**Africa – The Last Frontier: Fostering Innovation for Growth and Development**

A speech by Chude Jideonwo, Managing Partner of Red Media Africa, at the Africa Shapers Summit on Entrepreneurship on Thursday, November 19 2015

One of the biggest shifts in global discourse in the 21st century, has been in the way Africa has been portrayed and described in the international press. One example in particular stands out for me. In its May 11th 2000 edition, the Economist, that bellwether of opinion for the global business and political elite, called Africa the ‘hopeless continent’, citing the usual instances of war, famine and disease that have ravaged the continent for much of the last 50 years.

By December 2011, however, the story had changed. The title was now ‘Africa Rising’, a metaphor for the economic growth that began across the continent shortly after that damning article. The rising tide of a boom in the price of commodities, driven by demand from China, lifted boats from North to South, and from East to West.

The result was the revival of an African middle class, and it has attracted – and is attracting –companies seeking new growth after the consequences of the global economic crisis of 2008 and 2009. Now, rather than the single story of poverty porn and a dark continent filled with mosquitoes, HIV/AIDS, wars and famine, another story has risen: that of a continent that is viewed as the ‘last frontier’, a vast open space similar to America’s Old West, ready for anyone who would dare to stake their claim. Countries and corporations now scurry across the continent, making deals and investing. Some have thrived, and some have not, but the shift in perception is unmistakeable.

Africa is now viewed with cautious optimism as a land of opportunity, and having built a business in this country for ten years, I can attest to the truth of this. There is opportunity, but there are also many pitfalls.

Africa is the youngest continent in the world, with a median age of 20 years old, and 20% of its 1 billion inhabitants are between the ages of 15 and 24. That’s 200 million people. 11 million youth will enter the workforce every year for the next ten years. By 2040, an estimated 1 billion people will be of working age.

On its face, this should be a demographic dividend driving growth for decades to come, but all across the continent, there is shortage of the skilled labour needed to fill many open roles. In many sectors, it is the same lament: that while many may carry degrees, actual skills are in short supply.

Over the past ten years as an employer of labour, I have come face to face with these challenges myself, more so because at RED, we hire under-30s almost exclusively, and this is because we believe that to reach Africa’s youth effectively, our DNA has to be youthful. My faith has not been misplaced. Time and time again, it has been proved that once you provide the tools and training, young people will rise to the occasion more often than not. Africa’s youth are bursting with creativity, energy and ingenuity. They do not lack for those things. What they lack are the opportunities to better their lives and the lives of those around them.

Through our development arm, The Future Project, we have also taken the lead in seeking out and promoting initiatives that provide those opportunities. Our partnership with the Ford Foundation has led to a Ford Foundation Prize for Employment, which will award $5,000 to a business that actively tackles the unemployment gap, and the winner will be announced in a couple of weeks.

Those initiatives are vitally important, because we cannot allow a potential demographic dividend turn into a demographic bomb that blows us in all our faces. For a country with 62% under the age of 24, and 70% under the age of 35, we have far too many young people moving around with nothing to do. Eventually, they will become that person that robs you at gun or knife point in traffic, or become a thug for one politician or the other.

If you have been following the news this year, you would have noted the influx of refugees into Europe. Many of them come from war-torn Syria, where millions have been displaced because of a regime determined to remain in power, whatever the cost. However, at least twice a week these days, there is also a story of a capsized boat leaving either Libya or Somalia to Europe as well. These boats are carrying economic migrants from Africa. Some of them are Nigerians. This high influx challenges the narrative of ‘Africa Rising’ that has been in the news for the past 5-10 years. All kinds of questions begin to float around my mind: For whom is Africa really rising, if people can take such huge risks, make such an uncertain journey, just to leave Nigeria and other countries in Africa, with many more aspiring to make the same journey? Can anything other than sheer hopelessness force a person to risk life and limb in that manner? If Africa’s youth, people like you and me seated here today, continue to exist in environments that reduce their opportunities to better themselves, to make a better life, what is likely to happen in the near future?

These are your peers – and mine. You know them. You have at least a brother, a cousin, an uncle, a former class mate, a distant relative, a neighbor, a friend who does not have a job, and is…just there. And the ranks are increasing.

One of the biggest buzzwords of the last few years is entrepreneurship. Everywhere you turn, there is a government or an organisation that wants to fund SMEs, train entrepreneurs, and so on and so forth. But one of the things we forget is that entrepreneurs do not exist independent of society. They are subject to the same constraints as anyone else, sometimes even more so than most. The most recent Doing Business Index says that only 20 countries are harder to do business in, than Nigeria. Many of you in this room are likely to doubt that there are up to 20.

From company registration, to access to power, to registering property, to taxes. Name it. Everything appears set to create an environment that is hostile to any attempt at entrepreneurship. How do businesses thrive in this kind of environment? How do they expand? For too long, businesses in this country succeed in spite of their environment, not because of it. If we laud companies like Facebook, Google and others today, we also need to remember that they are in an environment that gave them the best possible chance at success.

It does not matter how many entrepreneurs we train, mentor or how many we just give cash. If governments in this country and around the continent do not get serious about reducing the barriers to enterprise, these efforts will not amount to much, and the expected job creation will not take off. A country in which it can take anywhere from 6 weeks to 6 months to register a business, where the cost of power is so high, where multiple taxation is the order of the day, cannot be serious about growing its economy.

This kind of environment, hostile to enterprise, is also hostile to innovation. The Global Innovation Index (GII) is an annual publication which ranks countries/economies in terms of their enabling environment to innovation. Of the 143 economies surveyed using 81 indicators, Nigeria placed 129th. Entrepreneurs are often at the forefront of innovation, but they build on government investments in infrastructure, education, and sound economic policy and business regulations.

Within the broader narrative of Africa Rising has been the story of how technology has enabled and is enabling innovative new businesses in Nigeria, Kenya, and other countries. The rapid adoption of mobile phones and spread of internet connectivity, has provided the environment for businesses like Iroko TV, Jovago, Hotels.ng, Uber, and lots of other businesses thrive here, provided employment for thousands of people between them.

Technology is important because it enables you to do more with less. It enables you to invent new things or better ways of carrying out old tasks. The internet, for example, and the social media platforms built on top of it, have multiplied the power and reach of media by orders of magnitude, while reducing the resources required.

Companies like Andela have taken it to the next level, by paying people to learn how to code and getting them familiar in the software languages that are increasingly dominating our lives, opening up opportunities for them that would have been impossible otherwise. We need many, many more of such efforts because that is the only way to get our young people ready for the present and the future.

But there is really only so much technology can do. It cannot be a substitute for good governance. Our education system, broken at all levels, cannot produce the skilled labour that is needed in the 21st century. Have you seen our public secondary schools? A disaster. Students are learning under trees, Libraries were a thing of the past when I was in the university 7 years ago, lecturers can’t even speak English properly, and many graduates have to rely on teacher-aided malpractice.

I remember watching in horror along with the rest of the country, as a teacher in Edo State, in the presence of the governor Adams Oshiomhole, could not even say her name. So many teachers, unfit for the purpose of teaching, are in daily contact with students at all levels, making an already bad problem worse. This is not to count those who, in 2015, cannot even operate a computer. How then can they be trusted to train a workforce of the future?

I am hopeful that Buhari’s new ministers will address at least some of these issues We need the government to live up to its responsibilities, and begin to fix what is wrong with our infrastructure, with our education, and to reduce red tape. Without this, we cannot foster innovation at the level we need to be.

Thank you very much and God bless Nigeria.