum works, in government, with investors, and alongside development partners.

They represent the non-negotiable context within which all strategy must now be made.

What follows is not a catalogue of issues, but a diagnosis of the forces redefining Africa's operating reality and the leadership choices they demand.

1.

THE MEGATRENDS: THE STRUCTURAL ARC THAT NOW MEETS PRESSURE

Africa's megatrends are not optional narratives, they are structural forces that will reorder states and markets. But these forces now operate inside a more unstable global system.

1.1 DEMOGRAPHICS AND URBANISATION: THE YOUTH–CITY PRESSURE COOKER

Africa's demographic and urban transition is moving faster than the state's ability to absorb it. By 2030, Africa will have the world's largest working-age population, with over 60% of Africans under the age of 25 and more than 20 million young people entering the labour market every year. Yet formal job creation is absorbing only a fraction of this influx. At the same time, Africa is urbanising at 3.5–4% per year, the fastest rate globally, adding an estimated 30–40 million people to cities annually often without commensurate investment in housing, transport, energy, or basic services.

This mismatch is reshaping political and social dynamics. African cities are increasingly the engines of productivity, innovation, and consumption, contributing over 60% of GDP in many countries. But they are also becoming focal points of frustration where unemployment, informality, and rising living costs are most visible. Urban youth are more connected, more informed, and more politically aware than previous generations, with social media penetration exceeding 70% among urban youth in several large markets. As a result, grievances travel faster, coordination is easier, and mobilisation no longer requires formal leadership or traditional political structures.

ECONOMIC IMPLICATION:

For the first time, Africa's core macroeconomic risk is not growth per se, but growth without jobs. Productivity gains and employment creation must consistently outpace population growth to avoid locking economies into chronic instability driven by underemployment and informality.

POLITICAL IMPLICATION:

Legitimacy is increasingly transactional. Elections and political messaging matter less than the state's visible ability to deliver jobs, transport, healthcare, energy, security, and affordable food in urban centres. In this environment, legitimacy is no longer won at rallies, it is earned daily in streets, services, and settlements.

SOCIAL IMPLICATION:

Youth networks now function as rapid-response political systems. Leaderless, digitally coordinated, and issue-driven, they can mobilise at national scale within hours, bypassing parties, unions, and civil society structures. This fundamentally changes how pressure is applied to governments and how quickly it escalates.

1.2 CLIMATE VULNERABILITY AND CLIMATE OPPORTUNITY: AFRICA AT THE FRONTLINE OF RISK AND VALUE

Africa sits at the sharpest edge of the global climate crisis, despite contributing less than 4% of cumulative global greenhouse gas emissions. Over the past two decades, climate shocks, droughts, floods, cyclones, and heatwaves, have increased in both frequency and severity. Today, over 50 million Africans are pushed into food insecurity each year due to climate-related events, while climate variability is estimated to shave 2–5% off GDP annually in climate-exposed economies. By 2030, climate change could force up to 86 million Africans into internal migration, intensifying urban pressure and social stress.

Yet climate risk is only one side of the equation. Africa is simultaneously becoming indispensable to the global energy transition. The continent holds:

- 30–40% of the world's critical minerals required for batteries, renewables, and electrification (including cobalt, manganese, platinum, graphite, and rare earths),
- 60% of the world's best solar resources, and
- vast untapped potential in wind, hydro, and green hydrogen.

Global demand for these inputs is accelerating sharply as countries race to decarbonise. By 2035, demand for key battery minerals is expected to triple, positioning Africa as a central player in future industrial supply chains. However, Africa currently captures less than 10% of global climate finance flows, and the majority of mineral exports still leave the continent in raw or minimally processed form.

This creates a defining tension for African leaders: climate change is simultaneously a macroeconomic shock, a social destabiliser, and a strategic opportunity. Countries that treat climate purely as an environmental or donor-driven issue risk falling behind. Those that integrate climate into industrial policy, energy planning, fiscal strategy, and geopolitics can reposition themselves as indispensable partners in the global transition.

ECONOMIC IMPLICATION:

Climate volatility has become a core macroeconomic variable. Food prices, inflation, fiscal stability, and growth are increasingly shaped by climate shocks. At the same time, countries that invest early in renewable energy, climate-resilient infrastructure, and minerals beneficiation can anchor new growth engines and attract long-term capital.

POLITICAL IMPLICATION:

Climate finance is now geopolitical bargaining. Access to concessional funding, debt relief, and transition finance increasingly depends on how credibly governments position climate within national development strategies. Poor climate governance weakens negotiating power, credible pipelines strengthen it.

SOCIAL IMPLICATION:

Climate stress amplifies inequality, migration, and urban instability. When droughts destroy rural livelihoods or floods wipe out informal settlements, pressure shifts rapidly to cities and political systems. Without visible adaptation and resilience measures, climate shocks quickly become legitimacy crises.

1.3 **RESOURCE-DRIVEN INDUSTRIALISATION:** FROM EXTRACTION TO STRATEGIC CONTROL

Africa's natural resource base is being fundamentally revalued as the global economy reconfigures around energy security, supply-chain resilience, and industrial sovereignty. The strategic contest is no longer about who extracts the most resources, but who controls value addition, logistics corridors, power availability, and the governance of concessions. Africa holds an estimated 30% of the world's known mineral reserves, including dominant shares of minerals critical to the green and digital transitions yet it currently captures less than 20% of global mineral value-chain revenues, with most exports leaving the continent in raw or semi-processed form.

This imbalance is increasingly untenable. Global industrial policy like the US Inflation Reduction Act and the EU's Critical Raw Materials Act is driving a race to secure stable, politically reliable supply chains. As a result, African states are no longer passive suppliers; they are being actively courted by global powers, multinational firms, and sovereign investors seeking long-term access to minerals, energy, and land. However, the binding constraints to industrialisation remain largely domestic. Power shortages cost African economies an estimated 2–4% of GDP annually, while logistics inefficiencies mean it costs 30–50% more to move goods within Africa than in other regions. Regulatory uncertainty, opaque licensing regimes, and inconsistent enforcement continue to deter large-scale downstream investment.

Where governments have begun to address these constraints through targeted industrial parks, power sector reform, corridor development, and clearer local content rules, early signs of industrial clustering are emerging. But these successes remain uneven and politically fragile. Resource-driven industrialisation is not a technical challenge alone; it is a governance challenge that tests state capacity, elite incentives, and social contracts.

ECONOMIC IMPLICATION:

Africa's long-discussed industrialisation is now structurally possible, driven by global demand and geopolitical interest. However, success depends on disciplined investment in power, transport corridors, and regulatory certainty. Without these foundations, attempts at beneficiation risk becoming symbolic rather than transformative.

POLITICAL IMPLICATION:

Resource governance has become a central legitimacy test. Citizens increasingly scrutinise who benefits from concessions, how revenues are used, and whether resource wealth translates into jobs, infrastructure, and services. Poorly governed resource deals now carry significant political risk, including protest, litigation, and elite fragmentation.

SOCIAL IMPLICATION:

