Africa’s billionaires and the causes of the continent’s poverty

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Africa’s four richest billionaires own $57.4 billion—more than the combined wealth of half the continent’s 1.5 billion population

Furthermore, according to Oxfam’s report *Africa’s Inequality Crisis and the Rise of the Super-Rich*, the richest are getting richer. The top five billionaires have increased their wealth by 88 percent over the last five years, compared to a 22 percent rise for all Africa’s billionaires. Billionaire wealth in Africa grew by 36.5 percentage over the previous year, more than double the global average of 16 percent.

As of 2025, Nigeria’s Aliko Dangote is the richest person in Africa, followed by South Africa’s Johan Rupert and Nicky Oppenheimer and Egypt’s Nassef Sawiris. South Africa has the largest number of billionaires (7), followed by Egypt (5), Nigeria (4), Morocco (3) and Algeria, Tanzania and Zimbabwe each with one. They are typically from mining, oil, manufacturing, and finance backgrounds—the sectors most deeply integrated into a globalised system of production and the world market.

Nearly half of the world’s 50 most unequal countries are in Africa. The continent is home to 25 billionaires, 348 centi-millionaires, and 122,500 millionaires. African dollar millionaires, who account for just 0.02 percent of the population, own almost one fifth of the continent’s wealth while the bottom 50 percent own less than 1 percent. The millionaire population is projected to grow by 65 percent over the next decade, according to the *Africa Wealth Report 2025*.

The billionaires’ wealth has grown alongside deepening social crisis. As inflation, debt, and fiscal pressure has intensified, Oxfam found that every African country for which data exists cut the share of its budget allocated to education, health, or social protection. Seventy?nine percent rolled back progressive taxation, and 89 percent weakened labour rights, minimum wages, or job protections. Meanwhile, 465 million people in Sub?Saharan Africa—between 38 and 42 percent of the population—live on less than $3.00 per day.

Extreme inequality within Africa is replicated between Arica and the rest of the world. Most of Africa’s wealth ends up outside the continent, which possesses extraordinary resources—diamonds, gold, platinum, cobalt, copper, lithium, manganese, graphite, bauxite, and major oil and gas reserves in Nigeria, Angola, Algeria, Libya, Egypt, Equatorial Guinea, and South Sudan.

Africa sits at the extractive end of global supply chains. It captures only 1–3 percent of the final value of the minerals and hydrocarbons it produces, while the high?value stages—refining, processing, manufacturing, finance, and marketing—are overwhelmingly located in the advanced economies. The result is a system in which Africa’s natural wealth becomes a profit engine for global corporations and financial institutions, typically in the advanced countries, while the continent itself absorbs the social and ecological cost.

The supply chain from mines to markets

Africa is the world’s primary extraction hub. It holds 70 percent of the world’s cobalt reserves and more than 60 percent of the world’s manganese, major copper, lithium, graphite and bauxite reserves. But it carries out almost no refining: less than 5 percent for cobalt, lithium, graphite, manganese and about 9 percent for copper. By contrast, China performs between 60 and 90 percent of the global processing of these minerals. Africa captures almost none of the manufacturing value: it accounts for under 1 percent of the value of clean?energy technology manufacturing (batteries, EVs, solar components) despite supplying the minerals that make these industries possible. As a result, the largest value creation and profits occur only after the minerals leave Africa.

At the extraction stage, transnational mining corporations—Glencore, Anglo American, Rio Tinto, BHP—alongside Chinese state?owned firms such as CNMC and Zijin, and African state?owned enterprises like Gécamines (DRC), ZCCM?IH (Zambia), and Guinea’s state entities, capture only 3–10 percent of the final value of minerals, depending on the commodity.

Formal industrial mining, being capital?intensive, employs relatively few people—2 to 3 million workers across the continent. South Africa employs about 460,000, the DRC 200,000, Zambia 80,000, and Ghana 100,000. In contrast, artisanal and small?scale mining (ASM) employs roughly 10 million people in Sub?Saharan Africa, typically as precarious day labourers. A further 60 million people depend on ASM supply chains—transporters, processors, traders, and family members. Yet this next stage of the chain—transport and logistics—captures only 1–3 percent of the final value. Local trucking and security firms may participate, but the major margins flow to global logistics giants such as Maersk, MSC, CMA CGM, and to London?based insurers.

The global traders and price?setters—commodity houses like Glencore, Trafigura, Vitol, Mercuria, Gunvor, major banks (JPMorgan, Citi, BNP Paribas, Standard Chartered), and exchanges (LME, CME)—capture another 5–10 percent of the final value.

The first major leap in value occurs in the midstream, which captures 10–40 percent of the final value. This includes smelting, chemical processing, and conversion into battery?grade or industrial inputs. These activities are dominated by China?based processors (Huayou Cobalt, GEM, CATL?linked refiners, Tsingshan, Jinchuan) and by EU and Gulf?based processors (Aurubis, Norsk Hydro, Emirates Global Aluminium).

