

Introduction

I grew up in Accra, and I had this tradition with my father: on the drive to school, he would buy newspapers and magazines from the street hawkers as we turtled through traffic in the city centre. I had to read them as quickly as possible before I was dropped off. My favourite was *The Economist*. At age 13, it did not win me any cool points with my peers, but in a world predating social media, it expanded my horizons and gave me a window into the rest of the world. I was enamoured. I can never forget one day in May 2000, when I glanced at *The Economist's* cover. The page was pitch black, emblazoned with the contours of my continent, and a man holding a grenade launcher, with three words that forever haunt: 'The hopeless continent.' "Why do *they* think we are hopeless?" I remember asking my father.ⁱ

In 2050, there will be about 2.5 billion Africans in our world.ⁱⁱ By then, Africa's youth will account for over 60% of the world's young, with over one billion people needing jobs. With 8 of the 10 fastest growing economies in the world over the next decade in the region, Africa is becoming today what China was a couple of decades ago: the next frontier of strong economic growth.ⁱⁱⁱ Until 2015, *Forbes* magazine did not feature a billionaire's list for Africa. In 2018, that list featured 23 billionaires with a combined wealth of close to \$100 billion.^{iv} *The Economist*, presaging this change in fortunes, heralded an 'Africa Rising' on its cover in 2011.^v

This 'Africa Rising' narrative is complicated. As the eminent African historian and Oppenheimer Faculty Director of Harvard University's Centre for African Studies, Emmanuel Akyeampong argues, "The 'Africa Rising' story of booming economies and

growing middle classes is important in correcting the global perception of Africa, for Africa has not always been in decline. The 500 years after European arrival in Africa saw an increasing integration of Africa into the global economy, but often on terms which worked against Africa's interests: the slave trade through the end of the 19th century, then European colonial rule to the 1960s. The challenge of development has been the story since, as Africa struggled with the legacies of colonial rule, its marginal share of global trade, and corrupt and dictatorial leadership.^{vi}

This reversal in fortunes and economic surge of the region has been uplifting for the continent, and for me personally as an African whose childhood perceptions of identity were mired in tropes of poverty and darkness and magazine covers declaring us hopeless. Africa's rising is, however, complicated by the reality of its diversity. A Deloitte report on the continent's economic outlook noted that 'The Africa Rising narrative was always flawed. Africa is so diverse that it has always been simplistic to have a single view of the continent. The vast geography, nascent markets, lack of connectivity, very low regional integration and lack of trained people and knowledge networks make a more nuanced view of a multi-speed Africa more appropriate.'^{vii} We also have to contend with the rising inequality that has accompanied much of the economic growth. While we are proud of having some of the fastest growing economies in the world, we are also home to seven of the ten most unequal countries in the world.^{viii} Africa may be rising, but not every African is rising. Whether or not you believe our economic growth is sustainable, what is undeniable is that the continent is growing and is doing so at one of the fastest rates in the world.

My friend and Business School classmate, Irene Sun, in her book *The Next Factory of the World* argues that 'Chinese factories in Africa' are 'the future that will create broad-based prosperity for Africans.' She adds: 'I finally understood that the future of Africa depends on industrialization. This is what will allow Africa to follow in

the footsteps of Japan, South Korea, Taiwan and China: to employ its booming population, to grow world-class firms, to raise living standards across the bulk of its populace.^{ix} I adore and respect Irene, but I do not fully agree with her conclusion. There is no question that industrialisation must play a key role in Africa's transformation. However, instead of following in the footsteps of China, the digital technology revolution allows for a different model and a different story for Africa, one that can be pioneered internally, not by the Chinese or the Europeans, but by us Africans.

The technology revolution, coupled with globalisation, has ushered in a new era for the continent, exemplified by an economic leapfrogging aided by the mobile phone, which has underpinned an explosion in innovation. After a decade and a half of rapid urbanisation and strong economic growth, digital Africa is emerging. In Africa's major cities, 50% of consumers have Internet-enabled devices with 3G networks. Across Sub-Saharan Africa, smartphone adoption is at 34% (compared to 57% in Asia-Pacific, 70% in Europe and 61% in Latin America), and is forecasted to reach 68% by 2025.^x Infrastructural development and the fall in global smartphone prices have contributed to millions of Africans going online.^{xi} In 2018, the number of Africans online was estimated at 453 million with a current penetration of 35% (compared to a global average of 54%). While the rest of the world experienced a growth rate in Internet penetration of 89% from 2000 – 2017, Africa grew at an exponential rate of 9,942% over the same period, albeit from a much smaller base.^{xii}

