

CHALLENGES FOR AFRICA IN AN AGE OF GLOBAL EMPLOYMENT DEINDUSTRIALIZATION: IMPLICATIONS FOR TANZANIA

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1 March 2017

Africa's Agrifood
System
Transformation

Africa's Agrifood
System
Transformation

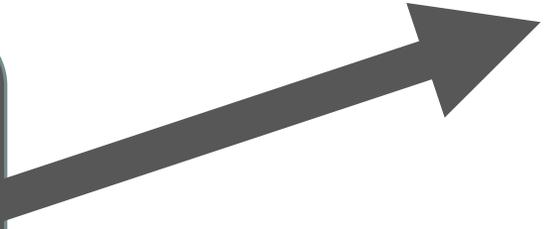
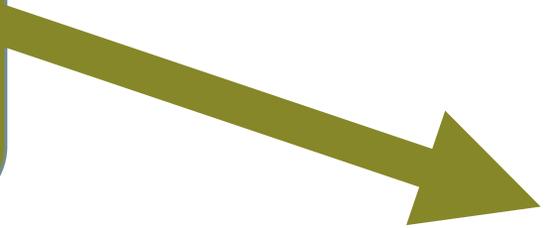


Global
Deindustrialization

Africa's Agrifood
System
Transformation



Global
Deindustrialization



African
Employment?

Africa's agrifood system transformation

**Food is
becoming
more
purchased ...**



**Food is
becoming
more
purchased ...**



More perishable...



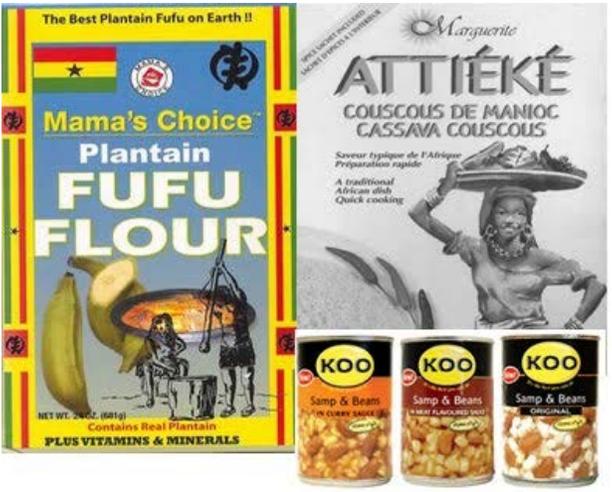
Food is becoming more purchased ...



More perishable...



More processed & prepared...



Food is becoming more purchased ...

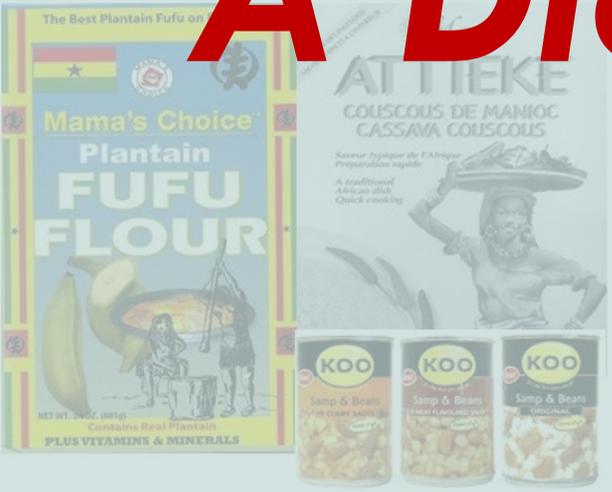


More perishable...



More processed & prepared ...

A Diet Transformation



... which will (need to) drive other transformations ...



Science applied to...



... large farms ...



... and small farms

AFRICA AGRIBUSINESS

magazine



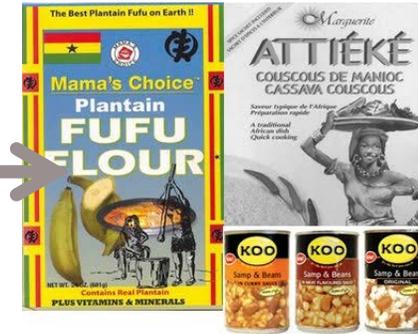
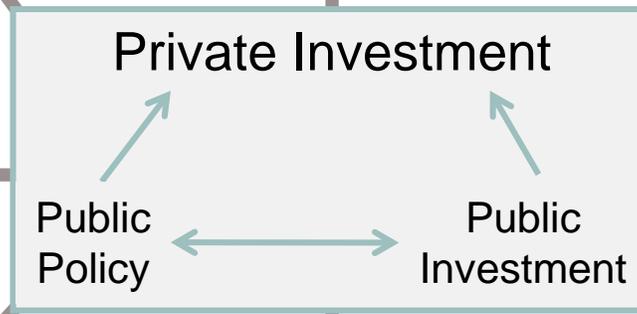
Reaching consumers through
modern retail ...



... and improved traditional
retail



... all of which will be heavily influenced by public policy and investment





IMPLICATIONS FOR ...