Component manufacturing—cathodes, anodes, battery cells, alloys, wires, sheets, chips—captures 20–30 percent of the final value. The main beneficiaries are the battery and component giants (CATL, BYD, LG Energy Solution, Panasonic, Samsung SDI) and industrial manufacturers (POSCO, ArcelorMittal, Nucor, and major aluminium and copper fabricators).

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Final manufacturing—EVs, smartphones, solar panels, turbines, electronics, machinery—captures another 20–30 percent. This stage is dominated by the global tech and auto corporations: Apple, Samsung, Tesla, BYD, Volkswagen, Toyota, Siemens, GE.

So, while Africa supplies the minerals, the transnational corporations capture the wealth. They do so because they control the stages of the chain—through market power, intellectual property, legal rights, and highly exploitative labour regimes. Africa remains locked at the bottom of the chain, exporting raw materials while the bulk of the profits accumulate offshore.

The supply chain from oil wells to markets

Africa produces about 7 percent of the world's crude oil and 6 percent of its gas, mainly in Nigeria, Angola, Algeria, Egypt and Libya, but its oil and gas value chain is even more brutally skewed than its minerals. It follows the same structural pattern: Africa exports crude (low?value) and imports refined products (high?value), with the overwhelming share of value captured outside the continent.

Africa's main role in the oil supply chain is the upstream extraction of crude oil, but this is the lowest?value segment of the chain, yielding just 10 to 15 percent of its final value. Highly capital intensive, it employs relatively few workers and is dominated by the transnational oil corporations, with some revenues going to the national oil companies and states via royalties and taxes.

Oil and gas extraction is one of the least labour?intensive sectors in the world, employing relatively few workers. Africa's oil and gas extraction sector employs just 300,000–450,000 formal workers across the entire continent. Unlike the mining sector, there are almost no informal workers because oil extraction requires heavy industrial equipment, drilling rigs, pipelines and seismic surveys and is controlled by state licences and transnational operators. Informal extraction is physically impossible and legally suppressed.

The second stage of the chain is local transport, storage and export logistics (trucking, pipelines and port handling) that takes between 1 and 3 percent of the final value. Many logistics firms are foreign, with insurance and shipping costs flowing to Europe and Asia.

Despite exporting crude oil, Africa imports more than 40 percent of its refined products, as the continent has relatively little refining capacity and utilisation is often below 60 percent. Much of the refining, which takes between 20 and 30 percent of the final value, the biggest link in the chain, takes place outside Africa, with Europe, Middle East, India, and increasingly China capturing this value. Even with Dangote's new refinery in Nigeria, Africa will remain a net importer of gasoline, diesel and jet fuel for decades.

The global traders (Vitol, Trafigura and Glencore) and the freight, insurance, hedging and financial services, priced in London, Geneva and Singapore, capture about 5 to 10 percent of the final value. Africa pays a premium for importing refined products because of its lack of refining capacity.

Petrochemical processing and industrial use, which includes plastics, fertilizers, solvents, industrial feedstocks, aviation and marine fuels, take 20 to 30 percent of the final value. As these industries are overwhelmingly located in Europe, China, India, the Gulf and the US, Africa captures almost none of this value.

The final products, retail fuel margins, petrochemical products, plastics, textiles, pharmaceuticals and consumer goods, the highest margin sectors dominated by the transnational corporations and consumer markets outside Africa, take a further 20 to 30 percent of the final value.

In total, Africa captures just 11 to 18 percent of the final value, while the advanced economies take 82 to 89 percent. This is because Africa is dependent on imported refined products, losing the majority of value to foreign refiners and traders.

The Nigerian example of an extractive petro?state

Nigeria is the clearest—and the most tragic—example of an African petro?state sitting atop vast hydrocarbon wealth while capturing almost none of the value it generates. It is the archetype of political economy built around the systematic externalisation of every profitable segment of the oil chain. Everything above extraction is offshored.

This is the outcome of a long historical process: a colonial export structure that the national bourgeoisie never dismantled after "independence" from Britain in 1960; a post?independence ruling class that ruled on behalf of the industry's foreign operators; and a global oil regime in which the most profitable activities—refining, petrochemicals, logistics, finance—are monopolised by advanced industrial economies. Nigeria's role is to supply crude oil and absorb the costs of its production, while importing the products made from it.

The numbers are stark. Nigeria captures 10–15 percent of the value of its own oil at the wellhead. The remaining 80–90 percent—the value added that turns crude into fuels, plastics, fertilizers, pharmaceuticals, and industrial feedstocks—is captured offshore. Europe, India, the Gulf, and increasingly China refine Nigerian crude. Swiss and Singaporean traders price it. London insurers underwrite it. Global petrochemical complexes transform it. Nigeria exports the raw material and then buys back the finished products at a premium. Despite being one of the world's largest crude exporters, Nigeria is one of the world's largest importers of gasoline.

Oil exports once brought in large foreign?exchange inflows, especially in the 1970s and early 1980s, pushing up the value of the naira. This made Nigerian manufactured goods and agricultural products uncompetitive, accelerating the collapse of agriculture, manufacturing, and textiles. The result has been chronic foreign?exchange crises and a state oscillating between fuel subsidies and austerity.

