How youth-specific is Africa’s youth employment challenge?

Stacie Irwin, Philip Mader, Justin Flynn
Institute of Development Studies
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About this report

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For any enquiries, please contact helpdesk@k4d.info.

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1. Overview

As policy-makers turn their attention to Africa’s youth employment challenge and respond with programmes targeting young people, it is paramount to assess the extent to which this challenge is about broader contextual factors that affect everyone, versus factors that affect young people only or primarily. Despite two decades of relative stability and economic prosperity, unemployment, underemployment, informality, and low-quality work remain the norm in much of sub-Saharan Africa (SSA). The report focuses on this region, where many countries have been experiencing jobless growth. Africa is also the youngest continent, and young people here face an extremely challenging job situation. This raises two questions: how youth-specific is Africa’s youth employment challenge? And how youth-specific are its causes?

Understanding the pieces of this puzzle is both an empirical and a conceptual task. This report critically reviews existing knowledge about the extent to which, and in what ways, young people are disproportionately disadvantaged in African labour markets, and interrogates how much this has to do with their being young people. It assesses the extent to which five sets of factors, which are commonly discussed in the literature on African employment outcomes, are youth-specific:

- insufficient education and qualifications
- prohibitive legal and governance frameworks
- infrastructure constraints
- socio-cultural norms
- patronage, politics, and social networks.

This report is written against a backdrop of growing donor engagement with African youth employment, underwritten at least in part by fears of violence stemming from a demographic ‘youth bulge’ and converse promises of an economic ‘demographic dividend’. Policies have often been built on assumptions about essential attributes that young people may have, or particular circumstances they may face. For instance, some discussions hold young people to be essentially entrepreneurial, innovative, or needing more marketable skills, and deduce from this a need to support instrumentalist actions, such as providing skills training and access to finance. However, essentialisms are never a basis for good policy. At the same time, discussions that reduce the youth employment challenge to a mere sub-challenge or symptom of broader structural problems risk papering over what is youth-specific about the African employment challenge. If young people face particular problems of exclusion, discrimination, or disqualification, even a (theoretical) rising tide of economic growth would not lift all boats equally.

The following section provides a concise empirical overview of Africa’s youth employment challenge, addressing what is known about the extent to which young people are disproportionately affected by employment problems. While statistics alone cannot capture the complexity and fluidity of African labour markets, a picture nonetheless emerges of many young people working less than they would like to, seeking better work, working in insecure and precarious jobs, working informally, engaging in ‘survival’ entrepreneurship, and doing work that is not considered a ‘proper’ job. But the picture is variegated, with different groups – based on

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1 Any references to ‘Africa’ in this paper should be taken to mean sub-Saharan Africa.
gender (young women/men), area of residence (rural/urban), and socioeconomic group (higher/lower class) – facing very different opportunities and barriers.

The main body of this report, Section 3, reviews the arguments for and against five factors as being more or less youth-specific. The findings for each are complex, context-dependent, and based on the limited knowledge to be gained from secondary sources:

- **Insufficient education and qualifications.** Although access to education has expanded massively in Africa, some education systems still deliver low-quality learning, the wrong skills, or unfair expectations. While these may be crucial barriers, they are not clearly youth-specific, because today’s younger people are, on the whole, better-educated. However, they are also inherently less experienced, which presents an employment barrier.

- **Prohibitive legal and governance frameworks.** We cannot answer the much larger question about the extent to which over-regulation or poor governance represent barriers to growth and job-creation. However, the evidence and logic to suggest that African young people are disproportionately constrained by ‘business environment’ regulation or labour laws are weak.

- **Infrastructure constraints.** Poor infrastructure, such as transportation or energy, affects younger and older people more or less equally. However, where information and communications technology (ICT) infrastructure is lacking, this might affect younger people more strongly.

- **Socio-cultural norms.** There is often friction in the interplay between young people’s aspirations about work and older people’s expectations about the work younger people should do, and what work is available. Individual and collective aspirations, attitudes and norms can act as strong informal barriers; these are partly class- and gender-specific, but also partly youth-specific.

- **Patronage, politics, and social networks.** When there are few available jobs and many job-seekers, social networks can strongly influence access to work. Young people’s social networks and the politics of African job markets have complex and differential effects. ‘Who you know’ matters for everyone, but young people may be less well-positioned.

Section 4 concludes with some implications which may follow from the findings of this review, arguing for greater attention to be paid to informal barriers, against instrumentalising youth in addressing particular formal barriers, and for greater consideration for the diversity of young people and their contexts in policy and programme responses.