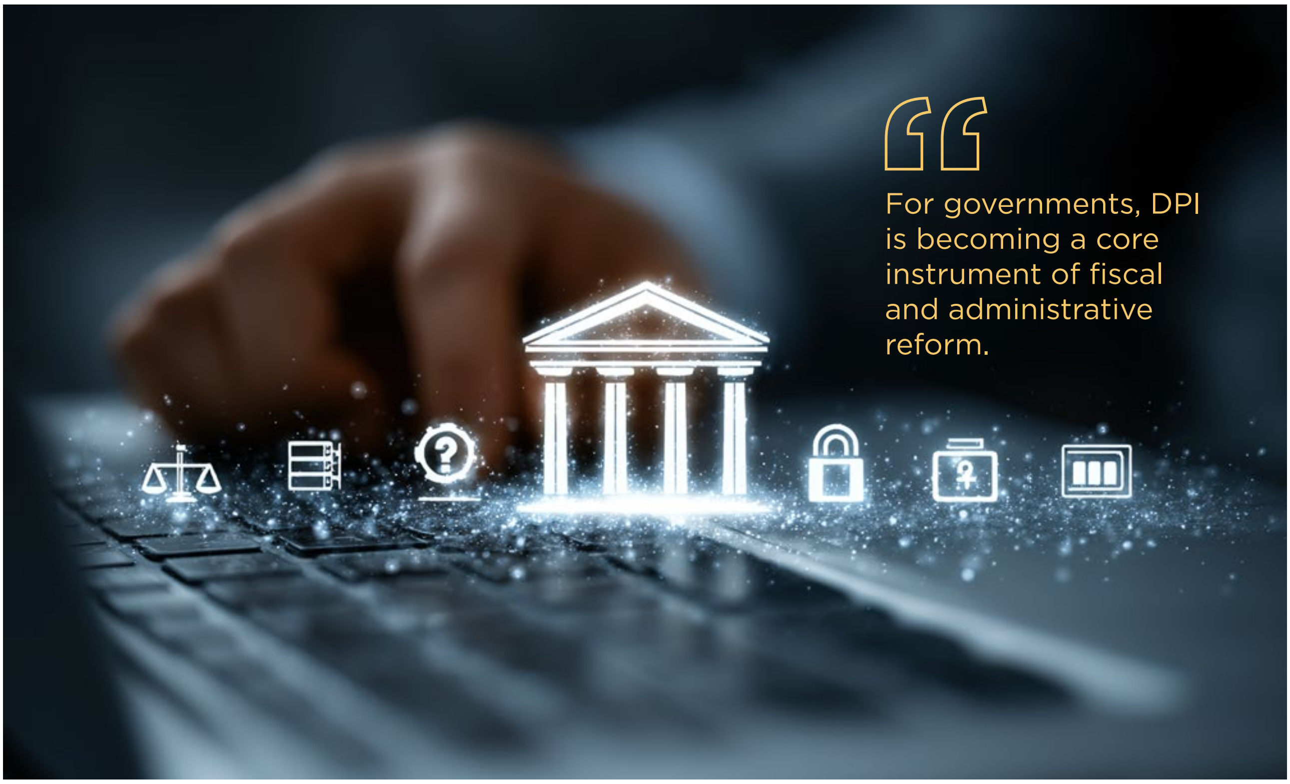
Resource projects that exclude local communities or fail to manage environmental and social impacts are increasingly destabilising. Across multiple countries, mining and energy projects have become focal points for protest when communities perceive dispossession without benefit. In this context, inclusive industrialisation is not optional, it is a prerequisite for political and social stability.

1.4 DIGITAL TRANSFORMATION AND AI GOVERNANCE: BUILDING STATE CAPABILITY AND UNLOCKING PRIVATE-SECTOR PRODUCTIVITY

Digital transformation in Africa has moved beyond connectivity and consumer applications. It is now about state capability and economic productivity at scale. At the centre of this shift is Digital Public Infrastructure (DPI): digital ID systems, interoperable payments, civil and business registries, data exchange layers, and core government platforms that allow states to function efficiently and markets to operate with lower friction.

Progress is uneven but accelerating. As of today, over 500 million Africans lack a recognised legal identity, limiting access to services, finance, and formal employment. Yet countries that have invested in foundational DPI have seen tangible results. Digital ID and interoperable payment systems have enabled governments to expand financial inclusion rapidly, reduce fraud in social transfers, and improve targeting of subsidies. Global estimates suggest that effective digital ID systems alone can unlock 3–13% GDP gains by 2030, largely through productivity improvements and reduced transaction costs.

For governments, DPI is becoming a core instrument of fiscal and administrative reform. Digital tax systems, e-invoicing, and electronic customs platforms have helped some African states significantly improve revenue performance without raising tax rates. Public procurement digitisation has reduced leakage and increased transparency, while digital licensing and one-stop business portals have cut registration times from months to days in reforming countries. In an environment of tight fiscal space and rising citizen expectations, digitisation is one of the few reforms that can simultaneously improve service delivery, strengthen accountability, and reduce costs.



For the private sector, DPI is an increasingly decisive enabler of productivity and scale. Interoperable digital payments reduce settlement times and working capital constraints. Digital registries and land systems lower transaction risk in real estate, agriculture, and infrastructure. Data interoperability allows firms in finance, health, logistics, and energy to design products at scale. Africa's digital payments market alone now processes hundreds of billions of dollars annually, and firms operating in countries with coherent digital infrastructure consistently report lower compliance costs and faster time-to-market. Conversely, fragmented systems, multiple IDs, incompatible payment rails, manual regulatory processes, impose hidden taxes on businesses and deter investment.

AI enters this landscape less as a standalone technology and more as an accelerant of existing capability gaps. Where governments have strong data foundations, AI can improve forecasting, service delivery, fraud detection, and regulatory oversight. Where foundations are weak, AI amplifies dysfunction, automating inefficiency rather than fixing it. The key constraint is not technology, but governance, data quality, and institutional readiness.

ECONOMIC IMPLICATION:

Digital public infrastructure is now a productivity multiplier for the entire economy. Countries that invest in interoperable systems; ID, payments, registries, and data exchange, reduce transaction costs, improve revenue collection, and enable private firms to scale. Those that do not will find that fragmentation quietly erodes competitiveness and investment.

POLITICAL IMPLICATION:

State capability is increasingly judged through digital performance. Citizens experience government through digital touchpoints; registration, payments, services, and failures are immediately visible. Governments that digitise without coordination or trust frameworks risk backlash, those that digitise well strengthen legitimacy through performance rather than rhetoric.

SOCIAL IMPLICATION:

Digital systems reshape inclusion. When designed well, they broaden access to finance, services, and markets. When poorly designed, they entrench exclusion and inequality. As more economic and civic life moves onto digital rails, digital literacy, coverage, and system design become social stability issues, not just technical choices.

1.5 GEOPOLITICAL REORDERING: AFRICA IN A MULTIPOLAR, TRANSACTIONAL WORLD

Africa is no longer operating at the margins of global geopolitics. It is increasingly a strategic arena in a rapidly fragmenting, multipolar world where economic security, supply chains, technology standards, and political alignment are tightly interlinked. Over the past decade, Africa's geopolitical relevance has been redefined by three realities: its demographic scale, its resource endowment, and its growing weight in global institutions. Today, Africa accounts for over one-quarter of UN member states, commands decisive voting blocs in multilateral forums, and sits at the centre of global competition over energy transition minerals, food systems, and emerging markets.

This has triggered a recalibration by major external actors. The United States has re-engaged more assertively, tying diplomacy and security cooperation to strategic minerals, trade corridors, and governance alignment. The recent DRC–Rwanda–Washington agreement to address the East Congo Conflict exemplifies a more transactional approach: peace architecture linked explicitly to supply-chain security and investment access. China, while reducing the scale of its sovereign lending, remains Africa's largest trading partner, with annual trade exceeding USD 250 billion, and is shifting toward tighter control of industrial supply chains, logistics nodes, and digital infrastructure. Russia, constrained economically, has focused on security partnerships, arms sales, and political influence, particularly in fragile and coup-affected states, exchanging regime protection for resource access and diplomatic loyalty. At the same time, Middle Eastern powers notably the UAE, Saudi Arabia, Qatar, and Turkey are deploying sovereign capital aggressively into African ports, logistics, mining, agribusiness, and energy, reshaping regional economic geography at speed.

Multilateral alignments are also shifting. The expansion of BRICS+, now including multiple African states, and the African Union's accession to the G20 permanent membership, reflect Africa's growing diplomatic weight. Yet these platforms also expose internal fragmentation. Competing national interests, divergent security alignments, and uneven institutional capacity limit Africa's ability to negotiate collectively. As a result, geopolitical engagement with Africa is often bilateral, opportunistic, and asymmetric, favouring countries with clearer strategies and stronger negotiating capability.

For African states, this new geopolitical moment presents both leverage and risk. Capital, security partnerships, and market access are more available than at any point in recent decades. But engagement is increasingly conditional, competitive, and transactional. Infrastructure financing comes with strategic strings; technology choices lock in standards; security partnerships shape domestic power balances. In this environment, neutrality is not passive, it must be actively managed through clear doctrine, institutional strength, and disciplined negotiation.

