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September 2019 | www.gtbank.com

Published by Guaranty Trust Bank plc

The Shrinking Nigerian Middle Class – Can Credit Help to Minimize the Economic Impact?

The Nigerian Circular Economy: Goldmine or Blackhole?





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Segun Agbaje

GTBank CONTRIBUTORS

GTBank Research Team,
Gbemisola Adesanya,
Abosede Ajayi,
Hauwa Yaro,
Maryam Lawal,
Charles Eremi,
Olumide Abogunloko.

PUBLICATION

GTBank Communication and External Affairs Group

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Foreword

Segun Agbaje

It is my pleasure to introduce to you the 5th edition of The Corvus, a financial and economic publication of Guaranty Trust Bank plc.

When you take a cursory look at our world today, nothing seems the same anymore. Emerging technologies like Artificial Intelligence and Machine Learning are disrupting workplaces, including those built at the turn of the new millennium. Industry lines no longer exist, particularly in the financial services sector where banks now have to compete with everyone, from startup Fintechs to Telcos and Tech giants. The climate crisis is also accelerating, and alongside it, we are witnessing a population growth that is two times faster than the pace of our economic growth.

However, what has remained the same in our rapidly changing world are the fundamental human needs; from the innate desire to be productive to the universal need for access to value-adding

services. This edition of The Corvus focuses on these constant human needs and how they are being affected by such unprecedented change. It investigates what our exploding population could mean for job opportunities and our socio-economic development; how young people are reshaping how we live and work; why sharing a little more of everything might be great for improving our overall productivity; and how providing low-cost consumer credit could help equalize access to value-added services. This edition also addresses three key areas that will make or mar us as a people— food security, waste management and transportation, and puts forward ideas and insights on how to make the most of our innovative potential on these three fronts.

The great thing about putting fundamental human needs at the centre of these pertinent conversations is that it not only keeps our fingers on the pulse of the things that really matter, it also moves

us to come up with concrete, actionable ideas to improve society. As a bank, we are building on these kinds of conversations to re-imagine how we provide services that are relevant and more accessible to customers whilst transforming our business to create long-term value for all our stakeholders. More importantly, we are leveraging emerging technologies and the opportunities unearthed by the digital revolution to empower people to make the most of their lives in these unprecedented times.

Ultimately, our goal as a bank, and for putting together this magazine, is to help people thrive in this new world of disruption and constant change. I am confident that you will find in this edition of The Corvus very insightful analyses and key pointers on how to navigate the challenges, and make the most of the opportunities of the 21st century.

Do have a pleasant read!

Welcome to the 5th edition of The Corvus,
a financial and economic publication of
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The Future Of Mobility In African Urban Cities

Maryam Lazal



In 2018, the United Nations Department of Economic and Social Affairs estimated that about 55% of the world's population resided in urban areas compared to only 30% in the 1950s. It further postulated that by 2050, urban dwellers will make up about 68% of the 9.8 billion people projected to call earth home.

African cities are among the fastest growing today, not just the Tokyos and Delhis of the world; cities like Ouagadougou in Burkina Faso, Dar es Salaam in Tanzania, Bamako in Mali, Kampala in Uganda and Lusaka in Zambia, are expected to record annual population expansion rates ranging from about 3% up to 8%. A McKinsey study estimated that between 2015 and 2045, an additional 24 million people would be living in African cities each year, while for India that estimate is 11 million and for China, 9 million.

Rural-Urban Migration

A major contributor to the rise in urban population is rural-urban migration. With African countries dealing with environmental factors such as droughts, famine, land loss, conflict, water pollution, habitat destruction etc., rural migration is expected to increase leading to a rise in urban population levels.

Urban areas naturally provide easier access to markets, a wider audience for services, lower transaction costs than rural areas, access to specialized services, more networking and knowledge sharing opportunities, and the means to expand individual scope and innovate better. The rise in rural migration should normally lead to an increase in the supply of labour



and diversity in skillset to urban areas, leading to productivity and, by extension, GDP growth. Rather than benefit as expected, cities have become rather strained as infrastructural & institutional capacities and amenities are not optimized to support the population expansion. This has led to a gradual weakening of structural systems – failures in educational facilities, healthcare systems, degradation of physical infrastructures (roads, power, transport networks) – and requiring significant investments in expansion projects that are needed to sustain economic growth.

A Diverse Work Force

The potential of Africa's urban migrant population is yet to be fully harnessed because a vast majority of them are in less

than ideal situations. From uncomfortable living conditions at best, to dysfunctional transport systems and everything in between, majority of urban dwellers are unable to apply themselves to productive ventures in their cities of residence. While adequate accommodation, easy access to quality medical services, good education and the likes are sure-fire means to improve the living standards of city dwellers; the importance of adequate mobility infrastructure cannot be overemphasized. Solid transportation systems in Africa's cities has the power to transform not only the way people migrate from rural to urban areas, but also provide current urban dwellers alternative solutions to their present unsatisfactory standards of living and open the continent to more opportunities and collaboration within its borders.



Income Levels and Transportation

Public transportation in urban areas is often limited, inefficient, uncomfortable, non-compliant with safety standards and expensive. Commuting from the home to places of work, school or business, as the case may be, is no easy feat for an average individual.

Income levels often determine the mode of transportation for urban dwellers. In South Africa, workers in the lowest income range rely mostly on walking, shared-taxis and buses, to get around. The lowest-income households in South Africa spend a minimum of about 20% of their monthly income on transportation alone. In cities such as Bamako, Accra and Nairobi, minibuses are more frequently used than larger public buses because of cheaper fares.

Although more expensive to purchase and maintain, private motorized means of transportation make up about 45% of total transportation in cities like Ouagadougou. As at 2015, Libya, Seychelles, Mauritius, Botswana and South Africa had the highest number of car owners per 1000 people in Africa, while Ethiopia, Togo, and Central African Republic had the least.

Urban Transport Infrastructure

The structure of transportation systems across the African continent is quite similar; informal transporters provide motorized transportation in most of their major cities like Lagos, Dakar and Dar es Salaam, via shared-taxis, minibuses, motorbikes and tricycles. However, due to financial constraints, almost half of daily commutes in the cities are made via non-motorized means such as walking and bicycle rides.

In trying to improve urbanization, the focus for many African cities has been on expanding road networks and deploying more convenient means of road commute for the populace like Bus Rapid Transit (BRT) systems. Ironically, these “rapid” bus systems are still limited by traffic congestion owing to poor road networks and the deficiency of dedicated lanes for them. The future of mobility in Africa is in looking past road network development and embracing other modes of transportation like seaports, inland waterways and railway systems.

Africa’s Most Populous City – Lagos, Nigeria

With an estimated population of about 23 million inhabitants in its metropolitan area, Lagos is Nigeria’s economic hub and one of the largest cities in Africa. 50% of commutes across the city are via its popular yellow minibuses (danfos), tricycles (keke napep), shared-taxis, bikes and boat rides, while 40% of commutes are via non-motorized means. Commutes via old rail lines and privately-owned vehicles are on the rise, however minibus services are still the most common mode of transportation within the city.

