Statement made by
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Consultative Meeting on the
African Development Bank’s First Human Capital Development Strategy
Sept. 9 – 10, 2012, Kempinski Hotel
Republic of Djibouti
Your Excellency, Representative of the Government of the Republic of Djibouti,
Distinguished Delegates of IGAD Member States, Distinguished Representative of the African Union Commission, African Development Bank and Regional and International Organizations, Invited Guests, ladies and gentlemen

On behalf of the IGAD member states and on my own behalf, I would like to welcome you all to this important Consultative Meeting on the African Development Bank’s First Human Capital Development Strategy. At the outset, IGAD would like to thank the people and Government of the Republic of Djibouti for hosting this meeting.

On the global arena, a consensus has emerged that a concerted massive action over a sustained period, on the development and utilisation of a pool of critical human qualities at all levels and spectrum of society would provide the foundation and engine for development. A disciplined, healthy, nourished and motivated labour force is required to produce and distribute the goods and services needed for sustained human development. Leadership teams that are committed and willing with positive attitude to facilitate the process of opening up greater opportunities for every citizen are needed. Development would require a proactive and innovative managerial and entrepreneurial team with capacities and will power.

The crux of the challenge therefore, is creating, retaining and putting to productive use peoples with such qualities throughout the economy. It is about having the ability and willingness to locate, sequence and execute human-centred development priorities and programmes to be able to participate meaningfully in the global economy. It boils down to formulating and executing national and sectoral policies that would enhance Africa’s aggregate commitment, will power and capacities to mobilise, develop, motivate, encourage and utilise all segments of the population. To meet this challenge is synonymous to meeting the development challenge at large.

We at IGAD are delighted that the African Development Bank has acknowledged and realized the need to address issues touching on human capital development as this has been the major disconnect in the overall economic development strategy in Africa. This approach will benefit Africa’s unique developmental needs. As you are well aware, our region is prone to conflicts, epidemics and recurrent droughts, making it one of the most vulnerable regions on the African continent to climatic variations, and consequently one of the most food insecure regions in the World.

Excellencies, ladies and Gentlemen,

As you are well aware, Africa is experiencing profound shifts in socio-cultural and economic development which affect the building of human capital. With a young and rapidly growing population, Africa’s demographics are the most dynamic in the world. Economically, the African countries have been growing by 5 to 8 per cent on average, the private sector has a much larger presence in Africa than ever before and the Africa’s aid architecture is shifting, towards other major actors in the World like China, India and Brazil.

With one billion people in Africa today, and 2.3 billion people projected for 2050, the continent’s greatest asset or potential risk in the coming decade will be in its capacity to harness this rapidly increasing reservoir of human capital. After Asia,
Africa is the world’s largest and most populous continent and accounts for about 15% of the world’s population. Africa is also the youngest region in the world. As of mid 2011, the top 10 countries with the youngest population were in Africa, and by 2040, Africa will have the largest workforce in the world, surpassing China and India. Within the continent, East and West Africa will be the youngest regions. A large “youth bulge” can be an opportunity for progress and social change in the continent. It offers endless opportunities for economic and social development.

Africa is experiencing fast economic growth yet the quality and inclusiveness of growth are of increasing concern. From 2001-2010, six of the world’s 10 fastest growing economies were in sub-Saharan Africa. Africa has weathered the 2008 financial crisis. The bank forecasts a 5.5% GDP growth for 2011, up from 4.5% in 2010. Yet good economic growth has failed in creating the number of quality jobs necessary to absorb the 10-12 million young people entering the labour market each year in Africa. The rationale for the human capital development strategy is at the heart of Africa’s inclusive growth agenda. Investments in human capital represent an increasingly important approach and set of instruments for the fight against poverty and social exclusion in Africa. It focuses on job-creation, growth; giving voice to all citizens for improved quality of public services and efficiency and incidence of public spending and support safety nets to protect against economic and social shocks.