ECONOMIC IMPLICATION:

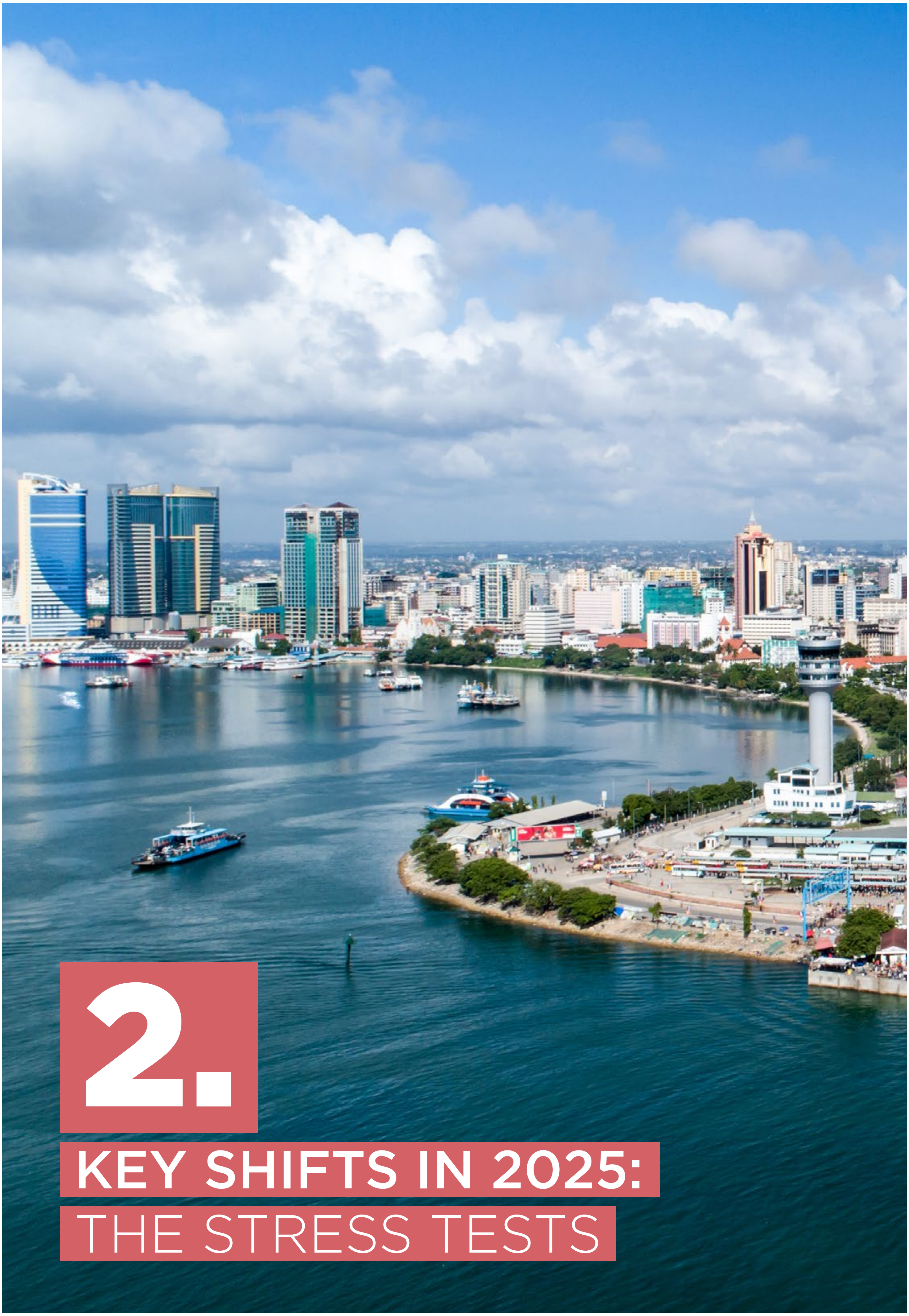
Geopolitics is now a core economic variable. Trade, investment, infrastructure financing, and industrial policy are increasingly shaped by alignment choices and strategic partnerships. Countries that articulate clear priorities and protect strategic assets can leverage competition among partners; those that do not risk fragmented projects, poor value capture, and long-term dependency.

POLITICAL IMPLICATION:

Foreign policy has become inseparable from domestic legitimacy. Security partnerships, resource deals, and infrastructure contracts increasingly influence internal power dynamics and public trust. Weak governance of external engagements heightens elite capture risks and fuels public backlash, particularly where deals are opaque or perceived as extractive.

SOCIAL IMPLICATION:

Geopolitical narratives increasingly shape domestic politics. Competing external actors amplify messaging around sovereignty, development models, and historical grievances. In societies already under economic and demographic pressure, external alignment debates can quickly become identity and legitimacy issues, intensifying polarisation if not carefully managed.



2.

KEY SHIFTS IN 2025: THE STRESS TESTS

2025 exposed the parts of the African state that come under strain first during periods of shock: political legitimacy, fiscal space, and the capacity to deliver basic services.

Across multiple countries, economic pressures translated quickly into political tension, constrained budgets forged limited policy options, and weaknesses in execution, rather than policy intent, became the binding constraint on reform.

2.1 SUDAN: STATE COLLAPSE AS A REGIONAL ECONOMIC AND POLITICAL SHOCK

By the end of 2025, Sudan had moved beyond a conventional internal conflict into sustained state collapse, with consequences extending well beyond its borders. Fighting between the Sudanese Armed Forces (SAF) and the Rapid Support Forces (RSF) has displaced over 11 million people, including more than 4 million refugees into neighbouring countries. This makes Sudan the largest displacement crisis globally, surpassing Syria and Ukraine in scale.

The economic effects are no longer contained within Sudan. Trade routes linking Port Sudan to landlocked economies in South Sudan, Chad, Ethiopia, and parts of the Central African Republic have been disrupted, raising transport costs and constraining access to fuel, food, and humanitarian supplies. Border regions that were already fiscally and administratively weak are absorbing large refugee populations, placing additional strain on public services, security, and local labour markets. For several neighbouring states, the Sudan crisis has become a material fiscal and security variable, not a humanitarian footnote.

Politically, the conflict has exposed the limits of regional and continental mediation mechanisms. Repeated ceasefire efforts have failed, armed actors have fragmented further, and war-economy dynamics, including gold smuggling and militia financing, have become entrenched. The inability to stabilise Sudan has weakened confidence in existing conflict-resolution architecture in the Horn of Africa and raised concerns about precedent: prolonged state fragmentation without an effective containment strategy.

Socially, the scale and duration of displacement is reshaping urban dynamics across the region. Large numbers of displaced Sudanese are settling in cities rather than camps, intensifying pressure on housing, services, and informal labour markets. This is occurring at a time when many host governments are already facing high youth unemployment, inflationary pressure, and political sensitivity around migration and security.

WHY THIS MATTERS FOR THE BROADER MEGATRENDS:

Sudan demonstrates how quickly governance failure can cascade into regional instability. What began as a political and military struggle has become an economic shock, a migration driver, and a stress test for regional diplomacy. In 2026, the trajectory of Sudan will continue to influence food security, border stability, fiscal pressure, and political risk across the Horn of Africa and beyond.

2.2 **TANZANIA:** ELECTIONS, LEGITIMACY, AND THE RETURN OF AUTHORITARIAN ASSERTIVENESS

The 2025 electoral cycle in Tanzania marked a significant inflection point in East Africa's political trajectory. What had initially appeared to be a cautious political opening under President Samia Suluhu Hassan gave way to a more assertive use of state power as elections approached. Opposition activity was curtailed, public demonstrations were restricted, and election-related violence resulted in fatalities and injuries, particularly in urban centres. The result was a process that, while procedurally completed, left unresolved questions around political space, trust, and institutional independence.

The significance of Tanzania's elections extends beyond the country itself. Tanzania has long been regarded as a relatively stable anchor in East Africa, with predictable political transitions and a strong central state. The events of 2025 signalled that even in systems with historically strong party dominance and institutional continuity, electoral pressure can trigger coercive responses when legitimacy is perceived to be at risk. This has implications for neighbouring countries navigating similar demographic, economic, and political pressures.

Economically, the electoral environment introduced uncertainty at a time when Tanzania is positioning itself as a logistics and energy hub for the region. Political tension raises risk premiums, delays investment decisions, and complicates long-term infrastructure planning, particularly in sectors that depend on regulatory stability and public trust. While the immediate macroeconomic impact has been contained, the longer-term concern lies in how political risk is priced into investment decisions across East Africa.