Of course, this leapfrogging and growth in telecommunication did not occur in a vacuum. It was enabled by billions of dollars of investments in telecommunication infrastructure in the African continent over the past two decades. Approximately \$70 billion has been invested in the telecommunications sector in Nigeria alone.^{xiii} These investments are still not enough. Most African countries lag other emerging markets

in infrastructure. Electric power consumption in Africa is on average 632 kilowatt hours per person compared to 2,622 in Brazil, Russia, India and China, and Africa's demand for electricity is forecasted to quadruple between 2010 and 2040.^{xiv} Road density in Africa is a paltry 97 kilometres of road per square kilometre compared to 485 in Brazil, India and China.^{xv} Many African countries need to address the infrastructure gap (estimated at \$350 billion annually) to create the enabling environment for technology to flourish: the road and transportation networks to power e-commerce deliveries, reliable energy to power computers, hospitals, schools among others.^{xvi}

The digital infrastructure has sparked a new wave of innovation as young entrepreneurs leverage the digital economy to create for profit, non-profit and hybrid enterprises to change their communities. Research by McKinsey points to Internet-related services as a driver of economic growth and social development. 'An increase in a country's Internet maturity correlates with a sizable increase in real per capita GDP. As countries go online, they realize efficiencies in the delivery of public services and the operations of large and small businesses alike.'^{xvii} The Internet is estimated to have contributed more than 10% of total GDP growth in China, India and Brazil over a five-year period.^{xviii}

Technology and globalisation are transforming the African continent and are equipping young entrepreneurs with tools to build enterprises that could not have been possible decades ago. At the same time, technology isn't a panacea, and there are many young entrepreneurs solving important challenges on the continent that aren't dependent on digital technologies, such as Bernice Dapaah who founded the Ghana Bamboo Bikes Initiative, hiring young women to use bamboo to create environmentally friendly bicycles or Bilikiss Adebisi who founded Wecyclers, a social enterprise empowering low-income communities to turn 'trash into cash' by offering

convenient household recycling services using a fleet of low-cost cargo bikes.^{xix} Technology is a means to an end and not an end in and of itself.

Our history in Africa is rife with extraordinary personalities. In 1324, the Muslim king of Mali, Mansa Musa, embarked on a legendary pilgrimage to Mecca. Musa, who is considered by some historians to be the wealthiest individual in history, and his entourage are alleged to have given away so much gold during their stopover in Cairo that the price of the metal was depressed in the region for decades. Stories of Mansa Musa's wealth went global. When Angelino Dulcert of Majorca created a map of the world in 1339, for the first time ever, Mali was featured.^{xx} In recent times, Mali has dominated the news media for different reasons, in reports on civil conflicts, food insecurity, and poverty. Yet, I met many young entrepreneurs determined to build a new narrative for Mali: from Aliou Yattasaye who developed the first Malian smartphone, the YuvSmart (which is distributed throughout the country in partnership with Orange Mali) to Issam Chleuh, an impact investor and Tutu Fellow who is building incubators in Bamako to support the next generation of start-ups.

This book is the product of spending seven years, from 2012 to 2019, traversing the nooks and crannies of my continent, visiting forty-five African countries, and interviewing in depth over six hundred young entrepreneurs. It is an attempt to capture the Africa being built through the eyes of the new generation of young Africans: the aspiring Mansa Musas (without his excess), the young women and men who are taking charge of their destinies and building business enterprises and innovative non-profits to radically change their lives and the lives of their communities. It is telling the stories of markets being created, industries being disrupted, and theories being challenged, and describing the challenges and opportunities of making futures on a continent so complex and diverse, and exciting.

The hope of the continent, and the future of its trajectory, lie in my generation and with these iconic young entrepreneurs.

