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Hearing on "The Youth Bulge in Africa: Considerations for US Policy"

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Chair Bass, Ranking Member Smith, and Distinguished Members of the Committee, thank you for the invitation to testify on the Youth Bulge in Africa and Considerations for U.S Policy. Your leadership and interest in taking into account the demographics at play in Africa highlights an important force that has and will continue to shape the region. I am the founder of Accountable Africa, a consulting firm that advises and promotes accountable government and responsible sovereign wealth management in Africa. I recently returned to my firm after serving a brief and fulfilling stint on this committee where I was able to provide my insights from my experience facilitating U.S private sector investments in Africa.

I'd like to start by acknowledging the work of Dr. Jack Goldstone of George Mason University. He coined the term Youth bulge and has been a resource to me for over a decade as I've sought to anticipate the implications of the growing youth demographic for investors and businesses in many countries in Africa.

Not to over simplify "youth bugle," but I compare youth bugle in Africa to the north Atlantic current. It is a force of nature that any serious actor must take into account. From pilots to sailors, they account for the North Atlantic winds and adjust course accordingly. I hope my testimony and this overall hearing will inform U.S policy to do the same because youth bulge is a force of nature to reckon with. My testimony will begin with an investment perspective that supports capacity building efforts to address concerns over youth bulge. I will also provide recommendations for U.S policy to ensure that the youth bulge dynamic is a force that is harnessed for African peace, stability and economic growth, which is of interest to the United States.

Africa has the potential to be important for today's investors, businesses and entrepreneurs for a different reason than it has in the past. If the demographic winds of a growing youth population are harnessed correctly, Africa is poised to become one of the largest consumer markets in the world and an engine of global economic growth. This means that if I'm an investor or business and I'm looking for the next sales destination for my American goods, I'm increasingly looking to Africa. This shift is important because rather than just having investors value Africa for its raw materials and resources, they are now valuing Africa for it's trading potential first. Companies, like Apple won't be looking at the Congo as just a source for coltan and cobalt but as a sales hub for its products. This means that Apple will now consider the standard of living of Congolese consumers as an integral part of their profit making equation. NBA Africa is evidence of this shift. Africa is no longer just a source of talent but now becoming a profit center for the game of basketball. It's not an easy shift but it can happen with the right

support from African leaders and U.S policymakers. However, if we don't encourage Africa's transition to becoming the next largest consumer market in the world, the force of the youth bulge will likely turn Africa into the world's main conflict zone.

We must prevent the forces of youth bulge from aligning with any sense of disenfranchisement and despair. As we know the adage "idle hands are the devil's playground." The aim of U.S policy should be to keep youth employed. It's not only about winning hearts and minds, it's about keeping bellies full from the proceeds of dignified work. I state dignified because the dignity of working and providing for ones family is at the heart of youth grievances that lead to a life of delinquency. I was fortunate to go to Senegal for vacation over the new year holidays. Our driver explained the unemployed predicament of his son. He essentially described Him to be in such a state of despair that he was a zombie at home. His son had finished earning an engineering degree but could not find work in years and it delayed coming into manhood in the eyes of his community. Not being able to marry or provide for the families needs was a form of shame. Not to take away from the progress we've have made with women's education and employment, but it is critically important that we find employment solutions for these young men because they are the ones that become the delinquents and destabilizing forces in the community when led astray. They are the fodder for Boko Haram and militia groups. Not having the opportunity to work and save to pay for a dowry to marry a woman and start a family, these young men become void of purpose. Providing youth with an alternative to delinquent activities is critical to stemming the spread of militia groups. We must compete for the trigger fingers of young men with economic opportunities. Authorities must change the calculus of young men preferring the dignity of work in a shipping center rather than vain pride of being a hired gunmen of a warlord. This is where U. S trade and development policy can encourage private investment that creates these targeted opportunities.

Policy responses to youth bulge should be integral parts of development plans in infrastructure and housing. The burgeoning youth population in Africa's urban centers is a recipe for disaster especially if we don't close the gap in infrastructure funding for Africa. Institutions like the African Development Bank should continue to address this aggressively. Youth need to be able to move out of the city to look for work and even live. Without migration to the rural areas and investments in urban infrastructre, the capitals could crumble under the weight of overcapacity.

There is a lot of work to be done to ensure that the force of youth bulge is harnessed correctly. African youth today are smart and interconnected, especially through social media. I was recently in Ethiopia where I spent time with Oromo youth and they explained to me how they wanted to visit many other African countries rather than visit Europe. These youth are interconnected and have a vision of the world that poised them to become a regional consumer force. We just need to nurture their economic potential. African governments need to boost their purchasing power to earn a living and contribute to their local and global economy. This goes to my last observation before my three recommendations. In discussing with Ethiopian authorities recently we observed that a lot young adults are going to school for classical studies in History, Biology and there is a shortage of vocational professionals like plumbers and

electricians. Encouraging U. S vocational school exchanges will help bring prestige to needed crafts that are usually discouraged by traditional views of dignified careers.

To conclude my remarks, I'd like to leave the committee with one recommendation: empower African countries and their regional bodies to protect themselves. African youth are the most vulnerable and require strong institutions and effective governments to cultivate, nurture and protect their economic potential. Youth are the first to suffer when their government institutions are weak and inept. Africa's most vulnerable are preyed upon when Africa is not capable to protect itself. U.S policy should work towards positioning Africa to protect Africa, militarily but also economically.

There are two ways Congress can act on this recommendation:

First, hold hearings to reconsider the United States government's opposition to the African Union 0.2 percent levy self-financing proposal. It is important that the African union be in position itself-funded the region's peace and security operations. Otherwise, see the better-funded militia and or predatory influences will fill the security void to offer you, fighting-age men, an alternative that exacerbates the instability in the region. We see this in the in Central African Republic and Libya. One of the best employment prospects for youth in those countriess is the security sector, whether for a private sector, militias or lastly the government.

Second, Provide expertise to the African Continental Free Trade Area to protect the economic potential of the youth. Too many foreign investors encroach on the economic opportunities of Africa's youth. An example of this are the many Chinese investments that come with Chinese labor that displaces local labor. Congress can encourage an exchange between African governments and the U. S treasury department's Committee on Foreign Investment in the United States (CFIUS). This committee "is an interagency committee authorized to review certain transactions involving foreign investment in the United States and certain real estate transactions, in order to determine the effect of such transactions on the national security of the United States." Encouraging African governments to protect the economic potential of youth through a similar process is needed capacity building.

These two Congressional actions can position Africa to harness the youth bulge as a force for peace, stability and global economic growth.