Socially, the elections underscored the growing gap between a young, urbanising population and political systems designed for control rather than participation. Restrictions on political expression did not eliminate dissent, they displaced it into informal networks and digital spaces, reinforcing patterns of mistrust between citizens and the state. For younger voters, the elections reinforced perceptions that political change through formal channels is limited.

WHY THIS MATTERS FOR THE BROADER TRAJECTORY:

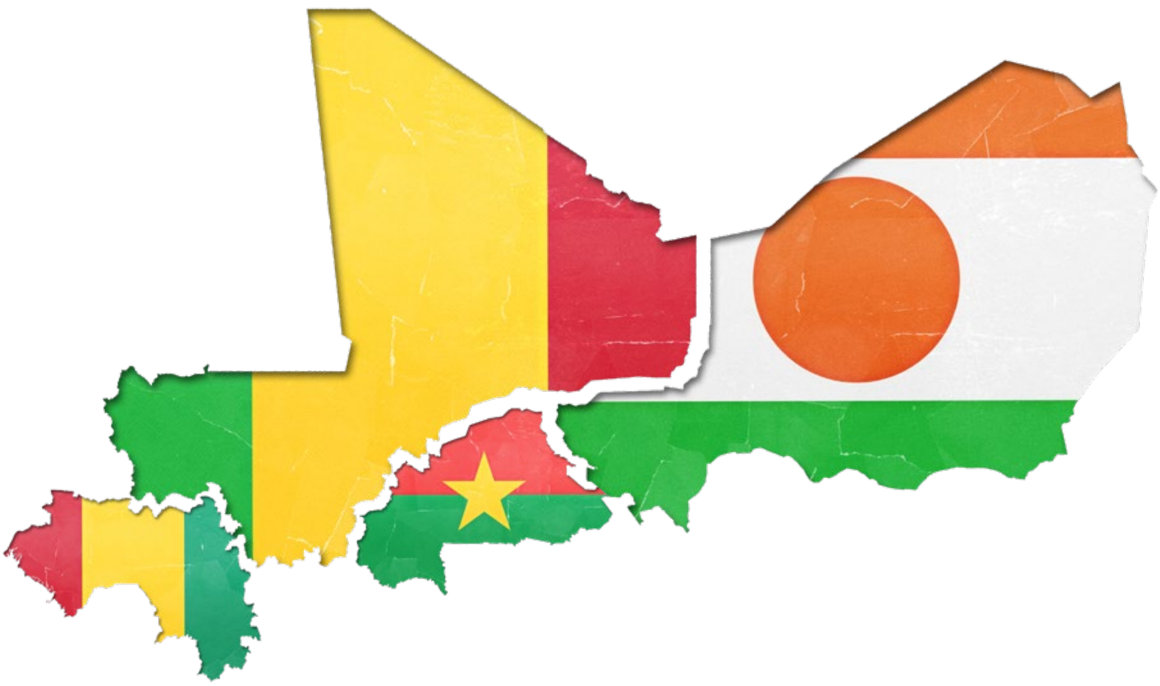
Tanzania illustrates how electoral processes, when tightly managed under pressure, can erode legitimacy rather than reinforce it. When citizens perceive that political competition is constrained and institutions are unresponsive, confidence in constitutional pathways weakens. In such environments, the space opens for alternative narratives of authority, including the idea that extra-constitutional interventions are corrective rather than disruptive. This dynamic helps explain why, in more fragile contexts, military takeovers can begin to appear viable to segments of the population, even when their long-term outcomes are destabilising.

2.3 THE SAHEL: FROM ERODED LEGITIMACY TO MILITARY "CORRECTION"

By end of 2025, military takeovers in the Sahel had moved beyond episodic interventions and begun to consolidate into a more durable governance pattern. This shift cannot be understood in isolation. It reflects a broader erosion of confidence in constitutional pathways across parts of the continent, where political systems under pressure have increasingly prioritised control over legitimacy, and stability over inclusion. In such environments, especially those already marked by insecurity and economic stress, the idea of military intervention can begin to be reframed not as a rupture of order, but as a corrective to perceived political failure.

Since 2020, Mali, Burkina Faso, Niger, and Guinea have experienced coups or unconstitutional transfers of power. In each case, the military justified its intervention through a similar narrative: civilian authorities were unable to manage insecurity, corruption, or economic decline, and extraordinary measures were therefore necessary. Over time, these justifications have hardened into a governing doctrine. Transition timelines have been repeatedly extended, political parties constrained, and civic space narrowed, signalling that military rule is no longer presented as temporary stewardship but as an alternative model of authority.

The economic consequences of this consolidation are increasingly evident. Sanctions, aid suspensions, and the withdrawal or reduction of Western security and development support have constrained fiscal space in already fragile economies. Private investment has slowed, insurance and logistics costs have risen, and governments have become more dependent on narrow revenue streams and external rents. While juntas have sought alternative partnerships, these have not fully offset the loss of concessional finance, market access, and institutional support. The result is a structurally weaker economic position, even as public expectations of rapid improvement remain high.



Politically, the Sahel has become a stress test for regional governance architecture. ECOWAS, once a credible deterrent to unconstitutional changes of government, has struggled to enforce norms amid internal divisions and limited leverage. At the same time, external security partnerships particularly with Russia have provided short-term regime support while deepening isolation from traditional partners. The attempted coup reported in Mali in late 2025 underscores a further risk: military regimes are themselves prone to internal factionalism, mistrust, and instability, even as they project authority outward.

Socially, civic and political space across much of the Sahel has contracted significantly. Public dissent is frequently framed as a security threat, and independent media and civil society operate under increasing constraint. Yet the underlying drivers of popular frustration, unemployment, insecurity, exclusion from economic opportunity, have not been resolved. Instead, they have been deferred. This creates a volatile equilibrium in which public patience is limited, expectations are misaligned with state capacity, and the risk of renewed instability remains high.

WHY THIS MATTERS FOR THE BROADER TRAJECTORY:

The consolidation of military rule in the Sahel represents a structural reversal in governance with implications far beyond the region. It affects security cooperation, trade corridors, migration flows, and investor confidence across West and Central Africa. More fundamentally, it illustrates how prolonged legitimacy deficits, when combined with insecurity and economic pressure, can shift perceptions of acceptable authority. In 2026, this dynamic will remain a key risk factor for fragile states facing similar pressures, particularly where political systems struggle to absorb dissent through credible, constitutional means.

2.4 EASTERN CONGO: A TEMPLATE FOR TRANSACTIONAL SECURITY–RESOURCE DEALS AND THE RISKS EMBEDDED WITHIN IT

The 2025 DRC–Rwanda–Washington agreement should be understood not only as a bilateral de-escalation effort, but as an emerging framework for how external powers are likely to engage fragile, resource-rich African states going forward. It marks a shift toward explicitly transactional arrangements in which security guarantees, diplomatic pressure, and investment commitments are bundled together around strategic economic interests.

At its core, the deal reflects a convergence of three realities. First, internal fragility, weak state presence, armed group proliferation, and illicit economies has reached a level that consistently draws in external actors. Second, the global race for critical minerals has raised the strategic value of stability in resource-rich regions previously treated as peripheral. Third, traditional multilateral and regional mediation mechanisms have struggled to deliver durable outcomes, creating space for more direct, interest-driven engagement by global powers.

In this model, peace becomes a condition for investment, and investment becomes leverage in security diplomacy. External actors are incentivised to stabilise specific regions not as a public good, but to secure supply chains, reduce risk exposure, and shape geopolitical alignment. For African governments, this can unlock capital, diplomatic backing, and short-term security gains. But it also introduces a new set of structural risks that require careful management.

There are four features of this emerging framework that warrant close attention. First, selective stabilisation. Transactional deals tend to focus on geographically and economically strategic zones; mining regions, transport corridors, ports, rather than on comprehensive national settlement. This risks creating islands of stability surrounded by persistent fragility, with uneven development outcomes and continued incentives for armed mobilisation elsewhere.

Second, exclusion of local political economies. Where agreements are negotiated primarily at state-to-state or state-to-external power level, local armed actors, communities, and informal economic networks may remain outside the settlement. In Eastern Congo, unresolved grievances around land, identity, and revenue sharing continue to underpin conflict dynamics. Without parallel investment in local governance and inclusion, security gains may prove temporary.

