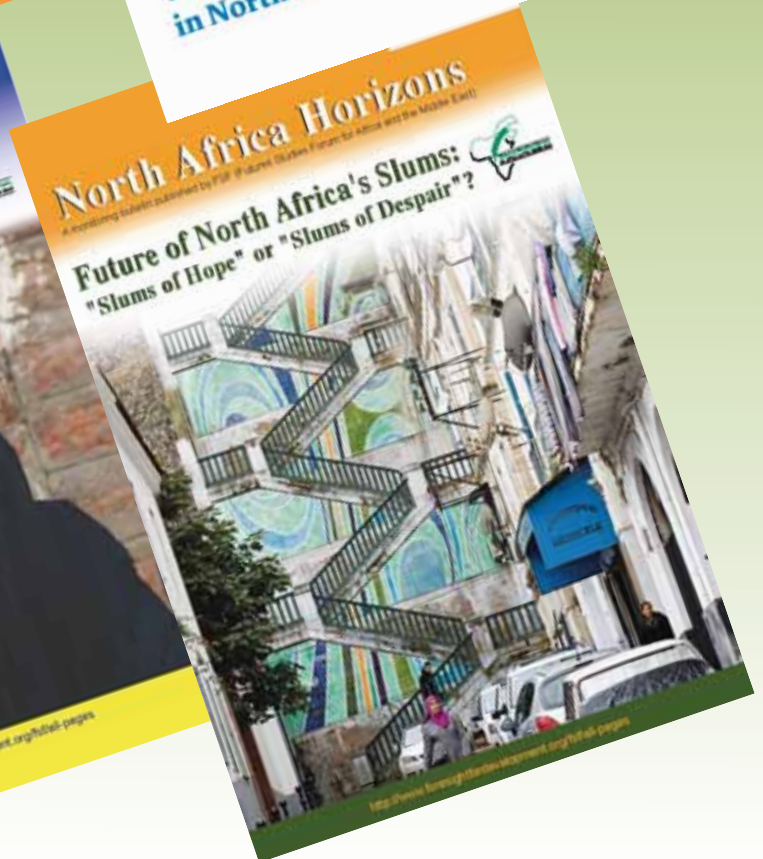
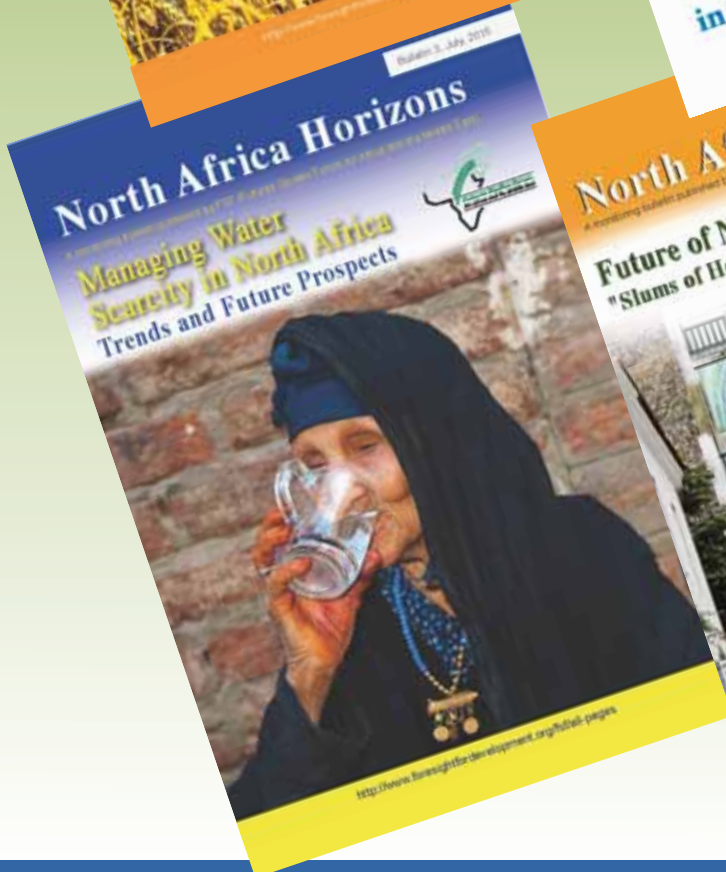
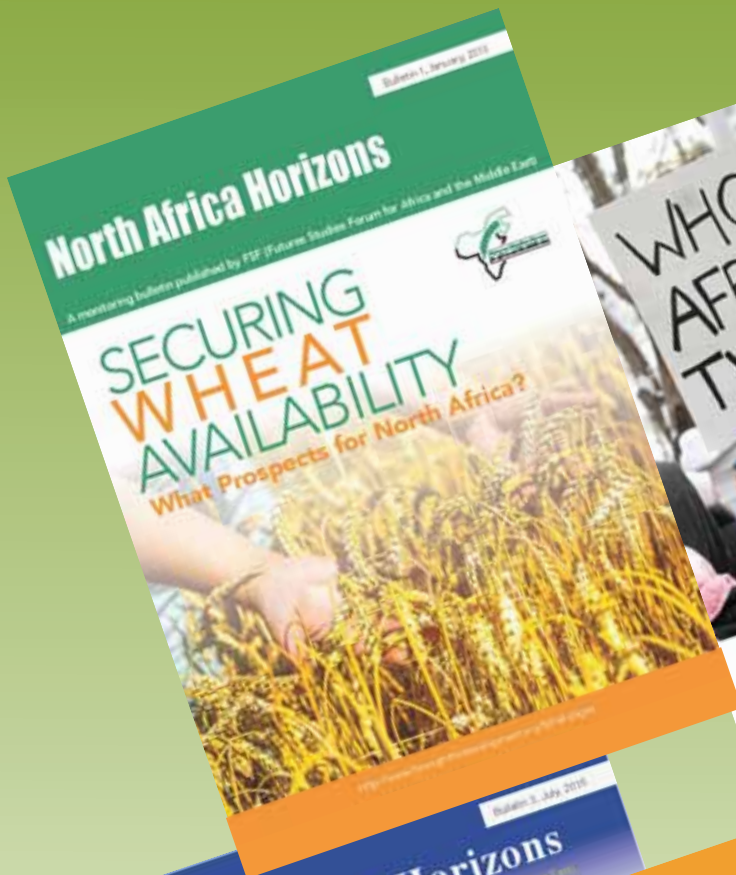


