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Charting a New Course: The Reasons Behind Angola's Withdrawal from OPEC

Traçando um Novo Rumo: As Razões por Trás da Retirada de Angola da OPEP

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Abstract

This paper critically examines the reasons behind the Angola's strategic withdrawal from the Organization of the Petroleum Exporting Countries (OPEC) in 2023 and its broader implications for national economic diversification. Confronted with persistent economic volatility and diminishing oil revenues, Angola's decision represents a significant inflection point in its energy and development policy. The study investigates the underlying motivations for this departure, emphasizing the pursuit of enhanced political autonomy, increased market flexibility, and a reinvigorated commitment to reducing dependency on hydrocarbon exports. By analyzing Angola's post-OPEC trajectory, the paper evaluates both the opportunities and structural constraints shaping its diversification prospects. To contextualize Angola's policy shift, comparative case studies of Saudi Arabia and the United Arab Emirates – two OPEC members actively engaged in diversification – are employed to highlight convergences and divergences in strategic approaches. The findings suggest that while Angola's withdrawal may create new policy space, institutional limitations and governance challenges could impede the realization of long-term diversification goals. Methodologically speaking, the research adopts a qualitative methodology, incorporating macroeconomic data analysis, policy document review, and secondary literature. Comparative case study analysis is utilized to assess Angola's experience alongside Saudi Arabia and the UAE, offering a nuanced understanding of diversification dynamics within and beyond OPEC.

Keywords: Angola; OPEC; Economic Diversification; Oil Dependency; Comparative Analysis.

Resumo

Este artigo examina criticamente as razões por trás da retirada estratégica de Angola da Organização dos Países Exportadores de Petróleo (OPEP) em 2023 e suas implicações mais amplas para a diversificação econômica nacional. Diante da persistente volatilidade econômica e da diminuição das receitas do petróleo, a decisão de Angola representa um ponto de inflexão significativo em sua política de energia e desenvolvimento. O estudo investiga as motivações subjacentes a essa saída, enfatizando a busca de maior autonomia política, maior flexibilidade de mercado e um compromisso revigorado de reduzir a dependência das exportações de hidrocarbonetos. Ao analisar a trajetória de Angola após a OPEP, o documento avalia as oportunidades e as restrições estruturais que moldam suas perspectivas de diversificação. Para contextualizar a mudança de política de Angola, são utilizados estudos de caso comparativos da Arábia Saudita e dos Emirados Árabes Unidos – dois membros da OPEP ativamente envolvidos na diversificação – para destacar as convergências e divergências nas abordagens estratégicas. Os resultados sugerem que, embora a retirada de Angola possa criar um novo espaço para políticas, as limitações institucionais e os desafios de governança podem impedir a realização das metas de diversificação de longo prazo. Em termos metodológicos, a pesquisa adota uma metodologia qualitativa, incorporando análise de dados macroeconômicos, análise de documentos de políticas e literatura secundária. A análise comparativa de estudos de caso é utilizada para avaliar a experiência de Angola juntamente com a Arábia Saudita e os Emirados Árabes Unidos, oferecendo uma compreensão diferenciada da dinâmica de diversificação dentro e fora da OPEP.

Palavras-chave: Angola; OPEP; Diversificação Econômica; Dependência do Petróleo; Estratégia de Desenvolvimento.

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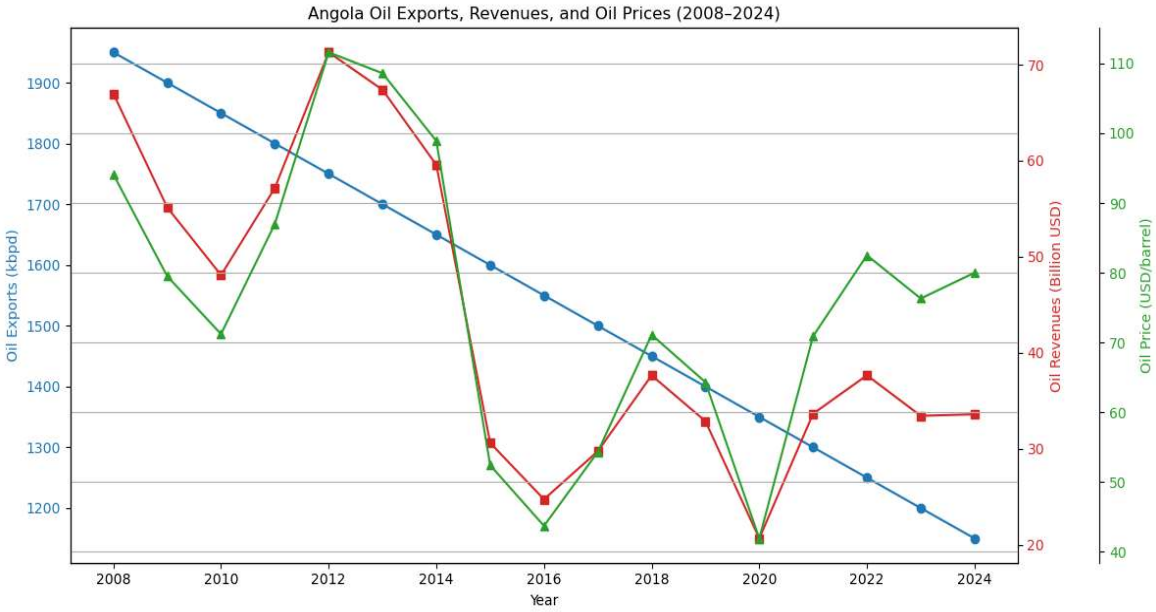
Introduction

Angola, situated in the southwestern region of Africa, is renowned for its substantial oil reserves, ranking as the second-largest producer of crude oil in Africa and the fifth-largest producer of diamonds globally. Since the discovery of oil reserves in the 1970s, Angola's oil industry has experienced significant growth, becoming the cornerstone of the country's economy. The oil sector dominates Angola's economy, accounting for over 50% of GDP, more than 70% of government revenue, and over 90% of exports (International Trade Administration, 2023). Historically, stable global crude oil prices have contributed to robust economic growth in Angola. However, the country's heavy reliance on a single industry and limited economic diversification have led to challenges such as economic volatility and uneven development. Angola is particularly vulnerable to fluctuations in global crude oil prices. The dramatic decline in global crude oil prices since 2014 (Figure 1) precipitated an economic and financial crisis, with the economy contracting between 2016 and 2020 due to reduced export revenue and increased fiscal and debt constraints.

A closer analysis of Figure 1 reveals that between 2008 and 2024, global oil prices experienced substantial fluctuations, accompanied by a general downward trend in their monetary value. This period was marked by significant volatility in the international oil market, influenced by various geopolitical, economic, and environmental factors. Notably, the OPEC implemented several quota reductions during this timeframe in an attempt to stabilize prices and manage supply. However, despite these efforts, Angola's oil revenues declined markedly. This decline can be attributed not only to falling global prices but also to reduced export volumes and structural challenges within Angola's oil sector. The cumulative effect of these dynamics has had profound implications for Angola's macroeconomic stability, given the country's heavy reliance on oil exports as a primary source of government revenue. The data underscores the vulnerability of oil-dependent economies to external shocks and highlights the importance of economic diversification strategies.

Figure 1 – Angola's oil exports, estimated oil revenues, and average oil prices from 2008 to 2024



Legend:

Blue line: *Oil exports in thousand barrels per day (kbpd);*

Red line: *Estimated oil revenues in billion USD;*

Green line: *Average annual oil price in USD per barrel*

Sources: US EIA (2024) IMF (2023) & CEIC (2025)

In response, the Angolan government has recognized the critical need for economic diversification. Strategic policies have been implemented to reduce dependence on the oil sector, generate alternative revenue sources, and foster the growth of various industries, thereby facilitating economic recovery (Maria, 2022). In 2023, Angola made a strategic decision to withdraw from the Organization of the Petroleum Exporting Countries (OPEC). Angola's Oil Minister, Diamantino Azevedo, stated that continued membership in OPEC no longer served the nation's interests. This decision, driven by national priorities and development goals, aims to enhance the governance of oil resources and boost the country's competitiveness (Al Jazeera, 2023). The withdrawal from OPEC marks a significant shift in Angola's position in the global energy market and sets the stage for transformative economic growth. The paper addresses the motivations behind Angola's withdrawal from OPEC, its potential to promote economic diversification, and the challenges Angola will face in this pursuit.