Third, asymmetry in bargaining power. Fragile states negotiating under security pressure are structurally disadvantaged. When access to finance, diplomatic support, or military assistance is contingent on strategic concessions, particularly around resources, there is a heightened risk of poor value capture, opaque contracting, and long-term dependency. Over time, this can undermine domestic legitimacy rather than strengthen it.

Fourth, durability tied to external interest. Transactional engagement is inherently conditional. If strategic priorities shift for example, due to changes in global demand, leadership transitions, or competing theatres, external commitment may weaken. In such cases, deals that are not anchored in strengthened domestic institutions and regional buy-in risk rapid unraveling.

WHY THIS MATTERS FOR AFRICA'S BROADER TRAJECTORY:

The Eastern Congo agreement is likely to be a precursor, not an exception. As competition over minerals, energy, and strategic geography intensifies, similar security–investment frameworks are likely to emerge elsewhere on the continent. For African leaders, the challenge is not whether to engage, but how to do so from a position of clarity and strength. This requires disciplined negotiation, transparent governance of strategic assets, and parallel investment in domestic institutions that can sustain stability beyond the lifespan of any single deal.

Handled well, such frameworks can accelerate peace and development. Handled poorly, they risk entrenching extractive relationships under a new geopolitical logic. The distinction will matter greatly in 2026 and beyond.

2.5 GEOPOLITICS IN PRACTICE: HOW THE NEW SCRAMBLE PLAYED OUT

If geopolitics is now a structural force shaping Africa's political economy, 2025 showed how directly and unevenly that force is being applied.

External engagement with African states became more selective, more transactional, and more tightly linked to immediate strategic interests. Global actors moved away from broad partnership narratives toward specific arrangements tied to security, access, logistics, trade, and assets. States that entered this environment with clarity, coordination, and delivery capability were able to shape outcomes. Others found themselves responding to decisions made around them.

SEVERAL DYNAMICS DEFINED THE YEAR

1st

External engagement increasingly favoured narrow, executable deals over comprehensive frameworks. The emerging DRC–Rwanda–Washington arrangement illustrated this shift. Framed around regional security and stabilisation, it moved quickly, driven by external priorities and anchored in near-term outcomes rather than long-term integration agendas. Where interests aligned and execution was feasible, deals advanced rapidly.

2nd

Security cooperation became more targeted and operational. Targeted external security actions, including US-led strikes in Nigeria conducted with host government cooperation, signalled a preference for precise, mission-specific interventions over broad security partnerships. These actions were limited in scope but significant in implication: sovereignty, consent, and external force are now being negotiated in practice rather than principle.

This posture was reinforced diplomatically. The United States' decision to boycott the G20 summit did not signal disengagement so much as recalibration. It reflected a willingness to step away from consensus-driven forums when they do not serve immediate strategic priorities. For African states, the message was clear: presence in global forums no longer guarantees influence.

3rd

Development engagement itself was fundamentally restructured. The effective dismantling of USAID and the freezing of most US-funded programmes marked a decisive shift away from the post–Cold War aid model. The effects were most visible in healthcare, where the sudden withdrawal of support disrupted HIV, malaria, and maternal health programmes that had been embedded for decades. The impact exposed how far service delivery in several countries had come to rely on externally executed systems rather than domestic capacity.

The replacement model reinforced the new logic. Selective bilateral compacts tied to co-financing, performance targets, and political alignment replaced broad-based programming. Access to support became differentiated and conditional. Some governments secured continued engagement while others were left to absorb the shock, often in the middle of fiscal adjustment and electoral pressure.

4th

Trade relations hardened in parallel. The re-imposition and expansion of US trade tariffs, combined with the effective winding down of the African Growth and Opportunity Act (AGOA) as a meaningful preferential framework, marked the end of an era in US–Africa economic relations. What had once been framed as a pathway to export-led industrialisation increasingly gave way to a more protectionist and interest-driven trade posture.

For African economies, the implications were immediate. Exporters that had structured investment decisions around preferential market access faced renewed uncertainty. More broadly, the erosion of AGOA reinforced a deeper signal: access to Western markets can no longer be assumed as a development instrument. Trade, like aid and security, is now negotiated selectively and conditionally, narrowing policy space for governments already under strain.

> The effective dismantling of USAID and the freezing of most US-funded programmes marked a decisive shift away from the post–Cold War aid model.

5th

Other Western partners did not step in to fill the gap. European and UK aid budgets tightened in parallel, shaped by domestic political pressure and fiscal constraint. Engagement narrowed toward fewer priorities, stronger political conditionality, and greater emphasis on trade, investment, and migration control. The cumulative effect was a contraction of concessional support across much of the continent, coinciding with rising debt stress and limited fiscal space.

At the same time, non-Western actors expanded their footprint in disciplined and selective ways, often offering capital, trade, and market access where Western pathways had narrowed.

China continued to consolidate rather than dramatically expand its engagement. New large-scale lending slowed, but existing exposure was protected and embedded, particularly around logistics corridors, energy infrastructure, and strategic assets. Engagement became more cautious, but also more structural, especially where Chinese interests were already material.

Gulf states deepened their role as strategic investors rather than donors. Sovereign capital from the UAE, Saudi Arabia, and Qatar flowed into ports, energy, food systems, airlines, and logistics hubs, often tied to long-term operational control and political assurance. These investments moved quickly and filled financing gaps created by Western retrenchment, but they also concentrated leverage over critical economic nodes.

Russia's engagement remained narrower but persistent. Its footprint was centred on security cooperation, political backing, and access to resources in fragile or contested environments. While economically limited, its willingness to operate where Western actors had pulled back continued to make it an option for regimes under pressure, particularly in parts of the Sahel and Central Africa.

Taken together, these patterns underscored a central feature of the current environment: Africa is not choosing between partners, rather partners are choosing where and how to engage Africa, based on strategic value, political alignment, and execution risk. Leaders must be able to recognize this distinction.

6th

Questions of sovereignty and territorial integrity resurfaced in sharper ways. Israel's recognition of Somaliland functioned less as a bilateral diplomatic gesture than as a strategic signal, testing long-standing assumptions around borders in a region of growing geopolitical interest. The African Union's rapid restatement of the principle of existing sovereign borders was a recognition that externally set precedents could have destabilising implications far beyond Somalia, affecting fragile political settlements across the continent.

ACROSS THESE DEVELOPMENTS, A CONSISTENT PATTERN EMERGED:

The current geopolitical environment rewards clarity, speed, and delivery capability. It penalises fragmentation, ambiguity, and reliance on assumed goodwill.

3. THE MOVING PARTS FOR 2026: WHERE PRESSURE WILL BUILD

As Africa enters 2026, the environment is defined less by single shocks than by the interaction of unresolved pressures. The continent's core megatrends; demographics and urbanisation, climate stress, resource-driven industrialisation, digital transformation, and geopolitics, are now colliding with political, fiscal, and security stresses that institutions have not yet absorbed or resolved.

What changes in 2026 is not the presence of these forces, but the way they interact and compound. Fiscal constraint amplifies legitimacy stress. Urban pressure magnifies service delivery failures. Geopolitical competition tightens policy space. And within the digital transformation megatrend, AI begins to act as an accelerant, shaping how politics is contested, how information moves, how labour markets adjust, and how state capacity is perceived.

Until recently, digital transformation was largely discussed in terms of service delivery, efficiency and access. In 2026, its political economy implications become harder to ignore. AI tools increasingly influence public discourse, electoral competition, administrative capability, and misinformation dynamics, often outpacing regulatory and institutional adaptation. This does not replace existing pressures; it intensifies them.

The result is a set of moving parts that will shape outcomes across regions, often simultaneously. These pressures do not operate in isolation. They reinforce one another, producing effects that are faster, more visible, and more difficult to contain.

This section sets out where pressure is most likely to build in 2026, not as a list of risks, but as a map of the fault lines along which Africa's political economy will be tested.