North Africa Horizons

Special Edition

Reflections on 2016



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Introduction

As of 2011, the Middle East and North Africa (MENA) has been moving to a new trajectory that looks tumultuous given the many challenges spawned by the rapid transitions that have been facing the region. However, the perturbations we see at the surface may not tell us much about the future of the region. Thus, there is a need to delve deeper in order to grasp what the underlying drivers are, the likely trajectory, and what they mean for the future.

This is not to say that we can predict the future if we only know the drivers, however we can paint scenarios of the future. More importantly we want to identify potential leverages that can help move to a better future. So part of the futures exercise is to understand how various stakeholders are addressing or taking advantage of challenges and opportunities being spawned. It also involves highlighting potential innovations, the scope for scaling them, and determining the missing innovations needed to direct the future to a more desirable trajectory. This is obviously the mandate of the policy makers (or leaders), where Futures Studies are ultimately aimed at helping policy makers craft better policies to allow innovations to emerge, and to scale human response to challenges and opportunities.

Futures Studies methodologies provide a window for understanding what drives change and what leverage do we have in shaping the future.

This special issue of the North Africa Horizons newsletter reviews four newsletters produced by FSF, to re-examine the trends identified reflect on them and try to merge them into bigger trends. It uses data gathered over one year of monitoring trends to start surfacing the key drivers and more importantly key innovations that are shaping the future of the region.

This special edition of North Africa Horizons looks for signals on the ground that is likely to grow in scale, geographic application and importance. During the course of monitoring trends in the region, we proposed interventions to build more resilient lifestyles for poor people and communities in the region. In the previous newsletters we determined four trends:

- Millennials preparing for the future leadership.
- Rethinking the concept of security.
- New voices, new space shaping the society.
- The emergence of the innovative government.

This publication is an output of the Rockefeller Searchlight Program, a global network of 11 countries monitoring trends in Africa, Asia, Latin America and North America.