The Lagos Bus Rapid Transit (BRT) system, launched in 2008, was the first BRT system in Sub-Saharan Africa and currently transports an average of 150,000 passengers daily. Although the BRT implementation brought about the rehabilitation of major roads, construction of additional bus terminals and pedestrian bridges, it is yet to ease mobility constraints in all parts of the Lagos Metropolis. These buses alone - even with the commissioning of a new bus terminal at Ikeja in 2018, and the promise of 5,000 additional buses over the next three years - cannot adequately serve Lagos’ teeming population.





Waterways Transportation in Lagos

Lagos is home to two (2) of the largest ports in Nigeria (Lagos Port Complex - Apapa Port and Tin Can Island Port) with about 23% of it surrounded by water from the Atlantic ocean, lagoons and creeks. Transportation via waterways is a viable solution to improving mobility in the city. Although currently, the large trucks moving goods to and from its ports are causing further constraints on road networks and worsening traffic

congestion in those areas.

Transportation via waterways was largely informal in areas like Tarkwa Bay, Badagry, Ikorodu, and Lagos Island (to mention a few), up until the establishment of the Lagos State Waterways Authority (LASWA). LASWA was set up to regulate water transportation in the state and ensure the routes plied by operators are dredged and channelized to ensure the safety of commuters.

So far, thirty (30) commercial routes have been identified on the state's waterways

for dredging and ten (10) jetties are under construction to improve mobility. There are plans to connect water terminals and roads in places like Ajah, Badagry, Badore and Ikorodu. These efforts, if implemented properly, will reduce the need for trucks in transporting goods, and ease the gridlock around the Apapa and Tin Can Island ports. Also, the Lekki deep-sea port (currently under construction) is expected to improve the mobility of goods, generate significant revenue for the country and optimistically, assist in easing congestion around the existing Lagos ports.





Railway Transportation in Lagos

Although the railway system of transportation is not new to Lagos or Nigeria as a whole, the neglect and decline of the Nigerian Railway Corporation (NRC) led to its lack of popularity as a go-to mode of commute. Efforts to revive the NRC have been ongoing for years but unfortunately, the only operational lines currently are the Lagos to Kano and Port Harcourt to Maiduguri lines. Consequently, state governments in Lagos, Abuja, Rivers and Cross River took up the responsibility of developing their own metro systems.

The Lagos Metropolitan Area Transport Authority (LAMATA) is the agency in charge of implementing the Lagos urban rail network, which is proposed to cover seven (7) priority and high-density areas within the Lagos Metropolis, and other neighbouring states like Ogun and Oyo. The Light Rail Mass transit along these seven (7) lines will be integrated with existing transport corridors such as the Lagos BRT system and waterways

transport to ensure seamless movement of people and goods across all channels.

With the proposed lines connecting areas like Marina to Lekki and Otta to Iddo, road traffic congestion in Lagos is expected to be a thing of the past. A fully functional Light Rail System will offer individuals the opportunity to travel long distances within shorter times and in comfort, thus significantly reducing the need to use both private and informal public modes of transportation. Not only will this improve the standard of living in Lagos, it will also reduce pollution due to less emissions from fewer vehicles.

Fully operational mobility systems at peak capacity have the potential to provide state governments with additional sources of revenue in the form of congestion charges for plying certain roads and increased taxation on private vehicles purchased. Essentially, putting a premium on the use of road transport will encourage people to use either the waterways, the BRTs or the Light Rail System; and the additional revenue generated can be applied to the maintenance of these systems.

Conclusion

The Addis Ababa Light Rail, which began operating in 2015, has set the bar as the first of its kind in Eastern and Sub-Saharan Africa. It is representative of a fully operational rapid transit system in the Continent. While there is still more to be done in Ethiopia's capital in terms of tram reach, capacity and comfort, Addis Ababa's example can be replicated in cities all over, not just Lagos. The first phase of the Abuja Light Rail system that was commissioned in July 2018, is also a step in the right direction for West African cities.

European and American cities like London and New York have shown with their Light railway, underground and over-ground trains and bus systems, that rural-urban migration is not necessary to enjoy the benefits of an urban society. With adequate railway systems providing fast and convenient access to urban areas, commuters will no longer have to reside in Africa's cities to access their places of work, school or businesses.

The commute from Ikorodu on the Lagos mainland axis to Victoria Island has been made easier using ferries on the Lagos waterways. Once the Lagos Light rail is completed, more workers could reside

in Abeokuta, where the cost of living is lower, and easily commute daily to their jobs in Marina for instance, without increasing the number of people that reside in Lagos.



Railway connections between major cities and their less congested counterparts could be a game changer for Africa. Not only would infrastructure and service pressures be eased in urban areas, but also development would spread to underdeveloped areas much faster.

Goods and services would flow with ease, more opportunities would be created both ways and standards of living would significantly improve.

In the future, trade conditions between African countries could also see massive improvements if land-locked regions of the continent were made accessible via railway transit. Apart from easier access to goods, neighbouring countries could also benefit from shared skilled labour shuttling between their major cities; just as an individual residing in London yet being able to access opportunities in Paris via the Eurostar high-speed trains.

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The Nigerian Circular Economy: Goldmine or Black-hole?

Olumide Abogunloko





When you think of waste, what comes to mind are heaps of refuse; a smelly, inconveniencing and discomfiting pile of rubbish. Waste generation is a by-product of and direct impact of urbanization; the rate of waste generation is largely influenced by economic development, industrialization, consumption patterns, public culture and climate. It can generally be assumed that the higher the economic development and industrialization, the greater the amount of waste produced. By extension, income levels and urbanization are seen to be highly correlated to waste generation; as disposable income and standard of living increase, people consume more goods and services resulting in a rise in the amount of waste generated – as urban dwellers tend to produce twice as much waste as their rural counterparts.

The volume of wastes - industrial and domestic – produced as a by-product of our industrialisation and consumption has had far reaching impacts on the environment and the rise in global warming. The impact of the disposal of waste through incineration of solid domestic waste and dumping into water bodies have resulted in the contamination of a large population of humans and animals, with disastrous consequences on human health and the ecosystem.

According to the World Bank, 1.3 billion tonnes of municipal solid waste (MSW) are produced globally per year and this is projected to increase to approximately 2.2 billion tonnes per year by 2025. MSW is a term used to describe waste consisting everyday non-hazardous trash or rubbish generated by households and companies. The projected increase represents a significant rise in waste generation rates from 1.2kg to 1.42kg per person per day over the next 6 years. The report also posits that urban waste generation for lower middle-income countries in Africa, such as Nigeria, will hit 1.3kg per person per day by 2025, which translates to an estimated 1.9 million tonnes of waste per day by 2025. With only about 40% of the waste generated in Nigeria presently collected via any form of waste collection process, it can be said that Nigeria will have a huge waste problem on its hands in the not-too-distant future.

Global initiatives towards addressing the challenges of solid wastes are hinged on the 3R initiatives introduced by the G8 countries in 2004 to promote the reduction, reusing and recycling of resources and products, to build a circular society where resources and materials are used effectively. The concept that advocates economic development through the adherence to the principles



of reduce, reuse and recycle is known as the Circular economy.