SECURITY SPILLOVERS AND REGIONAL CONTAGION

Conflicts that were once treated as localised are now generating cross-border effects. Sudan's war continues to drive displacement, strain border economies, and destabilise trade routes across the Horn of Africa and the Red Sea corridor. In West Africa, the consolidation of military rule in the Sahel increases the risk of contagion through insurgent movement, political imitation, and weakened regional enforcement mechanisms. These dynamics raise security costs, disrupt logistics, and feed directly into political risk and investment decisions.

At the same time, security environments are being reshaped by faster information flows and lower barriers to coordination. Armed groups and political actors increasingly exploit messaging platforms, informal financial channels, and AI-enabled tools for recruitment, coordination, and narrative amplification. In 2026, security stress will therefore test not only territorial control, but the state's ability to manage information and perception at scale.

ELECTIONS, LEGITIMACY, AND INSTITUTIONAL STRESS

A dense election calendar in 2025 through 2026 and 2027 will continue to test political systems under strain. In several countries, elections are likely to be closely contested or tightly managed, with courts, security services, and electoral bodies playing increasingly decisive roles. Where legitimacy is contested, the risk of post-election instability rises, particularly in urban centres facing high living costs and unemployment.

AI is becoming a force multiplier in this environment. Synthetic media, micro-targeted messaging, and automated content generation are reducing the cost of political manipulation and accelerating the spread of false or misleading narratives. Most electoral institutions are not equipped to detect or respond at the same speed. As a result, in 2026, electoral credibility will depend not only on legal frameworks and procedures, but on the resilience of information ecosystems and public trust in institutions.

FISCAL CONSTRAINT AS A POLITICAL VARIABLE

Tight fiscal conditions will remain a defining feature of 2026. High debt servicing costs, limited access to concessional finance, and persistent inflation reduce governments' ability to respond to social pressure through spending. As a result, macroeconomic management increasingly becomes a political act, with budget choices directly linked to legitimacy and stability.

Expectations around modernisation are rising at the same time. Governments are under pressure to improve revenue collection, payments, procurement, and service delivery using data-driven systems, even as fiscal space narrows. AI and automation offer efficiency gains, but only where data quality, governance, and institutional capacity exist. Poorly sequenced adoption risks new forms of exclusion and waste, while underinvestment leaves states reliant on inefficient manual processes.

GEOPOLITICAL COMPETITION AND TRANSACTIONAL ENGAGEMENT

Geopolitical competition will continue to shape outcomes in 2026. External actors are deepening engagement in strategic sectors; minerals, energy, ports, infrastructure, and state systems, often through transactional frameworks that link investment, security, and alignment. Choices around technology standards, data governance, and platform providers increasingly carry geopolitical significance.

For African states, the challenge is not whether to engage, but how to do so coherently. Decisions taken under pressure, particularly around core systems, can lock in long-term dependencies. Those taken with strategic clarity and coordination can leverage competition to national advantage.

URBAN PRESSURE, YOUTH MOBILISATION, AND THE PUBLIC SPHERE

Rapid urbanisation and demographic pressure continue to concentrate political risk in cities. Rising food prices, transport costs, and unemployment are most visible in urban centres, where mobilisation can be rapid and highly visible. Youth networks, operating largely outside formal political structures, remain a key variable in shaping protest dynamics and public discourse.

Tech-driven amplification is changing the tempo of mobilisation. Grievances escalate faster, narratives harden quickly, and government missteps are instantly visible and often irreversibly framed. In this environment, urban service delivery and inclusion increasingly function as real-time indicators of state performance.

WHY THESE MOVING PARTS MATTER

What makes 2026 distinctive is not any single risk, but the way these pressures interact. Security challenges constrain fiscal space; fiscal constraints limit reform and service delivery; weak delivery undermines legitimacy; legitimacy deficits heighten political and security risk. AI accelerates this entire cycle by compressing time, lowering coordination costs, and amplifying perception.

Leaders who understand these interactions and plan for them will retain room to manoeuvre. Those who treat AI as a technical issue, rather than a systemic pressure, will find that events move faster than their institutions can respond.

4.

SCENARIOS FOR 2026: PLAUSIBLE TRAJECTORIES, NOT FORECASTS

Africa's outlook for 2026 will be shaped by how governments respond to sustained political, economic, and security pressure. The megatrends outlined earlier form the backdrop, but outcomes will depend on governing choices made under constraint. The scenarios below describe distinct governing modes, not predictions, and are intended to help leaders test decisions against uncertainty.

SCENARIO 1:

HOLDING THE CENTRE

CORE LOGIC:
POLITICAL SYSTEMS ABSORB PRESSURE WITHOUT FUNDAMENTALLY CHANGING HOW THEY GOVERN.

In this scenario, most African states prioritise containment over transformation. Security challenges remain active but manageable. Elections are contested yet stabilised through institutional mechanisms such as courts, coalitions, and negotiated settlements. Fiscal space remains tight, but governments avoid disorderly adjustment through incremental reform, selective spending, and continued external support.

External engagement remains pragmatic and transactional, providing capital and diplomatic backing in strategic sectors without driving deeper institutional change. Climate-related shocks such as drought-induced food price spikes or flood-related infrastructure damage occur, but are managed through short-term responses rather than structural adaptation.

Public frustration simmers but does not boil over. Urban protests flare episodically, often triggered by cost-of-living pressures or service disruptions, but are contained.

WHAT TO WATCH FOR:

- Repeated crisis management without institutional reform
- Incremental fiscal fixes under persistent strain
- Heavy reliance on courts, coalitions, and security services to stabilise politics
- Transactional external deals that preserve short-term stability

WHAT THIS SCENARIO REPRESENTS:
A low-motion equilibrium in which systems hold, but underlying vulnerabilities remain.

SCENARIO 2:

FRACTURE AND RETRENCHMENT

CORE LOGIC:
POLITICAL AND ECONOMIC PRESSURES OVERWHELM INSTITUTIONS FASTER THAN THEY CAN ADAPT.

In this scenario, legitimacy deficits, fiscal stress, and security challenges reinforce one another. Elections trigger prolonged disputes, repression, or indefinite transitions. Debt servicing crowds out basic services, turning macroeconomic management into a source of instability. Security crises intensify and spill across borders.

External engagement becomes more securitised and extractive, prioritising regime stability and strategic access over institutional strengthening. Climate shocks act as triggers rather than causes, for example, food price spikes or energy disruptions accelerate unrest in already fragile contexts.

Public patience collapses. Urban protests become sustained and unpredictable, and in the most fragile environments, military intervention or emergency governance is reframed as corrective.

WHAT TO WATCH FOR:

- Escalating election-related unrest or suspended political processes
- Sharp fiscal contractions followed by social instability
- Breakdown of regional mediation mechanisms
- Expansion of emergency powers and shrinking civic space

WHAT THIS SCENARIO REPRESENTS:
A governance breakdown cycle, where legitimacy, capacity, and trust erode together.

SCENARIO 3:

CAPABILITY-LED RESET

CORE LOGIC:
SOME STATES DELIBERATELY CHANGE HOW THEY GOVERN UNDER PRESSURE.

In this scenario, a subset of African countries recognise that containment is no longer sufficient. Governments narrow priorities, strengthen centre-of-government coordination, and focus on execution rather than announcement. Visible gains in urban services, revenue collection, and core state systems begin to restore confidence.

Elections remain competitive but adaptive. Coalition governance, institutional reform, and negotiated political settlements preserve constitutional order without resorting to repression. External engagement is managed more strategically, with clearer terms around resources, infrastructure, and state systems.

Climate-related shocks still occur, but they are absorbed without triggering wider political or fiscal crises due to improved preparedness and coordination.

WHAT TO WATCH FOR:

- Clear political backing for a small number of delivery priorities
- Strengthening of core state systems (revenue, payments, procurement, services)
- More disciplined negotiation of external partnerships
- Reduced volatility around elections and transitions

WHAT THIS SCENARIO REPRESENTS:
Adaptive governance, not transformation overnight, but a meaningful shift in state capability.

WHY THESE SCENARIOS MATTER

These scenarios reflect choices about how pressure is managed, not external inevitabilities. Climate shocks, geopolitical competition, and demographic pressure matter, but they become decisive only through the lens of legitimacy, fiscal space, and delivery capacity.

5.