Nutrition

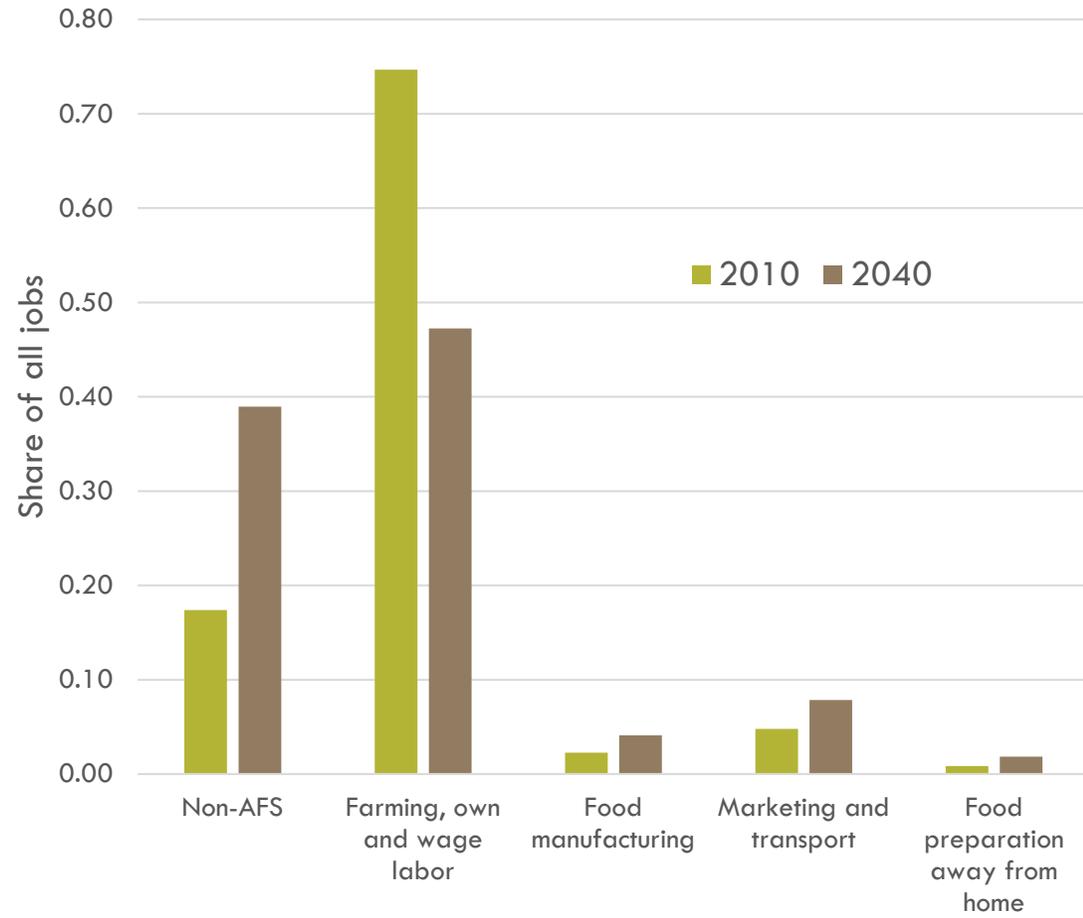
Energy and water use

Employment

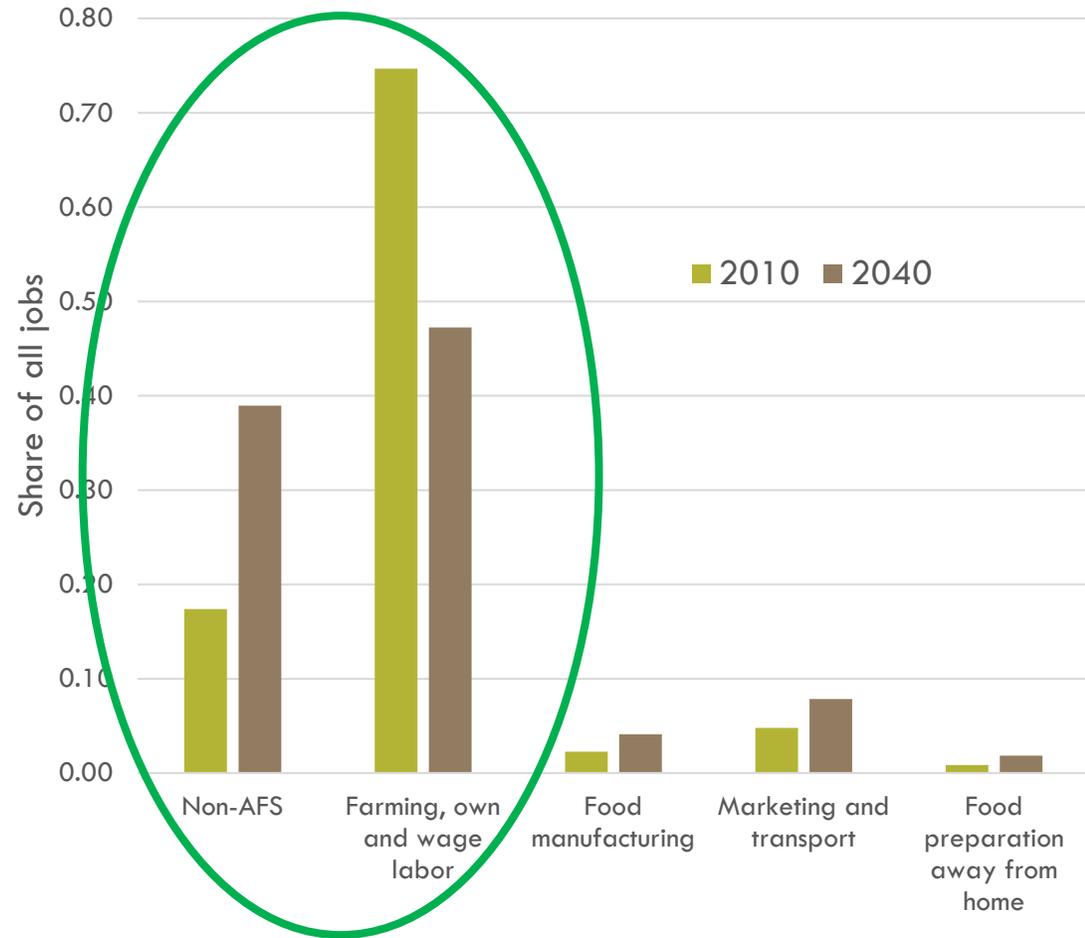
Skill needs

Public policy

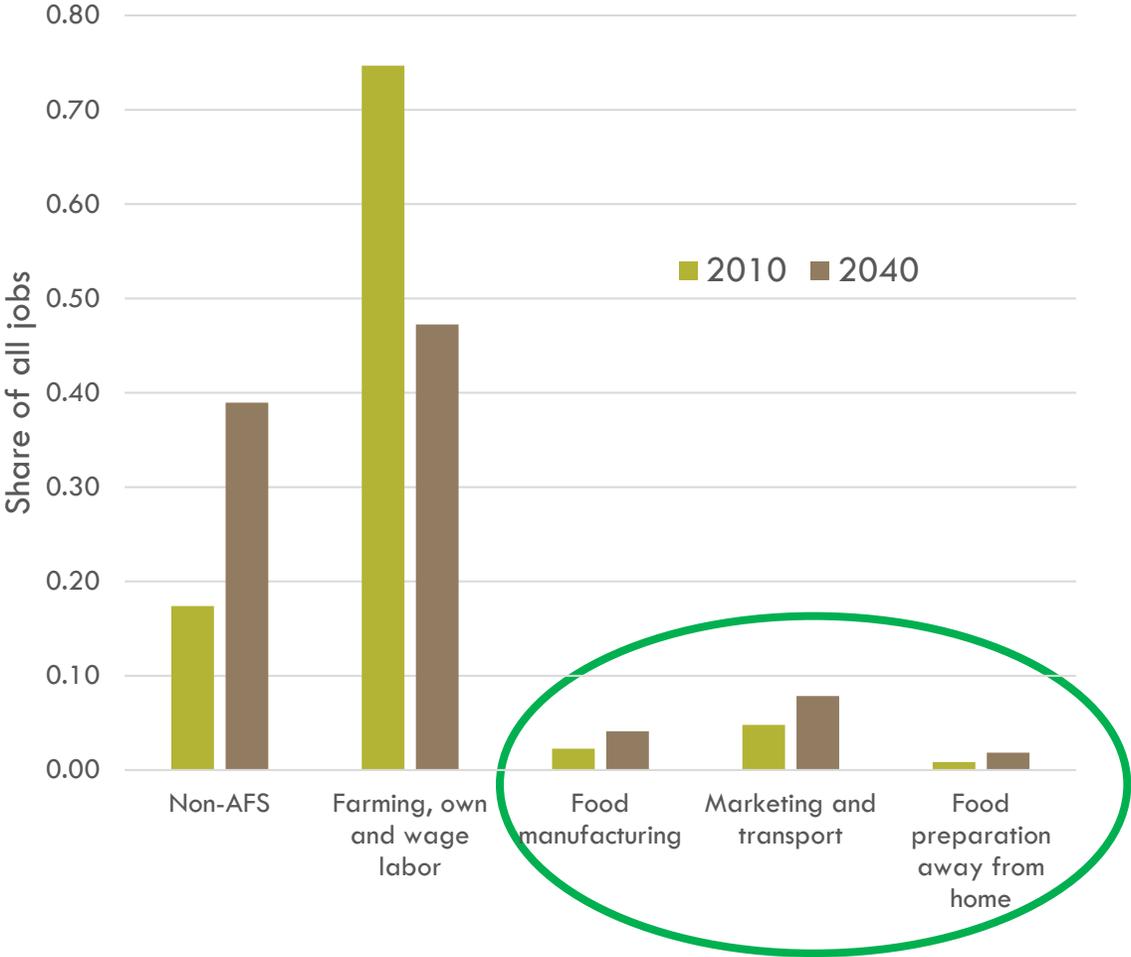
Baseline scenario projection of jobs in East and Southern Africa, 2010 to 2040



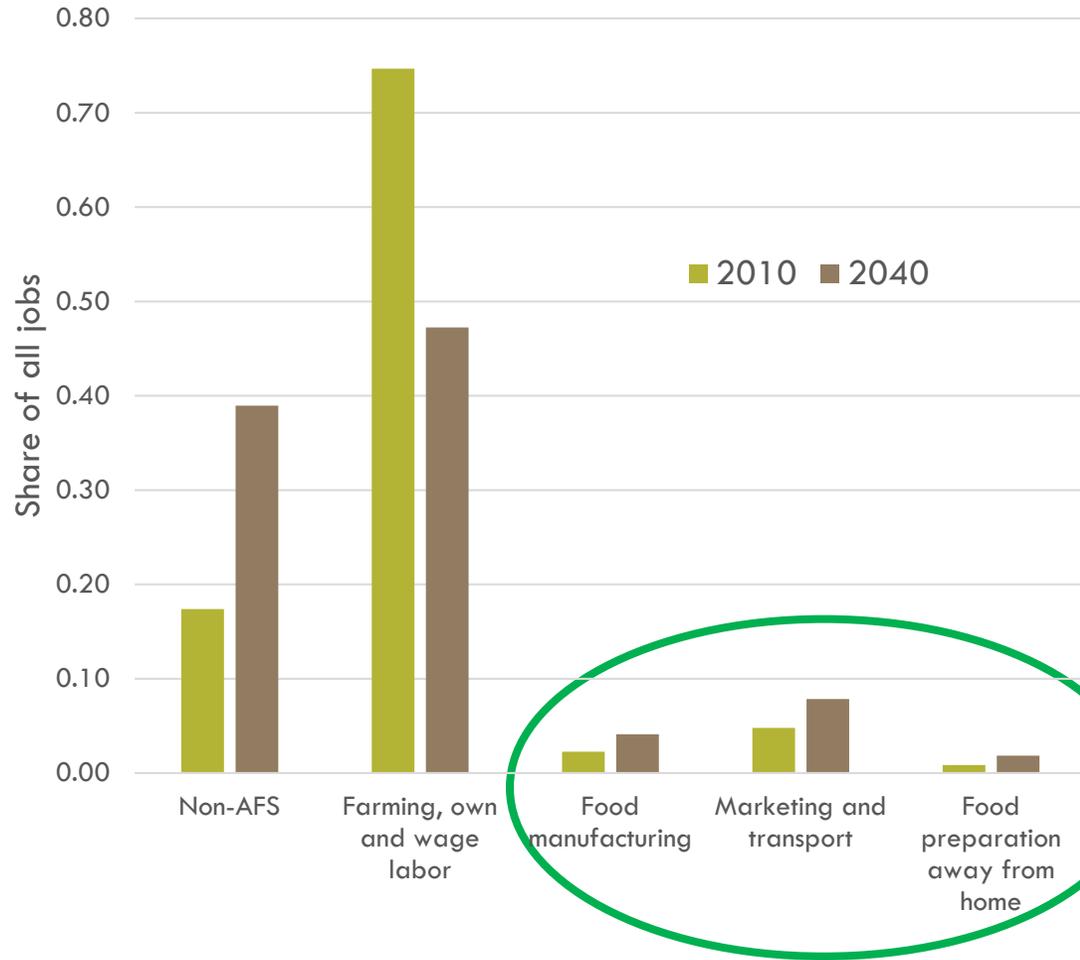
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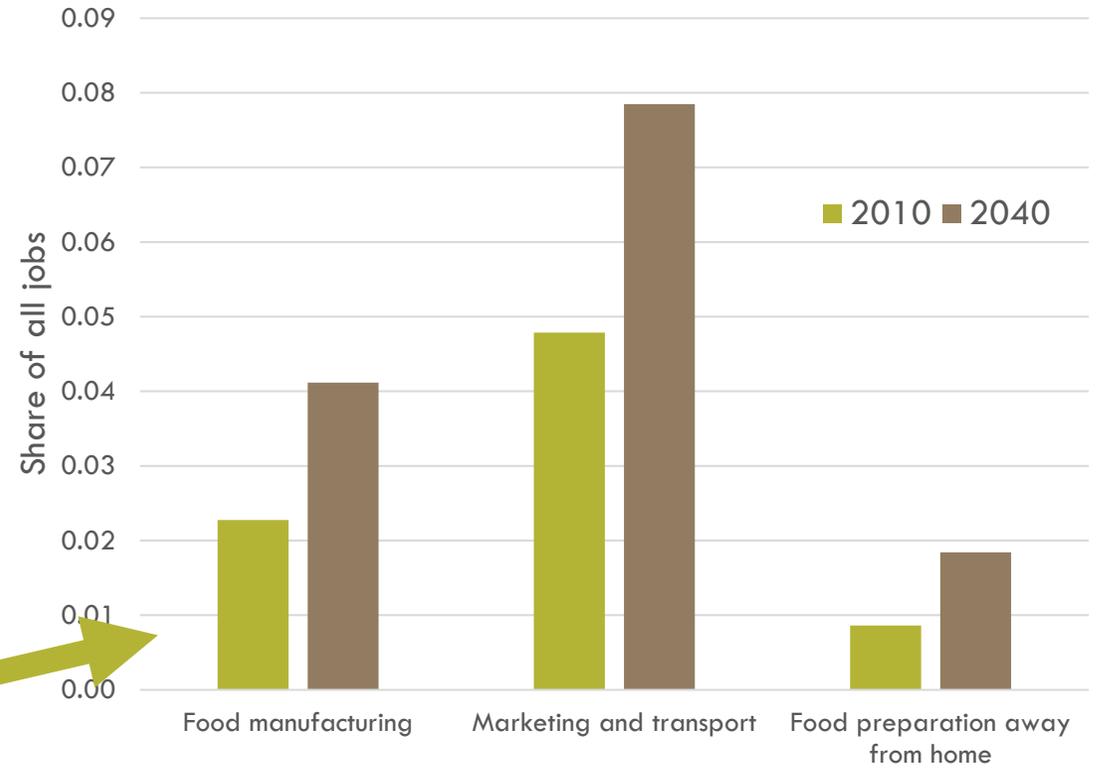
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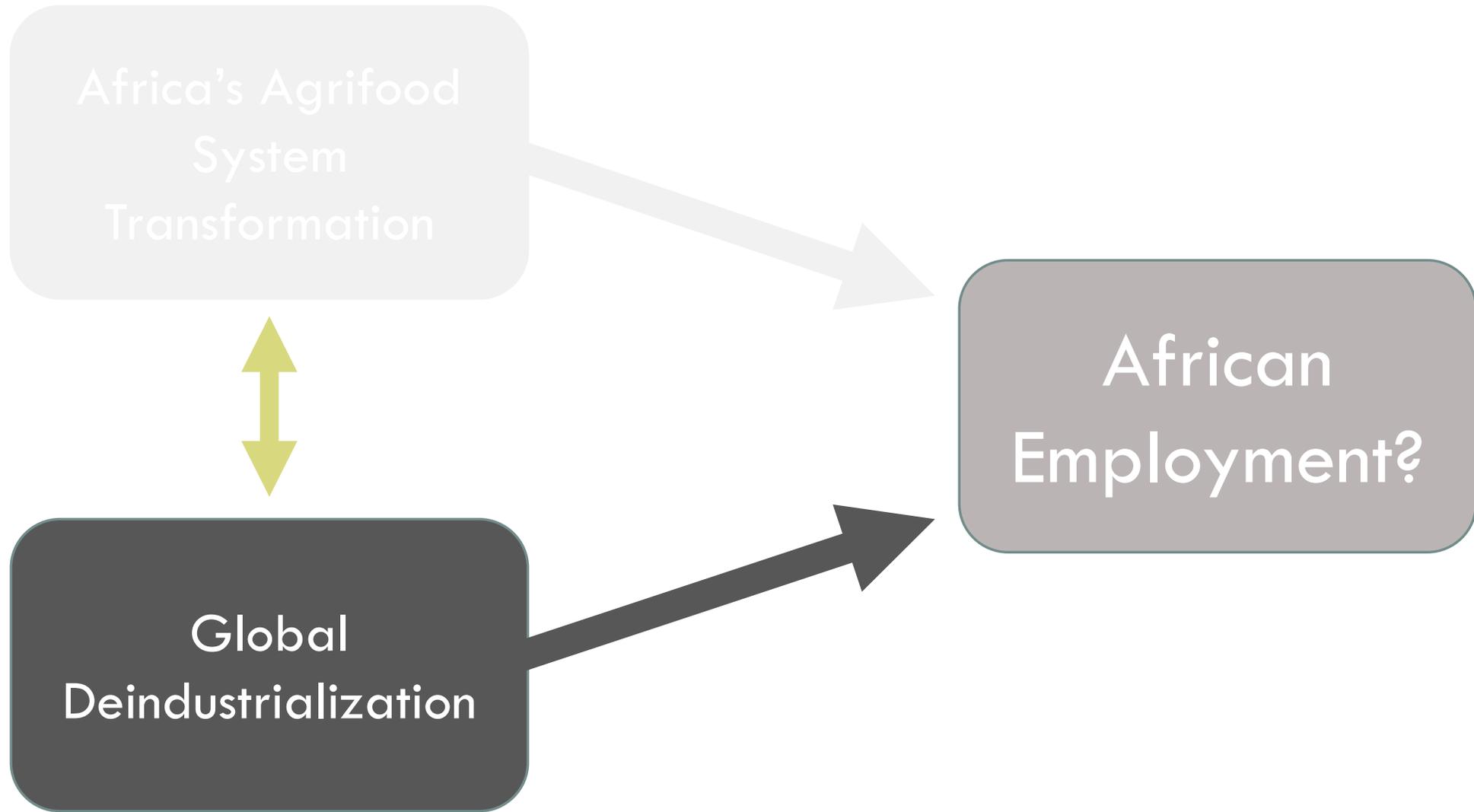