The primary motivation behind Angola's withdrawal from OPEC appears to stem from growing dissatisfaction with the production quotas imposed by the organization. Angolan authorities viewed these quotas as misaligned with the country's production capacity and economic aspirations. This discontent reflects broader concerns over national sovereignty in resource governance and the perceived inequities in OPEC's quota-setting mechanisms. By exiting the organization, Angola seeks to reclaim greater autonomy over its oil production strategy, enhance fiscal flexibility, and pursue a development trajectory more closely aligned with its domestic priorities and long-term economic diversification goals. Angola's quota was reduced to 1.11 million barrels per day (bpd), which the Angolan government found unacceptable given its production capabilities and ambitions. Furthermore, Angola's desire for greater autonomy in its oil policies (The Chanzo Africa, 2024). By withdrawing from the OPEC, Angola sought to exercise greater autonomy over its oil production policies and to implement strategies better aligned with its national interests. This decision reflects a broader objective to enhance economic stability and foster sustainable growth, particularly given the country's significant dependence on oil revenues as a primary source of fiscal income.

Methodologically speaking, the research adopts a qualitative methodology, incorporating macroeconomic data analysis, policy document review, and secondary literature. Comparative case study analysis is utilized to assess Angola's experience alongside Saudi Arabia and the UAE, offering a nuanced understanding of diversification dynamics within and beyond OPEC. To analyze and explore the implications of Angola's withdrawal from OPEC, this research is organized into six sections: (1) Introduction; (2) Literature Review; (3) Angola and OPEC; (4) Angola's Path Towards Economic Diversification and the OPEC Withdrawal; (5) Case Studies: Comparative Analysis; and (6) Conclusion. This topic is of critical importance as it addresses a pivotal moment in Angola's economic and geopolitical trajectory as well as the political stability in the next political cycle. The decision to leave OPEC reflects broader shifts in national sovereignty over natural resources and the urgent need for economic diversification in resource-dependent states. Understanding Angola's strategy offers valuable insights into the challenges and opportunities facing similar economies in the Global South.

Literature Review

Angola's political economy is deeply shaped by its dependence on natural resources, particularly oil, which has entrenched authoritarian governance and hindered institutional development. Tony Hodges (2004) characterizes Angola as a "petro-diamond" state, where oil and diamond revenues have enabled elite consolidation and state centralization without fostering inclusive development (Hodges, 2004). Christine Messiant (2008) further argues that Angola's post-war peace was not accompanied by democratization, but rather by the consolidation of an "oléocratie," where oil rents reinforced authoritarianism and elite patronage (Messiant, 2008). In addition, Ricardo Soares de Oliveira (2007) describes Angola as a paradigmatic case of a rentier state, where the ruling MPLA uses oil revenues to maintain power through clientelism, co-optation, and repression, rather than through institutional accountability (Soares De Oliveira, 2007). Nuno

Vidal and David Sogge (2009) emphasize the role of informal networks and patronage in sustaining the regime, noting that the state's legitimacy is derived less from democratic processes and more from its capacity to distribute rents (Vidal; Sogge, 2009). Furthermore, David Sogge (2015) also highlights Angola's "extraverted" political economy, where governance is shaped by transnational actors and offshore financial flows, further weakening domestic accountability (Sogge, 2015). Christopher Cramer (2006), while acknowledging the role of resource wealth, cautions against overly deterministic interpretations of the "resource curse," arguing that Angola's trajectory must also be understood through its historical and social complexities (Cramer, 2006). Finally, as Hodges notes, "the state's reliance on oil revenues has allowed it to avoid the need for a social contract with its citizens" (Hodges, 2004, p. 45). Messiant adds that "peace in Angola was not a rupture with war, but its continuation by other means" (Messiant, 2008, p. 110). Soares de Oliveira reinforces this by stating, "Angola's oil economy has produced a state that is simultaneously strong and hollow" (Soares De Oliveira, 2007, p. 98).

Finally, the concept of the "oil curse" or "resource curse" is central to understanding Angola's developmental challenges. This theory posits that countries endowed with abundant natural resources – particularly oil – often experience slower economic growth, weaker democratic institutions, and higher levels of corruption compared to resource-poor nations (Ross, 2012). In Angola's case, oil wealth has not translated into inclusive development; rather, it has reinforced elite dominance and rent-seeking behavior. The volatility of oil prices further exacerbates fiscal instability, complicating long-term economic planning and undermining public investment in critical sectors such as health, education, and infrastructure. Angola thus exemplifies the paradox wherein resource abundance becomes a barrier to sustainable and equitable development (Karl, 1997).

A critical examination of the existing literature reveals that Angola's abundant natural resource endowment, particularly in oil, has contributed to the entrenchment of a hybrid political order. This order is characterized by the coexistence of weak formal institutions, pervasive informal power networks, and a state apparatus primarily oriented toward the preservation of elite interests rather than the promotion of public welfare. Such a configuration undermines democratic accountability and equitable development. Consequently, the central challenge lies in devising effective mechanisms to transform natural resource wealth into a catalyst for inclusive economic growth and sustainable development. This research is significant precisely because it seeks to address this developmental paradox by exploring pathways through which resource governance can be restructured to serve broader societal goals. By contributing to the discourse on resource-led development, this study aims to bridge the gap between resource abundance and human development, offering insights that are both theoretically grounded and policy-relevant.

Angola and the Organization of the Petroleum Exporting Countries (OPEC)

The Organization of the Petroleum Exporting Countries is an intergovernmental organization established in 1960, comprising major oil-producing nations such as Saudi Arabia, Iran, Iraq, and the United Arab Emirates. OPEC's primary objective is to coordinate and unify the petroleum policies of its member countries to ensure stable oil market prices. Member states convene periodically to assess oil market conditions and decide on production adjustments to influence global oil prices. This coordination aims to stabilize markets while safeguarding the interests of member states.

Angola joined OPEC on January 1, 2007, becoming the 13th member of the organization. At that time, Angola sought to leverage OPEC's influence to enhance its political and economic standing due to its limited power. Membership in OPEC was crucial for Angola to boost its oil revenues and strengthen its position in the international oil market, thereby increasing its leverage in setting global oil prices and enhancing its influence in international political matters (Chang, 2007). Following its accession, Angola's oil production initially increased, peaking in 2010 with a daily output of 2 million barrels. The average economic growth rate from 2007 to 2010 was 7%, among the highest globally. However, from 2016 to

2020, a significant decline in global crude oil prices led to reduced export revenue, increased fiscal and debt pressures, and an economic downturn for five consecutive years. By 2021, Angola's crude oil production had decreased to 1.13 million barrels per day, below its quota of 1.5 million barrels per day (CEIC, 2023).

Despite contributing to OPEC's overall production, Angola's share remains relatively low. As of 2022, Angola's daily oil production was approximately 1.1 million barrels, representing 3.8% of OPEC's total and 2.5% of OPEC+'s total. This positions Angola in the intermediate to lower range among OPEC members. The International Energy Agency (2023) indicates a persistent downward trend in Angola's oil production capacity. Angola participates in OPEC's decision-making process, but its influence is limited due to its small production share and technical constraints. During the OPEC+ Ministerial conference in June 2023, Angola expressed dissatisfaction with its production quota of 1.38 million barrels per day but ultimately complied with the decision of major oil-producing countries to reduce its output quota (Arise Tv, 2023). OPEC's production control decisions are often guided by prominent oil-producing countries, such as Saudi Arabia, which holds significant influence within the organization by actively shaping production policies.