Globally, the adoption of circular practises offers a mutually beneficial situation for the people, profit and the environment. The tenets of the circular economy have become a driving force which is promoting efficient use of resources to achieve better economic utilization. It seems to move towards a model of resource-product-waste-renewable resource from the resource-product-waste approach. According to a 2016 report by Ellen MacArthur Foundation and the United Nations Conference for Trade and Development (UNCTD), India could earn additional economic value of over US\$210 billion by 2030 and over US\$600 billion by 2050 by the implementation of circular principles in cities & construction, food & agriculture and mobility & vehicle manufacturing. The report also revealed that circular principles could reduce greenhouse gas emission by over 20% by 2030. Another 2015 report by McKinsey and Ellen MacArthur Foundation argues that the European Union could add US\$1.8 trillion in value by 2030 through the implementation of circular principles.

A major advocate of the 3Rs of the Circular economy, Japan, is the 3rd largest waste generating country in the world, after the United States and Russia. Though generating 1.1kg of waste daily per person, Japan has been able to achieve the highest recycling rate of over 90% for steel cans, 90% for glass bottles, 89% for

aluminium, 60% for paper, and 38% for paper containers for liquid as at 2006. This was achieved through the introduction of recycling enabling laws and motivating a shift in behaviour – nurturing the practice of treasuring and using all things for as long as possible – ingraining the culture of “Mottainai” which promotes the habit of ‘not wasting’ into the social fabric. A practical example of the culture is the “Nanbu saki-ori”, a traditional style of weaving, created by residents in the southern part of Iwate Prefecture in the Tohoku region of Japan. They tear apart used fabrics and weave them into new clothes, furniture, accessories or other items along with strips of hemp or cotton. This eco-friendly practice not only creates beautiful new pieces of fabric, but ones with hints of nostalgia threaded in each unique pattern.

Thus, as their economy grew, the spirit of Mottainai restrained the generation of waste and motivated the development of technology for reuse, recycling and effective use through heat recovery. With limited landmass, the country developed a system to collect and transport waste, process it through intermediary treatment by incineration and other methods, and then dispose in landfills in a sanitary manner, preventing environmental pollution in the areas surrounding densely populated cities. These efforts have earned Japan the waste management and recycling capital of the world while most Japanese cities have remained very clean.

It is evident that the quantum of waste generated in our cities can be both a challenge and an opportunity – a challenge that can be converted to an opportunity by adopting appropriate waste management policies and practices. The concept of creating wealth from waste is an age-old phenomenon. However, waste management as a catalyst for accelerated economic growth, employment generation and sustainable environmental protection is a relatively new and untapped idea as it started to catch on in the early 80s, the peak of the global industrial era.

There are a few positive stories of the value of the circular economy in Nigeria.

The University of Nigeria, Nsukka designed and fabricated a Refuse Derived Fuel (RDF) gasification plant generating 100KVA of electricity from organic waste. The plant, the first by any Nigerian university, converts municipal or agricultural waste to gas that powers the generators. The project serves an economic purpose, while providing a platform for knowledge acquisition and transfer. In a related development, a green reformer and United Nations Honorary Ambassador on Sustainable Development Goals, Mr. Lawrence Onwukem, the CEO and Founder of Leo Lawrence and Company is promoting interest in the circular economy through recycling and value addition to waste at all levels assisting households and businesses in constructing an integrated waste management technology using



anaerobic digestion system which breaks down human and organic waste into bio-gas. The bio-gas is then used to power generators to produce electricity and cooking gas. These ideas provide great opportunity to solve a lingering energy challenge while solving a social malaise.

Wecyclers, a Lagos-based waste recycling company founded in 2012 by MIT and Vanderbilt University graduate, Mrs. Bilikiss Adebisi-Abiola, offers waste collection and recycling services to informal settlements in Lagos. The firm incentivizes residents to collect their household wastes, which are picked up by Wecyclers in specially-adapted bicycles. Through its activities, Wecyclers has collected about 5,000 tonnes of recyclable wastes and directly promoted environmental sustainability, community health and socio-economic development. In recognition of the company's waste recycling effort, it became the recipient of the 2019 King Baudouin African Development Prize of £200,000, and presently, prides itself to have collected about 5,000 tonnes of recyclable waste, employed over 31 people and given out over US\$100,000 worth of incentives to its 17,000 subscribers since inception.

The firm sells collected plastic wastes to companies who use the plastic bottles for fibres which is then used for sleeping pillows, while the sachet water bags are recycled into trash bags.

Leveraging the activities of Wecyclers, a Lagos-based school was able to pioneer a Recycles Pay Education Project to support education in low income areas. Supported by the African Clean-up Initiative, the school, Morit International School, accepts plastic bottles from parents and

guardians as payment for their ward's school fees. The school values each plastic at N1, thus accepting 8,200 empty bottles as payment for a primary pupil's term fees. The school which currently has over 120 enrolled pupils provides affordable, and quality education for children of low-income earners through the recycling, while promoting empowerment and sustainable environment protection.

A few kilometres from the nation's capital, Abuja sits a building constructed using a novel building material – plastic bottles. The building which is made entirely of discarded plastic bottles has been proved to be very strong and able to withstand rough weathers – with housing prototypes in South America seen withstanding a strong earthquake measuring 7.3 on the Richter's scale. The concept, which is not native to Nigeria, is very similar to the standard brick construction method, except for using plastic bottles rather than bricks. The bottles are filled with sand or rubbles then stacked and tied together using nylon cords before being walled up using clay and mortar. The use of plastics for such a project is seen as an eco-friendly way of putting non-biodegradable plastics to use, fostering positive environmental impact while also providing gainful employment.

Without a doubt, the circular economy in Nigeria has immense potential for addressing economic growth considering its established dependence on population



and changing consumption patterns, the circular economy also offers little barrier to entry of entrepreneurs at certain levels of the value chain such as waste collection, transportation, sorting and recycling are yet capacious.

Waste conversion is an underdeveloped phase of the waste management cycle

in Nigeria, yet it offers great prospects in terms of youth employment and revenue generation. Power generation from MSW, fertilizer production from municipal waste and sewage, repurposing of plastic bottles and materials are some of the ideas and opportunities that question our quest for self-preservation and development. All stakeholders, especially government and

the discerning private sector all have to play a part in ensuring the value of waste is appropriately mined, through research, partnerships, legislation, re-orientation, enforcement, and the establishment of a system that rewards and fosters a clean and healthy environment.



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The Shrinking Nigerian Middle Class – Can Credit Help to Minimize the Economic Impact?

Charles Eremi

Africa Rising has been a recurring refrain in global economics. It references the belief that the continent has huge potentials for economic growth and development which in turn is largely hinged on her growing middle class.

Accounting for over 47% of West Africa's

population, and one of the largest youth populations in the world, Nigeria is believed to have what it takes to be a major economic power in Africa and beyond. With this premise, one would imagine that Nigeria offers immense opportunities for a more empowered middle class.

What does this portend for Nigeria as a developing country? How does Nigeria fare with regards to social class prosperity when compared to other countries around the world? A synopsis of global class systems drawing on relevant statistics will address these concerns.