Baseline scenario projection of jobs in East and Southern Africa, 2010 to 2040



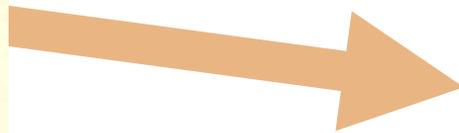
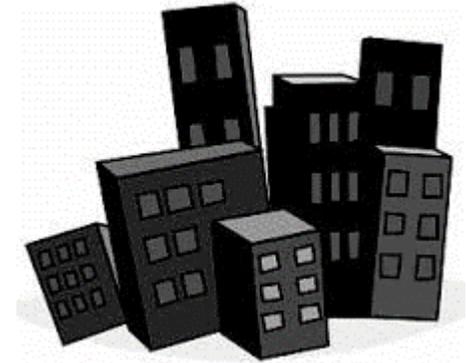
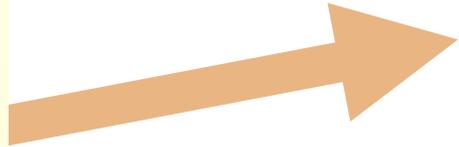
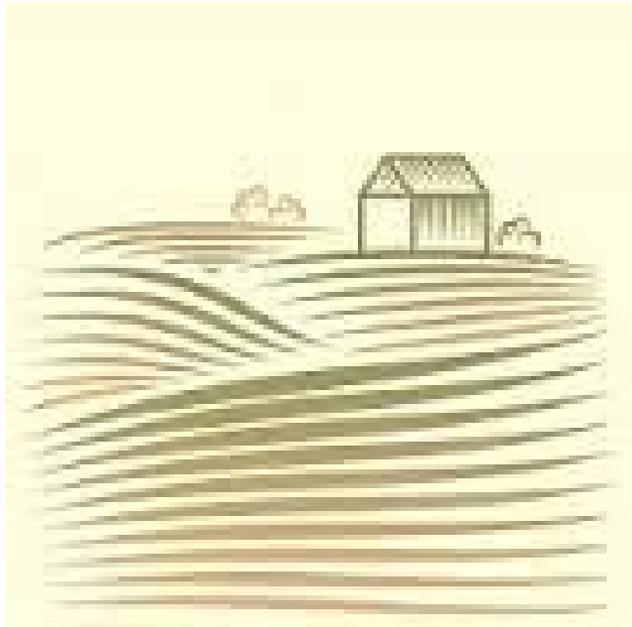
Baseline scenario projection of jobs in East and Southern Africa, 2010 to 2040





Global deindustrialization

HOW HAVE COUNTRIES GOT RICH IN THE PAST?

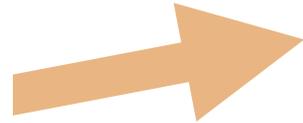


HOW HAVE COUNTRIES GOT RICH IN THE PAST?

#1: *Moving to cities*



HOW HAVE COUNTRIES GOT RICH IN THE PAST? (2)



HOW HAVE COUNTRIES GOT RICH IN THE PAST? (2)

#2: Making things (manufacturing)



WHAT THIS DID

Facilitated rapid rises in labor productivity

Provided stable, secure employment

Facilitated delivery of social benefits

WHAT'S HAPPENING TODAY?

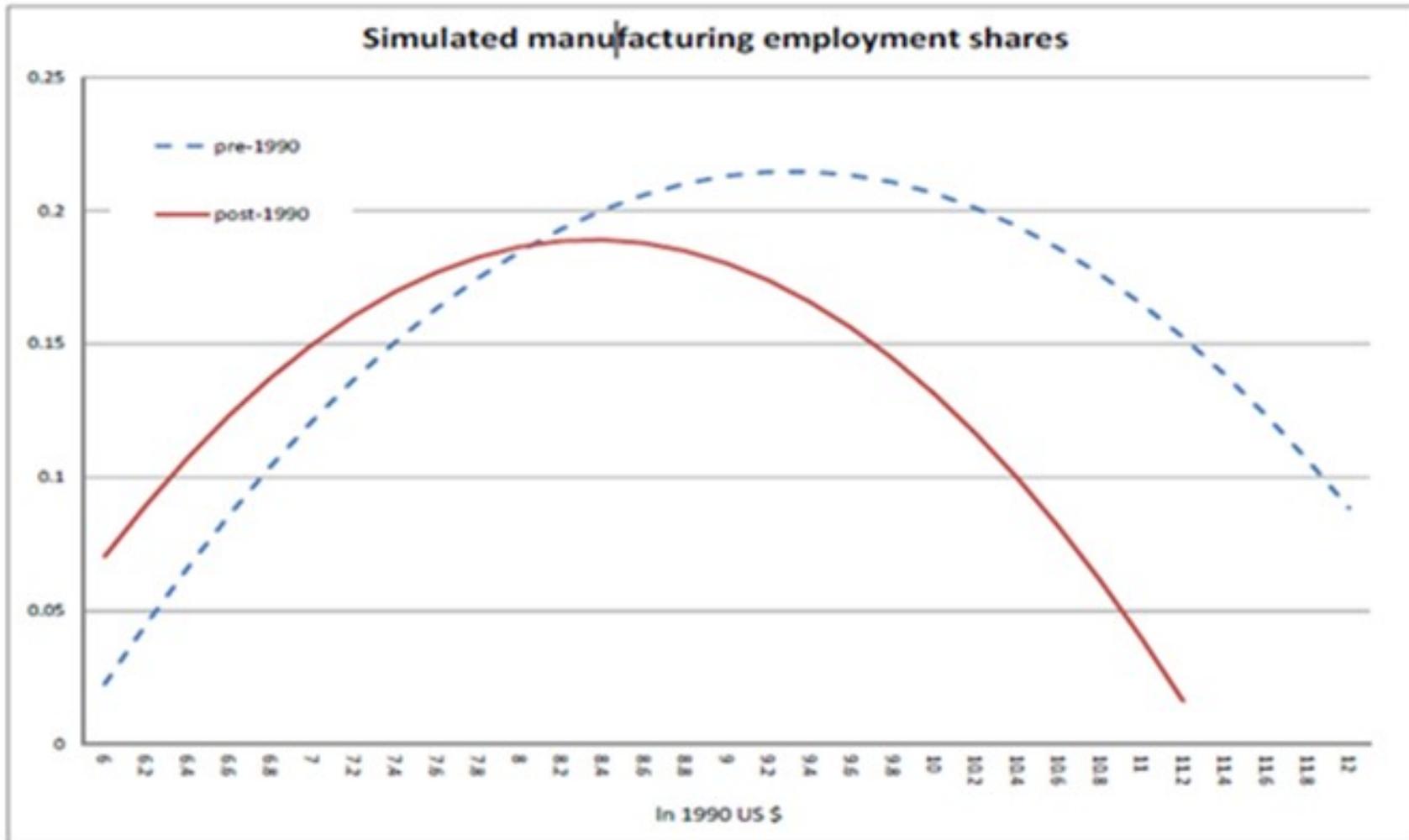


Figure 6

WHAT'S HAPPENING TODAY?

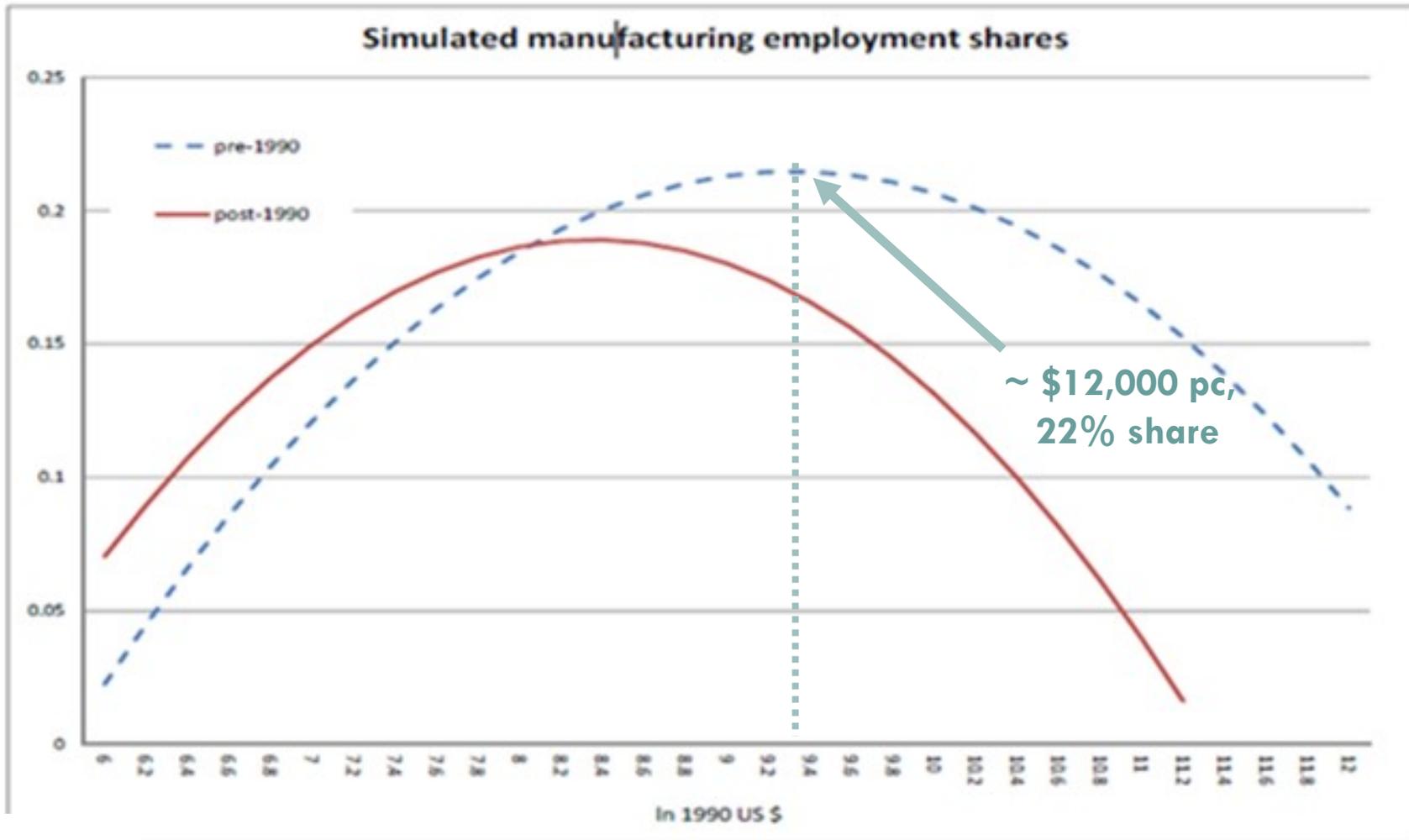


Figure 6

WHAT'S HAPPENING TODAY?