Angola's exit from the OPEC led to a decline in OPEC's share of the global oil market and an initial drop in oil prices, which soon stabilized (Oilprice, 2023). Overall, the impact was minimal, as OPEC continues to maintain a dominant market share and control over oil prices. The departure of Qatar in 2019 had no significant impact on oil prices or OPEC, given its relatively minor contribution to global oil output (Sputnik News, 2020). Angola's proportion of oil output within OPEC is even smaller compared to Qatar. According to OPEC's November 2023 monthly report, Angola's oil output stood at 1.13 million barrels per day, placing it at a moderate-low level among member countries (OPEC, 2023). The removal of Angola reduced OPEC's overall production from approximately 28 million barrels per day to 27 million barrels. The International Energy Agency (2023) projects global oil demand for 2023 at 101.7 million barrels per day, with OPEC representing around 27% of the global market. Angola's global share is slightly above 1%, contributing only 4% to OPEC's oil production (OPEC, 2023). Thus, Angola's absence results in a mere 4% reduction in OPEC's global share. The primary members of OPEC, including Saudi Arabia, the United Arab Emirates, Kuwait, Iraq, and Iran, account for 79% of OPEC's overall production. Consequently, Angola's departure will marginally decrease OPEC's market share without substantially impacting its global influence. OPEC continues to exert significant influence over the oil market and retains the power to manipulate oil prices, ensuring its stability and influence.

Angola's withdrawal from OPEC has revealed both unity and divisions within the organization, though these divisions currently have limited consequences. Over the past decade, OPEC has experienced a consistent loss of members: Qatar left in 2019, Ecuador in 2020, and Indonesia was suspended in 2016. Angola's departure might exacerbate doubts about OPEC's impartiality and decision-making process among other members (Cheng, 2024), potentially creating trust issues and further volatility. However, the countries exiting OPEC have relatively minor oil output, so their departure does not significantly impact OPEC. The positions of key members such as Saudi Arabia, the United Arab Emirates, Kuwait, Iraq, and Iran are crucial to OPEC. There is currently no indication that any influential member plans to follow Angola's actions. These countries are committed to upholding the OPEC and OPEC+ alliances and have demonstrated a commendable capacity for negotiating agreements (Sputnik News, 2020). Therefore, despite member losses, OPEC maintains stability and significant influence in the global oil market due to the consistent support and leadership of major member countries.

Furthermore, Brazil became an observer of OPEC+ in January 2024, immediately following Angola’s departure. Brazil’s entry is expected to strengthen the organization’s market presence and strategic influence (Su; Liu; Duan, 2024), potentially offsetting the impact of Angola’s exit. Brazil’s oil production has grown significantly due to technological advancements in deep-sea pre-salt extraction, positioning the country as a key contributor to global supply growth. Although Brazil is not currently bound by OPEC+ production quotas, its involvement is anticipated to foster greater cooperation among oil-producing nations across Asia, Africa, and Latin America. This development signals a shift toward

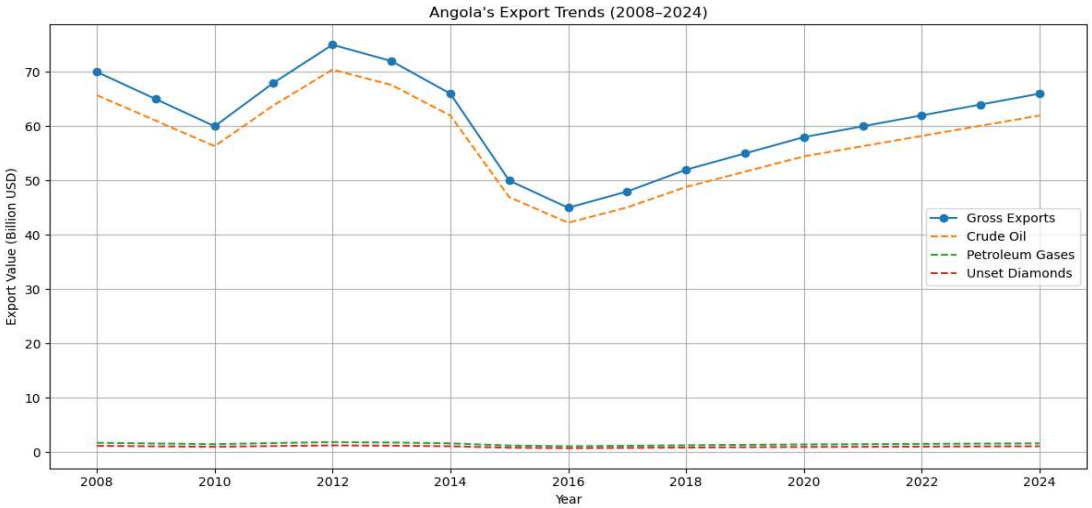
a more diversified and geographically inclusive energy alliance. Brazil's participation may also enhance OPEC+'s legitimacy and negotiating power in global energy markets, particularly as traditional producers face internal challenges and shifting geopolitical dynamics. Moreover, Brazil's growing role could encourage knowledge-sharing and investment in sustainable extraction technologies, aligning with broader energy transition goals. This emerging dynamic offers a partial solution to the organizational and market uncertainties triggered by Angola's withdrawal.

The impact of Angola's withdrawal from OPEC is multifaceted. On a global scale, Angola's exit marks a significant shift in the geopolitical dynamics of the oil industry. OPEC, traditionally dominated by Middle Eastern nations, now faces the challenge of restructuring its alliances and strategies without one of Africa's key players. This could lead to a reassessment of the balance of power within OPEC and the broader international oil landscape.

As one of the largest oil producers in Africa, Angola's withdrawal from OPEC has raised global questions regarding its motivations. To better comprehend this strategic move, it is essential to analyze both internal and external factors that influenced the Angolan government's decision. A critical internal factor behind Angola's exit from OPEC is its worsening economic situation.

A detailed examination of Figure 2 indicates distinct phases in Angola's export performance between 2008 and 2024. During the period from 2008 to 2014, Angola demonstrated robust export growth, with gross export values peaking between 2012 and 2014. This trend coincided with elevated global oil prices, which substantially increased revenues from crude oil—the country's primary export commodity. In contrast, the years 2015 to 2017 marked a significant downturn, largely attributable to the global collapse in oil prices and a concurrent decline in international demand. This downturn had a pronounced adverse effect on Angola's economy, given its heavy dependence on oil exports. Between 2018 and 2020, export levels remained relatively low and volatile, influenced by persistent global market uncertainties and domestic production constraints.

Figure 2 – Exports of Angola from 2008 to 2024 (including gross export values and the contributions of the three main export goods: crude oil, petroleum gases, and unset diamonds)



Sources: US/EIA (2024), IMF (2023) & CEIC (2025)

However, from 2021 to 2024, a gradual recovery became evident, likely driven by moderate improvements in oil prices and national efforts to stabilize production and diversify export markets. Throughout the entire period, crude oil consistently dominated Angola's export portfolio, accounting for over 93% of total export value. Petroleum gases, while a minor component, maintained a stable contribution of approximately 2.5%, whereas unset diamonds represented a small yet valuable share, contributing around 1.7%.

While OPEC's production quotas aim to stabilize global oil markets, they disproportionately affect smaller oil producers like Angola, which have limited capacity to meet economic demands. During the OPEC+ agreement in April 2020 to implement the largest production cut in history, Angola had little influence on collective decisions dominated by larger producers such as Saudi Arabia (Reuters, 2023). This imbalance has forced Angola to reassess the benefits of its membership, as strict adherence to quotas may constrain its ability to produce the necessary levels of oil.

Consequently, these restrictions exacerbated Angola's fiscal pressures. After more than a decade of OPEC membership, Angola's economy failed to achieve the desired improvement. According to the latest Report of the Committee for Development Policy (United Nations, 2024), Angola "no longer satisfies the graduation criteria from the Least Developed Country (LDC) status, as its gross national income per capita has been in decline for several years, dropping below the graduation threshold of the income-only exception in 2024." Although OPEC alone cannot be blamed for Angola's economic downfall, it did little to support its members in times of crisis, indirectly pushing Angola's economy to an unstable situation.

