Activity 1: Analysis of Data

This exercise is based on extracts from a World Bank report on the education system in Africa. It can be run as a series of workstations, where small groups of students circulate from one to the next.

In groups analyse the three sets of data and discuss the questions.

Data set 1 suggests that the base profile of education and skills is very low, with some data to support it, although it varies across sub-saharan Africa (Niger vs Botswana). Very low enrolment rates.

Questions:

1. Briefly summarise the labour market situation in Sub-Saharan Africa using the tables and text.
2. How much of a problem for industrialisation is this likely to be? Explain three separate issues clearly.

Data set 2 suggests that those who get into higher education end up doing the wrong degrees for a variety of complex reasons.

Questions:

1. What skills do African businesses need?
2. What skills do universities supply?
3. Why is this?
4. What are the differences with other parts of the world?

Data set 3 suggests that firms in sub-saharan Africa don't train workers themselves. The article at the end gives some suggestion as to why – this can be a good one for whole group discussion once they have finished going round the work-stations.

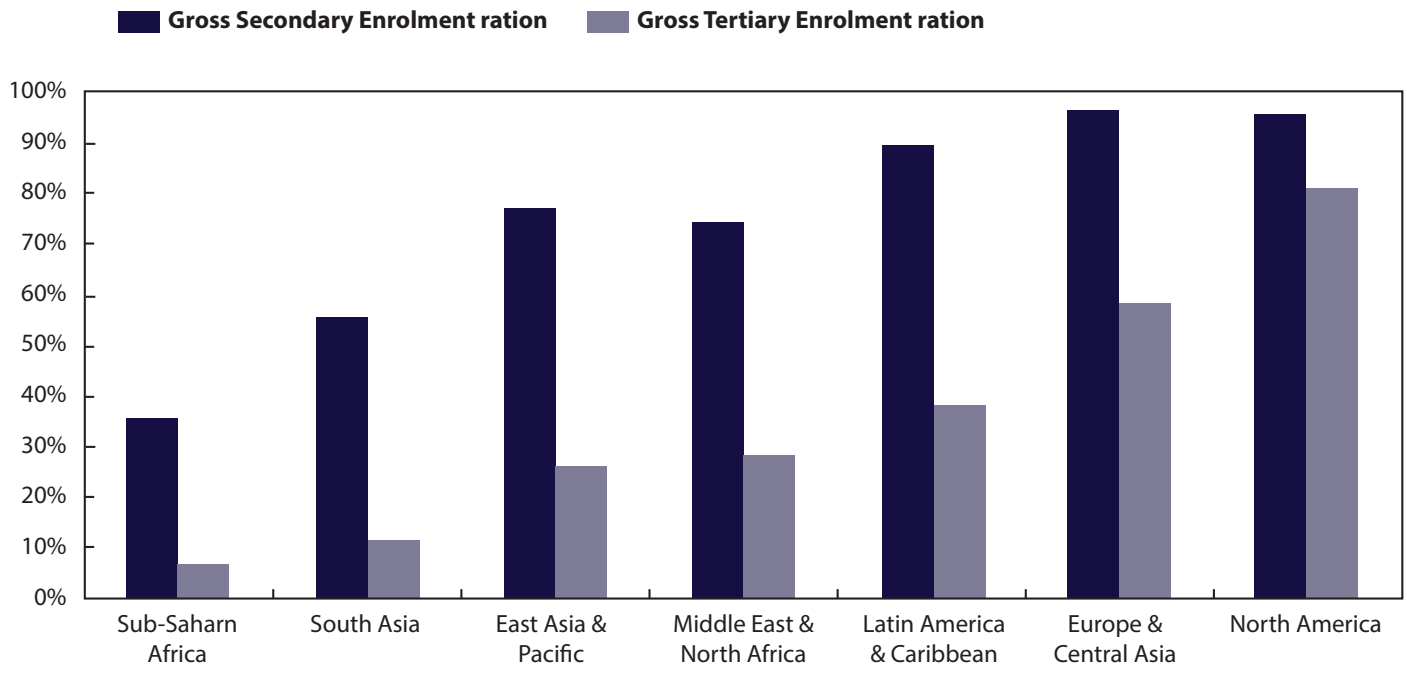
Questions:

1. How does the education system need to change in Middle income countries such as South Africa?
2. Why might this be different in Lower Income Countries.
3. What does Figure 6.32 tell us?
4. Why might this be so? Come up with three separate possible reasons.