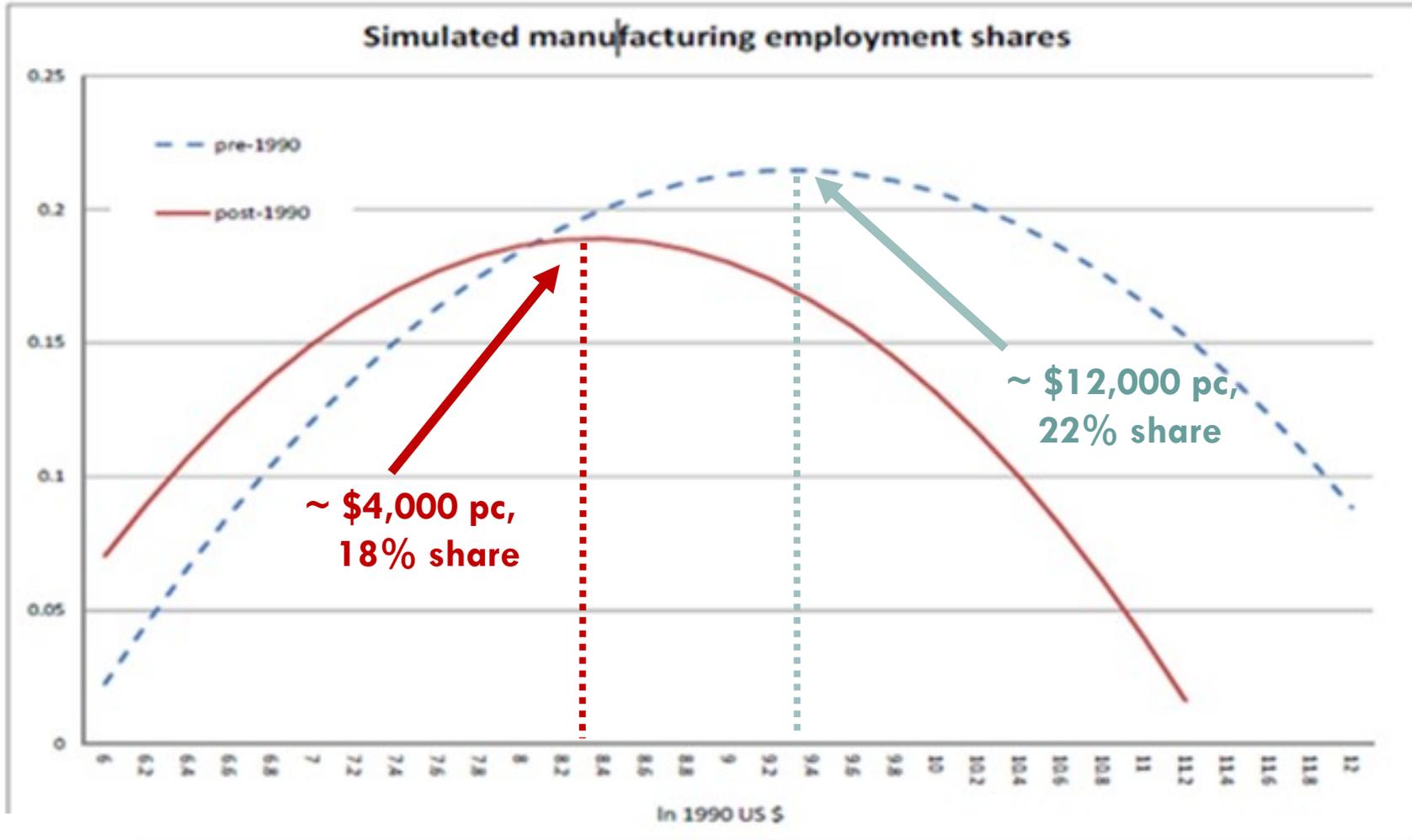
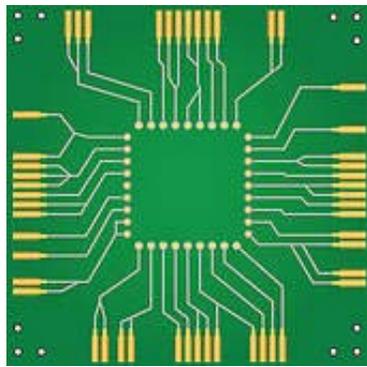


Figure 6

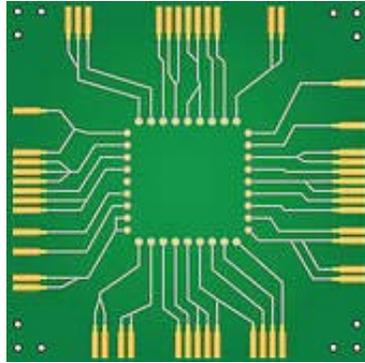
WHAT'S DRIVING THIS?

*Factor of
1,000
every 15
years*

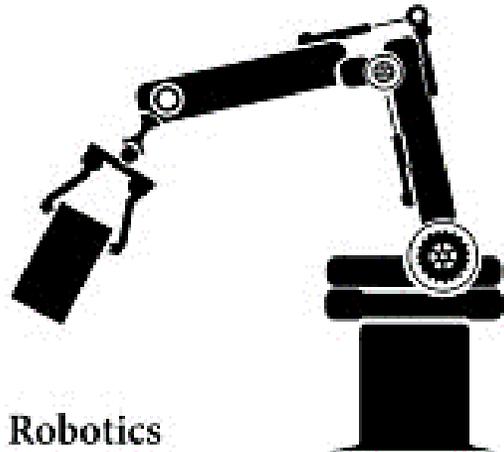


WHAT'S DRIVING THIS?

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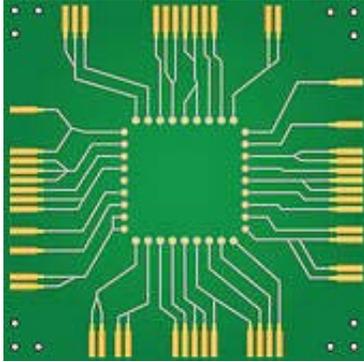
*Constantly
improving
precision*



Robotics

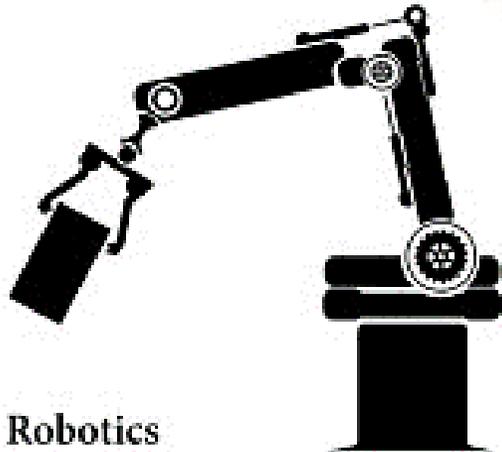
WHAT'S DRIVING THIS?

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*Everything we do
is now data*

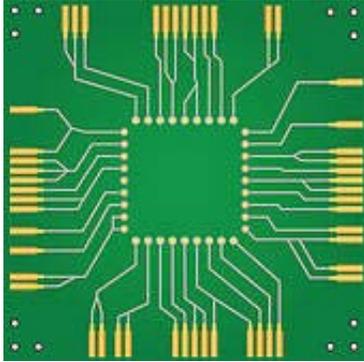
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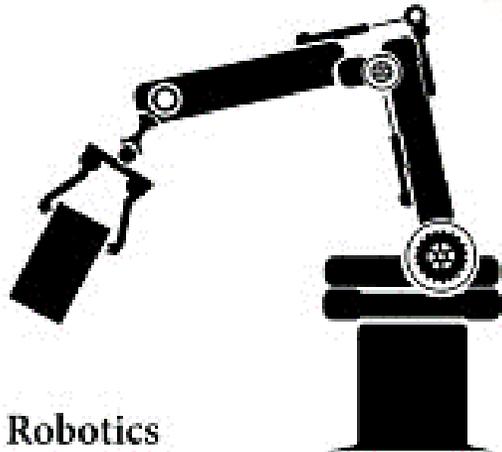
Robotics

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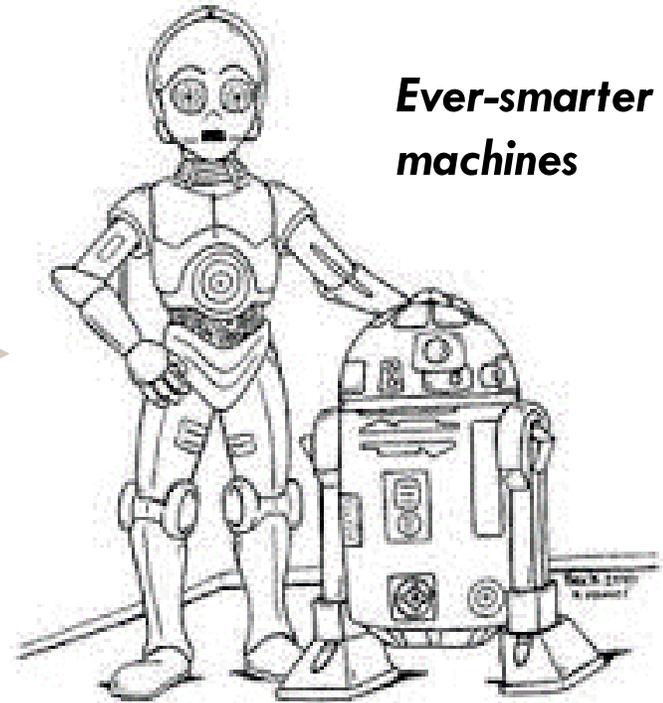


Robotics



*Everything we do
is now data*

*Ever-smarter
machines*



WHY DOES THIS MATTER?

African labor coming off farm now going largely into self-employed services

Issues

- How to raise labor productivity?
 - The technology elevator
- How to enhance the stability and security of employment?
 - Formal services might also do this
- How to deliver social benefits

How to move ahead?

