Work/Jobs

Conclusion: Thinking differently about the future

Jakkie Cilliers
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On the current trajectory, the growth in the African labour force will far outstrip the supply of jobs, leaving many of the continent’s citizens dependent on the informal sector. This will make some of them eager to migrate elsewhere in search of opportunities, including to neighbouring Europe. These conclusions re-emphasise the importance of revolutions in agriculture, trade, leapfrogging and manufacturing to increase growth and employment. In addition, it is also evident that the informal sector has been the main driver of employment growth in Africa and is likely to be where Africa’s youth bulge is going to battle it out for their livelihoods.

Only if one views employment in Africa through the lens of self-employment (much of which occurs within the informal sector), digitisation and the Fourth Industrial Revolution does it become possible to think differently about the future of work in Africa. With large numbers of youth entering the labour market, the demand for jobs in Africa is huge and steadily increasing. However, Africa’s labour force generally lacks many of the purported enablers for rapid job creation, such as adequate health and appropriate associated basic infrastructure and appropriate levels of education and skills.

A large cohort of young people with improving levels of education, who are either unemployed or eking out a survival in the informal sector, could be a destabilising force – both in Africa and its immediate neighbourhood. Young Africans are increasingly connected with one another and the rest of the world through the Internet and social media and will not stop seeking out the opportunities and lifestyles their peers have in the developed parts of the world.

The theme on stability deals with the structural drivers of instability, including the combination of youth and unemployment. In a different context the group of unemployed youths coincides with the large group of so-called NEETS – Africans not in education, employment or training. Clearly, the orientation of education opportunities towards the actual opportunities or needs within the economy, vocational training in particular, could assist in lowering the political temperature. In addition, there is the potential for job creation in agriculture, light manufacturing, modern services, tourism and creative industries.

As much of Africa’s growth will come from commodity exports, governments should raise incomes through commodity value addition and find ways of extending the value chains of capital-intensive projects into the domestic economy. Furthermore, governments have to find ways of enhancing productivity and improving working conditions and regulations to reduce workers’ vulnerability. The public sector will also have an important role in creating jobs for social development and through public works programmes, both to improve livelihoods and enhance skills.

Most concerning is that the vast number of Africans that survive in the informal sector will struggle to overcome the hurdles created by the Fourth Industrial Revolution. This underlines the importance of using digitisation to open new opportunities for this group, such as access to finance and bringing the informal sector into the mainstream through productive linkages and by reforming laws and regulations.

This theme used the example of Ghana to illustrate how modern technology could potentially formalise its economy more rapidly. By following and building on this example, African governments can harness the potential of digitisation to formalise and empower portions of the informal economy and empower ordinary citizens with access to finance, education and opportunity. Digitisation can help with the modernisation of agriculture and lift smallholder farmers out of poverty, but only if governments and leaders are aware of the opportunities it offers and develop effective digital strategies that support local innovation firms to compete and invest in household electricity (a precondition) and affordable access to the Internet.

To provide sufficient meaningful work, the continent needs a shift in mindset and policy that would allow a speedier escape from poverty compared with the slow progress envisioned in the Current Path forecast. Only if African
governments are able to help create a culture of entrepreneurship will the continent be able to reduce unemployment. Attitudes need to change from ‘getting an education to get a job’ to ‘getting an education to create jobs and opportunities’. Even then, such entrepreneurship and self-employment will make only a small contribution to employment rather than solving the unemployment challenge, and it is inevitable that interventions such as social grants and public work programmes will have to be implemented on a massive scale if Africa is to reduce extreme poverty and provide the means for survival of a large portion of its population.
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About the authors

Dr Jakkie Cilliers is the ISS’s founder and former executive director. He currently serves as chair of the ISS Board of Trustees and head of the African Futures and Innovation (AFI) programme at the Pretoria office of the Institute. His 2017 best-seller Fate of the Nation addresses South Africa’s futures from political, economic and social perspectives. His three most recent books, Africa First! Igniting a Growth Revolution (March 2020), The Future of Africa: Challenges and Opportunities (April 2021), and Africa Tomorrow: Pathways to Prosperity (June 2022) take a rigorous look at the continent as a whole.

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