The oil industry could not replace the jobs destroyed. By 2010, the textile sector had collapsed from a peak of 350,000 jobs to just 25,000. The oil sector employs less than 1 percent of Nigeria's 70?million?strong workforce—roughly 20,000 to 65,000 direct workers. Of these, only a small proportion have well paid, secure jobs, relative to national standards. Most are outsourced, earning between $2,000 and $6,000 a year, with no job security and regularly exposed to workplace dangers. Nigeria's lack of an industrial base and decent jobs has impoverished its population and made the state almost entirely dependent on oil and gas royalties and taxes.

This has fuelled the rise of "informal" and criminalised downstream activities: illegal pipeline tapping, fuel smuggling, and informal refining ("bunkering") in the Niger Delta. These are small?scale survival operations employing tens of thousands of desperately poor people. As WSWS has documented, pipeline explosions routinely kill hundreds of people siphoning fuel because they have no other means of survival—while a handful of politically connected families accumulate billions.

Compared to Africa's other oil producers, Nigeria's position is particularly weak. Angola captures some upstream rents through a more coherent state?company structure. Algeria and Egypt have built integrated refining and petrochemical bases that retain a significant share of downstream value. Libya before the war, by operating a vertically integrated system, was able to retain significant income within the

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country. Nigeria combines high production with low value capture, high exports with high import dependency and vast reserves with chronic scarcity of finished products. Its oil sector serves as a mechanism for enriching global capital while impoverishing the country that extracts it.

Africa's billionaires: a comprador bourgeoisie

Africa's billionaires function as a comprador layer, whose wealth depends on smoothing the passage of foreign capital rather than building domestic productive capacity. Their fortunes are rooted in their position as intermediaries: securing concessions for oil majors and mining corporations, guaranteeing regulatory stability for global financiers, arbitraging import licences, and policing the political order required for uninterrupted extraction.

Africa's billionaires are enriched because they help maintain the structures that drain wealth from the continent, in exchange for a minority stake, a board seat, or a lucrative service contract. Unlike the classical bourgeoisie of independent capitalist development described by Marx in nineteenth-century Europe, African billionaires are a rentier layer living off their intermediary position between the state and global capital.

Leon Trotsky's analysis of the colonial bourgeoisie in *The Third International After Lenin* captures this dynamic with remarkable precision. Against Joseph Stalin and Nikolai Bukharin—who claimed the colonial bourgeoisie could play a "revolutionary" role because it was oppressed by imperialism—Trotsky argued that its character is determined by structural subordination to imperialism and by its fear of the working class. The bourgeoisie of an oppressed nation, he wrote, is not more revolutionary than that of an oppressor nation, but rather "if anything, viler and more reactionary." It may manoeuvre between imperialist powers, but it cannot lead a genuine struggle against imperialism because doing so would require mobilising the working class, which threatens its own class position.

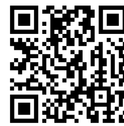
South Africa provides the most obvious example. After the African National Congress (ANC) came to power in 1994, it abandoned any pretence of socialist transformation and instead adopted "Black Economic Empowerment" (BEE)— a programme explicitly designed to create a black capitalist class by transferring minority stakes in the giant mining and financial corporations to politically connected ANC figures. As the WSWS explained in 1999, this was not a challenge to white capital but a partnership with it. Harry Oppenheimer, the dominant figure in the giant mining corporation Anglo-American, openly praised the arrangement, saying, "It was vital to make it possible for black people to control some of the big companies in South Africa... We owe an immense amount to [ANC President Nelson] Mandela."

The result was the rise of the waBenzi—the new, wealthy, politically connected elite of the post?apartheid era. Cyril Ramaphosa, the former mineworkers' leader turned billionaire and later president, is the emblematic figure of this layer. These individuals were given shares in existing conglomerates, financed by the same banks that had always dominated the economy. A small fraction became extremely wealthy, a larger fraction became paper?rich then collapsed under debt, and the majority became politically useful but economically fragile intermediaries. In short, BEE created a highly unstable comprador layer.

The comprador character of the African bourgeoisie has decisive political implications. It means that this class cannot lead a struggle for genuine national independence or economic development. It is structurally tied to imperialism. Its wealth depends on the continued exploitation of Africa's resources by foreign capital. It will suppress strikes, enforce austerity, and collaborate with whichever imperialist power offers the best terms.

This is why the Stalinist "two-stage theory", the conception that the national bourgeoisie will lead a democratic revolution against imperialism and decades later the working class will fight for socialism, was always a fraud. The historical experience of Africa since the independence wave of the 1960s has been a brutal confirmation of Trotsky's analysis. Every Pan-Africanist regime, every "African socialist" leader, every national liberation movement that took power—from Nkrumah to Nyerere to Mugabe to the ANC—ultimately imposed IMF structural adjustment programs, privatised state assets, and acted as the local enforcer for imperialist capital.

The African working class cannot look to its own billionaires for liberation. Its struggle is irreconcilably opposed to the comprador bourgeoisie and can only be victorious through forging political and organisational unity with workers in the imperialist states and China, with whom its fate is already objectively unified, in a struggle against the entire capitalist system—imperialism and its local intermediaries alike.



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