Global Market

Tanzania

Global Market

Product sophistication

Quality standards

Safety standards

Delivery requirements

Tanzania

Global Market

Product sophistication

Quality standards

Safety standards

Delivery requirements



Global Market

Product sophistication

Quality standards

Safety standards

Delivery requirements



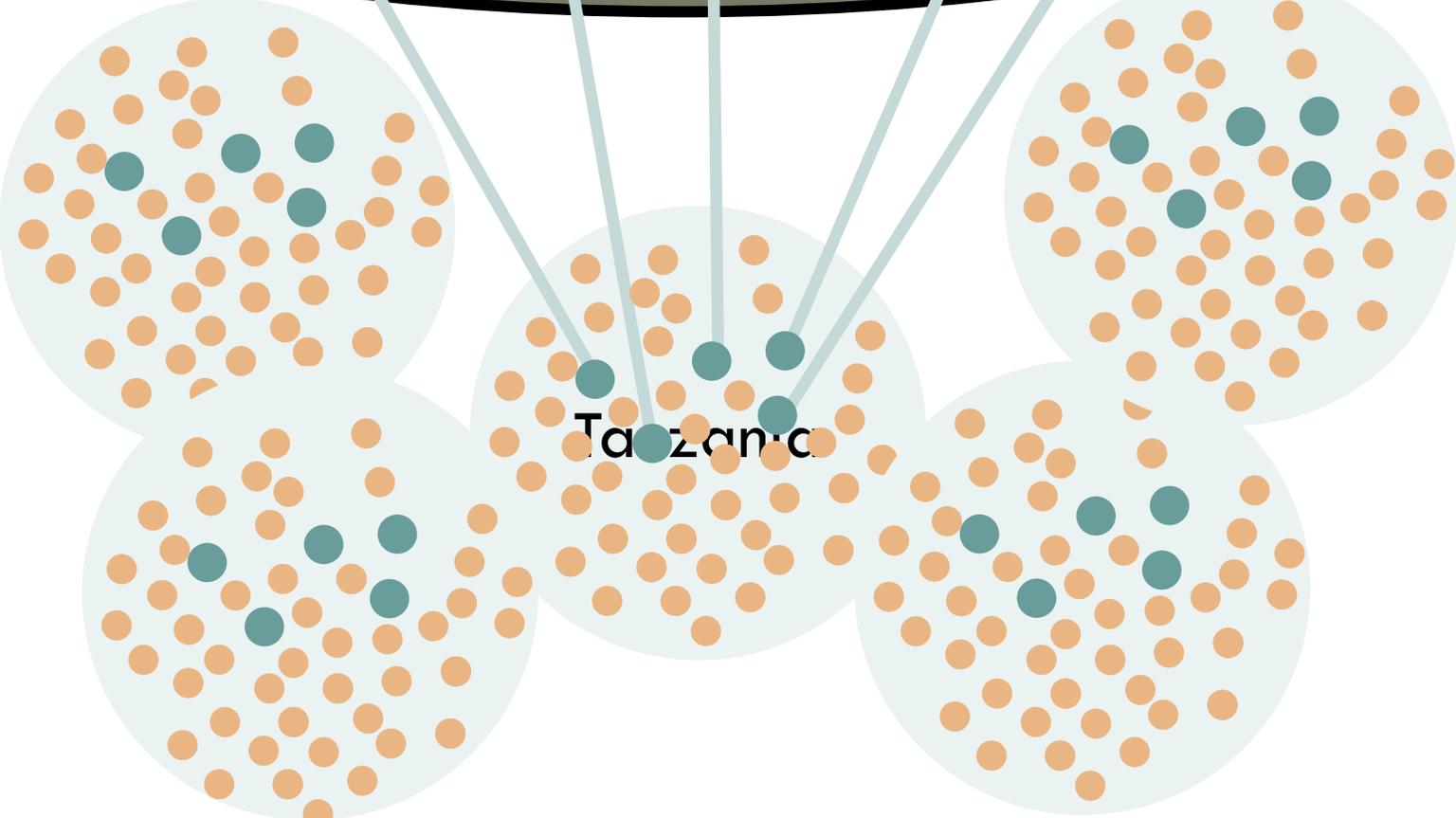
Global Market

Product sophistication

Quality standards

Safety standards

Delivery requirements



Tanzania

Global Market

Product sophistication

Quality standards

Safety standards

Delivery requirements

***A large and rapidly growing local
and regional market ...***

Global Market

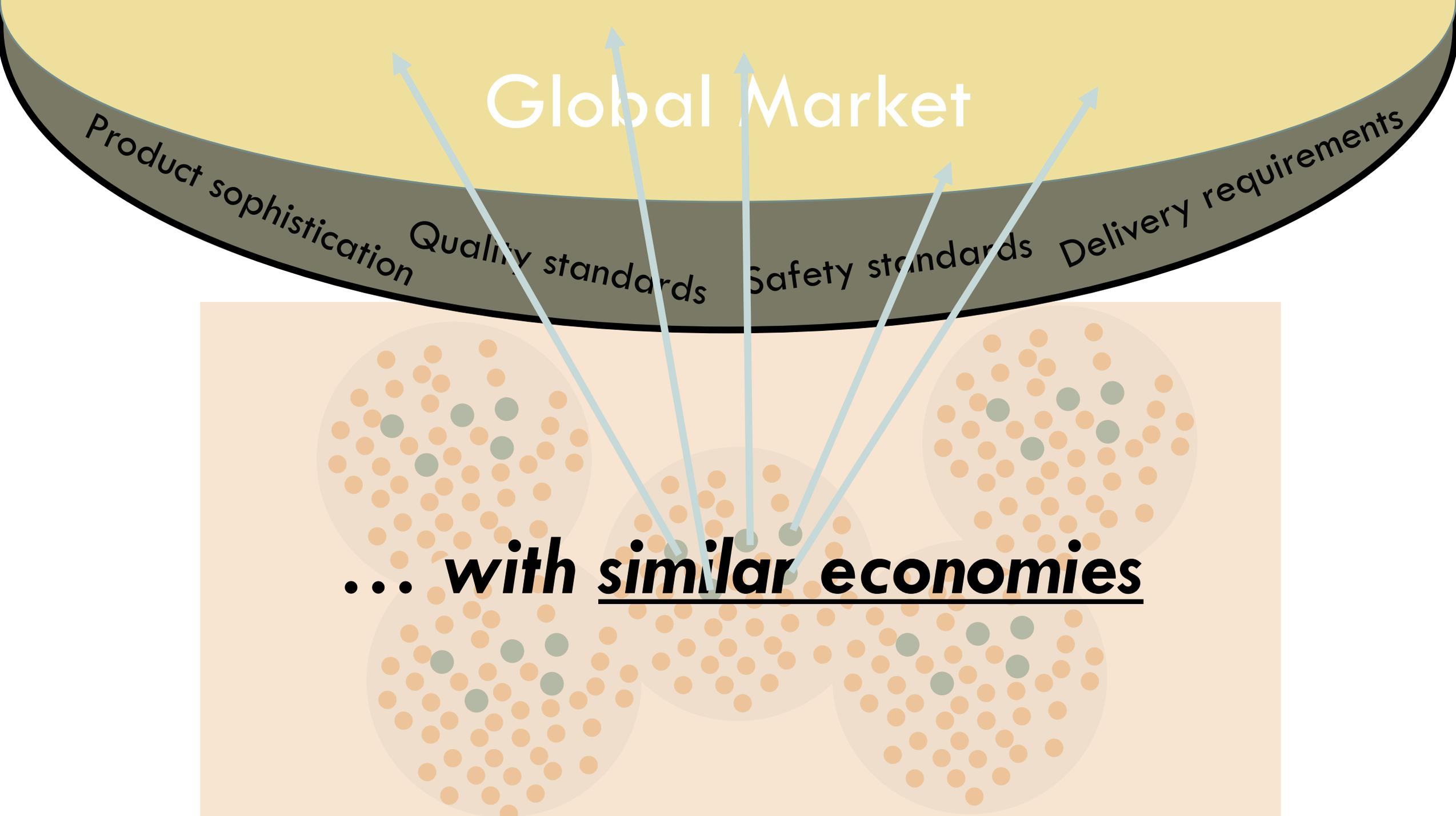
Product sophistication

Quality standards

Safety standards

Delivery requirements