MOMENTUM'S PREDICTIONS FOR 2026: WHERE PRESSURE WILL LAND AND WHY IT MATTERS

Momentum's view is that 2026 will be the year when Africa's megatrends stop being background forces and start actively reshaping political survival, economic bargaining power, and social stability. The events of 2025, from Sudan to Tanzania, from the Sahel to South Africa's GNU, and from Eastern Congo to shifting global engagement, have already set the direction of travel.

The predictions below reflect where pressure will concentrate, how actors are likely to respond, and what this means in practice.

ECONOMIC: ASSETS, CORRIDORS, AND CURRENCY WILL DECIDE WHO HAS LEVERAGE

CRITICAL MINERALS AND CORRIDORS WILL DETERMINE WHICH COUNTRIES MATTER AND WHICH ARE BYPASSED

In 2026, governments that control mineral deposits, processing capacity, ports, rail, energy infrastructure, and logistics corridors will have real bargaining power with the US, China, Gulf states, and multinationals. This is already visible in Eastern Congo, the Lobito Corridor, Red Sea and Indian Ocean port investments, and emerging beneficiation policies in Southern and West Africa.

Countries without such assets, or without the capacity to govern them credibly, will find development assistance and reform language carry diminishing weight in negotiations.

GULF SOVEREIGN CAPITAL WILL MOVE DEEPER INTO STRATEGIC CHOKE POINTS

Following accelerated investment in ports, aviation, agribusiness, and energy in 2024–2025, Gulf capital is likely to lock in long-term control over key trade and food security assets in 2026. These moves will be framed as commercial, but they will shape national economic sovereignty. Expect sharper domestic debates around concessions, land, ports, and national interest.

Governments that lack clear frameworks for transparency, competition, and value capture will face political backlash once the implications become visible.

DEBT AND FX SHOCKS WILL SURFACE AS POLITICAL CRISES, NOT BALANCE-SHEET PROBLEMS

In a number of vulnerable economies, exchange-rate pressure and debt servicing costs will trigger inflation spikes, subsidy reversals, and abrupt fiscal tightening. These will translate directly into political stress, particularly in urban areas. By mid-to-late 2026, at least a few governments will face moments where currency management becomes a trigger for legitimacy crises, not just macro adjustment.

AFCFTA WILL ADVANCE WHERE ENFORCEMENT ALREADY EXISTS AND STALL ELSEWHERE

Trade integration will continue to move through functional corridors, customs reform, and private-sector pressure, not continental declarations. Expect uneven progress, with tangible gains in specific regions and limited movement elsewhere. AfCFTA will increasingly be judged by outcomes, not ambition.

POLITICAL:
LEGITIMACY WILL BE TESTED CONTINUOUSLY, NOT PERIODICALLY

DELIVERY WILL BECOME THE DEFINING TEST OF POLITICAL SURVIVAL

By mid 2026, it will be clear that elections alone do not confer legitimacy. Governments that cannot demonstrate visible competence, particularly on food prices, transport, power, and urban services, will face sustained pressure regardless of electoral outcomes. This is the lesson of recent elections and the wider pattern of managed political processes across the continent.

Leaders will be judged not on promises, but on whether the state appears to be coping.

THE SAHEL WILL REMAIN VOLATILE AND INSTABILITY WILL COME FROM WITHIN REGIMES AS MUCH AS FROM OPPOSITION

Military governments in Mali, Burkina Faso, and Niger will continue to face internal factionalism, unmet public expectations, and economic isolation. The attempted coup in Burkina Faso in April and Mali in late 2025 is a signal of what persists beneath the surface. Even where juntas appear entrenched, the risk of elite fragmentation and renewed instability will remain high, with spillovers into neighbouring states.

ALIGNMENT PRESSURES WILL INCREASINGLY SHAPE DOMESTIC POLICY CHOICES

Decisions taken in 2026 around security partnerships, infrastructure standards, telecom systems, data governance, and resource contracts will increasingly reflect geopolitical alignment, whether acknowledged or not. Governments will find it harder to hedge. Those without a coherent strategy will drift into dependency; those with clarity will extract better terms.

SOCIAL:
PRESSURE WILL MOVE FASTER AND BECOME HARDER TO CONTAIN

URBAN SERVICE FAILURES WILL BE THE MOST RELIABLE TRIGGER FOR POLITICAL ESCALATION

Across major African cities, breakdowns in transport, power, housing, or food supply will increasingly trigger nationally significant political moments. These will not always be ideological; they will be practical and immediate. Governments that stabilise urban systems will buy time. Those that do not will face rapid escalation.

GEN Z MOBILISATION WILL BECOME MORE STRATEGIC AND MORE DISRUPTIVE

Youth-led mobilisation will continue to evolve from protest into agenda-setting pressure through boycotts, strikes, narrative dominance, and targeted disruption. These movements will remain decentralised and difficult to suppress. They will not necessarily seek power, but they will constrain how power is exercised.

AI-ENABLED DISINFORMATION WILL HARDEN POLITICAL COMPETITION AND ERODE TRUST

By 2026, manipulated content, synthetic media, and coordinated information campaigns will be routine. The most damaging effect will not be belief in falsehoods, but erosion of trust in all institutions and information. In contested political environments, perception will often matter as much as formal authority.

MOMENTUM'S BOTTOM LINE

The events of 2025 have already narrowed the range of plausible futures. In 2026, Africa's megatrends; demographics and urbanisation, climate stress, resource-driven industrialisation, digital transformation, and geopolitical reordering, will express themselves through hard political and economic choices.

POWER WILL FLOW TO GOVERNMENTS THAT CAN:

- Control and govern strategic assets
- Deliver visibly in cities
- Negotiate external partnerships with discipline
- Absorb pressure without losing legitimacy

Those that cannot will find that familiar tools; elections, donor alignment, statements of reform, no longer buy stability.

For leaders, investors, and development partners, the opportunity in 2026 will lie not in predicting outcomes, but in intervening early where pressure is building and capability can still be shaped.

6. WHAT THIS MEANS FOR LEADERS AND PARTNERS: THE WORK THAT NOW MATTERS

The period ahead will reward realism over rhetoric. The forces shaping Africa's political economy in 2026 are already in motion, and they will not wait for perfect conditions or consensus. The question for leaders, investors, and partners is no longer ***what should be done,*** but ***what can still be done under pressure and how fast.***

This is where Momentum believes serious work must now focus.

FOR POLITICAL LEADERS AND SENIOR PUBLIC OFFICIALS

Stability will come from execution, not more pronouncements.

In 2026, leaders will be judged on whether the state appears capable of coping. This requires narrowing priorities, not expanding them. Governments that continue to launch broad reform agendas without delivery capacity will lose credibility faster than those that focus on a small number of visible wins, especially in cities.

What this means in practice:

- **Ruthless prioritisation of 3–5 delivery outcomes that matter politically**
  Urban transport, food prices, power reliability, revenue mobilisation, access to affordable healthcare; these are legitimacy issues, not sectoral ones.
- **Strengthening centre-of-government delivery capability**
  Not more coordination committees, but real authority to unblock decisions, track progress, and force execution.
- **Treating fiscal policy, service delivery, and political legitimacy as one system**
  Decisions in one domain now immediately affect the others.
- **Building a clear geopolitical doctrine**
  Governments must be explicit about what they trade, what they protect, and what is non-negotiable, particularly around resources, infrastructure, technology systems, and security partnerships.
- **Regulating digital governance and election integrity**
  The information environment now shapes political outcomes. Ignoring this will erode legitimacy even where formal processes are followed.
- **Engaging youth structurally, not performatively**
  Youth mobilisation is no longer episodic. Governments need credible channels linked to jobs, services, and economic participation, or pressure will remain external and destabilising.

Leaders who do this will retain room to manoeuvre. Those who do not will govern in permanent crisis mode.

FOR GOVERNMENTS MANAGING ELECTIONS AND TRANSITIONS

Elections are no longer legitimacy resets, they are stress tests of the state itself.

In 2026, elections will expose whether institutions can absorb pressure without breaking. The risk is no longer just losing at the ballot. It is losing control of the post-election moment. Courts, electoral commissions, and security services are no longer neutral backstops because they are frontline legitimacy actors.

Governments that treat elections as discrete events will struggle. Those that plan for the aftermath will retain authority.