By withdrawing from OPEC, Angola hopes to gain more flexibility and autonomy in determining its own oil production policy. Angola's OPEC council member, Estevão Pedro, stated that Angola plans to surpass OPEC's quota, aiming for a production increase (...) (Kennedy, 2024). By setting a more ambitious target, Angola signals its intention to regain control over its oil sector and to seek economic strategies better suited to its needs.

Nevertheless, Angola, the withdrawal has already shown positive effects. Angola's average daily oil production increased by 4% in the first three quarters of 2024 compared to 2023. The country is also witnessing a surge in both onshore and offshore oil and gas discoveries, coupled with rising exploratory activity. These developments suggest that Angola's decision to leave OPEC is beginning to pay off, allowing the country to better manage its valuable oil resources and support its economic goals (Oilprice.com, 2025).

Addressing these immediate challenges is only one part of Angola's broader vision. Leaving OPEC also signals its strong intention to promote economic diversification and reduce dependency on oil in the long term. The oil industry has two major drawbacks for a country's economic development. Firstly, it fails to provide a reliable income stream due to the instability and inevitable fluctuations of oil prices. Especially during periods of low oil prices, oil-producing countries may incur significant debt to maintain public spending (Shihab-Eldin; Fattouh; Mahadeva, 2020). For example, in 2011, Brent crude oil prices peaked at around $126 per barrel; by early 2016, oil prices had dropped to a low of about $30 per barrel due to oversupply (WB, 2019). In Angola's case, this meant a drastic reduction in income over merely five years.

Additionally, the oil sector's capital-intensive nature means it does not generate enough jobs for the thousands of individuals entering the labor market each year. Judging from the current employment market in Angola, the majority of its citizens are not benefiting from the oil industry. It is estimated that Angola's government revenue is predominantly derived from the oil and gas sector, accounting for 80% of total revenue, but the sector only employs 10% of the workforce. Agriculture, despite contributing just 5% to government revenue, employs 60% of the workforce (WB, 2019). This mismatch is also reflected in Angola's worsening employment situation. From the end of 2022 to the end of 2023, over 550,000 new workers entered the labor market, but only 10,000 new jobs were created. By the end of 2023, urban unemployment had surged to 42%, while youth unemployment soared to 58%, up from 39% and 53% the previous year (WB, 2023).

Finally, increasing oil production and pursuing economic diversification may seem contradictory at first glance but are, in fact, complementary. Over the past years, the Angolan government has been utilizing revenues from the oil sector to invest in other industries to achieve economic diversification and sustainable growth. Given the challenges of achieving a comprehensive economic transformation in the short term, ensuring the stability of the oil industry is a pragmatic step to safeguard fiscal health and provide the necessary resources for diversification efforts (Ohchr, 2024). This

strategic repositioning has already yielded tangible outcomes. According to Channel News Asia (2023), Angola's departure from OPEC is perceived as "opening the doors for more Chinese investment," a sentiment that aligns with China's broader geopolitical and economic interests in Africa. Within three months of its withdrawal, Angola and China—its largest importer of crude oil—formalized a comprehensive strategic partnership. This agreement encompasses investments in agriculture, manufacturing, and renewable energy, signaling a shift toward a more diversified economic model.

At the 2024 Angola-China Business Summit held in Beijing, President João Lourenço reaffirmed Angola's commitment to attracting Chinese investors, emphasizing the value of not only financial capital and technological resources but also specialized expertise aimed at enhancing production efficiency. This strategic engagement reflects Angola's broader effort to reposition itself in the global economy following its withdrawal from OPEC. The move is increasingly seen as a catalyst for economic transformation, enabling Angola to diversify its partnerships and leverage international cooperation in pursuit of long-term development objectives. Strengthened ties with China may thus play a pivotal role in supporting Angola's transition toward a more resilient and diversified economic model (Clbrief, 2023; 2024).

China, on the other hand, views Angola's departure from OPEC as an opportunity to strengthen its presence in Africa. According to the China-Lusophone Brief, "Angola Wants Greater Presence of Chinese Oil and Gas Companies" (Clbrief, 2023), which aligns with China's strategic interests in securing energy resources and expanding influence. The CNPC predicts that Angola's decision could "accelerate the development of its energy industry" (CNPC News, 2024), as they would have greater control over production levels and be less constrained by OPEC quotas, potentially benefiting Chinese companies investing in Angola's oil and gas sector.

Currently, both China and Angola see potential for cooperation in renewable energy and energy transition. Angola has set clear targets to achieve a 60% domestic electricity access rate, with 70% of that power coming from renewable sources by 2025 (African Development Bank Group, 2023). China, one of the world's largest investors in renewable energy, has increasingly participated in renewable energy projects in Africa. Therefore, joint ventures in solar and wind energy are expected to strengthen bilateral cooperation.

Simultaneously, the warming of U.S.–Angola relations may have provided important political reassurance for Angola's decision to withdraw from OPEC. Just days before the official announcement, President João Lourenço visited Washington, D.C., on November 30, 2023, where he met with President Joe Biden. During the visit, President Biden reaffirmed the United States' commitment to supporting Africa's development, signaling strong backing for Angola's future economic initiatives. At the G20 Summit in New Delhi on September 9, 2023, the U.S. and the European Union jointly unveiled plans to expand the Lobito Corridor—a strategic infrastructure project connecting Angola, Zambia, and the Democratic Republic of Congo. This initiative is expected to significantly enhance regional trade and logistics, positioning Angola as a key transit hub in Southern Africa (Export–Import Bank of the United States, 2023). Furthermore, in June 2024, the U.S. Export-Import Bank approved a $900 million loan for a solar power plant developed by Sun Africa and submitted a $1.6 billion proposal to Congress for microgrid and clean water projects across Angola. According to Geoffrey Pyatt, U.S. Assistant Secretary of State for Energy Resources, Angola and the United States "align on major energy issues," underscoring the strategic depth of this bilateral partnership (Export–Import Bank of the United States, 2023).

In recent years, the U.S. has been increasingly critical of OPEC's decisions. A significant concern for the U.S. is the potential collapse of the oil-dollar system, a key pillar that underpins the U.S. dollar's global dominance. The continual decline in oil production, as seen in OPEC's decisions over the past years, could erode this critical system. By distancing itself from OPEC, Angola might be positioning itself more favorably with the US, which is actively seeking reliable partners in the global energy market. However, considering the ongoing geopolitical tensions, balancing its relations with both China and the US remains crucial for Angola. While these strategic partnerships may bring immediate relief, Angola's long-

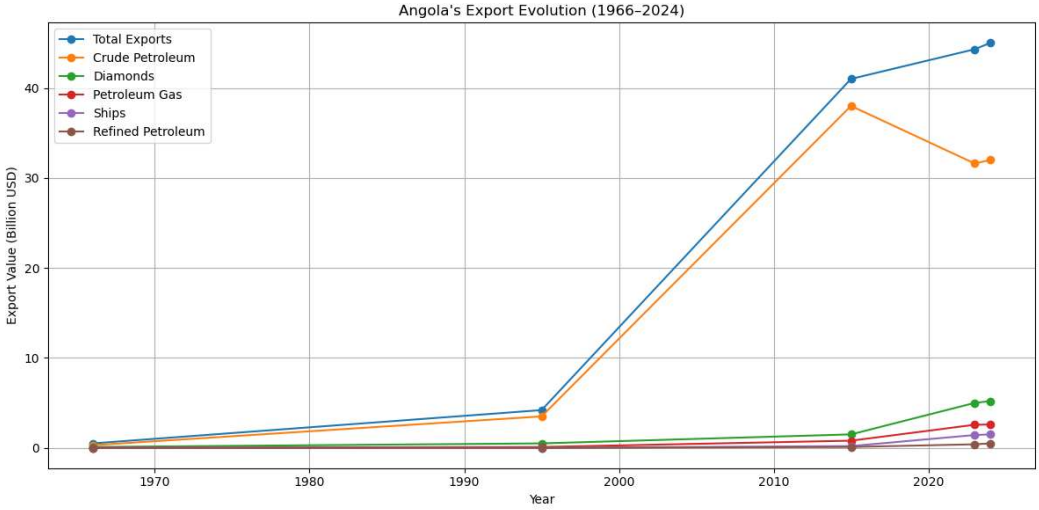
term stability still depends on achieving economic diversification. In fact, multiple considerations underpin Angola's withdrawal from OPEC. Diamantino Azevedo, Minister of Natural Resources of Angola, described this departure as "not a thoughtless, untimely decision" (Kennedy, 2024). However, whether this step will open up new opportunities for economic flexibility or introduce more challenges remains uncertain.