... **with similar economies**



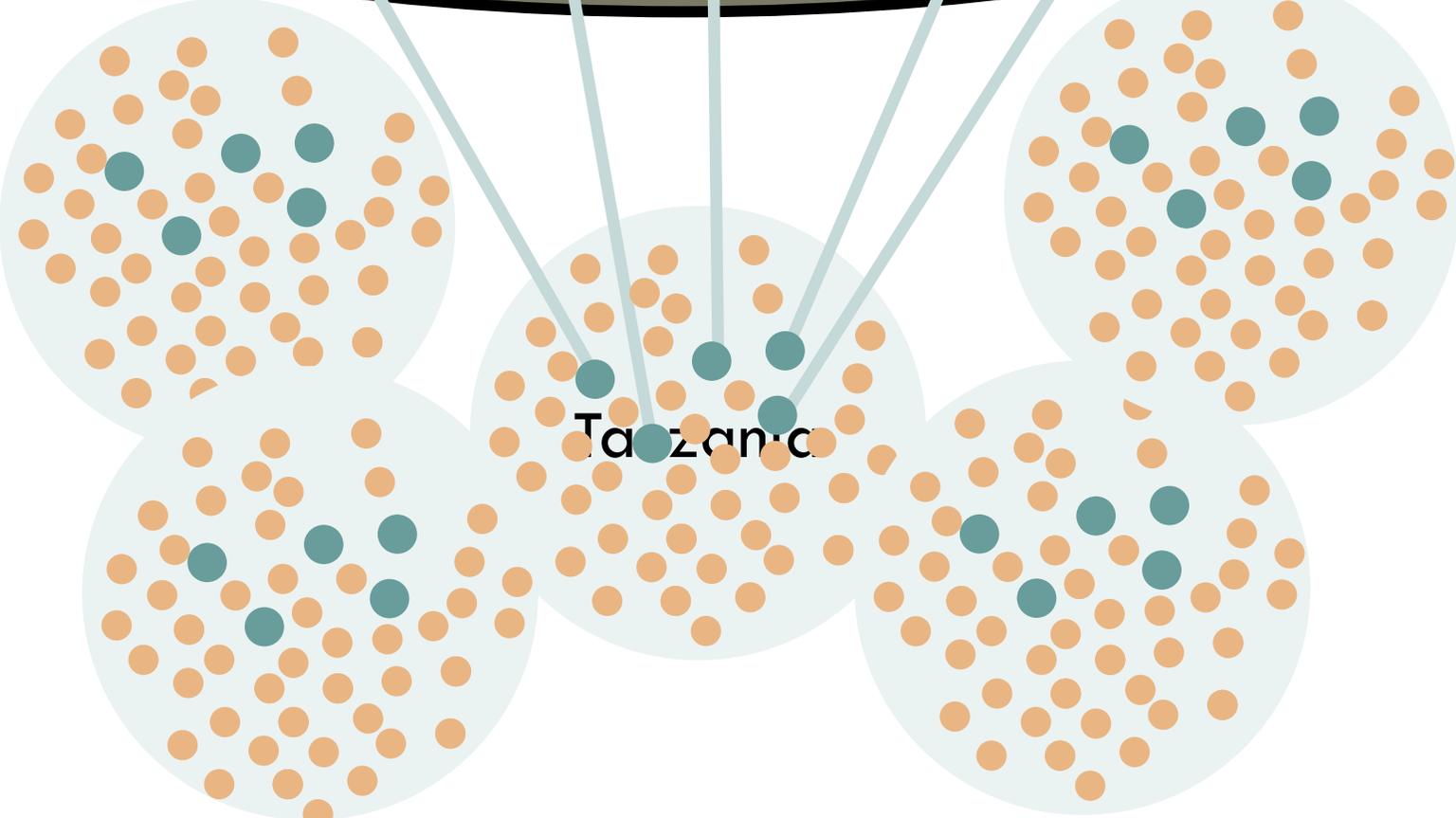
Global Market

Product sophistication

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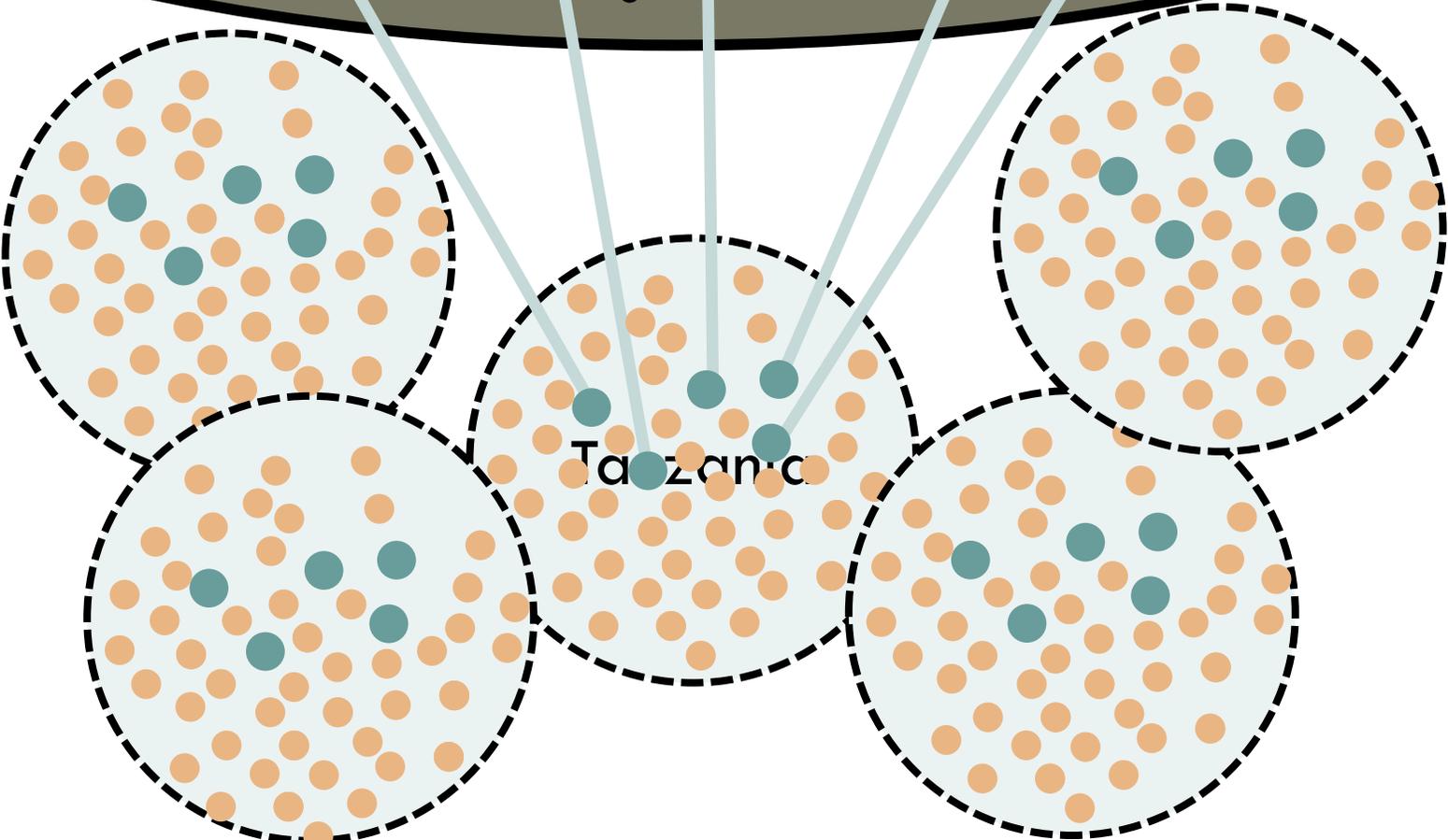
Global Market

Product sophistication

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Tanzania

Global Market

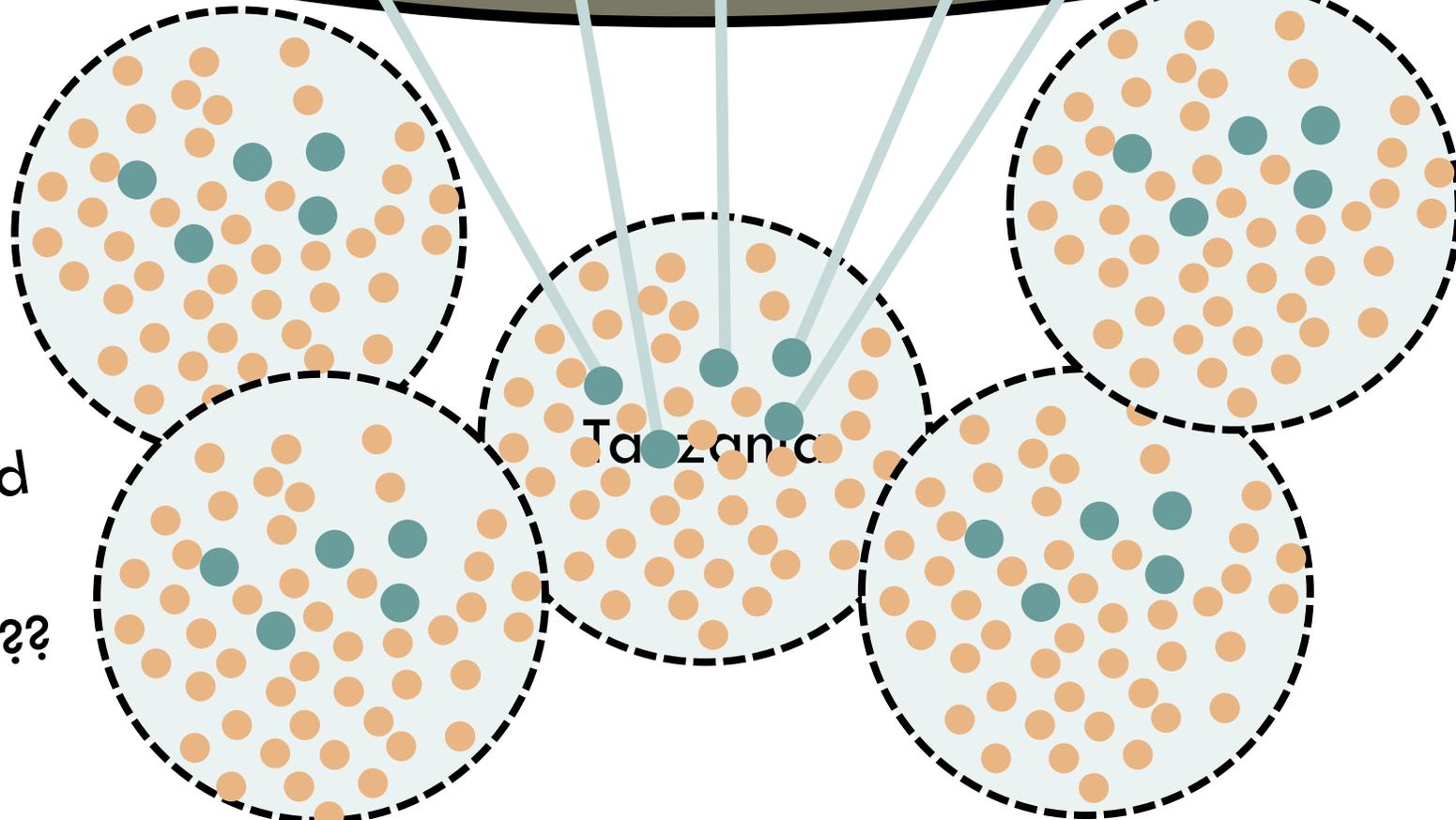
Product sophistication

Quality standards

Safety standards

Delivery requirements

Barriers of product sophistication, quality & safety standards, and delivery requirements??



Global Market

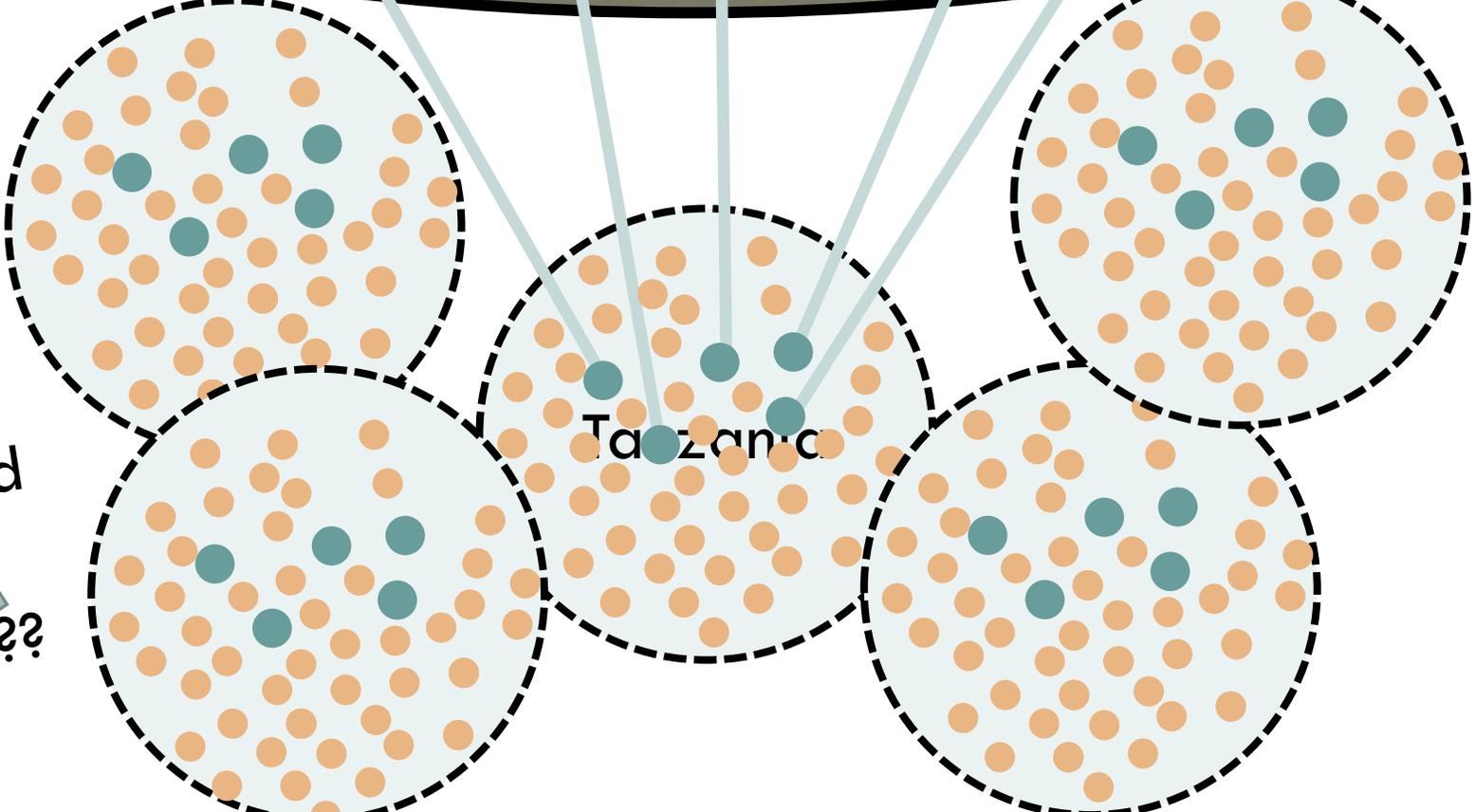
Product sophistication

Quality standards

Safety standards

Delivery requirements

Barriers of
production,
sophistication,
quality &
standards
and
delivery
requirements??