Data set 1

Young people in Africa (and in sub-Saharan Africa in particular) have a very low educational profile compared to other regions in the world. In sub-Saharan Africa, the gross enrolment ratio at secondary level is 35%, and that at tertiary level just 6% (figure in this box). Although these levels are very low compared to other regions, they reflect rapid growth over the last decades. Based on current trends 59% of 20-24 year olds will have secondary education in 2030, compared to 42% today. Given Africa's high population growth this translates into 137 million 20-24 year olds with secondary education and 12 million with tertiary education in 2030. In spite of this vigorous expansion large gaps remain in the quality of the education provided. Seventeen countries, including Mali, Niger, Ethiopia, Senegal, Côte d'Ivoire, Nigeria and Angola among others, have literacy rates of less than 75% (World Bank 2012b). The increase in the number of higher education graduates has often been at the expense of quality, as expenditure per student has been decreasing throughout Africa. Within ten years (1999 to 2009), the number of higher education graduates in low-income sub-Saharan African countries almost tripled (from 1.6 million to 4.9 million). It is expected that this figure will reach 9.6 million in 2020.

Secondary & tertiary enrolement ratios, by world region



Source: Author's calculations based on World Development Indicators 2011

Adult literacy rates

Country Name	2010	2011	2012
Niger			15
Chad			37
Côte d'Ivoire			41
Sierra Leone			44
Gambia, The			52
Guinea-Bissau			57
Bangladesh			59
Eritrea			70
Angola			71
Sudan			73
Egypt, Arab rep.	72		74
Botswana			87
Jamaica			87
Libya			90
Dominican Republic	90	90	90

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Briefly summarise the labour market situation in Sub-Saharan Africa using the tables and text.

How much of a problem for industrialisation is this likely to be? Explain three separate issues clearly.

Data set 2

High vacancy rates in the presence of large scale unemployment confirm the existence of skills mismatches and are especially substantial in MICs. Although there are large numbers of unemployed young people and a constantly growing labour supply, many enterprises in Africa struggle to fill open positions. In Egypt, for example, about 1.5 million young people are unemployed (ILO 2011b), while at the same time private sector firms cannot fill 600 000 vacancies. In South Africa the situation is even more extreme, with 3 million young people in NEET and 600 000 unemployed university graduates versus 800 000 vacancies (The Economist, 2012a). Figure 6.29 shows that unemployment among those with higher education is much higher among youth in MICs than in LICs, suggesting that mismatches between the skills young people have and what the education system offers are greater as countries grow wealthier. A survey among recruitment and temporary work agencies conducted for this report in nine African countries shows that such agencies have a greater struggle to find suitable candidates with tertiary education in South Africa and Tunisia than in countries with much lower incomes such as Kenya, Ghana and even Niger.

At the tertiary level, young Africans are confronted with a university system which has traditionally been focused on educating for public sector employment, with little regard for the needs of the private sector. Often a degree from a tertiary institution is an entry requirement for government employment, with little attention paid to a specific skill set. At the same time tertiary education in technical fields tends to be significantly more expensive than in the social sciences, which makes expansion of such faculties more challenging for public education institutions. Private providers of education could fill this void, leaving the government with duties of quality control and oversight.

As a result African universities do not educate for African needs. As is shown in the preceding discussion of youth in NEET, unemployment rates vary by field of study. Graduates in technical fields such as engineering and information technology (IT) have less problems finding employment than those from the social sciences or humanities. At the same time these latter fields have much higher enrolment and graduation numbers (Table 6.3.) and consequently much higher unemployment numbers. According to African recruitment and temporary work agencies, the most difficult sectors in which to find candidates with tertiary education are those that need specific technical qualifications, such as the extractive industries, logistics, the chemical and pharmaceutical

industries, manufacturing in general and agri-business (results from AEO survey). Given Africa's comparative advantage in agriculture and the great potential for international trade in processed agricultural products, the low number of graduates in the area of agriculture is striking. With 2% of students specialising in agriculture the discipline occupies the same rank among graduates in Africa as it does in Europe, even though agriculture contributes 13% to Africa's GDP compared to 1.4% in Europe (both for 2010, World Bank, 2011c). Agri-business is one of the few sectors for which finding high level managerial candidates is almost impossible in Africa, according to a large recruitment firm active in many African countries. Given the important role extractive industries play in many African countries, the lack of graduates available to work in the sector is similarly striking.

What do students study? University graduation rates in Africa and the world (2008-2010)

	Education, humanities and arts	Social sciences, business and law	Science	Engineering, manufacturing and construction	Agriculture	Health and welfare	Services	Other
Sub-Saharan Africa	26%	44%	12% (3% ICT)	4%	2%	5%	0%	7%
North Africa	22%	51%	12% (1% ICT)	10%	1%	6%	1%	1%
Asia	23%	30%	6%	20%	4%	9%	4%	4%
Latin America	23%	38%	7%	9%	2%	13%	3%	5%
OECD	23%	37%	10% (3% ICT)	11%	2%	11%	4%	1%

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What skills do African businesses need?

What skills do universities supply?

Why is this?