Angola's Path Towards Economic Diversification and The OPEC Withdrawal

As of 2024, Angola remains a highly unequal society, with oil and gas products constituting over 90% of the country's exports, and crude oil alone accounting for approximately 78% of total exports. Alarmingly, Angola's oil reserves are projected to be depleted by 2032 if current production rates persist (WB, 2019). Historically, Angola had a more diversified economic base. The country's abundant natural resources and strategic location made it a hub for various industries. In 1966, coffee was the dominant export, accounting for 47% of total exports, followed by diamonds at 20%. Other significant exports included agave fibers (5.2%), iron ore (4.1%), and fish meal (2.7%) (Kolstad *et al.*, 2014). Additionally, during the colonial era, the Portuguese administration invested in infrastructure such as roads, bridges, and schools. However, this period of economic diversity did not last. The discovery of oil in the 1960s brought about a significant shift in Angola's economic structure. Oil became the primary driver of growth, overshadowing other sectors. This focus on oil led to the neglect of other areas, resulting in a decline in agricultural productivity and industrial diversification.

The situation deteriorated further with the outbreak of the Angolan Civil War in 1975. The prolonged conflict severely undermined the country's diversified economy, devastating infrastructure, displacing millions, and disrupting economic activities. Once-thriving sectors crumbled under the weight of destruction and instability. Foreign investors fled, and the government struggled to maintain control over its resources. As the war continued, the nation faced not only economic collapse but also a setback in diversified development. Following the end of the civil war in 2002, Angola shifted its focus to increasing oil production and exports (Hammond, 2011). A comprehensive analysis of Figure 3 reveals significant shifts in Angola's export profile over the selected years, reflecting broader historical, political, and economic transformations. In 1966, Angola's export activity was relatively limited, primarily concentrated in crude petroleum and diamonds. This period, preceding independence, was characterized by a colonial economic structure with minimal industrial diversification and limited global trade integration. By 1995, despite the ongoing civil conflict, Angola experienced a notable increase in crude oil exports. This growth was largely driven by foreign investment in the oil sector and the strategic prioritization of petroleum production, even amid political instability. The post-civil war recovery phase, particularly after the conflict ended in 2002, further accelerated oil output, positioning Angola as one of Africa's leading oil exporters.

Figure 3 – Angola Exports Evolution 1966-2024
(It includes total export values and the five major export commodities)



Sources: US/EIA (2024), IMF (2023) & CEIC (2025)

The global surge in oil prices a few years earlier had already spurred rapid economic growth, and the increase in government oil revenues further accelerated the development of infrastructure and public works. By 2010, the concentration on oil had intensified, with crude petroleum accounting for 90% of exports (Ovadia, 2016). In contrast, sectors such as agriculture, manufacturing, and services gradually receded from public attention. In 2015, Angola reached a peak in total export value, largely attributable to elevated global oil prices and expanded production capacity. This period marked the height of Angola's oil-dependent economic model, with crude petroleum overwhelmingly dominating the export portfolio. Between 2023 and 2024, export levels remained robust. However, a gradual diversification trend became evident, with increased contributions from ship exports and refined petroleum products. Despite these developments, crude oil continued to account for the majority of export revenues, underscoring the persistent structural reliance on hydrocarbon resources.

The Angolan government's recognition of the importance of economic diversification is not a recent development but an evolving process shaped by changes in the global economy and national needs. It was not until 2014, when global oil prices plummeted and fiscal revenues sharply declined, that Angola revisited the concept of "diversification." Faced with rising national debt, the Angolan government incorporated "economic diversification" into the 2013–2017 National Development Plan for the first time, signaling an urgent need to reduce dependence on oil (World Bank, 2019).

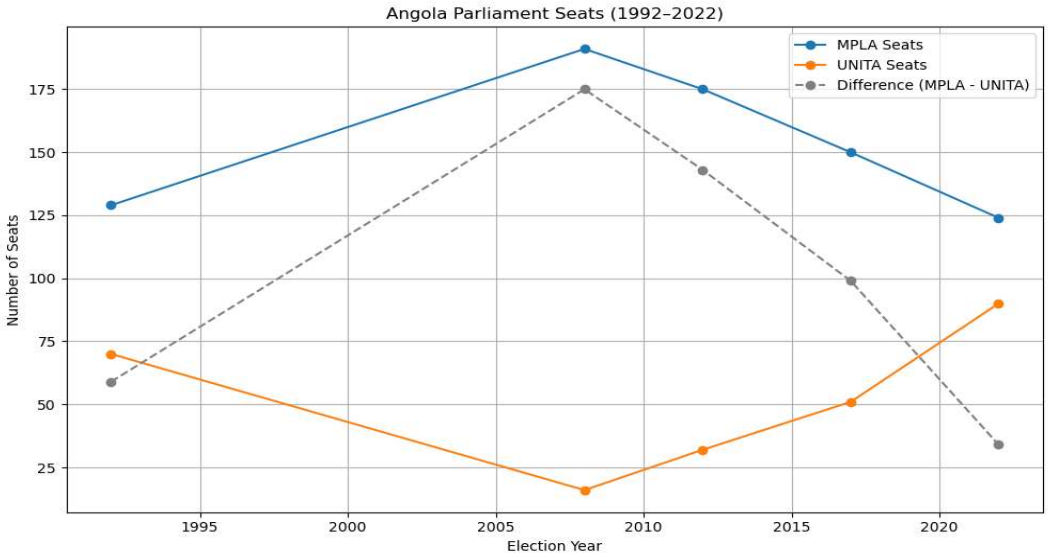
In January 2016, former President José Eduardo dos Santos emphasized in his State of the Nation Address: "At present, Angola's economy has not stagnated, but it lacks momentum (…) we have no other path to choose but to steadfastly pursue economic diversification" (Souhu, 2016). Building on this vision, the Angolan government has undertaken a series of strategic initiatives to reduce reliance on the oil sector. These initiatives include the implementation of key national plans such as the "National Food Production Development Plan," the "National Fisheries Development Plan 2023-2027," and the "National Livestock Production Development Plan." Furthermore, the National Development Plan 2023-2027 sets a clear target to decrease the contribution of the oil sector to Angola's GDP. Building on this foundation, the government launched the Long-Term Development Strategy 2025-2050 in May 2023, which outlines a vision to transform Angola into a globally integrated, economically diversified nation within 25 years (Angola, 2023).

Angola's decision to withdraw from the Organization of the Petroleum Exporting Countries in December 2023 reflects a complex interplay of political and economic factors, particularly the government's strategic shift toward economic diversification and the evolving domestic political landscape. The ruling Popular Movement for the Liberation

of Angola (MPLA) has prioritized reducing the country's historical dependence on oil revenues, which have long dominated Angola's economy. The National Development Plan (2023–2027) outlines a vision for economic transformation through investment in agriculture, renewable energy, non-oil mining, and logistics infrastructure, notably the Lobito Corridor—a flagship initiative aimed at positioning Angola as a regional logistics hub linking the Democratic Republic of Congo and Zambia to the Atlantic coast (WB, 2025). This diversification strategy is seen as essential for mitigating fiscal vulnerability and promoting inclusive growth, especially in light of fluctuating global oil prices (IMF, 2024). However, structural challenges persist. As noted by Jose (2008), Angola's centralized economic governance and institutional fragility hinder the effective implementation of diversification policies. Moreover, critiques from the Review of African Political Economy highlight contradictions between MPLA's reformist rhetoric and entrenched elite interests, which often undermine policy execution and public trust (Review of African Political Economy, 2025).

