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# Guest editorial: The new economy and employment in Africa: an introduction

## Introduction

A fundamental phenomenon that is relevant in understanding the 21st century economic development within the remit of Africa is the new economy and how the corresponding economy can be leveraged to provide economic opportunities such as employment avenues to the majority of the population, particularly because the African population is expected to significantly increase in the coming decades and employment opportunities are essential in accommodating the unemployed fraction of the population (Asongu and Odhiambo, 2020; Grinin and Korotayev, 2023). It is worthwhile to emphasize that the new economy, which entails the knowledge economy, consists of human capital, which is not material, that can be used to drive employment and by extension, economic development, namely education, intellectual services, science and information and communication technology (ICT) (Amavilah *et al.*, 2017; Asongu and Odhiambo, 2022; Fraccaroli *et al.*, 2024).

Building on the above, this special issue aims to add to the growing body of knowledge on the importance of new economy dynamics in driving economic development by means of employment in Africa. Scientific articles that have been retained for the underlying special issue have gone through a peer review process that is rigorous. The selected papers have positively and constructively accommodated comments from the editors and referees, which have led to substantial improvements of the original versions of the manuscripts, so that the corresponding manuscripts are critically positioned on the extant contemporary literature, theoretically informed, empirically robust and policy-worthy. The nine selected articles represent distinct or standalone contributions to knowledge, which can be discussed in more perspective in four main strands, notably (1) ICT adoption and employment (Osabohien, 2024; Asongu and Odhiambo, 2024); (2) creativity and innovation (Medase and Savin, 2024; Otache, 2024); (3) job creation, satisfaction and career advancement (Ayimah *et al.*, 2024; Fitong Ketchiwou and Naong, 2024; Gollagari *et al.*, 2024) and (4) institutional and economic growth perspectives of employment and entrepreneurship (Gómez and Irewole, 2024; Hossain *et al.*, 2024).

In the first strand focusing on ICT adoption and employment, Osabohien (2024) has examined how ICT adoption affects youth employment in Nigeria's agricultural section. The study is premised on the perspective that, by means of ICT adoption, youths are engaged in agricultural value chains. From the findings, youth employment in the agricultural sector can increase by as much as 21% by means of ICT instruments. In terms of policy implications, the author recommends improved infrastructure facilities, such as low mobile phone and internet costs, better facilities for education and reliable power supply, *inter alia*, to all localities in the country. The findings of Osabohien (2024) are broadly consistent with those of Asongu and Odhiambo (2024) within the context of sub-Saharan Africa (SSA), especially as it pertains to the importance of enhancing ICT for female economic participation in the region. The authors show that while ICT is a necessary but not a sufficient condition for the promotion of female



economic inclusion, it becomes a necessary and sufficient condition when critical levels of ICT penetration are reached. These critical ICT thresholds are provided and discussed.

[Medase and Savin \(2024\)](#) in the second strand have improved understanding of the potential nexus between creativity and employment, particularly because of the corresponding literature on the subject is sparse on SSA. Hence, the authors examine the how firm-level growth in employment is affected by employees' process and product innovation. The corresponding findings show that there is a positive relevance of creativity to growth in employment at the firm level. Moreover, the authors also establish that complementary effects that are apparent are traceable to nexuses between creativity with staff level, managerial experience and corresponding skills, which is contrary to linking creativity with either external or internal findings associated with research and development in a substitution impact. It is also established that synergy effects, while absent in big firms, are apparent in small and medium-sized enterprises (SMEs). It is recommended by the authors that policymakers in the region should stimulate managers in companies to utilize free time for creative purposes at the workplace, particularly because it is one of the mechanisms by which there is growth in the employment of youths. [Otache \(2024\)](#) completes this second strand, by exploring the mediating relevance of competitive advantage and the moderating importance of competitive intensity in the nexus between capability of innovation and the performance of SMEs, as well as between strategic flexibility and the performance of SMEs. It is apparent from the findings that innovation capacity and strategic flexibility are positively linked to the performance of SMEs, and the corresponding nexuses are significantly mediated by competitive advantage. Moreover, it is also apparent that competitive intensity positively moderates the nexus between innovation capability and SME performance, though the corresponding moderation effect between strategic flexibility and SME performance is not significant. In terms of managerial implications, the authors provide a number of practical and worthwhile recommendations to both managers and owners of SMEs.

In the third strand on linkages between job creation, job satisfaction and career advancement, [Ayimah et al. \(2024\)](#) have examined semi-urban Ghanaian university youths' attitudes toward financial services that are digitalized as well as drivers of the adoption of underlying financial services. It is apparent from the findings that students are characterized by high digital financial services penetration, which provides financial inclusion instruments through which to stimulate job creation and enterprise development. With respect to job satisfaction, [Gollagari et al. \(2024\)](#) have examined the impact of job satisfaction on mediating the nexus between employee commitment and organizational justice. The relevance of the academic rank as a moderator is also considered. The findings confirm the importance of employee satisfaction and organizational justice in influencing the investigated outcomes. The findings also confirm the partial mediating relevance of satisfaction in jobs in academic staff commitment and organizational justice. The study also establishes that the rank of a staff is not a necessary condition but plays a relevant moderating role in the nexus between commitment and academic staff job satisfaction. The authors recommend that public institutions should implement fair procedures and initiatives that are relevant for academic commitment and satisfaction. To complete this strand with insights into career development, [Fitong Ketchiwou and Naong \(2024\)](#) have explored factors within the organization that affect the career advancement of women. Accordingly, the study is concerned about how knowledge of the practices within an organization either obstructs or promotes the careers of women. The findings show that the career advancement of women is boosted by providing opportunities of growth, offering family supporting and mentorship, assisting women in career management and providing skill development avenues. On the contrary, measures that stagnate the careers of women include, *inter alia*, preference for external candidates, distrust in the leadership abilities of women, male domination, a lack of conducive work-family balance and the absence of role models.

Looking at the fourth strand on insights into institutional and economic growth perspectives and entrepreneurship, Hossain *et al.* (2024) have examined a general tendency in “doing business performance” in Africa, building on the premise of Ghana to assess how specific indicators influence SME development. It is apparent from the findings that the nature of leadership, economic structure, sociocultural imperatives as well as players (i.e. at national and institutional levels) and supportive cultural software play a fundamental role in providing an enabling environment for both entrepreneurial activities and the development of SMEs. Gómez and Irewole (2024) have examined nexuses between debt, inflation, foreign direct investment (FDI), labor forces, population, economic growth and unemployment in Africa. According to the findings, debt, population, labor force and economic growth positively affect long-run unemployment. Conversely, FDI, inflation and capital formation are negatively linked to long run unemployment.

### Concluding remarks

The principal objective of this special issue has been to put emphasis on high quality interdisciplinary research that is relevant in understanding how the new economy affects employment in Africa. The perspectives and findings provided are tailored to inspire students, inform researchers and guide policymakers on how unemployment in the African continent can be reduced by means of instruments of the new economy. It is also our expectation that both scholars and policymakers will leverage the insights from articles that have survived the peer review process in this special issue for more research in the area and robust policies tailored to drive more inclusion by means of employment opportunities, respectively.

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#### Further reading

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