We hope that readers will find the broad range of topics covered here stimulating and read the published newsletters to obtain more information on subjects of particular interest.

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Editorial

The aim of Futures research is to help inform perceptions, alternatives and choices about the future. It assists us to understand alternatives or preferences for the future, probable developments and to articulate and work towards a desired future. To better understand the trends shaping the future of the Middle East and North Africa, the futures research methodology of environmental scanning was deployed.

This basically involves scanning (searching) both published and unpublished literature to identify key trends. Then diving deeply (more detailed and directed search and analysis) on the identified trends through further reviews of materials (research papers, news items, blogs etc.) and interviews with experts in the area.

Data is then analyzed and synthesized to produce trends monitoring reports and policy briefs.



Over the course of one year, scanning was conducted (and supplemented with interviews) and trends synthesized to identify key trends and potential impact, as well as potential innovations being used to mitigate key challenges and take advantage of emerging opportunities.

The four key themes/trends identified were:

(i) Securing Wheat Availability for North Africa; (ii) The Future of Millennials in North Africa; (iii) Managing Water Scarcity in North Africa; and (iv) Future of North Africa's Slums.

While these trends were found to pose serious concern for the future of the region, there were many innovations and policy options identified that have potential to mitigate the impacts. Public-private partnership was found to be a key way forward in further scaling the innovations identified.

Therefore, inclusive business approaches are key to a better future and policies to encourage such practices are needed. Our research also identified important innovations in the area of policy, e.g. providing loans and subsidies to urban users so that they can retrofit home appliances to better conserve water.

The key message is that the future of the region will depend on understanding key drivers of the future, catalyzing innovations to address future challenges and opportunities, and also mobilizing private sector in more cooperative public-private ventures. Trends and potential innovations identified provide both governments and development partners with points of leverage in shaping a better future for the region. The message resounding in each issue thus far: emerging trends may be positive, benign or malignant but they often are game changers. That makes it important for researchers and policy makers interested in transformed futures to keep a watchful eye on those trends.

Results and Synthesis

The two key drivers of the themes selected are related to demographic shifts; rapid population growth coupled with rapid urbanization. Rapid population growth has not only increased demand for food (and thus water) but more importantly also spawned a veritable segment of young people born between mid-1980's and 2000 otherwise referred to as millennials who are starting to change the society in a very significant way with the "Arab Spring" being the calling card. Rapid urbanization has also meant increased demand for water and also rapid shift in diets that has seen wheat demand rise, and as a result the region became more and more dependent on very volatile global commodities markets. Meanwhile, the lack of economic opportunities has seen the rise of mega-slums in the wake of urbanization and in even development coupled by a rise in marginality and the informal sector as more people struggle to make ends meet.

This is indeed a potent mix and the "Arab Spring" that toppled the old order is a testimony to that. It was largely unemployed millennials living in city slums and their slogan "bread and freedom" that were the rallying cry. This has also not been lost on forces competing to shape the future of the region, and extreme have been quick to reach out and recruit from among this group.

On the surface, the confluence of these forces means chaos especially in the aftermath of a still born revolution as millennials were really too young to take care of the baby they gave birth to. While food insecurity continues to haunt the region and Egypt has openly mused about bombing the dams Ethiopia is building upstream of the Nile.

While there were many trends identified, the four key themes/trends identified as critical to the future of the region and thus warranting a deep dive were: **(i) Securing Wheat Availability for North Africa; (ii) The Future of Millennials in North Africa; (iii) Managing Water Security in North Africa; and (iv) Future of North Africa's Slums.**

These key issues are summarized below:



I. Millennials Preparing for the Future Leadership

The millennials are using the zeal and energy that saw them topple the old order to change their society tapping into their innovative energies and sense of social justice. They are volunteering and are also developing social enterprises and in the process building critical skills in solving problem, leadership and also creating veritable networks that make them ready for leadership.