While I would have loved to write about all six hundred interviewees, a scale of that nature would have turned into a ten-volume, five-year writing project. Although all the entrepreneurs informed and shaped my thinking, this book focuses on seventeen of those entrepreneurs who represent the breadth of diverse entrepreneurial journeys on the continent, organised across four broad sections: The Aspiring Moguls (general business entrepreneurs), The Sociopreneurs (social entrepreneurs), The Creatives (entrepreneurs in the creative economy), and The Techies (technology entrepreneurs). The seventeen entrepreneurs profiled in depth are a *mélange* of eight women and nine men from thirteen countries spanning North, West, Central, East and Southern Africa. Their stories are inspiring and uplifting, a testament to a new age and new possibilities for the African continent. I daresay the 21st century could be the African century, driven by its young people. Unlike most of the rest of the world which will have an ageing demographic, the continent of Africa will have the largest youth population in the world.^{xxi} Consequently, one of our biggest challenges will be creating economic opportunities for this youth bulge, so it becomes an asset in our growth trajectory, and not a liability that could hamper our progress.

In many ways, I'm privileged and well-positioned to tell the story of African entrepreneurship. Growing up in Ghana, I thought I could understand and change my world through humanitarian activism. I led anti-poverty and environmental campaigns at age twelve, and even founded my first non-profit at age sixteen. Though I remain committed to service, I grew disillusioned with my goal to help Ghana through conventional activism.

In 2007, when I was a college freshman, my roommate Darryl Finkton and I founded a non-profit focused on clean water and sanitation called Cleanacwa. For our

first project, we spearheaded the provision of water and sanitation infrastructure in Agyementi, a village in Ghana with an *E. Coli*-infested spring source that resulted in high diarrhoea incidence and high infant mortality rates. During our project in Agyementi, I asked one of the community members ‘What is the greatest need in your community?’ Expecting him to say a hospital or a school, I was stunned by his response: ‘Ye pe ajuma,’ he said. *We want jobs.*

Partly inspired by this man in Agyementi, I founded Golden Palm Investments (GPI) in 2007 with the equivalent of \$100, and then subsequently raised \$50,000 in seed capital from investors. Under the umbrella of GPI, we invested in agriculture in southern Ghana, employed over thirty people, and provided technology such as tractors and high-yield seeds to local farmers. By the end of 2008, GPI’s investments in Ghana had doubled the capital invested. But 2008, being an election year, saw a sharp widening of the fiscal deficit and plummeting depreciation of the currency: our returns halved overnight in US dollars. Ten years later, GPI has backed businesses operating all over the African continent. We have invested in diverse businesses including a health data company, a real estate development company, a baby food business, a mobile survey start-up, a FinTech company, a precision agriculture autonomous systems company, and many others. Collectively, our portfolio companies have raised over \$500 million in venture financing. Many have been successful, and a few have been failures.

In 2017, I decided to focus our efforts on healthcare as I believe it is one of the most compelling opportunities from both a business and a social impact perspective. I partnered with Dr. Chinny Ogunro (who is profiled in this book) to build Africa Health Holdings, a technology-enabled healthcare platform that acquires and manages hospitals, clinics and other healthcare assets across Africa. We are adopting emerging technologies such as telemedicine and artificial intelligence that will lower

the cost and increase the quality of healthcare delivery in Africa, as well as managing these healthcare facilities more efficiently at scale. Dealing with volatile macro-economic conditions, human capital challenges, and an infrastructure deficit, being an entrepreneur on the African continent for over a decade has been a journey in strategy, operations, finance, leadership and everything in between.

While entrepreneurship offers one of many important tools in addressing our socio-economic challenges on the continent, I recognise that the glorification of entrepreneurship and the romanticised view of every poor person as a potential entrepreneur is a recipe for failure. Entrepreneurship will play a key role in building a sustainable economic future for the region, but it cannot solve intractable challenges of governance and infrastructure. It is important that we do not fall for the ruse some policymakers and government officials are guilty of, which is abdicating their responsibility to solve our economic challenges by outsourcing solutions to ‘entrepreneurship.’ It is an abstract illusion which creates a false sense of hope.

Making Futures: Young Entrepreneurs in a Dynamic Africa is not just a collection of stories of a changing Africa through the eyes of some of the youngest and most promising African entrepreneurs; it is the telling of the story of an emerging entrepreneurial ecosystem in Africa, and how young entrepreneurs are building enterprises at scale in a digital age. My goal is to equip readers with intimate knowledge of the markets and growth across the region, and to show how young entrepreneurs are identifying problems as opportunities and making futures in a continent that is poised for economic growth and opportunity.

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