Politically, Angola's post-civil war trajectory has been marked by MPLA dominance, but recent electoral trends suggest a shift. From 1992 to 2022, the MPLA's parliamentary majority gradually eroded due to public dissatisfaction with economic stagnation, corruption, and youth unemployment. The opposition party UNITA, under revitalized leadership, gained significant urban support, particularly in Luanda, narrowing the seat gap to just 34 in the 2022 elections (IPU, 2024). This growing political competition has increased pressure on the MPLA to deliver tangible economic results. As depicted in Figure 4, the difference peaked in 2008 when MPLA had 175 more seats than UNITA, and the gap has narrowed significantly by 2022, with MPLA only 34 seats ahead of UNITA – that suggests a growing political discontent.

Figure 4 – The Number of Parliamentary Seats (Comparative Perspective)



Source: IPU (2024)

In this context, Angola's departure from OPEC can be interpreted as a strategic move to regain control over its oil production policy and to accelerate the economic diversification. The decision followed OPEC's imposition of a 1.11 million barrels per day quota, which Angola contested, proposing instead a higher threshold of 1.18 million barrels per day. Minister of Mineral Resources, Oil and Gas, Diamantino Azevedo, emphasized that the imposed quota did not align with Angola's national interests, stating, "We do not agree with the production quota that was imposed on us. Angola has its own interests, and we found that staying in OPEC under these conditions did not serve our national objectives" (Mirempet, 2023).

By exiting OPEC, Angola aims to attract new upstream investment and revitalize its declining oil production capacity, which has suffered from underinvestment and aging infrastructure (IMF, 2024). Simultaneously, the

government seeks to leverage oil revenues to fund diversification efforts and infrastructure development. However, success will depend on addressing governance challenges, enhancing institutional transparency, and ensuring that economic reforms benefit a broader segment of the population (WB, 2025; IMF, 2024).

The Angolan government introduced specific measures across various non-oil sectors, each aimed at unlocking their potential and driving sustainable growth (Table 1). For instance, the agricultural sector has been a focal point, with efforts to increase productivity and ensure food security. The government has emphasized agrarian reform and investment in agricultural technology, aiming to boost production and reduce food imports (African Development Bank, 2024). In the fisheries sector, the National Fisheries Development Plan 2023-2027 aims to enhance sustainable fishing practices and increase the sector's contribution to the economy. Similarly, the National Livestock Production Development Plan focuses on improving livestock farming techniques and expanding market access for livestock products.

Table 1 – Angola's Economic Diversification Measures by Sector (2012-2024)

Sector	Year	Measures
Agriculture	2015	Introduced policies encouraging domestic and foreign agricultural investments.
	2016	Allocated $4.56 billion for agricultural development in key provinces.
	2014	Promoted local farming by providing low-interest loans and restricting certain food imports.
	2020	Introduced irrigation projects in arid regions to increase arable land productivity.
Fisheries	2016	Encouraged foreign investment to enhance offshore fishing infrastructure.
	2017	Issued regulations to improve fishing capabilities and promote exports.
	2019	Established partnerships with foreign investors to build fish processing plants in coastal areas.
	2021	Strengthened measures for sustainable fishing practices and expanded subsidies for local fishing communities.
Livestock	2016	Supported family farming with low-interest loans and improved animal breeding programs.
	2017	Developed large-scale, modernized livestock facilities with disease control measures.
Industry	2012	Strengthened the Ministry of Industry's role in economic diversification.
	2016	Built industrial parks, offering tax incentives to attract investment.
	2018	Introduced policies to boost local manufacturing of consumer goods.
	2021	Implemented renewable energy projects to support industrial activities.
	2024	Expanded industrial parks with integrated logistics centers for exports.
Tourism	2016	Simplified visa procedures to attract foreign tourists.
	2017	Launched a national tourism development plan, aiming to expand hospitality infrastructure.
	2019	Promoted Angola's cultural heritage and eco-tourism through international campaigns.
	2022	Improved transport and tourism infrastructure, including roads and airports.
	2024	Collaborated with global tourism agencies to increase visitor numbers.

Source: Authors

Additionally, the Angolan government has made significant investments in infrastructure development to support its economic diversification efforts. Key projects include the construction of new roads, railways, and ports aimed at facilitating trade and improving connectivity across the country (African Leadership Magazine, 2024). These infrastructure upgrades are expected to enhance trade efficiency and promote regional integration, potentially increasing Angola's trade volume by up to 25% over the next decade. Angola's strategic initiatives reflect a comprehensive approach to economic transformation, addressing both immediate challenges and long-term objectives. By reducing reliance on the oil sector and investing in a range of non-oil industries, the country seeks to achieve sustainable economic growth and greater stability. Crucially, the success of these initiatives depends on the availability of adequate financial resources.

These strategic initiatives demonstrate Angola's commitment to transforming its economy, yet challenges remain in their implementation (World Bank, 2023). While these efforts mark an important step forward, significant structural obstacles remain to be solved. As Angola continues this journey, its ability to balance immediate economic pressures with long-term development goals will ultimately determine the success of its diversification efforts.

As of 2025, there is broad consensus among scholars and development practitioners that Angola holds substantial potential for economic and export diversification. This potential is underpinned by the country's abundant natural resources, advantageous geographic position, and relative political stability. Various analytical frameworks have identified a range of promising sectors for development, including the enhancement of established industries such as agriculture, diamond mining, and fisheries. Additionally, opportunities exist in the exploration of complex minerals—such as quartz and mica—and in the advancement of light manufacturing and medium-technology exports (Kolstad *et al.*, 2014). Despite these opportunities and the government's efforts, actual outcomes have fallen short of expectations due to two primary structural bottlenecks: weak implementation and widespread corruption (Transparency International, 2023). The lack of coordination among government agencies, inefficient use of resources, and bureaucratic inefficiencies limit the government's capacity to implement meaningful reforms in non-oil industries. This situation further underscores Angola's ongoing challenges in diversifying its revenue streams. While the need for diversification is recognized, Angola continues to face fiscal deficits and relies heavily on oil as the primary economic driver to generate short-term revenues.

To achieve more comprehensive and sustainable economic diversification, Angola must improve education and training, upgrade infrastructure quality, reduce operating costs, and stabilize the monetary environment. More importantly, Angola can learn from the successful diversification strategies of other oil-producing countries such as the United Arab Emirates (UAE) and Qatar. Both countries have successfully reduced their reliance on oil through forward-looking policies, investing in sectors such as tourism, finance, logistics, and renewable energy. The next section will explore the diversification experiences of these countries to determine how Angola can apply their lessons to its own economic strategies.

Comparative Analysis: Angola and Saudi Arabia, United Arab Emirates

To navigate the complexities of economic diversification, it is invaluable to draw lessons from those who have successfully traversed similar paths. This section presents a comparative analysis of diversification strategies employed by Angola, Saudi Arabia, and the United Arab Emirates (UAE), offering insights into Angola's future economic feasibility. While each nation possesses unique characteristics, analyzing their approaches and outcomes provides a valuable framework for understanding the challenges and opportunities inherent in transitioning from oil dependency towards a more diversified economic model.

Comparing Angola, Saudi Arabia, and the United Arab Emirates (UAE) in an oil market analysis and its transitions for a diversified economy is justified due to their shared status as major oil-exporting nations with distinct economic structures and policy approaches. Angola represents a resource-dependent developing economy, while Saudi Arabia and the UAE are high-income countries with advanced oil infrastructure and diversification strategies. This comparison allows for a nuanced understanding of how different governance models, investment in downstream industries, and participation in OPEC influence oil production, export performance, and economic resilience. Analyzing these countries together provides valuable insights into global oil market dynamics and policy effectiveness across diverse contexts.