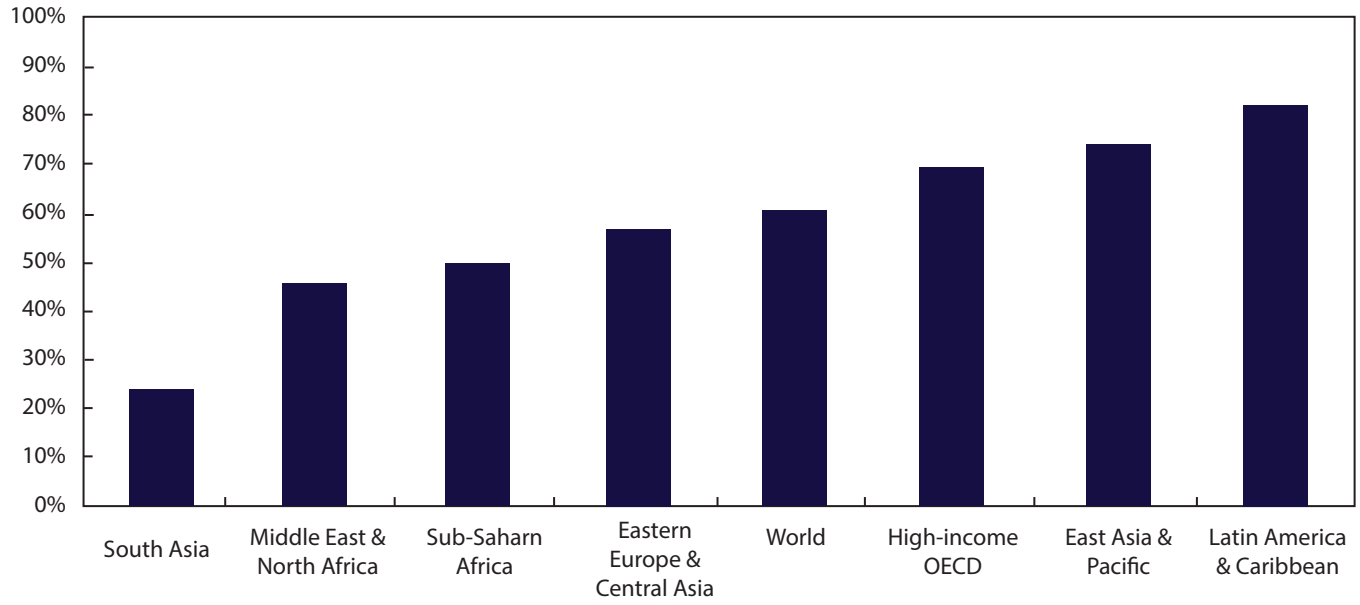
What are the differences with other parts of the world?

Data set 3

Especially in MICs, changing economic structures are putting mounting pressure on education systems to go beyond primary education. South Africa is a good example. In the absence of the large manufacturing or agri-processing sectors that utilise low-skilled workers in most African countries, secondary education is often the minimum requirement for entry to wage employment in the formal sector. South Africa's post-apartheid economic development was largely one of capital-intensive technological change in production methods and a shift towards skill-intensive services (banking, telecommunications) away from the low-skilled manufacturing which had previously been the employer of large parts of the labour force. The shift has led to stronger demand for skilled labour and less demand for unskilled labour (Bhorat and Hodge, 1999; Dias and Posel 2007; Banerjee et al. (2008); Fourie, 2011; Rodrik, 2006). Rodrik observes that "this structural change away from the most low-skills intensive parts - and resultant skills supply-and demand mismatches - is key to understanding the concentration of unemployment among the young, unskilled and black population." Given these dramatic changes and the move of the economy towards equilibrium with demand for higher skills, the only chance for South Africa's youth is a conceited effort in investing in better education. Africa is making progress with the provision of education but serious quality gaps remain (Box 6.9).

Expansion is not enough. Quality and relevance of education must be improved to reduce the skills mismatch. The previous analysis has shown that the level of broad unemployment is especially high at secondary level, suggesting serious skills mismatches. Most general secondary education in Africa has long followed the ideal of providing the prerequisites for an academic education or a white collar (office) job in the formal (and urban) sector. Yet, as earlier sections have shown, only a small minority of young people have access to either of these options. Moreover, the skill set many formal employers are looking for is a more practical and applied one than that provided in most schools, including behavioural and interpersonal skills, as well as basic familiarity with concepts relevant to business.

Firms offering training to its employees in Africa and the world



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How does the education system need to change in middle income countries such as South Africa?

Why might this be different in lower income countries?

What does Figure 6.32 tell us?

Why might this be so? Come up with three separate possible reasons.

Why US brain drain harms developing countries

US companies lure highly skilled, and cheap, foreign workers at the expense of Americans with the same skill sets.

Read full article here:

https://www.aljazeera.com/indepth/opinion/2014/01/why-us-brain-drain-harms-developing-countries-201411553847358568.html