

## Technology and the rise of the African Entrepreneur

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Recently the World Bank reported that 43 per cent of sub-Saharan Africa's population is between the ages of 0 and 14. That African countries will likely face an increase in job creation pressure is an understatement. Put more simply by the New Vision in Uganda, we are essentially looking at a ticking time bomb. But it would be short-sighted to lump Africa's youth as part of a growing problem. If anything, this young African generation is part of a new process that breaks down historical barriers and harnesses a new potential to drive solutions.

With every passing minute thousands upon thousands of young people gain access to mobile phones and the Internet. Imagine starting in primary school where you had to share a five year old text book with three other students to ten years later getting instant access to the worlds combined intelligence? These individuals are eager to connect, establish new contacts, exchange information and quite simply learn at a faster rate than ever before possible. Africa now represents the second fastest growing region for the worlds largest social utility Facebook, Asia being the first. Africa's youth are addicted to information and they guarantee a frightening leap into the information age. The growth numbers we read about every day are staggering for good reason. And its not only about downloading and uploading content, these young people are teaching themselves how to write code, deconstructing applications, creating content and re-purposing tools to do some really cool stuff. One example is iCow, the recent winner of the Apps4Africa competition. iCow is a voice-based mobile application that helps farmers track the oestrus stages of their cows. This application can enable farmers everywhere to better manage breeding periods as well as monitor cow nutrition leading up to the calving day. This will help farmers get the most of their cows and their farms. A pretty useful service if you ask me.

Still in these early days it is not uncommon to meet an entrepreneur who has to travel two hours a day just so he can access the University WiFi network and download content he needs to build his products. On my last trip to Uganda I met Alex, the co-founder of Altoja Computer World, a young software company in Kampala. As a starting entrepreneur he actually had to petition family and friends long enough that they sold a goat so he could buy a computer. Hard to believe his grandmother made such a sacrifice for something she had never seen or could even comprehend. I also meet other young entrepreneurs building early prototypes on open source because it was the only code they had access to. It is not uncommon to hear about people afraid to share ideas because someone else might steal them or to talk about the difficulties in finding the business connections needed to grow and scale their business. Just getting some hardware and software proves to be a significant challenge, let alone the costs of operating a starting business. How do you get a national identity card when you don't have an address, know your age or have the money needed to open a bank account?

International clients are just too far away. In the struggle to service businesses many try to take a crack at the consumer market. But in most African countries fewer than 5% of the population are actually connected to the Internet, the numbers far from allowing the implementation of viable business models. Many look to innovate on mobile, but unfortunately too many stories of telcos stealing ideas and blocking out potentially competing services keeps bright ideas in their infancy. In turn these telcos stifle innovation and put up a valiant fight to maintain the status quo. Funding is another key issue. Banks do not appreciate the budding tech businesses, micro credit is too small and the private sector investors lack success stories. It is still friends, family and fools tapping into these ideas and offering support where they can. The business is left to a growing network of tech incubators mushrooming across the continent and small venture funds hunting out the diamonds in the rough. These are the practical challenges that make any entrepreneur think twice, but for how long?

Now internet connections are becoming ubiquitous, the mobile web is set to leapfrog African youth into the next century, and their desire for an alternative future is unstoppable. George Ayittey, a Ghanaian economist and the author of several books on Africa, including "Africa Unchained" and the forthcoming "Defeating Dictators in Africa and Around The World" first coined the term 'Cheetah Generation.' The idea refers to a new and angry generation of young African graduates and professionals who look at African issues and problems from a

totally different and unique perspective. They are dynamic, intellectually agile, and pragmatic. They may be the “restless generation” but they are Africa’s new hope. They take a no nonsense approach to corruption, inefficiency, ineptitude, incompetence or buffoonery. Whereas the older generations (rightly described as the Hippos) constantly see problems, the Cheetahs see business opportunities. More importantly, the Cheetah generation has no qualms about thinking outside the box or getting their hands dirty needed to make it happen.

The potential can be seen in new companies like Cellulant, a mobile commerce business that manages, delivers and bills for digital content and commerce services. Started at the age of 23, Ken Njoroge is now running one of the most respected mid-sized companies in Kenya. One of the first to realize mobile telephony was growing fast in Africa, Cellulant made its mark when on their first day they sold over 16,000 ringtones at a cost of Ksh.75 each. During its first year Cellulant made approximately Ksh.60,000 per month and in 2007 the firm already turned a profit. As of 2010 the firm has over 12 million customers in eight countries across Africa and today has a team of over 90 people. It is not surprising he plans to take Cellulant to the Nairobi Stock Exchange, what could be one of many IPOs to come online in the African space. Ken is only 35 and strongly believes young people are changing the game. He explains in a recent interview, ‘Young people are energetic and they easily learn new things. In ICT where things keep changing we need innovative young people with fresh ideas, who take on new ideas with optimism, unwavering determination and energy.’ Examples like Cellulant are only the beginning. Thousands of young people are starting to see the sheer number of opportunities and are quickly lining up with their ideas on how to solve them. As my friend Alex explains, ‘the jobs that are available are not attractive for someone passionate about software. You could do data entry for 100,000 to 200,000 shilling a month, but this is not the point. We want to build our own business and have a vision now.’

Equipped with unprecedented knowledge the stage is set for an epic showdown that will change the face of the continent forever. A young student equipped with a mobile phone is ready to take on a generation stuck in history, part of a new struggle to convince the older generations they are on to something really really big. Its not uncommon to meet a 20 year old who is building a national database of criminal records for the government police force or for a small team of young developers to be managing a bank’s internal IT system. How can a CEO appreciate the implications when they still print out e-mails and dictate their responses?

The road ahead is a hard one, the will of these young minds will be tested and unfortunately some will fold, but it is the few who refuse to compromise that make the difference. Just ask anyone on the street if there is potential and their eyes will light up as they spew out the opportunities they plan to tackle the coming year. The optimism is overwhelming and addictive. Already diaspora are returning to the continent and setting up shop. They are eagerly tapping into this youthful generation and quietly setting out on their quiet mission to change the world. It would be foolish to underestimate this young generation waiting for their turn at the table.