



# MO IBRAHIM

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What we really see in Africa is a story of growth and change. This is not a false dawn, but it is a process which is underpinned by the numbers. We are not out of the woods yet. If we look at the data, in October, we published our annual Governance Index, which measures the performance of African governments. It was very interesting to notice that Africa did very well over the last 10 years in the area of education and health, and there was a marked improvement in gender equality. Definitely, governance, which should aim at using all available resources in the most efficient way in order to deliver the best possible to the citizens, is a critical ingredient. However, we are aware, that Africa comes from a very low base, so we will not pat ourselves on the back as if all problems in Africa are sorted. There are still major issues.

Take for example agriculture: in Africa this one issue that really needs to be dealt with because it is the most important economic activity, with 70% of people living on and off the land. Africa has the potential to become a major agricultural producer, at a time when global food demand is soaring, and global agricultural supply is shrinking. But we need to move forward, if we want to quit a subsistence type of economy to reach an efficient business model. Land titles, investments, financial and technical tools, storing, processing, transporting infrastructures are critical. Land titles specifically are a major issue for us in Africa which we really need to sort out. Governments should not sit on the lands or parcel huge amounts of it under dubious contracts in what has come to be known as land grabs for Middle Eastern, Chinese, American or South Korean companies or pension funds, which are gaining huge amounts of land and kicking people out.

Unfortunately, after major improvements in democracy and participation between 2000 and 2006, stagnation has appeared between 2006 and 2011 in the area of democracy. It seems that the economic success somehow was interpreted by some of our leaders as an excuse to forget about democratic development since more money was coming into the country. This does not work.

We are also concerned about the area of wealth distribution. The economic success must really be seen by all the population. It is not right that the progress in Africa is only seen by the top 1% or 2% in the country. That creates stresses in the society fabric. We have seen what happened in the mining industry in South Africa. It does not help when the handful of the Board directors of some mining company earn more than the 2,400 miners. Of course something is wrong there and you end up with all this violence, which is not in anybody's interest, neither the company's, nor the directors' nor the miners'. We really need to pay attention. To be sustainable, development needs to be equitable. That is really important.

One area that also raises a red flag is that of African youth. Africa's demography differs from other continents, all now ageing. African continent median age is 20. This is completely different from what we see in Europe, China and everywhere else. That trend is accelerating. How are we going to deal with this huge bulge of young people coming forward?

What policies need to be implemented and what kind of education there should be and education for what? What sorts of jobs are there likely to be in, or for, Africa in 10 or 20 years' time? As factories move out of China to Bangladesh, are we going to see a continuous movement? Is the future of Africa going to be to replicate the Chinese success and become a factory of the world? Is that what we are going to do or is technology offering us something else and the growth factors of the future will be different from the growth factors of the past? I do not know the answer to that.

These are serious questions. We need to know how we are going to deal with this huge number of young people, which could be a major asset for Africa in a situation where Europe is about to face major demographic issues. I think that all the pension schemes in Europe will be bankrupt in 20 years' time: how can you support an aging population with a dwindling workforce? How much taxation are people going to have to pay? It is wonderful that health and science are improving and that people are living much longer now, with the average lifespan being 84 years, and in a



few years' time that will be 90 and then 95 years. Who is going to support all those people? This is going to be a major issue. Will African youth be the answer? Possibly, but only if they are properly trained and educated.