Angola, still in the nascent stages of its diversification journey, faces a steeper climb compared to its Gulf counterparts. The nation recognizes its heavy dependence on oil revenue, with oil and gas products constituting over 90% of its exports (WB, 2019). However, progress has been hindered by structural bottlenecks, including a lack of skilled labor, inadequate infrastructure, and a challenging business environment (Kolstad *et al.*, 2014). These issues have hampered initiatives such as the "Made in Angola Plan" (2012) and the Macro Stabilization Program (2018), which aim to attract foreign investment and boost domestic production in agriculture, manufacturing, and tourism (Maria, 2022). In contrast, Saudi Arabia, under the ambitious Vision 2030 plan launched in 2016, demonstrates a more proactive and comprehensive approach to diversification (Saudi Vision 2030, 2024). This multi-sector strategy targets economic diversification through

mega-projects like NEOM, a futuristic city envisioned as a global hub for innovation and sustainability (Nurunnabi, 2017). Additionally, it focuses on attracting foreign direct investment by improving the business environment and promoting entrepreneurship (الطلحي, 2023). While the success of Vision 2030 remains a subject of ongoing debate, the scale and ambition of Saudi Arabia's efforts highlight the level of commitment required for successful diversification (Albassam, 2015).

The United Arab Emirates (UAE), frequently cited as a paradigmatic case of successful economic diversification, offers a compelling model for resource-dependent economies such as Angola. The UAE initiated its diversification strategy several decades ago, underpinned by substantial investments in infrastructure, tourism, trade, logistics, and financial services (Delgado, 2016). This long-term commitment has enabled the country to evolve into a global business and tourism hub, significantly reducing its dependence on oil revenues (Shadab, 2023). Central to the UAE's success is a synergistic combination of factors, including its strategic geographic location, investor-friendly regulatory frameworks, and a proactive approach to human capital development. By fostering a knowledge-based economy and attracting global talent, the UAE has cultivated an environment conducive to innovation and entrepreneurship (Seric; Tong, 2019). Furthermore, the government's ability to align national development plans with international competitiveness benchmarks has reinforced institutional effectiveness and policy coherence. For Angola, emulating such a model would require not only economic reforms but also a sustained political commitment to long-term planning, institutional strengthening, and inclusive growth. The UAE's experience underscores the transformative potential of diversification when supported by visionary leadership, strategic investment, and a clear national development agenda.

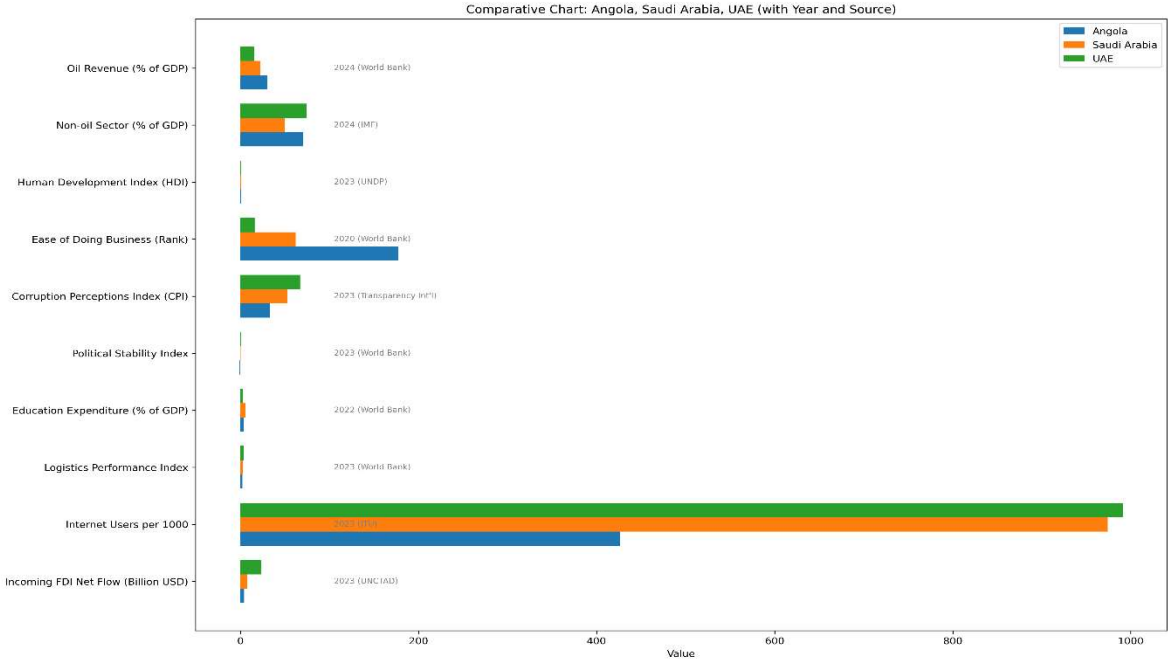
This study presents a comparative analysis of Angola, Saudi Arabia, and the United Arab Emirates (UAE) using ten key indicators: (1) oil revenue as a percentage of GDP; (2) the contribution of the non-oil sector to GDP; (3) the Human Development Index (HDI); (4) the Ease of Doing Business ranking; (5) the Corruption Perceptions Index (CPI); (6) the Political Stability Index; (7) education expenditure as a percentage of GDP; (8) the Logistics Performance Index; (9) internet usage per 1,000 people; and (10) net inflows of foreign direct investment (FDI). To facilitate interpretation and enhance analytical depth, two complementary visualizations (Figures 5 and 6) were employed, each offering a distinct yet unified perspective on the comparative data.

Figure 5 – Comparative Analysis of Key Indicators: Angola, Saudi Arabia, and UAE (Display 1)

Indicator	Year	Rationale	Angola	Saudi Arabia	UAE	Data Source
Economic Diversification						
Oil Dependence/Oil rents (% of GDP)	2021	Reflects reliance on oil revenue; lower values indicate higher diversification.	28.30%	23.70%	15.70%	World Bank
Non-Oil Sector (% of GDP)	2021	Reflects the contribution of non-oil sectors to the economy; higher is better.	71.70%	76.30%	84.30%	World Bank
Investment Environment						
FDI Net Inflows (% of GDP)	2022	Reflects the ability to attract foreign investment; higher is better.	-6.18%	0.71%	4.48%	Our World in Data
Ease of Doing Business Score	2020	Reflects the ease of doing business; a higher score is better.	41.3	71.6	80.9	World Bank Doing Business Report 2020
Human Capital						
Human Development Index (HDI)	2022	Reflects a comprehensive overview of a country's level of human development; higher is better.	59.1	87.5	93.7	UNDP's Human Development Report 2022
Education Expenditure (% GDP)	2020	Reflects investment in education; higher indicates greater emphasis.	2.70%	7.81%	4%	World Bank & countryeconomy.com
Infrastructure						
Logistics Performance Index (LPI)	2023	Reflects logistics efficiency and quality; a higher score is better.	2.1	3.4	4	World Bank Logistics Performance Index Report 2023
Internet Users per 100 People	2021	Reflects internet penetration; higher indicates greater connectivity.	33	100	100	World Bank
Politics and Governance						
Corruption Perception Index (CPI)	2023	Reflects perceived levels of corruption; higher scores indicate less corruption.	33	52	68	Transparency International
Political Stability Index	2022	Reflects political stability; a higher score indicates a more stable environment.	22.64	32.08	70.28	World Bank Worldwide Governance Indicators
Notes: Ease of Doing Business Score 2020: 0 = lowest performance to 100 = best performance Logistics Performance Index 2023: 0 = lowest performance to 5 = best performance Corruption Perception Index 2023: 0 = lowest performance to 100 = best performance Political Stability Index 2022: Percentile Rank (0-100) indicates rank of country among all countries in the world. corresponds to lowest rankand 100 corresponds to highest rank.						