The Concept of Social Class Structures and the Importance of the Middle Class

There has been a lot of debate about the concept of social class as a measure of the economic wellbeing of a nation, with sociologists generally agreeing on the existence of three primary socio-economic categories: upper, middle, and lower class. The focus of this article is on the middle class - the most dynamic of the three

socio-economic groups.

William Easterly, former World Bank research economist defines the middle class as the three quintiles between the poorest and the richest social divisions. A major limitation of this definition however is that middle class income and consumption data differ per country, indicating a very broad scope of what might be termed middle class. Some experts have also defined the middle-class as individuals with annual income exceeding \$3,900 in purchasing Power

Parity (PPP) terms or with daily per capita expenditure between \$2 and \$20.

Most definitions of the middle class almost exclusively focus on the financial metrics often ignoring cultural norms and lifestyle-related attributes as well as political orientation and the disparity that exist within a broad band of income groupings. A typical middle-class household would average two cars, shop in supermarkets and malls, send their kids to private schools, and in some cases, can afford one vacation abroad in a year. Other variables



such as education, profession, aspiration and healthcare options are also important features of the middle class. According to a 2015 study by the World Bank Group, what seems to differentiate the middle-class is the fact that its members have climbed the social class rather than inherited a status in life. Their relative social mobility is attributed to sheer talent and effort, qualities that enable them serve as the engine for entrepreneurship, innovation and change. Barack Obama, immediate past president of the USA, while delivering a speech in Kansas in December 2011 argued that the middle class was of strategic importance to the overall strength and sustainability of any economy. He asserted that if any country intends to build a stable and flourishing economy, it must make concerted efforts towards growing and empowering its middle class as it is the middle class that grows the economy and not the rich.

Thus, when the middle class is not thriving, businesses suffer, workers are laid off, and unemployment and income inequalities widen. Under such adverse circumstances, economic recession and even depression would easily set in.

Middle Class Shrinking—both Numerically and Consumption Spending terms

In some African countries, a new middle class has emerged and is strongest in countries that have a robust and growing private sector as many middle-class individuals tend to be entrepreneurs. In addition to inclusive economic growth and impactful public policy targeted at reducing inequality, stable, secure, well-paying jobs with good benefits and higher tertiary education are pivotal to the creation and sustenance of a strong middle class.

Countries that have higher levels of educational attainment, developed infrastructure, good healthcare systems and human capital development in general tend to have larger middle-class populations than those that do not.



The general lack of the above in most African countries, Nigeria inclusive, can be adduced as a major cause of the continued shrinking of the African, and Nigerian, middle-class, both in purchasing power and numerically. The failure by government to invest adequately in, nor provide enabling framework for the provision of infrastructure and amenities including education, healthcare, effective transport systems, security etc. hampers the development of economic activity and entrepreneurship, weakening the economic and moral fabric of society, widening the gap between the haves and have nots.

For instance, with education spend in 2018 a meager 1.7% of GDP compared to 4.7% average across the sub-Sahara, it is no surprise that UNICEF statistics on

Nigeria tallies an estimated 13.2million children out of school, the highest such number in the world. An event that has been attributed to the general failure of the public education system due to underfunding and underdevelopment. On the corollary, the rise in number of private schools has not solved the challenge as the average tuition cost for private schools are beyond the affordability of a larger population. With most households in the middle-income bracket straining under the impact of the bloated expenses required to send their children to school, the lower middle class are barely able to afford the most basic education for their children. This has serious consequences on household purchasing power, learning and skill acquisition as well as occupational mobility in future.





With total expenditure on health averaging a mere 0.6% of GDP in 2018, a marked drop from an average of about 3.5% in the 3 years preceding 2016, Nigeria's health sector remains sorely underdeveloped as a result of poor funding. In the face of inadequate public health infrastructure, ineffective health insurance and rising cost of medical care from private hospitals, individuals and households are increasingly required to pay for medical expenses out of their pocket, limiting their discretionary income

and imposing significant strain on the health care provision for the populace. Consequently, while global life expectancy is improving to over 70 years, life expectancy in Nigeria stands at 55 years. In addition to the relatively low life expectancy, the growing insecurity, economic hardship and leadership challenges in the country has prompted an increase in the number of both highly skilled middle-class Nigerians and asylum seekers migrating to developed countries in search of better lives. Data from the

Canadian government revealed that the number of Nigerians admitted into Canada through the Express Entry programme increased by 1057% from 98 in 2015 to 1036 in 2016. By 2017, Nigerians were now the most successful citizens in Canadian immigration programme behind India and China. Similarly, data from the U.S Homeland Security showed that over 29,000 Nigerian immigrants living in the US overstayed their U.S non-immigration B1/B2 visas between Oct. 2017 and Sept. 2018.





Can Credit Help?

It is generally believed that to enable the growth of a strong middle class, government must come up with effective policies on how to reduce poverty and develop human capital for empowerment to help wealth creation and foster innovation and entrepreneurship. An enabling environment for productivity through the provision of power, transportation, education, health and other critical infrastructure will boost employment and increase aggregate revenue and per capital income, leading to increased consumption and a rise in public savings.

The importance of credit to an economy cannot be overemphasized; access to credit facilitates trade and boosts efficiency of production process. With the

components of the aggregate demands, especially consumption, investment and government spending, remaining depressed, it is believed that the availability of appropriately priced credit with flexible repayment terms can help to spur economic activities. On average, access to credit can lead to increased spending which in turn, fuels economic activity, increases investment and CAPEX spend by companies and ultimately, impacts GDP positively.

Studies however suggest that policies that include the promotion of middle-class growth are cost-effective and generate longer-term poverty reducing benefits. Empowering the middle class will require governments to introduce measures that bolster the income of those already in the middle class and implement effective social policies to expand the middle class

through increased spend on education and health.

While commercial banks, fintechs and payday lenders improved the pricing and general conditions for assessing these loans, the eligibility criteria still pre-qualify customers based on certain features including employment status, credit history etc., so many middle-class individuals are still unable to access these loans.

Conclusion

The global middle class is expected to grow from 3.8 billion in 2018 to 5.3 billion people by the end of 2030. This positions the middle class as the largest socio-economic group and a major driving force behind global economic growth. Nigeria can hope to ride this wave of potential offered by the middle class toward a more robust economy. Targeted government spending on infrastructure development and increasing investment flows to the real sector using effective fiscal and monetary measures are very critical. Though it would amount to an oversimplification to assume that access to credit alone would ensure the viability or otherwise of this very important social class. With higher purchasing power as measured by disposable income of individuals to create and stimulate demand, the Nigerian economy can increasingly rely on the middle class as a key source of demand and consumption, and access to credit is a good starting point.

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Tomato Farming in Nigeria: When Abundance does not result in Availability

Abosede Ajayi



Tomato (*Solanum Lycopersicum*), is said to be the second most important vegetable in the world after potatoes. Besides from being tasty, tomatoes have a high density of nutrients that promote healthy skin, weight loss and good cardiovascular health. Tomatoes have been proven to help protect against cancer and reduce blood glucose in people with diabetes. Perhaps, these benefits of tomato consumption are responsible for its regular presence in our everyday meals, and its cultivation in several countries around the world.