Some of the key trends identified include:

- The millennials use of social media plays a role in undermining the old order, where the facilitation of political organization and mobilization means that these youngsters will have a significant role in shaping political discourse in the years ahead.
- The potential of millennials use of the internet in a globalized world and risks for radicalization of this young youth by Islamists.
- The birth of a renewed spirit for social activism among millennials represent signs of the formation of a new society, with growing rates of volunteerism constituting a new significant social force.
- Growing desire among millennials to immigrate to countries with bigger economic prospects, which could mean more remittances, but also a drain of the region's social capital and innovative skills.
- The abundance of entrepreneurial talent and social enterprise among youth in North Africa indicates a boom in innovative initiatives to the countries' most pressing issues, and a means of creating employment for many of the young populations.
- There is a growing trend for the emergence of global and regional education and innovation hubs, which might reverse brain drain and attract back some of the region's brightest minds.
- Millennials with their tech savviness, their strong networking skills honed by social media and strong entrepreneurial bend are more likely to create their jobs in the future.
- The MENA millennials are slowly creating a new narrative in the region through music, theatre and literature. Music is increasingly being used to protest against autocratic practices in the region.

II. Rethinking the Concept of Security



There is a growing realization that food self-sufficiency means more than growing more food. Rather, it is regarded as an issue related to broader terms of infrastructure, water use, trade and regional cooperation. Trying to achieve self-sufficiency is not efficient and indeed unaffordable in the long run. **Countries like Morocco are now shifting towards growing and exporting high value food that consume little water like olives, and import low value food like grains. Virtual water trade is what this is achieving.**

It is also becoming apparent that perhaps a better way to increase food security and food supply; is countries in North Africa (NA) working together with Sub Saharan Africa (SSA) to transfer irrigation know how and in turn get food from the irrigated land under a cooperation framework that guarantees food security for all.

Moreover, moving back to traditional grains of sorghum and millet can reduce reliance on wheat while promoting the growth of high value crops (fruits) and importing low value crops (grains) a sort of virtual trade in water can address the water challenges. Promoting social entrepreneurship and volunteerism business models is key to tapping the millennials energy and drive while rethinking planning where the informal and the formal live side by side can build more resilient cities.

Some of the security-related trends identified include:

Putting a Price to Water

Pricing water in NA might not only be publicly opposed, but will also raise questions on the idea of tradability of water. The deteriorating water conditions in NA countries and current long term strategies of water resource management in the region all show a clear trend of NA countries to price their water resources (particularly irrigation water) in the near future, and possibly gradually on the long term. Improved water pricing is necessary to indicate rising water scarcity and its value, and is expected to force water towards high-value uses, encourage investment and improve water services.

Securing Water Supply

Innovative technology has a strong role to play in the water and waste water industry going forward by increasing water supply. This includes better management of water supply using analytics, recycling, and desalination. Besides, private financing has become a powerful driver in the increasing construction of desalination plants.

There is generally a lack of know-how and institutional “strength”, particularly in the area of Integrated Water Resource Management (IWRM), and this has limited the success of water resource management initiatives.

Some actions can help improve the climate for reform such as promoting education about the multi-sectoral aspects of water management, with a particular focus on the region’s water challenges, and investing in data collection and tailoring of that data to the needs of policy makers in various sectors.

Highly Vulnerable Slums: Politically, Socially, and Economically

Beyond shelter, slums provide means to access jobs and also provide a network of relations that improve resilience of its members. Relocating slums to new satellite towns moves people to locations far away from where their services are needed and more importantly shreds significant social capital that slum dwellers have accumulated as they have created new relationships. The importance of networks, social cohesion and human intimacy should not be underestimated as vital elements of social capital that develop in slums, despite the squalor, extreme lack of privacy and non-existent services.

There is a need to give voice and visibility necessary for women to report their experiences. Slums are inhabited and managed by women, who represent two thirds of the slum population. In general, it is women who face the daily management issues (water, sanitation, health centers) for the latter, all is far, everything is expensive, and everything is inaccessible.

III. New Voices, New Space Shaping the Society: Millennials

Millennials have created their own expressions. As artists and content generators their work continue to challenge society. They challenge social injustice, gender discrimination, extremists and continue to rise awareness on various issues.

New spaces are also being created for new voices. In Morocco a group of associations and young artists convinced local authorities to transform a former Slaughter house, known to all as L'abattoir into a space for celebrating young artistic talents, which has created a space where culture is being created.

Meanwhile, innovation hubs e.g. Tahrir 2 in Egypt are springing everywhere proving space for innovative minds to create new solutions to new and even old age challenges. These are spawning technologies and re-framing challenges in new ways that are more promising.