What this requires in practice:

- **Early investment in dispute architecture**
  Not ad hoc mediation after results, but credible, trusted mechanisms well before polling day.
- **Clear political strategies for post-election governance**
  Including coalition scenarios, negotiated settlements, and parliamentary arithmetic, not improvised responses.
- **Managing the information environment, not censoring it**
  Silence and repression now create more instability than transparency and speed.

The mistake will be assuming that a "managed" election produces governability. In many cases, it produces the opposite.

FOR FINANCE MINISTERS AND ECONOMIC DECISION-MAKERS

Macroeconomic choices now land directly in the political arena.

In 2026, finance ministries will no longer be insulated from political consequence. Exchange-rate moves, fuel pricing, tax enforcement, and subsidy reform will immediately shape public sentiment and elite behaviour. The era of purely technocratic adjustment is over.

What serious economic management now looks like:

- **Sequencing fiscal adjustment around political reality**
  Tough measures must be paired with visible protection or service improvement not promises of future benefit.
- **Fixing revenue leakage before raising pressure**
  Citizens will tolerate enforcement only if they believe the system is fair.
- **Treating debt and FX stress as crisis-management scenarios**
  With political communication, contingency planning, and executive alignment not just IMF benchmarks.

Economic credibility in 2026 will be judged less by sensible budget statements and more by whether governments can absorb shocks without triggering unrest.

FOR INVESTORS AND PRIVATE SECTOR LEADERS

Africa will reward intelligence, not optimism.

The opportunity set remains real, but returns will increasingly depend on understanding where legitimacy, capacity, and political will intersect. Market size alone is no longer a sufficient filter.

What sophisticated investors are already doing and others will need to do fast:

- **Running election-linked and security-linked scenario planning**
  Political calendars now matter more than regulatory ones.
- **Designing optionality into investments**
  Geographic diversification, modular deployment, and flexible capital structures will outperform rigid bets.
- Investing in government engagement as a core capability
  Regulatory navigation, stakeholder mapping, and political signalling are now part of deal economics.
- **Aligning with megatrend-resilient sectors deliberately**
  Energy systems, logistics corridors, agrifood value chains, digital infrastructure, and beneficiation, but only where governance frameworks can sustain them.

The costliest mistake in 2026 will be assuming politics is noise. It is now the operating environment for a restless generation.

FOR DEVELOPMENT PARTNERS AND MULTILATERALS

Relevance will come from helping governments deliver, not from designing better projects.

In a transactional and pressured environment, governments will gravitate toward partners who help them solve immediate execution problems. Frameworks without follow-through will lose influence fast.

What effective partnership now requires:

- **Embedding delivery capability inside government systems**
  Not parallel units, not reports, but real support that moves outcomes.
- **Aligning climate and development finance to executable pipelines**
  Funding ambition without capacity will stall and damage credibility.
- **Thinking regionally and corridor-first**
  Trade, stability, and resilience increasingly operate across borders, not within them.
- **Protecting institutional integrity as a strategic asset**
  Courts, procurement systems, audit functions, and civil service capability are now central to legitimacy and investor confidence.

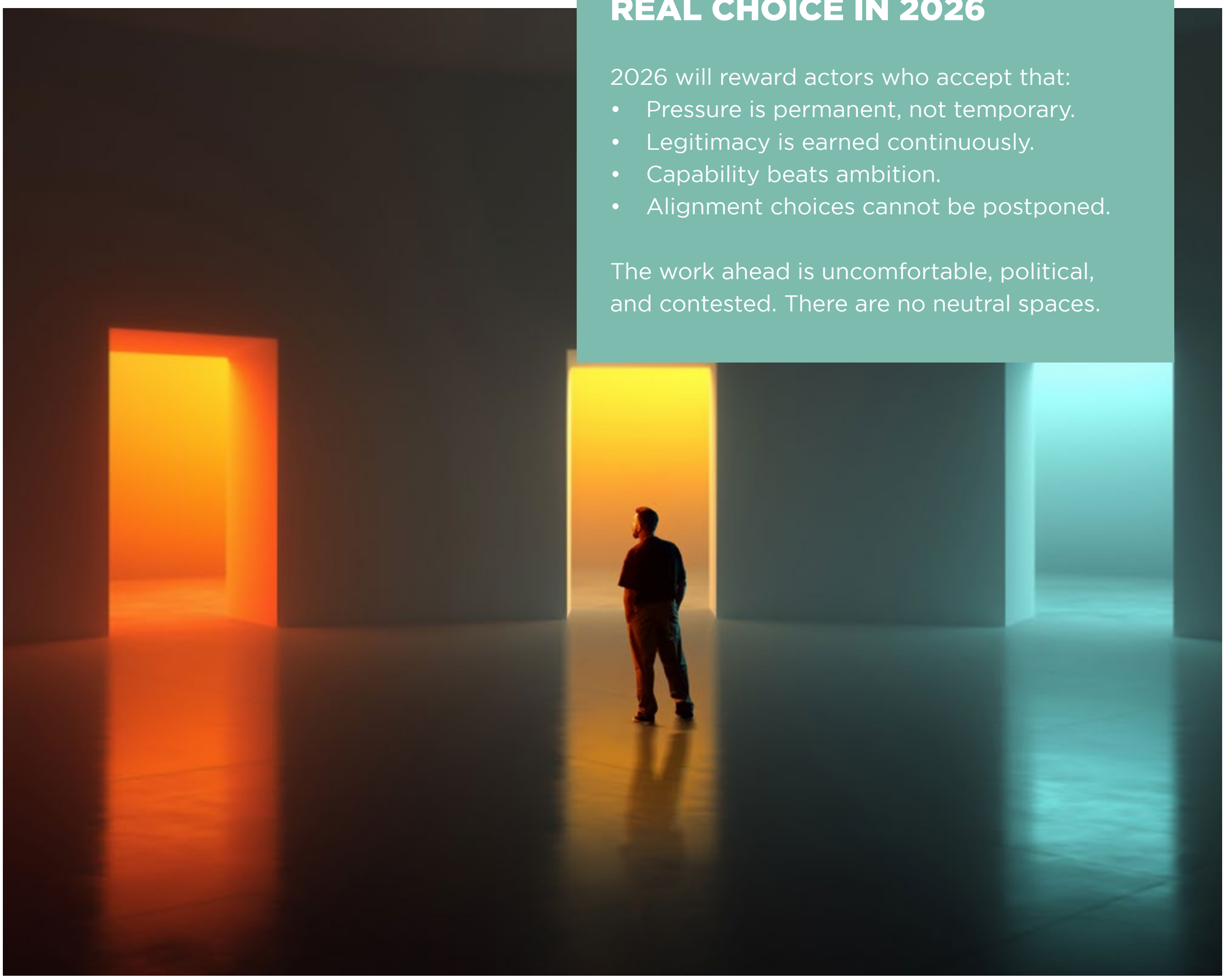
Development partners that stay abstract will be bypassed. Those that stay close to delivery will still matter.

FOR ALL STAKEHOLDERS: THE REAL CHOICE IN 2026

2026 will reward actors who accept that:

- Pressure is permanent, not temporary.
- Legitimacy is earned continuously.
- Capability beats ambition.
- Alignment choices cannot be postponed.

The work ahead is uncomfortable, political, and contested. There are no neutral spaces.



7. CONCLUSION: THE MOMENT WE ARE IN

Africa is entering a phase where pressure is structural, not cyclical. The forces reshaping the continent; demographic scale, urbanisation, resource competition, technological acceleration, climate volatility, and geopolitical realignment are no longer operating in the background. They are shaping political survival, economic bargaining power, and social stability in real time.

The events of 2025 made this visible. The choices of 2026 will determine whether systems bend or break.

What this moment demands is not grand strategy documents or expanded reform agendas. It demands clarity about trade-offs, discipline in execution, and the ability to govern under conditions of uncertainty and constraint. Leaders who continue to rely on familiar playbooks will find that they buy less time and less legitimacy than before. Those who adapt how they govern, not just what they announce, will shape outcomes.

For investors and partners, this is a period where judgement matters more than optimism. Opportunity remains real, but it is uneven and politically conditioned.

Capital, credibility, and influence will flow toward places where capability exists or is being built, and away from those where drift and denial persist.

MOMENTUM
• AFRICA PARTNERS

Contact us at: **info@momentum.africa**

Visit: **www.momentum.africa**

in