Source: Authors, based on identified source

Figure 6 – Comparative Analysis of Key Indicators: Angola, Saudi Arabia, and UAE (Display 2)



Sources: Authors, based on WB (2025) & IMF (2024)

The comparative analysis of Angola, Saudi Arabia, and the United Arab Emirates (UAE) across ten key socio-economic and governance indicators reveals substantial disparities in development trajectories, institutional capacities, and strategic policy orientations. The UAE stands out as a model of economic diversification, with over 74% of its gross

domestic product (GDP) derived from non-oil sectors. This structural shift is complemented by robust performance in human development, evidenced by a Human Development Index (HDI) of 0.937, high political stability, and advanced digital infrastructure, including near-universal internet access. Saudi Arabia, while still significantly reliant on oil revenues, has demonstrated a commitment to long-term transformation through substantial investments in education (5.6% of GDP) and moderate improvements in institutional quality and human development (HDI of 0.900). Angola, by contrast, remains heavily dependent on oil, which constitutes approximately 30% of its GDP. The country exhibits limited economic diversification and lower human development outcomes (HDI of 0.616), alongside persistent challenges in governance, infrastructure, and digital inclusion. These are reflected in its low scores on the Corruption Perceptions Index, political stability metrics, and internet penetration rates.

The findings underscore the critical importance of institutional reform, strategic investment in human capital, and economic diversification as foundational pillars for sustainable development, particularly in resource-dependent economies. Such transformations require not only financial investment but also sustained political commitment, long-term planning, and policy coherence. In this context, Angola's recent decision to withdraw from the Organization of the Petroleum Exporting Countries may be interpreted as a strategic maneuver aimed at fostering (in the sense of acceleration) economic diversification. However, the effectiveness of this decision cannot be assessed in isolation. Its impact must be evaluated in conjunction with broader structural reforms and socio-economic initiatives. Withdrawal from OPEC, while potentially offering greater fiscal flexibility, does not inherently guarantee diversification or development. Therefore, Angola's trajectory will depend on its ability to implement complementary policies that address institutional weaknesses and promote inclusive growth. Only through a holistic and integrated approach can the country hope to transition toward a more resilient and diversified economic model.

Angola's Future: Navigating the Path Ahead

Analyzing the policy approaches of Angola, Saudi Arabia, and the UAE reveals key differences that contribute to varying levels of success in diversification. While Angola's diversification initiatives have been "fragmented and hampered by implementation challenges," Saudi Arabia presents a "more comprehensive, multi-sector approach driven by long-term vision and significant government investment" (Gulf International Forum, 2021). The UAE's success story highlights the importance of "early and sustained focus on diversifying into non-oil sectors, supported by strategic geographical advantages and investor-friendly policies" (Ministry of Economy - UAE, n.d.).

Drawing upon these experiences, Angola's future economic feasibility hinges on addressing key challenges and capitalizing on emerging opportunities. Emulating Saudi Arabia's Vision 2030, Angola needs a "comprehensive and long-term diversification strategy with clear targets, timelines, and consistent policy implementation that transcends electoral cycles" (Gulf International Forum, 2021). Addressing human capital deficiencies through robust education and training programs, mirroring the UAE's success in "attracting and retaining global talent," is crucial (Ministry of Economy - UAE, n.d.). Moreover, attracting foreign direct investment requires tackling Angola's challenging business environment by "streamlining regulations, reducing bureaucracy, ensuring a transparent legal framework, and enforcing contracts effectively" (African Leadership Magazine, 2024). This necessitates confronting the political instability and corruption that have historically hindered its progress.

Angola can accelerate its diversification efforts by fostering strategic partnerships with countries renowned for their success in this area, such as the UAE and Saudi Arabia, as well as global powers like China and the United States. Such collaborations would provide Angola with "invaluable knowledge, technology transfer opportunities, and access to new markets" (African Leadership Magazine, 2024). Though facing substantial challenges, Angola's potential for economic

transformation remains significant. By learning from the successes and addressing the shortcomings observed in other oil-rich nations, Angola can chart a course towards a more diversified, resilient, and prosperous future.

Conclusion

This study has explored three central research questions concerning Angola's withdrawal from the Organization of the Petroleum Exporting Countries (OPEC): the underlying motivations for the decision, its potential to catalyze economic diversification, and the challenges associated with this strategic shift. This is an important subject matter as this topic addresses a pivotal moment in Angola's economic and geopolitical trajectory as well as the political stability in the next political cycle. The decision to leave OPEC reflects broader shifts in national sovereignty over natural resources, and the urgent need for economic diversification in resource-dependent states.

Furthermore, it is essential to contextualize this analysis within Angola's broader socio-political landscape. Since the end of its civil war in 2002, Angola has enjoyed relative peace and stability. However, persistent national dissatisfaction with the pace and inclusivity of socioeconomic development has intensified calls for structural transformation and improved governance. In this line of reasoning, the findings indicate that Angola's decision to exit OPEC in late 2023 was driven by a confluence of political and economic imperatives, all of which converge on the urgent need to accelerate national diversification. Internally, the ruling party, the Popular Movement for the Liberation of Angola (MPLA), faced mounting pressure to address declining oil production, fiscal vulnerabilities, and the country's limited influence within OPEC's quota-setting mechanisms. The desire for greater sovereignty over oil production policies and the ambition to reorient the economy toward long-term sustainability were pivotal. Moreover, Angola's strategic repositioning in the global energy landscape—particularly its efforts to deepen bilateral partnerships with China and the United States—played a significant role in shaping this decision. Preliminary indicators suggest that Angola's oil production has shown signs of recovery, reflecting the initial benefits of increased policy autonomy.

In terms of economic diversification, the analysis reveals both promising opportunities and formidable challenges. Angola's departure from OPEC grants it greater flexibility to adjust production levels in response to domestic needs and international market conditions. This flexibility also enhances its capacity to negotiate new international partnerships, particularly those that align with its development priorities. However, the success of diversification efforts will depend less on oil policy and more on the implementation of comprehensive structural reforms. Comparative analysis with countries such as Saudi Arabia and the United Arab Emirates (UAE) underscores that successful diversification is a long-term endeavor requiring political consistency, substantial investment in human capital, and the creation of a conducive business environment. These cases demonstrate that diversification must be embedded in multi-sectoral national development plans and supported by tailored and long-term strategies that reflect local conditions. While international partnerships can provide critical resources and expertise, they are instrumental rather than determinative.

The challenges Angola faces in pursuing long-term economic diversification are substantial. Structural constraints—including weak institutional capacity, pervasive corruption, inadequate infrastructure, and a shortage of skilled labor—pose significant barriers. Merely increasing oil exports will not resolve these issues, particularly given the volatility of global oil prices and the need to add value through domestic refining and downstream integration. Angola also struggles to attract foreign direct investment (FDI) due to regulatory uncertainty and governance concerns. Political instability and inconsistent policy implementation further undermine investor confidence and hinder the execution of long-term development strategies. Lessons from Saudi Arabia and the UAE highlight the importance of sustained political will, strategic planning, and institutional reform in overcoming such obstacles.

Looking ahead, further research is warranted to fully understand the multifaceted implications of Angola's withdrawal from OPEC. Future studies could examine the effectiveness of specific policy interventions aimed at

stimulating growth in non-oil sectors, the geopolitical ramifications of Angola's decision for intra-African energy cooperation, and the environmental sustainability of its diversification trajectory. While Angola's exit from OPEC presents a window of opportunity, its long-term success will hinge on the government's ability to design and implement a coherent diversification strategy, foster inclusive international partnerships, and maintain a flexible, adaptive approach to economic governance.

In summary, this study identifies three principal implications of Angola's decision to withdraw from OPEC. First, the withdrawal reflects a strategic national commitment to pursuing economic diversification, despite the inherent challenges associated with such a transition. Second, it opens new avenues for Angola to deepen its engagement with international development partners and to draw lessons from the experiences of comparable economies. Third, while the departure does not significantly undermine OPEC's operational effectiveness on the global stage, it introduces a critical perspective into scholarly debates regarding the organization's credibility and internal cohesion.

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