With an estimated annual output of 2.4 million tonnes, Nigeria ranks as the highest tomato producer in Sub-Saharan Africa and the 14th highest in the world. Unfortunately, while Nigeria is noted to produce enough fresh tomatoes for its daily consumption, it is the world's largest importer of tomato paste, importing an average of 150,000 metric tonnes of concentrate per annum, valued at about \$170m. Why does Nigeria import so much concentrate? Where does the bulk of the tomatoes we produce go then? Are we maximising the opportunity of being a major supplier of tomatoes?

Tomato Farming: Where we are?

Tomatoes accounted for about 60% of the global vegetable production in 2016 with 177 million tonnes produced. Due to its short shelf life, tomato processing is a necessary activity, with about a quarter of global production processed into pastes, juices and powder; making tomatoes the world's leading processed vegetable.

In Nigeria, tomatoes are mainly grown in the northern states of Kano, Taraba, Gombe, Kaduna, Bauchi, Katsina, Sokoto, Jigawa and Zamfara primarily because of the region's favourable warm weather condition and conducive soil for the vegetable. These states produce about 80% of the country's tomato. Nigeria produces about 2% of the world's tomato production and cultivates the largest fresh tomatoes in Africa. The over 200,000 farmers however generate the lowest yield for tomatoes on the continent owing to poor production practices, including low soil fertility, inadequate pest control and high post-harvest losses.

In addition to the poor harvest yield, a 2015 Sahel research noted that Nigeria suffers from poor preservation practises and inefficient supply chain management which results in the loss of between 45%

- 50% of tomatoes produced locally. Consequently, domestic production less wastages is estimated at 1.3 million metric tonnes which is deemed grossly inadequate to meet the estimated annual domestic demand of 2.3 million metric tonnes. As a result, the country has historically resorted to large-scale importation of tomato paste in a bid to meet the demand shortfall.

Challenges and Constraints in the Tomato Farming and Processing

The tomato farming industry in Nigeria is beleaguered with many a challenge – ranging from poor farming techniques to storage and transportation inefficiencies and lack of processing capabilities. Farming techniques utilised by farmers in the country are predominantly outdated and inefficient. There is a proliferation of small-hold farmers employing primarily subsistence-based farming techniques, where larger farms exist, they do not have enough scale for maximising the benefits of mechanisation and adopting of modern farming practices including use of disease-resistance seeds, appropriate use of fertilisers, pesticides and irrigation techniques. Farmers are unable to obtain access to technical support in form of soil and water analysis, seed selection and other scientific analysis that can boost crop yield. Farmers are plagued by the high cost of mechanized systems and irrigation infrastructures, resulting in low productivity and poor crop yield per unit measure of cultivated land.

Post-harvest activities continue to be less efficient. The use of baskets, which are cheap to acquire, for storage and transportation of tomato produce is very common amongst farmers and has been identified as the primary cause of post-harvest spoilage. Farmers generally keep harvested tomatoes in baskets which exposes them to heat and reduces shelf



life. Access to cold storage facilities is limited and where available comes at a high price due to the cost associated with self-generated power in the face of epileptic public electricity supply. In addition, most farmers transport their produce in baskets stacked on one another in trucks. The stacking of tomato baskets most times result in crushing of the fruits, especially the ones at the base of the stacks. It is estimated that farmers lose up to 45% of their post-harvest yield through the combined impact of poor transport infrastructure and lack of appropriate storage facilities.

Other challenges affecting the development of the tomato value chain is the absence of adequate processing facilities. The low shelf life of tomato makes a commercial case for the establishment of processing facilities that can convert the fruit into paste, juice or powder. Such activities are however limited by the high cost of processing and packaging

machinery, access to adequate all-year supply of tomato fruit at fairly stable prices, and availability of adequate financing or capital. Due to poor farming techniques, tomatoes are harvested seasonally which implies that prices may be at their lowest when the product is in abundance and highest when the vegetable is out of season. This makes it difficult to project prices and thus revenues, affecting the ability of managers to plan. In the absence of such planning capabilities, access to appropriate financing becomes limited and downright expensive, further escalating the implicit inefficiencies in the value chain. Though effort has been made to address the challenges associated with access to financing at cheap rates, the underlying concerns of hampering efficient production and processes remain.

Despite the challenges permeating tomato farming in Nigeria, there is a ray of hope as several innovations are now available to

tackle some of the perceived challenges

Some of the initiatives include:

Household Chlorine Bleaches:

To extend the shelf life of tomatoes, some practices are already being adopted in some countries across the value chain. These practices, as well as other cost-effective interventions, can be implemented in Nigeria to reduce the high rates of post-harvest losses as they could extend the shelf life of tomatoes from two days to three weeks. For example, the use of household chlorine bleach to rinse and sanitize tomatoes helps eliminate bacterial diseases and ensure tomatoes stay fresh before sale.

Cold Rooms Powered by Solar:

This is a relatively new initiative where solar powered cold rooms could give small holder farmers the ability to store their produces before sale without incurring the high cost of energy associated with prolonged cooling. A few companies in Africa have already started establishing walk-in cold rooms where farmers can store their produces in exchange for a subscription fee.

Zero Energy Cool Chamber (ZECC):

These are more traditional double layered brick wall structures filled with sand and walls soaked with water. They are considered easy to build facilities which can reduce temperature by 150C with humidity of 95%. Such a chamber could increase the shelf life and retain the quality of the vegetable. These could be adopted in developing countries like Nigeria as they are simple, easy and cost-effective for smallholder farmers.

Packing Houses:

These are large storage facilities where vegetables are collected, washed, sorted and stored in coolers before they are transported to the market for sale. In 2017, the Kaduna State Government commissioned a packing house to provide local farmers a value addition aggregation facility to assist local farmers minimize their post-harvest losses.

Opportunities that exist in tomato farming

Processed tomatoes serve as an alternative method of tomato preservation. This ensures tomato products are available for consumption all year round. Besides providing the country with an additional source of revenue through the exportation of processed tomato and reducing importation costs, setting up tomato processing factories will stimulate employment in the country, while indirectly increasing the standard of living in the nation.

Specifically, the opportunities that exist in the tomato farming/processing sub-sector are enormous. The federal government of Nigeria introduced the tomato policy in May 2017 focused on boosting tomato production, improving the entire tomato value chain, reducing the millions of dollars spent on the importation of over 150,000 metric tons of tomato annually through encouraging local agro-allied businesses growing to increase fresh tomato fruits required for consumption and processing.

The policy also seeks to impose a ban on the importation of processed tomato paste to promote local production of tomato paste in the country. A 2015 Sciencedomain Research report revealed that only about 20% of tomato processed products consumed in the country were locally produced as the remaining 80% were imported into the country.

