



## THE PARLIAMENTARY NETWORK

On The World Bank & International Monetary Fund

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### ***CREATING JOBS THROUGH EDUCATION: AN IMPERATIVE OF INCLUSIVE, SUSTAINABLE DEVELOPMENT ON THE CONTINENT OF AFRICA***

Within the spectrum of development topics, education has been one which has seen modest prioritization, but perhaps not enough. Education does not provide the short-term political gain (even when programs are widely successful). Programs to improve education are difficult, subject to a plethora of opinions on how to turn concepts into realities. Although development institutions commit to enhancing educational programs, there exists a nagging discrepancy for countries which possess constrained budgets. Countries in Africa often have education systems that are under-serving citizens for basic learning objectives. Further, although some systems are useful for and are creating new generations of educated citizens, they do not prepare the youth to compete in the marketplace. If infrastructure and urbanisation development programs provide access and space for sustainable development to exist, then education is the backbone for such development. Africa's profound and persistent infrastructure deficit and poor performance on education constitute important barriers to increased competitiveness (Africa Competitiveness Report 2013). As the ILO's 97<sup>th</sup> Session in 2008 said, "Investment in education and skills helps to 'pivot' an economy towards higher value-added activities and dynamic growth sectors."

This version of the P&D Series illustrates the stark reality that education has the potential to be a parallel source of inclusive and robust growth for both countries receiving contributions from the World Bank and IMF, but as well the development organizations. Further, parliamentarians have not only the power to balance decisions made by their governments in International Financial Institution (IFI) engagements, but also the ability to provide feedback to such institutions for greater efficacy in creating sustainable growth. Thus, the role of a parliamentarian in solidifying educational priorities is significant.



## *UNDER-PRIORITIZATION OF EDUCATION IN AFRICA*

As we live in the Age of Information, many young people on the continent of Africa are being left behind. In 2012, 80 percent of schools did not have access to electricity, 50 percent did not have access to drinking water, and 33 percent of schools did not have access to toilets on the continent (UNESCO Institute for Statistics database). According to the UNESCO Global Education Digest, dropout rates are the highest in Sub-Saharan Africa of all regions; 42.1 percent of children did not complete the final grade of primary school in 2012. The World Bank released a working paper in 2011 which inferred that for each additional year of schooling, an individual's potential income is increased by as much as 10 percent (and up to 15 percent for women). The likelihood of having waged employment is less than 10 percent with no education on the continent of Africa; further, the likelihood at least doubles upon completing primary education (AEO Country Experts Survey 2012). When there is an impactful investment into education, the ability to learn, analyze, and build skills is fostered at a young age. This translates more appropriately in creating a robust, sustainable market economy, as human capital is able to meet the needs of a country's competitive advantage.

Although Official Development Assistance (ODA) flows to Sub-Saharan Africa have ranged between 20 and 35 percent of total ODA during 1990 and 2008, education programs are not a priority. 'Education for All' represents only 7.30 percent of the total programs by theme by World Bank commitments in Africa; 5.58 percent of total programs by sector are dedicated towards primary education. In total, education programs represent 6.35 percent of total programs by theme and sector at the World Bank. In comparison, programs dedicated towards administration (general, central government, and sub-national) represent 43.95 percent of World Bank commitments by sector in Africa. Further, programs dedicated towards public sector improvement by theme (public expenditure, financial management and procurement; administrative and civil service reform; state-owned enterprise restructuring and privatization) represent 29.88 percent of World Bank commitments in Africa. In short, education initiatives are given less commitment than other sectors.<sup>1</sup>

<i>Sector/ Theme</i>	<i>Number of Programs on continent of Africa</i>	<i>Percentage of Total (by theme, sector, or combination)</i>
Total Administration (general, central government, and sub-national) by Sector	2152	<b>43.95%</b>
Public Sector Improvement (public expenditure, financial management and procurement; administrative and civil service reform; state-owned enterprise restructuring and privatization) by Theme	1203	<b>29.88%</b>
Total Education by Theme and Sector	567	<b>6.35%</b>

<sup>1</sup> [http://www.worldbank.org/projects/search?lang=en&searchTerm=&regionname\\_exact=Africa](http://www.worldbank.org/projects/search?lang=en&searchTerm=&regionname_exact=Africa)



Education development produces the economic growth that IFIs are looking for, but could be described as severely under-prioritized by development organizations and governments. Regardless, even if programs are dedicated towards improving access and basic necessities towards education in Africa, matching learning objectives and outcomes to critical skills necessary to create a robust economy is also a challenge for citizens, lawmakers, and development organizations alike.

### ***MATCHING SKILLS WITH JOBS***

Even if education could be prioritized financially and practically for a given country in Africa, matching skills with jobs is still a challenge. The 2014 EY Attractiveness Survey on Executing Growth for Africa surveyed 503 investors in Africa about what factors have an impact on decision making into an African urban center. The results were clear: having a skilled workforce represented a major factor for 72 percent of respondents. Having a skilled workforce trumped other factors such as demographics, proximity of urban centers, and rental costs. Thus, the typical factors of successfully running a business depend on the skills of those who are employed in such industries.