**Excellencies, ladies and Gentlemen,**

One of the key factors associated with Africa’s public administration is the lack of capacity within the state to implement development policies and strategies and to support the leading role of the private sector and civil society organisations (CSOs) in national development. Human capital development as it applies to the effective and efficient functioning of the state has various dimensions:

- the personnel administration system applied to government employees;
- civil servants or employees of government ministries and agencies who occupy job positions below politically assigned ones and those of the military; and
- the activities, process involved in the implementation of general polices and priorities of a government set by higher political authorities;

In African context, the term civil service denotes employees who are *non-political* or permanent *executives* that are recruited to serve the government in the implementation of policies through the management and conduct of governmental affairs. All the above dimensions of civil service attest that it is through the civil service that government performs its activities and in these notions, it is regarded as the operational arm of any government. Moreover, without the civil service, any other actors in development, CSOs, private business and NGOs could face numerous difficulties in their performances. Therefore, many researchers underpin its key role that both private and civil sectors are heavily dependent upon.

The effectiveness of the civil service is intertwined with the concept of impartially. It is myth that a politically loyal and committed civil service would deliver better public services. Indeed, the opposite is more likely to be the case as far as the objectivity and thus the effectiveness of the state are concerned. Generally, the civil service's core values are to enhance its effectiveness and every effort should be made to communicate what the values mean in practice. Values are key components of culture and if the key values were to changes, practically that of the impartiality; then, almost by definition, the civil service would become politicised.
Hence besides the absolutely necessary educational and technical skills enshrined in human capital development, it is essential to also shape the environment under which that human capital can make states more effective in the delivery of services to the public and private sectors.

Excellencies, ladies and Gentlemen,

Human capital development is dependent on good governance. Governance becomes "good", when it operates in accordance with legal and ethical principal as conceived by society, a normative concept by which society seeks to provide guides and directions to it through standards and norms embedded in the governance idea. The urge to steer the state and society according to defined rules and procedures and ensuring that governance in all its ramifications serves the interest of the greatest number of people in society through a collective and participatory endeavour. Participation by both women and men is a cornerstone of good governance. Participation needs to be informed and organised. This means freedom of association and expression on the one hand and an organised civil society on the other hand. Good governance requires fair legal framework that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. In this regard let me point to some of the challenges and a road map we need to discourse in this august gathering.

The challenges stem from

- The lack of capacity for human capital development
- Remuneration structure and the ‘Brain drain’:
- The lack of a system of publicly known and acknowledged political appointment at all levels that undermine the career structure.
- The lack of planning, knowledge management, monitoring and evaluation
- Historical and ideological realities have influenced human capital development.

Human security naturally connects several kinds of freedom -- such as freedom from want and fear, as well as freedom to take action on one's own behalf. Ensuring human security expands "the real freedoms that people enjoy." To support on-going policies, strategies and programmes, we need to undertake

- A systematic and independent review of the objectives, outputs, activities and verifiable indicators for monitoring the impact of human capital development
- A review of the macro policies on human capital development,
- Building and enhancing the capacities of human capital reform coordinating structures
- Strengthening the enabling environment and enhance the human and institutional capacity,
- Development of human quality development think tanks

Many ideas of human and resource development are inescapably interventionist, intrusive and aggregative; hence, there, there is an important need to keep the individual at the centre of the focus. The U.S. activist Saul Alinsky grasped these inherent dynamics when he said, Change means movement. Movement means
friction. Only in the frictionless vacuum of a nonexistent abstract world can movement or change occur without that abrasive friction of conflict.

Refusing to change is also a choice. Maybe that would spare Africa some abrasive conflicts, but it would condemn the continent to continuing the terrible friction of disease, poverty, hunger and ignorance.

**Excellencies, ladies and Gentlemen,**

In conclusion, allow me to finally thank the Africa Development Bank among other partners, the Member States Delegates for being able to attend this meeting. I hope this meeting will establish the way forward and identify the missing “Policy Gaps” for inclusion and as well as recommend the Implementation Action Plan by IGAD Secretariat and IGAD Member States.

**Thank you all for your kind attention.**