With the government's impending ban of the imports of tomato paste and an established market for the product, there's expected to be a huge supply gap that discerning entrepreneurs can fill to meet the increasing demand for tomato paste in Nigeria on the one hand, and also expanding into the West African sub-region on the other hand. The government is also encouraged to prioritize the 100% implementation of its tomato policy to signal some level of seriousness to existing and prospective domestic players. Secondly, the porous state of the country's borders has continued to raise concerns about the feasibility of the government's tomato policy as smuggling and illegal entry of foreign nationals into the country have continue to thrive unabated.

Fortunately, there are some key players who have observed the huge and lucrative gaps in Nigeria's tomato market and are taking steps to remedy them.

Tomato Jos

Mira Mehta and her co-founder, Shane Kiernan, founded Tomato Jos in 2014. Tomato Jos is an agricultural production company with the aim of making tomato paste production a sustainable, profitable business for Nigerian farmers. The company generates revenue by manufacturing, packaging, branding and selling tomato paste directly to major supermarkets as well as through regional distributors.

About 55% of the tomatoes used for the paste production are gotten from farmlands directly operated by the company, the remaining 45% are purchased from small farmers (c.100,000 in North Central Nigeria). It is transforming highly perishable raw tomatoes into long-lasting, high value tomato paste.

Dangote Farm Industries Ltd.

Launched in Kano state in March 2016 and later shutdown towards the end of 2017 due to lack of raw materials and inability of the company to agree pricing with farmers, the US\$20 million Dangote tomato processing facility was re-opened in March 2019 with a production capacity of 1,200 metric tonnes of tomato paste daily.

With the major challenge of the company being insufficient tomatoes for daily production, the company has concluded plans to develop its own tomato farm with a special strain that could increase yield to 60 tonnes per hectare compared to 10 tonnes per hectare recorded by most farmers presently. The company also reached an agreement with local farmers to buy their products at local markets prices in a bid to meet up with enough supply for daily production. With this strategy, producing tomatoes can be made a multi-billion-dollar business that meets both domestic and international demand in Nigeria and Africa as a whole.



Case Studies of Tomato Waste Reduction

India

With an annual tomato waste of 2.2 million tonnes in India as a result of poor transportation and inefficient storage practices, India decided to invest in improving access to cold-room facilities for storage and usage of plastic crates to convey the vegetables. The Indian government subsidised the cost of constructing cold storage facilities and permitted the owners of such cold storage facilities to determine the fees they charge farmers for storing their tomatoes. The government also subsidized the price of crates by up to 50% of market price to allow low income farmers access the relatively cheap crates. The use of plastic crates resulted in the reduction of wastages by 75% which resulted in profitability increase to tomato producers.

USA

As the third largest producers of tomatoes in the world, the United States of America produced a total of 13 million tonnes of tomatoes in 2016. Florida is the second largest producing state in the US behind



California and also generates 396,000 tonnes of tomato waste every year. In 2010, the government established tomato water dump tanks in a bid to reduce the recorded wastages. These water dump tanks utilize suitable turbidity, sanitation level and temperature to provide an important control point for tomato safety from pathogens. This initiative has reduced the amount of contaminated tomatoes thereby prolonging the shelf life

of the vegetable.

In conclusion, besides increasing the export earnings of Nigeria, tomato production and processing will help improve the living standards of its citizens. And until the gaps of inefficiencies in the value chain are closed using the appropriate intermediate technologies, producers, as well as the government, will not derive the maximum benefit from tomato production.

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The Sharing Concept: Optimisation over Multiplication

Gbemisola Adesanya

As children, we all had a common desire to own as many toys as we could. Although the number of toys we played with each day ranged from 10-20, this never stopped us from asking our parents to get us more. As reported by a team of British researchers, an average 10-year old in the UK owns 238 toys and plays with only 12. But can we really blame the child we once were for this insatiable need to own things? After all, we grew up in a world that teaches ownership as the way to meet a need. Even though this ownership mentality has been instrumental in meeting basic human needs such as shelter, food and clothing. It may not be out-of-place to opine that this same ideology has led to the acquisition of non-essential goods (goods that we do not need). Is there a better way of meeting needs by taking advantage of underutilized resources?

These are the underlying questions the proponents of companies such as Lyft and Airbnb pondered on and answered through business models that leverage available structures, resources, sharing technology to achieve global success in their respective industries in what has come to be known as the sharing concept.





What exactly is the sharing economy?

Today, there is a mobile application that allows registered car owners share rides to specific destination in exchange for payment and companionship for the otherwise empty seats. Upon arrival at the destination, the driver opens another app to check for parking space availability from other users who own unused car spaces at that location the driver pays a small fee to park his car on a busy street. A win-win situation resulting in less cars on the road at a time, less congested traffic, and a decline in carbon emissions due to reduced number of automobiles on the road, thanks to the ride-share. In addition, as extra income is made by the owners, economic empowerment is achieved. This implies you have been able to earn extra income and promote a safer and greener environment.

The illustration above is what the sharing economy is all about. The model uses digital platforms to allow users have access to, rather than own, tangible and intangible assets. At this point, a convergence of social and individual gains is achieved.

The word “sharing” in itself, is not strange to the human nature. The act of sharing has remained a strong pillar to the survival of humanity from the primitive days of trade by barter to the evolution of currency in trading. This concept seeks to instigate a shift from multiplication to optimization of assets in every sphere of life.

Today, there are different components under the sharing economy umbrella; access economy, peer to peer economy, collaborative economy, and the gig economy. This article will focus on exploring the tenets of the gig economy.



The gig economy: A challenge to the old order

Traditionally, to gain entrance into the corporate world, the norm is to apply for a job, go through the recruitment process and eventually sign an offer of employment letter. Holding a permanent job with one organization for a long time was the definition of success. But

the definition of success has evolved in recent years to include working for 4-5 companies at the same time. The new success is termed the gig economy and is an important aspect of the sharing economy. This describes scenarios where self-employed or freelance workers take on several projects for different clients, rather than being an employee of a firm. The gig economy includes freelancers,

contingent, diversified and temporary workers.

The entrance of the millennials into the workforce brought about different employee demands on their employers such as flexibility in relation to how, where and when they work. These set of employees have opted for Work-Life blend in the absence of Work-Life balance. They are less interested in joining the rush hour traffic to and from the office while dressed in a prescribed attire every day of the week. They desire to work from the comfort of their homes and deliver their assigned tasks at the agreed deadlines.

It is therefore time for Human Resource experts in Africa, especially Nigeria, private and government agencies to start devising strategies that leverage technology to meet the desire of this generation, in a bid to attract and retain them.

For organizations, the desirable worker is one with ready-made skills and knowledge to deliver on the job without the organization incurring training cost. This means that individuals coming into the gig economy will have to bear the cost of honing and improving their skills to stay competitive.



The Gig Economy: HR and legal implications on formal structures

The rise of the gig economy is set to alter the recruitment industry. To stay ahead of this disruption, formal organizations need to consider integrating this into their structures. Organizations should leverage technology and digital platforms (Asuqu, Yokebay, etc.) to accelerate the process of recruitment given the huge number of candidates. As more workers turn to this type of employment, there is a need for organizations to leverage their brand name to attract the brightest, top and highly skilled workers before they are

take up the conventional jobs because of the benefits it offers such as pension, but simultaneously work in the gig economy despite signing a code of conduct or an equivalent agreement that prohibits it. This set of workers make up what is known as the hybrid workforce as they are of the gig economy but retain their full-time employment. This raises some concerns that should be considered in the drafting and preparation of employee onboarding documents to accommodate such Hybrid employees. This set of skilled workers don't want to add value to one big organization, they are aware that their skills can also help smaller businesses grow while they enjoy another stream of income.