New Spaces are also emerging with urban sprawls, and some of the trends highlighted in this direction include:

Potential Economic Clusters

Most of the urban slum areas represent economic clusters in a specific activity, or a range of related economic activities. Slum economies are comprised of slum-based businesses and workers and the complex network of economic actors and institutions that participate in and enable this economic activity.

They play a critical role in fulfilling slum dwellers' livelihood and consumption needs, while also making important contributions to the growing urban economies in developing countries. Slums are thus places of opportunities, and once there, fortunes of slum dwellers can be very diverse. Thus even though most slum dwellers work in the informal economy, it is not unusual for them to have incomes that exceed the earnings of formal sector employees.

Islands of Prosperity in Seas of Despair

Private responses to the growth of slums in NA countries for the rich has been a growing trend of moving out to super-elitist, new peri-urban purpose-built cities, and an increasing number of gated communities who have chosen to quarantine themselves of malfunctioning municipal services and infrastructure. These then become "islands of prosperity in a seas of despair".

City planners are at disconnect with the reality and trends in urban development, so urban informality continues unabated a clear message that the sterile Modernist city is being rejected by the urban dwellers as neither affordable nor the social habitat of choice.

The debate is increasingly moving towards accepting the permanence of informality and looking for ways in which the marginalized can be involved in decisions affecting their lives and also seeking to improve their access to services.

New Ways of Organization...Emerging Voices

Realizing change in the current situation will require efforts from slum-based workers and businesses to organize themselves better in a manner that enables them to have a voice in municipal decision making.

Shared and open data will be key in fostering cooperation and emerging slum data systems point to an important innovation in giving greater voice and accountability.

Do-it-yourself (DIY) approaches can tap into local communities' capacity to self-organize. Encouraging data ownership by communities and strengthening coping mechanisms and individual and household incentives align with community actions to implement holistic, sustainable community solutions. Using crowdsourcing and open data, especially mapping data, to inform community design activities can bridge these gaps and empower households and local communities to integrate a wider set of resilience measures into daily lives, budgets, and decision making.

IV. The Emergence of the Innovative Governance

In a region where structures of governance are either in crisis or are failed states, any governance body -in this tumultuous period- would need to rework its methods with increasingly bold initiative ; through :

Active Virtual Water Trade and Data Driven Policies

Agricultural growth is the mainstay of most North African economies and many have a quest to achieve self-sufficiency in food.

Engaging in virtual water trade will become a common practice for countries in the region. The prospects of a better utilization of water among the five NA countries if a fair virtual water trade is applied, is extremely promising. The only missing factor is a strong political will, as all other technical, social and economic factors are available.

An appreciation of data driven policy making is starting to be seen e.g. the building of a National Water Information System so that all stakeholders that impact on water policy are on the same page and thus water policy is coordinated and coherent and thus effective (Minister of Finance more likely to push for needed financial reform if he/she can assess the efficiency of public spending on water). Data mining and analytics have been increasingly deployed to improve efficiency of water system in Morocco.

Regional Wheat Import Hubs and Grain Stockpiling

High wheat import dependency among NA countries and the high risk vulnerability lead to the emergence of new trends such as stockpiling to secure physical grain availability and to mitigate price volatility. The building of grain storages is still overcrowded by the government sector due to hidden costs, but there are signs that the private sector will start to take a bigger role in this area. Bringing private sector not only improves supply but also allows government and private sector resources to be leveraged through a Public Private Partnership (PPP).

Besides, there are emerging trends to improve logistics that enhance grain transportation from global to local consumers in the region, with a country like Tunisia demonstrating logistic excellence that promote its potential as a future regional wheat import hub.

Engaging in Offshore Agricultural Investment

North African countries have opted for a two pronged approach as they seek to use off shoring as a way to secure their food supply. They are investing in farm land in neighboring African countries and at the same time inviting investors to cultivate in their countries.



Trends differed among countries, with Egypt opting for both investing in and receiving investment in land, Libya totally depending on offshore investments, Algeria reforming its laws to allow private leasing of agricultural land, and Morocco launching agricultural lands for leasing to foreign countries.

