**Survey Note: Comprehensive Analysis of U.S. Tariffs on African Countries – Implications, Retaliation, and Recommendations**

This paper provides a detailed examination of the U.S. tariffs announced on April 2, 2025, by President Donald Trump, imposing a 10% baseline tariff on all imports and reciprocal rates up to 47% on African countries. It assesses the economic impact on Ghana and other African nations, evaluates whether Africa should retaliate, and offers strategic advice for heads of state on areas to fight back and avoid.

**Context and Background**

On April 2, 2025, President Trump declared a national emergency due to trade deficits, announcing a 10% baseline tariff on all imports and reciprocal tariffs based on foreign tariffs, trade barriers, and currency manipulation, as detailed in a [White House fact sheet](https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-declares-national-emergency-to-increase-our-competitive-edge-protect-our-sovereignty-and-strengthen-our-national-and-economic-security/). For African countries, [Business Insider Africa](https://africa.businessinsider.com/local/markets/full-list-of-trumps-reciprocal-tariffs-for-african-countries/dtyf6fp) lists specific rates, with Ghana at 10%, South Africa at 30%, and Madagascar at 47%, effective from April 5-9, 2025. This policy occurs as Africa benefits from the African Growth and Opportunity Act (AGOA), providing tariff-free access for over 1,800 products since 2000, set to expire in September 2025, with renewal efforts ongoing.

**Economic and Trade Implications**

The tariff rates, especially for high-impact countries, could raise costs for U.S. imports from Africa, affecting industries like minerals (South Africa’s platinum, Nigeria’s crude oil) and agriculture. [BBC](https://www.bbc.com/news/articles/cm27g2jzd78o) highlights South Africa’s $2.7 billion in AGOA revenue in 2023, mostly vehicles and metals, at risk. For others, like Lesotho, mentioned in CNBC Africa, universal tariffs could hit hardest, though specifics are unclear. The wide range (10%-50%) suggests uneven impacts, with smaller economies potentially struggling more, while larger ones like Nigeria (27%) may adapt

**Economic Impact on Ghana**

The 10% U.S. tariff on Ghanaian exports will increase costs for key exports like cocoa and gold, reducing competitiveness in the U.S. market, a major destination under AGOA. Key indirect effects: rising fuel prices due to tariffs on Canadian crude, increasing transportation costs and inflation, affecting agriculture, fishing, and manufacturing; higher auto part costs raising prices of second-hand cars imported from North America, impacting business operations and public transport; and increased food prices for re-exported goods like avocados from Mexico and beverages like Tennessee whiskey, affecting consumer spending and hospitality. Construction costs will rise due to Canadian lumber tariffs, potentially slowing affordable housing projects, given Ghana’s 1.7 million housing deficit. Trade disruptions could reduce FDI in African markets and affect remittances from the Ghanaian diaspora in the U.S. and Canada, weakening the cedi and impacting balance of payments, with 2024 GDP growth at 3.9% and recent IMF debt restructuring adding pressure. U.S. trade data shows a $204.4 million deficit in 2024, meaning U.S. exports to Ghana exceed imports, exacerbating the strain [USTR](https://ustr.gov/countries-regions/africa/west-africa/ghana).

**Economic Impact on Other African Countries**

The impact varies by tariff rate, with high-rate countries facing severe effects. South Africa, at 30%, and Madagascar, at 47%, are likely to see significant job losses and reduced export revenues, as seen in 2018 impacts on Egypt and South Africa, with potential earnings drops and fragile economies. Countries with 10% rates, like Egypt, Morocco, and Tanzania, may see milder effects, but all face higher import prices and potential GDP declines, with the IMF predicting a 4% real GDP drop for sub-Saharan Africa over 10 years in trade fragmentation scenarios [African.business](https://african.business/2025/03/trade-investment/africa-prepares-to-navigate-trumps-trade-wars). Commodity exporters like Zambia, Angola, and the Democratic Republic of the Congo could see lower prices due to reduced Chinese demand, given U.S.-China tensions, as Goldman Sachs forecasts a 0.7% growth reduction in China in 2025. [CNBC Africa](https://www.cnbcafrica.com/2025/the-african-continent-is-relatively-immune-to-trumps-tariffs/) suggests Africa may be relatively immune at 10%, but South Africa and Lesotho could be hit hardest, with uneven impacts across the continent.

**Should Africa Fight Back?**

Retaliation, such as imposing higher tariffs on U.S. goods, risks escalating into a trade war, as seen with Canada, Mexico, and China’s responses [Washington Post](https://www.washingtonpost.com/world/2025/03/03/china-retaliates-against-trump-tariffs/). For Ghana, with a trade deficit, retaliation could raise import costs for essential machinery, harming industries, and given AGOA’s expiration, losing benefits would be detrimental, as South Africa faces potential 3% tariff increases on agricultural exports, threatening 35,000 local jobs. For Africa overall, with many economies dependent on U.S. markets, retaliation could backfire, especially for smaller nations, as [Brookings](https://www.brookings.edu/articles/trumps-25-tariffs-on-canada-and-mexico-will-be-a-blow-to-all-3-economies/) notes GDP reductions and job losses from retaliatory tariffs. Given economic fragility and AGOA risks, diplomacy and negotiation are preferable, focusing on securing AGOA extension and bilateral deals.