To reduce the risk associated with the gig economy, organizations should adequately classify these workers to avoid worker misclassification - a term used to describe a situation where organizations classify a worker as an independent contractor whereas the person meets the legal definition of an employee. As Rebecca Cenni-Leventhal, Founder and CEO of Atrium Staffing, a staffing and recruitment firm, noted that the word "hire" should not be used to describe the working arrangements with 'giggers' to avoid legal actions. Thus, the word 'contract' should replace 'hire' when describing the gig economy.



snapped up by the competition, as more giggers will go for more flexible time, more pay and well-established brands. In a tight talent market, organizations will do well to rethink the way they look at talent acquisition and talent compensation. In the wake of the gig economy, it has become apparent that the best person for the job might not be willing to take up a conventional job. On the other hand, there are those who will

To attract gig workers in general, employers need to understand them in terms of who they are, what they are looking for and most importantly, tailor job descriptions to fit them. Gig workers are either attracted by independence, creativity, high pay-outs/handouts (in the case of knowledge-based gigs) or by flexibility and the ability to set their own schedule (in the case of service-based gigs), not just by employee benefits such as pensions.

The Gig Economy in Africa: A Focus on Nigeria

In a 2018 research conducted by Payoneer, a financial service firm, where over 21,000 freelancers were interviewed, it was reported that Africa held 10.1% of the world's freelancers. This indicates that although the pace at which freelancing is growing in African countries is not the



same as in developed countries, there is irrefutable evidence that Africa has started embracing the sharing concept in labour.

Key Drivers

- In Nigeria, with over 20.9 million unemployed people - as at Q4 2018 as reported by National Bureau of Statistics (NBS) - freelancing is not only going to change the way work is done, but also increase employment rate, as more graduates embrace this concept to tackle youth unemployment in the country, rather than staying idle while job hunting after graduation. This implies that going forward, new parameters that leverage Artificial Intelligence (AI) technology to track the activities (in terms of hours spent, delivery deadline and earnings) of Nigeria-based giggers on freelancing websites across the world should be considered in determining employment and underemployment status.

- Globalization and wide internet access will allow for an exponential growth of the gig labour force in Africa, because the services rendered by freelancers are not limited to their geographical location, but also extends to other continents.

- Another factor that contributes to the growing appeal of the gig economy is the exchange rate differential that exists between the local currency of Nigerian freelancers and the foreign currency of their contracting counterparty which serves as the basis for their pay. The labour earnings are therefore magnified.

In Nigeria, a lot of freelancers are seen in the informal sectors such as transportation, logistics, graphics/web design, programming, social media marketing, catering and interior design. The formal sector such as banks are also embracing this concept in the area of mobile agents used in driving mobile money and financial inclusion in the country.

The Gig Economy: Impact on Service delivery and earnings

The use of gig talent will lead to a reduction in labour costs. The infusion of giggers into the workforce reduces the amount that is spent on payment of benefits, pension contribution as well as training cost. They will help bolster organizations' capabilities as well as control costs.

Furthermore, recruiting giggers might provide organizations with additional benefits such as the cosmopolitan skills experienced giggers come with as a result of their dabbling into various sectors of the economy. This is because the individual will in effect, have been managing their own business, and this means they will have variety of skills apart from core job competencies. These skills go beyond project management, budgetary, marketing, problem solving, negotiating and customer service skills.



Conclusion

In 2019, organizations therefore have a huge opportunity to make the workplace a more productive environment; one in which career development, real conversations, innovative forms of recognition and better cross-generational relations exist. The gig economy means that business leaders now have the additional external resources coupled with the tools and strategies needed to lead a new generation of workers in ways we simply could not have dreamt of a decade ago.

Millennials and other remote workers have the mindset to push the boundaries on a project-by-project basis. They are not driven by pay, but flexibility, freedom of choice and pursuit of passion. Highly skilled workers are also embracing this trend.

More than ever, organizations need to start integrating this set of workers into the workforce to stay ahead of disruption and competition.

That fresh perspective can often prompt creative ideas that help a business to grow. Moreover, managers can supplement staff with giggers who have the talent and knowledge not only to advance a project, but also to teach regular employees, new skills.

In the same vein, the gig economy will

lead to development of new products and services to meet the lifestyle of giggers. Banks will need to review their criteria for granting credit facilities to individuals, as criteria such as salary accounts, length of employment at a specific company will no longer suffice to adequately capture the true position of these category of workers.

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Are Millennials Disrupting or Destroying?

Hauwa Yaro and Abosede Ajayi

At the close of the 20th century, a formative identity began to emerge among a new generation consisting of individuals born between 1982 and 2004. One identified by notable generational scholars, Neil Howe and William Strauss as "A Good News Revolution". One recognized for being at the forefront of the technological revolution sweeping

the consumer and business landscape, a generation of young individuals that experienced the full transition from analogue to digital with unprecedented access to data. Digital natives, the first to come of age in the period of the most rapid technological transformation ever - the period of massive disruptions with the debut of the World Wide Web. This

generation is known as "Millennials".

The advent of the Digital Revolution in the early 80s coincides with the upper age limit of the Millennial generation. During the ensuing period the world witnessed a slew of technological advancements that significantly changed the way communication and information were





stored and processed; the evolution of analogue and mechanical systems into digitally enabled structures. Given the overlap of the digital revolution and the growth of the millennial, many have opined that millennials are a catalyst for the digital revolution currently ongoing, rather than just a beneficiary of it.

Unlike the generations before them, millennials were born in an era of tremendous advancement in electronic and information technology that resulted in the proliferation of digital devices and adoption of digital information processing and record keeping technology. Thus, their interests and aspirations have been shaped by the impact of the digital revolution on the society in which they grew; their minds exploring and learning how to leverage technology to suit their purposes. It is therefore not surprising that research highlights that millennials are the most highly educated generation with approximately 39% of them as holders of Bachelors' degree at the minimum. Millennials have developed interest in fields like data science, cloud computing etc. and have proceeded to learn the requisite courses and develop the accompanying competences.

Disruption, loosely said, is that force that literally uproots and changes how

we think, conduct business, learn and go about our daily lives. In his book *The Innovator's Dilemma*, Harvard Business School Professor and Disruption Guru, Clayton Christensen described disruptive Innovation as how successful companies not only meet customer's current needs but anticipate their unstated or future needs. He asserted that the theory of disruptive Innovation displaces an existing market, industry or technology and produces something new and relatively more efficient. He added that for a product or service to pass the disruption litmus test, it must be popular enough

to displace and replace a conventional product or service. It must be creative and destructive at the same time, what is otherwise known as Creative Destruction.