The abundance of land in Sub-Saharan Africa but its lack of expertise and technological utility provides huge potential for cooperation between "resource poor and expertise rich" countries of North Africa with "resource rich and expertise poor" countries of SSA in off shoring opportunities.

Smarter Slums

Connectivity is key. Slum dwellers need to be connected to new opportunities and work places. Some innovations that have potential in NA include the establishment of online platforms to connect informal laborers with potential employers. Innovation in financing slum improvement programs is key to improving slum conditions in NA. The partnerships set up under these program undoubtedly help to re-energize the production of social housing, and structure the private sector.

Slums attract the most ambitious and the most tenacious of the city's new entrants. Hence, slums team up with energy and enterprise. Despite the many challenges, many people make a living in these slums either as service providers for the formal city or as business operating to endogenously provide for the slums. Most slum dwellers in NA are in low-paying, informal jobs.

More Supportive Role Towards Slums....Better Integration

Local government and other public-sector bodies should adopt a more supportive role towards the informal sector, either in their own direct work or when contracting to the private sector. While slum economies are already interfacing with the formal city economy through the many services and goods that are exchanged between them more formal arrangements can unleash better synergies between the two. The issue of gentrification was raised as a crucial issue in all slum upgrading and prevention programs in NA.

Opportunities that allow slum upgrading include, among other things, considering cities as engines of sustainable development, to test and promote leaders and strengthen democracy, to boost construction jobs, and ultimately to empower the poor. The poor inhabitants should be at the center of development, which means that governments must not only consult slum households, but empower them to be active agents of change in the formulation of policies, programs and implementation.

Informal slum economies need to be directly integrated into city planning priorities and an integral part of urban development. For this situation to crystallize, there needs to be a political change in the vision and orientation away from the non-inclusive pursuit of "world class cities" to the realization of the vast potential existing in the current areas. Also, allowing the private sector to lead slum engagement initiatives which puts pressure on urban planners to accommodate and support slum economies.

Innovative Public Private Partnerships are emerging. The Moroccan government has now the first in the work Public Private Partnership (PPP) where it allocates slum families a serviced pilot and encouraging two adjacent families to pair with a developer and develop a four story house so that each family gets a house for free and the developer keep the two stories. Essentially unlocking private capital to provide free housing.

Conclusion

Discussing the future of a region that lives the anxieties of the present, with escalating conflicts and crisis, might sound irrelevant or an exercise in magical thinking. Yet, it is the post crisis, post conflicts that need to be addressed now in the light of present conditions. Food security, water and urban policies, will define the shape of the region, living conditions, access to resources and politics.

As home to the youngest population in the world, MENA will need serious interventions to address its populations needs; especially in a conflict and post conflict situation. As such, monitoring future trends is of extreme relevance to donors, Conclusion Discussing the future of a region that lives the anxieties of the present, with escalating conflicts and crisis, might sound irrelevant or an exercise in magical thinking. Yet, it is the post crisis, post conflicts that need to be addressed now in the light of present conditions. Food security, water and urban policies, will define the shape of the region, living conditions, access to resources and politics. As home to the youngest population in the world, MENA will need serious interventions to address its populations needs; especially in a conflict and post conflict situation. As such, monitoring future trends is of extreme relevance to donors, international communities, regional and local authorities. Our bulletins attempts to fill this gap.



WHO WE ARE

North Africa Horizons is a publication of Futures Studies Forum for Africa and the Middle East (FSF), supported by Rockefeller Foundation.

FSF is a non-governmental regional organization aiming at connecting North Africa with its mother continent, and developing a common shared vision for Africa's future. Focusing on re-building connections and defining areas for future development interventions and cooperation between North Africa, Sub-Saharan Africa and the MENA region. Through conducting futures studies and facilitating knowledge sharing. For more information see: <http://www.foresightfordevelopment.org/fsf/all-pages>

This special edition summarizes the four quarterly bulletins published by FSF in 2015 / 2016 . It is a globally- oriented, transdisciplinary periodical.

Its mission is to monitor evolving trends and emerging issues in North Africa. Based on insights, scanning activities, alongside secondary research and experts' interviews. The ultimate objective is to define areas for driving change and cooperation in the region.

NORTH AFRICA HORIZONS

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