Transcript: Empowering Young Africans to Live Their Dreams - Remarks by World Bank Group President Jim Yong Kim

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Transcript

DR. KIM: Thank you, I apologize for being noisy, your Excellency President Kikwete, but I promise you it will be brief noise and may I suggest that as one strategy put your earphone in and turn to the Japanese channel. Maybe you speak Japanese, I shouldn't be presumptuous. Thank you very much and I appreciate very much the problem of getting so much different advice so from so many different places when you have such clear and practical problems to tackle. So let me just try to share some specific lessons that we've learned in the African context of that [unclear].

This might not be obvious but the problem in Africa is not unemployment per se, it's low productivity. I have worked in poor countries all of my life and if there's one thing that I know is that poor people work. They are employed. They can't afford not to work but what they do to survive is one thing; whether it's productive or even more importantly, part of the formal sector is really the question. About 60 to 70 percent of Africans work on small family farms and household enterprises and unless we do something most of the two million youth entering the labor force every year will continue to do informal sector work that yields small outputs and low returns.

While formal sector jobs are growing fast, 10 percent growth in Ghana, Tanzania and Uganda, informal unfortunately is still the norm for so much of Africa and will remain so for a
while. So the most important thing is we need to find pathways to productivity in whatever type of work that youth undertake, especially. As we've seen in East Asian countries that have reaped a demographic dividend, investing in young people has boosted productivity across entire economies. The World Bank Group will continue to support a very broad agenda to help address the youth unemployment challenge in a holistic and sustainable way.

We've helped get millions of children into school but our concern now is quality primary education. As wonderfully productive and helpful and important as the Millennium Development Goals have been we feel that especially in primary education we focus so much on getting kids into seats in schools, we haven't really focused enough on what they're learning. The really good news, especially I think the good news for Africa, is that there are lots of wonderful insights and new technologies that could provide the opportunity in primary, secondary and even in tertiary education for Africa to leap generations of bad practice and get kids in school learning.

It's not necessarily a laptop or an iPad in people's hands, it's not the hardware but it's the wonderful new software that we found that allows teachers to spend more time providing individual attention. So this is one of the issues that is very important to us at the World Bank Group and it will continue to work on. There is the potential of an absolute revolution in primary education, secondary education, job training and tertiary education that frankly many of the high income countries are not utilizing in their own school systems. There's a chance for Africa to leapfrog and do it better and we're completely committed to work with you on that front.

We're helping young people in Cote d'Ivoire, in Nigeria access better training opportunities in the informal sector but we're also helping youth in Togo develop entrepreneurial skills. These are the kinds of interventions that come from both the public and the private sector that we think can have a transformative impact. Ninety percent of all jobs in our jobs report are created in the private sector. So part of the task of youth employment is looking at the business environment.

Many of you know we publish a Doing Business report, and I just want to be clear. What the Doing Business report attempts to do is very straightforward and very clear every year. It is how easy is it for small and medium enterprises to register and to work and to be effective in any particular country. There have been many criticisms of the Doing Business report and any report, any survey can get better, and we commit to continuing to get better. But we
have to recognize that because 90 percent of all jobs are created in the private sector, creating an environment for the private sector to flourish is a direct program aimed at increasing employment opportunities for young people.

So we also are completely committed to working with all African countries and improving their business environment in a way that leads to good jobs, to decent work as I would otherwise say. We believe that that's very important, so good jobs that are in full sector that give people a sense of hope, a sense of the future, is critical. Our mission at the World Bank Group is to end poverty, extreme poverty by 2030 and boost shared prosperity. We know that the absolute key to achieving those targets is to unlock the potential of African youth and we will remain ever committed to that mission. Thank you.

[Applause]

Question about World Development Report on jobs and also the previous one on gender:

**DR. KIM:** We think the Jobs Report is very much, we think, completely linked to the previous report that we put on gender equality. So if you look at the issue of gender, in so many ways investing in girls, investing in women, means investing in the economy, investing in growth, investing in jobs. For example, the data is overwhelming that investing in girls' education is one of the best investments that any country can make.

But let's go further. Once the girls graduate from high school, ensuring that they have access to financial services. There are still billions of people in the world that don't have a bank account, and if you look at the situation in Sub-Saharan Africa where access to cell phones has grown so quickly, faster than any other society, what we know is that there are all kinds of wonderful new innovations that would allow women to have access to financial services over the phone.

There's no reason that we can't scale up access to financial services, and of course the next step is access to capital. And we know that when you give women even access to small amounts of capital that they can be drivers of economic growth in ways that are really quite astounding. So in every way, we believe that the youth employment agenda, the jobs agenda, and the gender equality agenda are intricately linked.