Creative Destruction, often used to describe the improvement and obsolescence caused by modern digital revolutions, is the oxymoron coined by Austrian economist Joseph Schumpeter. He used it to describe the process of industrial transformation that continuously revolutionizes the economic structure from within. His attempt to connect inventions with economic development saw him



describe the phenomenon as a process of industrial mutation that revolutionizes an economic structure by destroying the existing or old structure while creating a new one. Creative destruction is however of two forms, the first is creating an improved version of an existing product and the second involves the substitution of an existing product using a new form of technology. The latter form is otherwise known as radical innovation or disruption.

As a generation of young individuals that experienced the full transition from analogue to digital with unprecedented access to data, millennials have been labelled a driving force of the disruption economy as their behaviours and choices have created a new techno-economic paradigm that continues to challenge established norms making way for rapidly evolving innovations. The continued usage and advocacy for digital based solution by millennials has resulted in the generation of a lot of data, Big Data in digital parlance, which have propelled the emergence of new technologies that are rapidly impacting and changing the world as we know it. These technologies have not only affected businesses but have

also led to massive changes in society – impacting communication, politics and cultures in unprecedented ways.

In a deviation from previous generations, millennials are driven by personalised experience. They evolve and leverage social media as a platform for communicating, networking, shopping and sharing new skills, ideas or personal experiences. Financially, they focus on more desirable experiences or events than on asset ownership, explaining their preference for hailing an Uber than outrightly purchasing a car for mobility around town. Their inclination for personalized experiences has altered the way organizations relate with them, influencing marketing strategies in new ways, as businesses fiercely compete for their mindshare. We continue to witness the impact of the Amazon effect in all facets of the retail economy with e-commerce providing swift, seamless and integrated experiences that are shaping the future of businesses and jobs. Legacy consumer-based businesses – luxury cars sales, hotel accommodations, media & entertainment, computing and data storage devices – have been disrupted by

the emergence of new technology trends such as the proliferation of the internet, digitization of content, the evolution of social media, new form factors such as the smartphone and evolving consumer habits, resulting in dethroning old players and crowning new kings of the game.

With the disruption driven evolution in the economic space, many old order businesses and job roles are being eradicated and new ones created. Advancements in robotics, artificial intelligence and software programming are forcing us to rethink the jobs that humans can and should do. Access to big data is providing insights into how we work, how customers interact with us and how collaboration platforms give us the ability to connect people and information together anywhere, anytime, and on any device.

With so much dependent on the behaviours and tastes of the millennial, many argue that millennials are more than a disruption catalyst; destroying economic norms as we know them and heralding a new order of innovation-driven generation.



While acknowledging that emerging technologies have played an enormous role in the disruption experienced in the world today, it is difficult to ignore the role played by millennials in proliferating disruption; and by extension their part in the creative destruction that continues to remodel the world as we know it, antiquating millions of jobs through automation, artificial intelligence, and

the growth of platform economies while generating demand for millions more of new roles in data analytics, software engineering, app designing and security.

That said, questioning whether millennials are destroying, or disrupting is a superfluous endeavour - emphasis should rather be placed on the impact that the adoption of technological advancement

by millennials has on the society. Are businesses leveraging new technologies to better understand and enhance their business processes to remain relevant in the emerging digital economy? Are we, as individuals and businesses, leveraging the opportunities available to avoid being displaced in this era of exponential technological growth?

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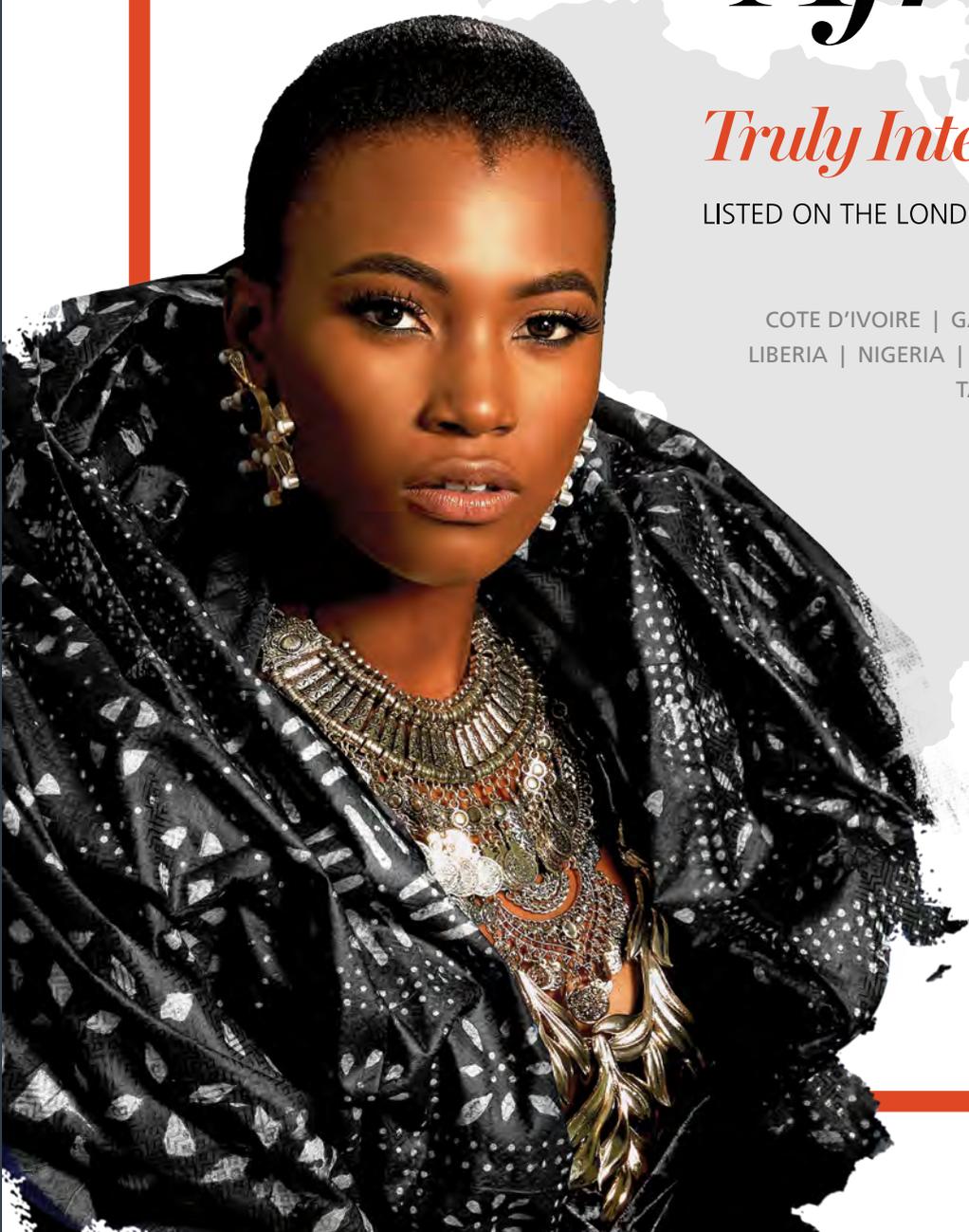
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