Transferring learning outcomes from the classroom into the job market is critical; education, training and lifelong learning foster a virtuous circle of higher productivity, more employment of better quality, income growth, and development (ILO 2008). Whereas only 4 and 10 percent of Sub-Saharan and North Africans (respectively) finished their university degrees in engineering, manufacturing and construction at university, 20 percent of students in Asia graduated from these fields between 2008 and 2010 (AEO data, UNESCO). According to a publication championed by the African Development Bank, World Economic Forum, and World Bank, the compound annual growth rate of manufacturing and construction are 4.6 percent and 7.5 percent respectively on the continent. Yet, according to the AEO, a small percentage of the educated potential workforce studies in these subjects directly; thus, a direct mismatch exists between recent graduates who are capable, but perhaps lack necessary skills to have meaningful employment. The mismatch will only widen without investment into education and skills training. As the same Africa Competitiveness Report of 2013 notes, “moving up the value chain into more-advanced manufacturing and service sectors will require significant and immediate investment in education in order to provide a workforce that can move beyond simple production processes.”

The ILO’s 2013 report on Global Employment Trends for Youth shows that skills mismatch adversely impacts the employment prospects for those without education. Further, those who are over-qualified participating in the labour market cannot reach their productivity potential, whereas those who are under-qualified lower country productivity levels. Hence, synthesizing skills sets to labour market demands creates sustainable growth at an



equilibrium point. Training programs which emanate directly from companies to employees would fill this void; however, Enterprise Surveys between 2006 and 2010 from the AEO suggest that on the continent of Africa, less than 30 percent of firms with proper legal registration offer such programs for employees. Thus private firms and governments have as well under-prioritized the importance of translating education into jobs. In a time where 1 million jobs must be created a month in Africa (Peace Child International 2014) to ward off increased rates of unemployment, all stakeholders must collaborate and engage closer than ever to improve the life prospects on the continent.

### ***THE ROLE FOR PARLIAMENTARIANS***

Education is a transformational foundation for robust and sustained economic growth. What can parliamentarians do to improve the employment prospects of domestic constituencies through such a lens? Parliamentarians represent the balancing weight of government actions, having the potential to ensure transparent, effective governance within a country. Further, development organizations sign commitments typically with the ruling government, and not Parliament. Thus, MPs can play a critical role in monitoring development programs targeted towards reducing poverty, sharing prosperity, and improving life prospects for citizens. Below are three actions that MPs can take in improving education access, quality, learning outcomes, and translation of such knowledge into employment.

Developing and implementing programs which foster education and translate knowledge into a labour market of opportunity is essential. In order to serve both young and old seeking knowledge, education, and skills training, MPs can network with each other, share experiences, and use best practices in policy discourse and implementation. In this fashion, the Parliamentary Network is the platform for such engagement, and can actively create synergies among MPs from around the world in upgrading the access, quality, and learning outcomes of education policies.

In addition, through World Bank and IMF country office consultations and Parliamentary Network engagements, MPs can express the importance of developing education programs directly with organizations which have the resources and expertise to upgrade the access, quality, and learning outcomes of education policies. In this fashion, MPs can help shape the development agenda in their respective country by reaching out to IFIs which are increasingly seeking feedback.

Third, Public-Private Partnerships (PPPs) allow the direct interaction between governments and businesses to the benefit of citizens. For example, what began as a private, non-profit institute in 1996 to serve the educational needs of Sudanese, African and Arab students is now the internationally recognized University of Medical Sciences & Technology (UMST) in Khartoum, Sudan. The Chairman of the Board, Professor Mamoun H.A. Homeida saw the UMST as a way to fill the void of dilapidated government universities which lacked the



resources and drive to provide for students and their dreams. The University now has 11 faculties and has “graduated many doctors for the good of humanity.” In this fashion, private companies can interact, train, and enhance the skills of potential employees for sustainable jobs in the formal labour market. Such programs have private solutions prove to be widely successful with strong domestic and regional implications for future generations; the opportunity to learn from such success stories is immense.

Education creates economic activity and the backbone of sustainable, inclusive development. Although a domestic economy requires infrastructure such as proper sanitation systems, hospitals, homes and public services, none of these components are maximally utilized without an educated labour force to properly work within such physical structures. Innovation, which allows for responses to country-specific challenges, is absent without the ability to perceive, think, learn, and create. Thus, education is imperative to economic growth, and parliamentarians play a crucial role in developing such programs. Either through PPPs, IFI engagement, or knowledge sharing via the Parliamentary Network, parliamentarians possess an all important key in unlocking the sustained growth and employment challenges on the continent of Africa for now and years to come.

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