Global Market

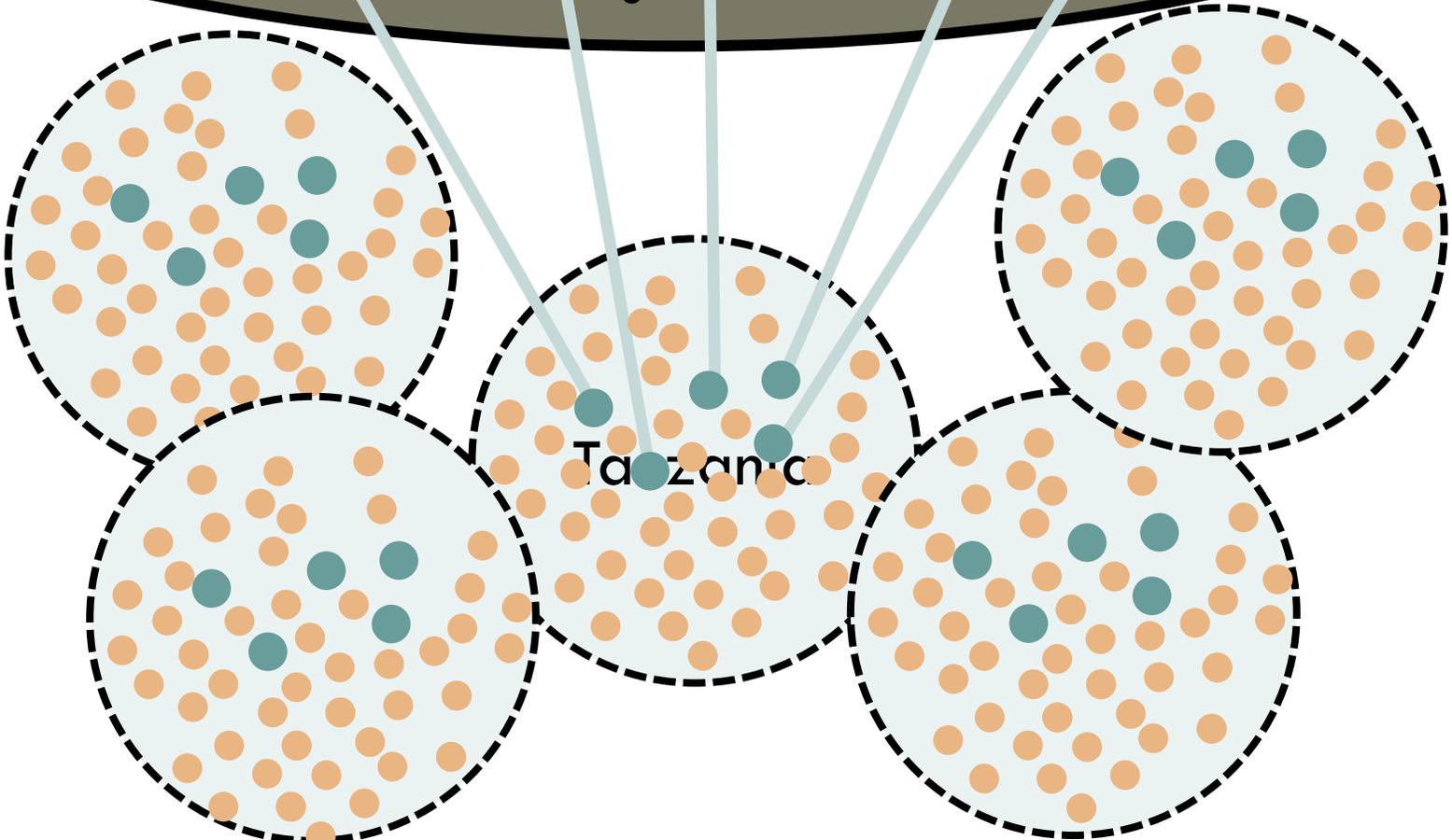
Product sophistication

Quality standards

Safety standards

Delivery requirements

The economies
are similar ...
barriers are not
structural ... not
driven by
fundamental
differences in
consumer
demand



Global Market

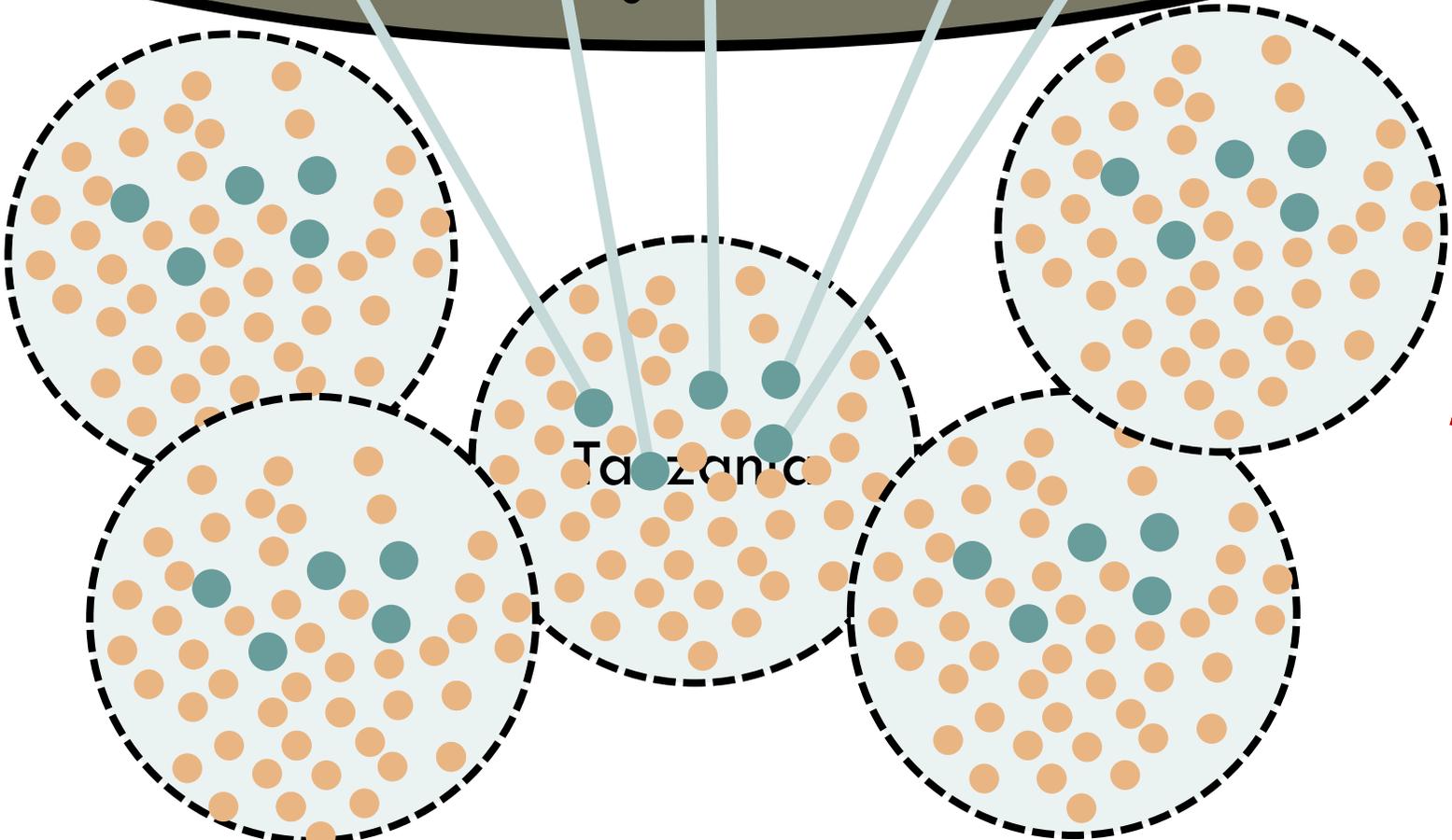
Product sophistication

Quality standards

Safety standards

Delivery requirements

The economies are similar ...
barriers are not structural ... not
driven by fundamental
differences in
consumer demand



They are driven by policy choices ...

Global Market

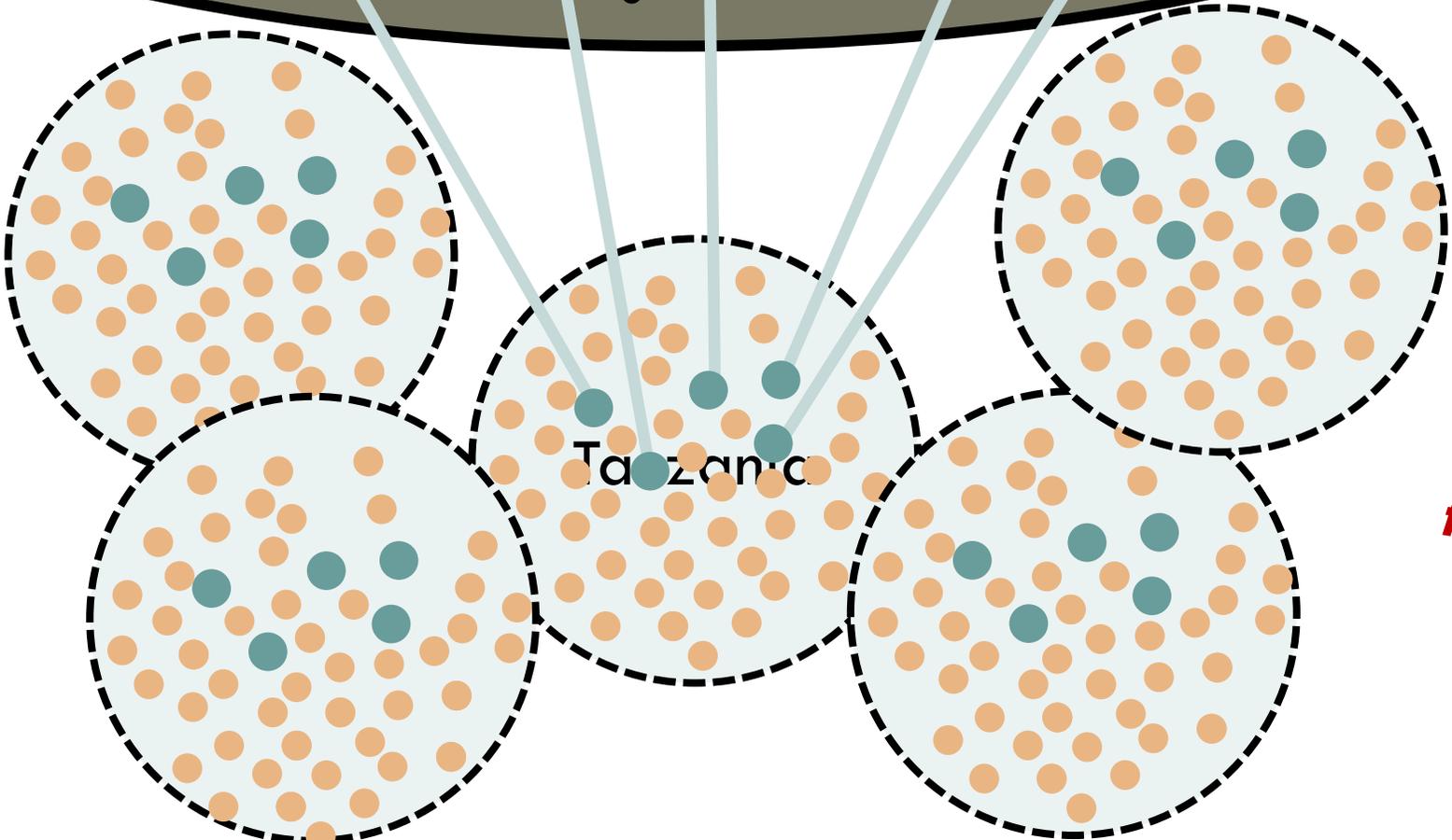
Product sophistication

Quality standards

Safety standards

Delivery requirements

The economies are similar ... barriers are not structural ... not driven by fundamental differences in consumer demand



Insufficient proactive construction of hard & soft infrastructure to promote trade; ad hoc policy barriers

Global Market

Product sophistication

Quality standards

Safety standards

Delivery requirements

Tanzania and its neighbors need a radical commitment to regional trade

if they hope to industrialize

Insufficient
proactive
construction
of hard & soft
infrastructure
to promote
trade; ad hoc
policy
barriers