**Recommendations for Heads of State**

Based on the analysis, we advocate the following strategies, balancing economic realities and diplomatic leverage:

**Areas to Fight Back:**

1. **Target non-essential U.S. Exports:** Impose retaliatory tariffs on luxury goods like whiskey or motorcycles, as the EU did in response to steel tariffs, to pressure without harming essential imports, given minimal economic reliance on these.
2. **Leverage Multilateral Platforms:** Use the African Continental Free Trade Area (AfCFTA) to negotiate collectively, enhancing bargaining power, to mitigate impacts and seek exemptions.
3. **Secure Bilateral Deals:** Propose minerals-for-security agreements, like DRC’s strategy, to gain favorable terms or tariff exemptions, aligning with U.S. interests.

**Areas Not to Fight Back:**

1. **Essential Imports:** Avoid retaliating on U.S. machinery, tech, or energy imports critical for industries, given Africa’s reliance, as seen in Ghana’s import data to prevent supply chain disruptions.
2. **AGOA-Dependent Sectors:** Do not risk AGOA benefits by escalating tensions, especially for agricultural exports, given South Africa’s potential tariff increase impact, threatening jobs and competitiveness.
3. **Small Economies:** Countries like Lesotho, with limited trade capacity, should avoid retaliation to prevent economic collapse, per [CNBC Africa](https://www.cnbcafrica.com/2025/the-african-continent-is-relatively-immune-to-trumps-tariffs/), given vulnerability to trade shocks.

**Advocacy:** Heads of state should prioritize diplomatic engagement, negotiating AGOA extension and bilateral trade agreements to mitigate impacts, focusing on open trade environments vital for development. Diversify markets to reduce U.S. dependence, and strengthen regional integration via AfCFTA to buffer against global trade wars

**Tables of Key Data**

**U.S. Tariff Rates on African Countries**

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| --- | --- | --- |
| **Country** | **Tariff Charged by Country on U.S. Goods (%)** | **U.S. Tariff Rate on Imports (%)** |
| Algeria | 59 | 30 |
| Angola | 63 | 32 |
| Benin | 10 | 10 |
| Botswana | 74 | 37 |
| Burkina Faso | 10 | 10 |
| Burundi | 10 | 10 |
| Cameroon | 22 | 11 |
| Cape Verde | 10 | 10 |
| Central African Republic | 10 | 10 |
| Chad | 26 | 13 |
| Comoros | 10 | 10 |
| Congo (Brazzaville) | 10 | 10 |
| Congo (Kinshasa) | 22 | 11 |
| Côte d’Ivoire | 41 | 21 |
| Djibouti | 10 | 10 |
| Egypt | 10 | 10 |
| Equatorial Guinea | 25 | 13 |
| Eritrea | 10 | 10 |
| Eswatini (Swaziland) | 10 | 10 |
| Ethiopia | 10 | 10 |
| Gabon | 10 | 10 |
| Gambia | 10 | 10 |
| Ghana | 17 | 10 |
| Guinea | 10 | 10 |
| Guinea-Bissau | 10 | 10 |
| Kenya | 10 | 10 |
| Lesotho | 10 | 10 |
| Liberia | 10 | 10 |
| Libya | 61 | 31 |
| Madagascar | 93 | 47 |
| Malawi | 34 | 17 |
| Mali | 10 | 10 |
| Mauritania | 10 | 10 |
| Mauritius | 10 | 10 |
| Morocco | 10 | 10 |
| Mozambique | 31 | 16 |
| Namibia | 42 | 21 |
| Niger | 10 | 10 |
| Nigeria | 27 | 14 |
| Rwanda | 10 | 10 |
| São Tomé and Príncipe | 10 | 10 |
| Senegal | 10 | 10 |
| Seychelles | 10 | 10 |
| Sierra Leone | 10 | 10 |
| Somalia | 10 | 10 |
| South Africa | 60 | 30 |
| South Sudan | 10 | 10 |
| Sudan | 10 | 10 |
| Tanzania | 10 | 10 |
| Togo | 10 | 10 |
| Tunisia | 55 | 28 |
| Uganda | 20 | 10 |
| Zambia | 33 | 17 |
| Zimbabwe | 35 | 18 |

**Notes:**

* **U.S. Tariff Rate on Imports (%):** The percentage tariff imposed by the U.S. on goods imported from each African country, effective from April 5-9, 2025.
* **Tariff Charged by Country on U.S. Goods (%):** The percentage tariff each African country imposes on goods imported from the U.S., which serves as the basis for the reciprocal U.S. tariff (approximately double the rate).
* **Baseline Tariff:** For countries charging 10% or less on U.S. goods, the U.S. applies a minimum tariff of 10%.
* **Reciprocal Policy:** For countries with higher tariffs on U.S. goods, the U.S. imposes a tariff roughly double that rate, as seen with countries like Madagascar (93%) and Botswana (74%).
* This policy reflects a U.S. strategy to address trade deficits, but it may significantly impact African economies, especially those facing high U.S. tariffs.

**Implications and Future Considerations**

These tariffs pose significant risks, with Ghana facing economic strain and high-rate countries like South Africa and Madagascar at greater risk. Retaliation is not advisable; instead, heads of state should focus on diplomacy, targeting non-essential U.S. exports for leverage while protecting essential imports and AGOA benefits. Readers should monitor updates, especially as April 5-9, 2025, approaches for tariff implementation, and Congress debates AGOA in 2025, with Africa’s strategy pivotal for economic stability.

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