Barriers to
trade
&
standards
requirements

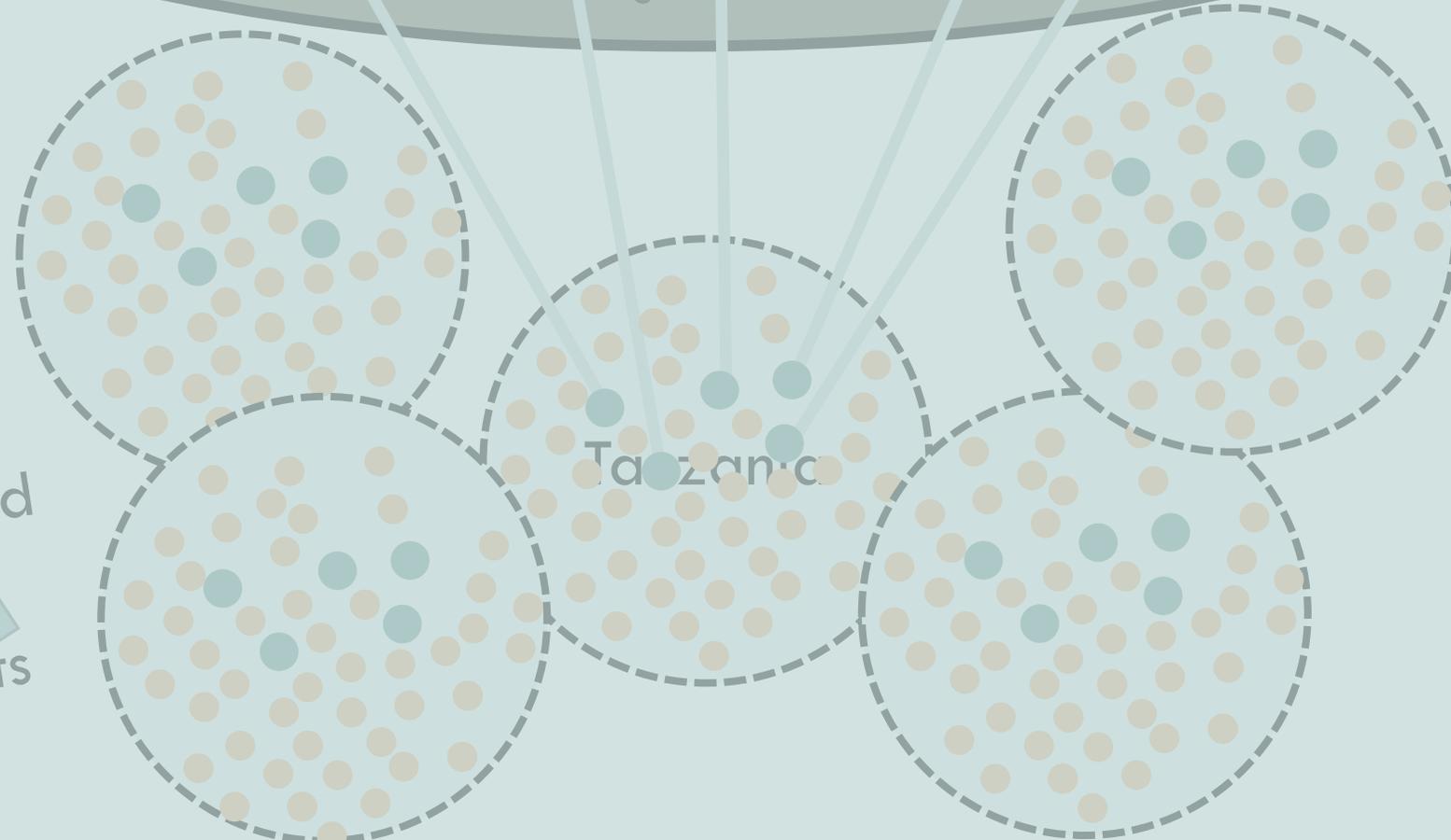


Their markets are too small otherwise

Global Market

Product sophistication
Quality standards
Safety standards
Delivery requirements

Barriers of
product
sophistication,
quality
standards
&
delivery
requirements



*Insufficient
proactive
construction
of hard & soft
infrastructure
to promote
trade; ad hoc
policy
barriers*

Global Market
Their markets are too small otherwise

Competitiveness will be impossible

Barriers of
product
sophistication,
quality
standards
&
requirements



insufficient
proactive
construction
of hard & soft
infrastructure
to promote
trade; ad hoc
policy
barriers

Their markets are too small otherwise

Competitiveness will be impossible

Consumers will be harmed

Global Market

Product sophistication
Quality standards
Safety standards
Delivery requirements

Barriers of
product
sophistication,
quality
standards
&
requirements



insufficient
proactive
construction
of hard & soft
infrastructure
to promote
trade; ad hoc
policy
barriers

Global Market

Their markets are too small otherwise

Product sophistication Quality standards Safety standards Delivery requirements

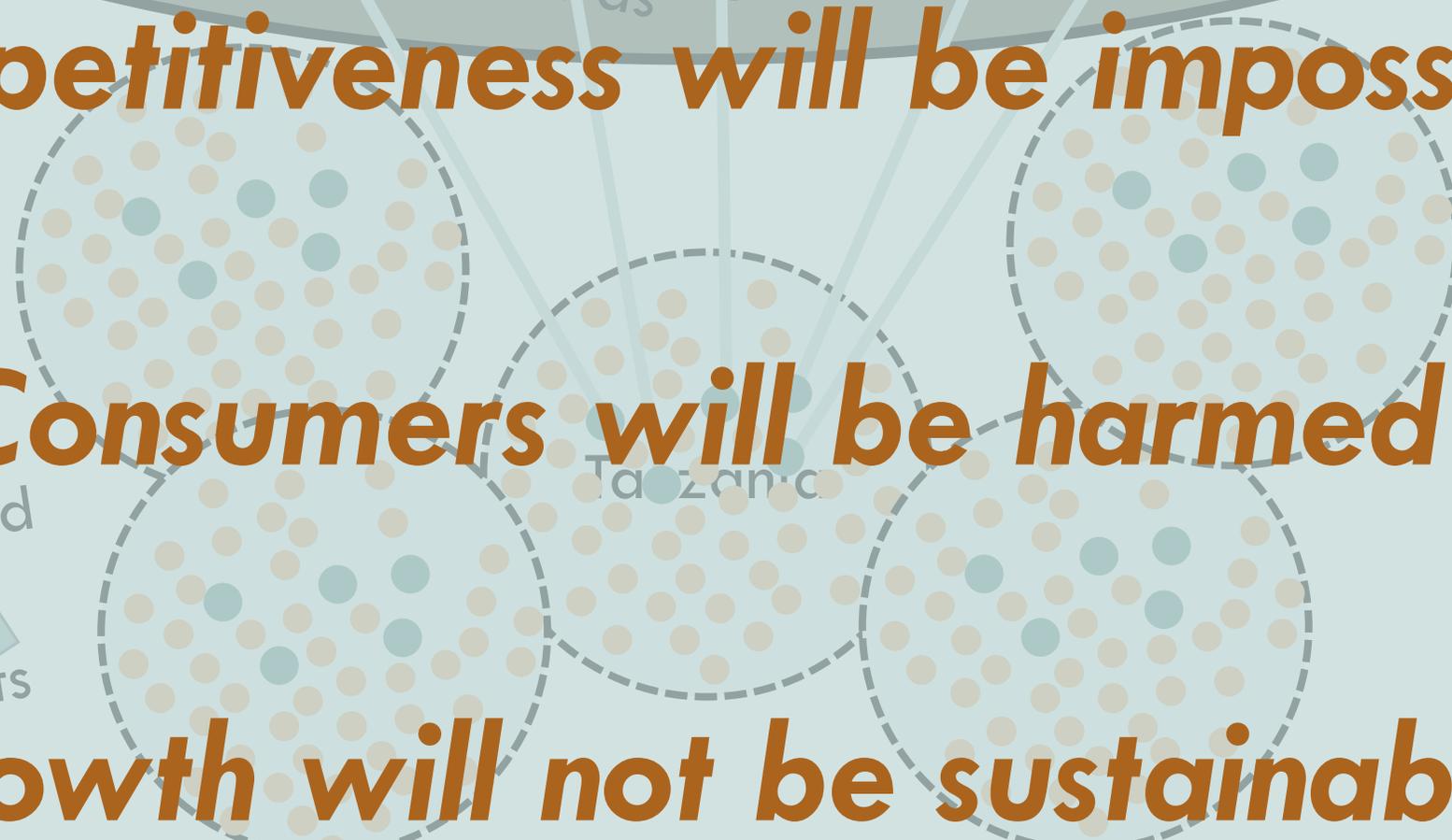
Competitiveness will be impossible

Barriers of
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&
stand
ve
requirements

Consumers will be harmed

insufficient
proactive
construction
of hard & soft
infrastructure
to promote
trade; ad hoc
policy
barriers

Growth will not be sustainable



Global Markets
Roads & rail

One-stop borders

Harmonized norms & standards

Commitment to trade rules &

processes

Others ...

Product sophistication

Delivery requirements

Quality standards

Safety standards

Barriers to trade
Product quality
standards
requirements

Insufficient
proactive
construction
of hard & soft
infrastructure
to promote
trade; ad hoc
policy
barriers

Tanzania

Global Market

These steps can drive some level of industrialization, employment generation, and income growth...

Insufficient proactive construction of hard & soft infrastructure to promote trade; ad hoc policy barriers

Tanzania

X

standards and requirements

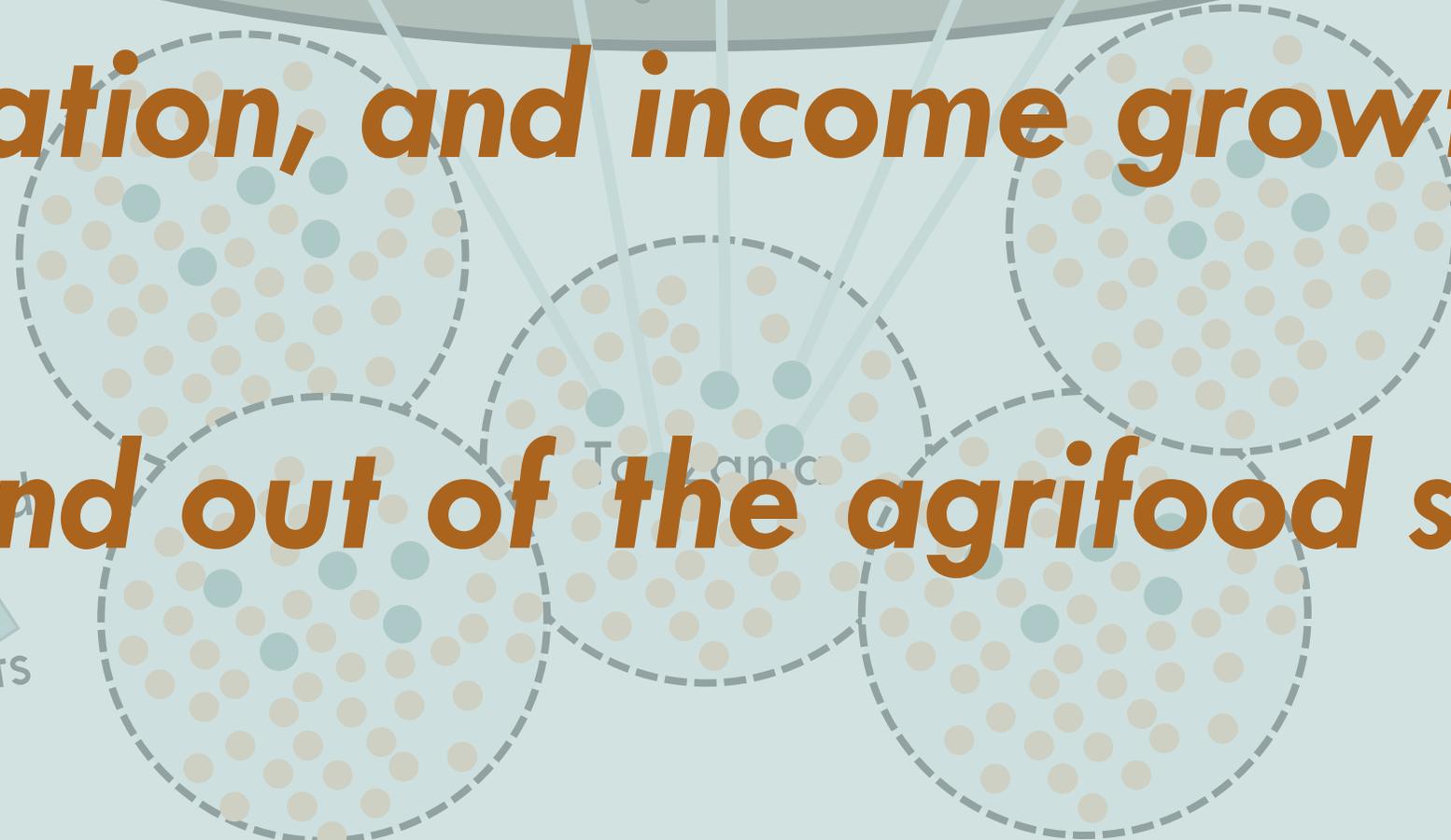
Global Market

These steps can drive some level of industrialization, employment generation, and income growth

...in and out of the agrifood system

Insufficient proactive construction of hard & soft infrastructure to promote trade, ad hoc policy barriers

standards, requirements





Thank you!