### 2. The scale of Africa’s youth employment challenge

In this section, we engage with the key concepts of ‘youth’ and ‘employment’ and convey the scale and nature of the African youth employment challenge as much as the data will allow. This is necessary for at least two reasons. Firstly, African countries now have some of the youngest, fastest-growing populations. The ten youngest populations in the world – with median ages ranging from 14 to 17 – are all in Africa (Myers, 2016). Thus, African employment challenges readily lend themselves to being labelled as youth challenges. However, the *causes* of Africa’s unemployment are far from straightforward in their *youth-specificity*. The purpose of this report is to avoid simply presuming Africa’s employment challenge to be inherently youth-specific by
assessing, empirically and conceptually, to what extent young people are actually specifically disadvantaged in accessing work.

Defining ‘youth’ and who falls within the category ‘young people’ remains a challenge in itself. As discussed in Flynn, Mader, Oosterom, and Ripoll (2017: 12–15), various age-related cut-off points and descriptive definitions are used in different parts of the world and different policy spaces. Such age-based definitions offer statistical precision, but risk being arbitrary: commonly used ranges vary from as narrow as 16–24 years of age (for instance, used by the OECD) to as low as 10–24 years (used by DFID) and as wide as 15–36 years (as defined by the African Youth Charter and the African Development Bank) (AfDB, 2016b; 2016a).

Descriptive or qualitative definitions, by contrast, highlight how ‘youth’ is a relative and relational term referring to ‘a transitional social category that is socially constructed, historically situated and internally diverse’ (Ismail, 2016: i39). To follow Pierre Bourdieu (1993: 95): ‘One is always somebody’s senior or junior… youth and age are not self-evident data but are socially constructed.’ At the same time, many understandings highlight how ‘youth’ is about ‘transitioning’ from childhood into adulthood; for example, Moore (2015: 196) states that “transition” is the defining feature of youthhood.

Because this paper explores barriers that young people may face during their initial transition(s) into the labour market – while bearing in mind that such transitions are not necessarily linear, and can entail forward as well as backward movements (for instance, between work and education) (Moore, 2015) – we adopt a transition-informed rather than age-defined understanding of youth. As regards the youth employment challenge, youth is understood as the period during which people take (or are expected to take) foundational steps in livelihood-building, be this at a relatively earlier or later period in their life.2

Even more difficult – particularly in the context of many African economies – is to precisely define ‘work’ or ‘employment’. The International Labour Organization (ILO) considers ‘work’ as comprising labour for payment, profit or family gain, as well as the unpaid production of goods and services, such as in volunteering and household sustenance (Lawrence, 2012: 7). The 2013 World Development Report, Jobs, notes:

For statisticians, a job is ‘a set of tasks and duties performed, or meant to be performed, by one person, including for an employer or in self-employment.’ Jobs are performed by the employed. These are defined as people who produce goods and services for the market or for their own use. (World Bank, 2012: 5)

However, this broad definition appears rather artificial, by even containing self-employment and subsistence. To recognise the breadth of activities with a more sophisticated frame of reference while reflecting the ‘ambiguity’ of much informal employment, ‘debates on youth employment activities in the informal economy increasingly deploy the concept of “livelihoods”’ (Skinner, 2008, cited in Fortune et al., 2015: 15). But ‘livelihoods’ notions also risk being too encompassing if they obscure the heterogeneous nature of work; for instance, as Fox, Senbet, and Simbanegavi (2016: i9) highlight:

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2 This thinking, we acknowledge, has its own risks. We might, for instance, not recognise a 25-year-old person who has held a stable job for the past five years and recently lost it, as constituting part of the ‘youth employment challenge’. We would rather regard them as part of the unemployed adult labour force.
… [a] more common situation in Africa is full-time employment but low earnings (often with high income variability), and widespread underemployment (not being able to work as many hours as desired… It is not surprising, therefore, that some observers characterise the livelihoods of poor and working-class Africans as unemployment.

These definitional challenges, in turn, engender challenges in using official statistics to paint an accurate picture of the scale of the employment challenge. As has often been noted, ‘measured unemployment is significantly higher in upper middle-income countries compared to low-income and lower middle-income countries [because] in low-income countries, which mostly do not have social safety nets for the unemployed, young people cannot afford to be idle’ (Dekker & Hollander, 2017: 3).

Africa’s youth employment challenge consists not only of officially registered unemployment, but also of official and hidden underemployment, vulnerable employment and discouragement.³ The AfDB (2012) provides a helpful overview of such labour market categories, which it calls the ‘Rosetta Stone for labour markets’ (Figure 1). Those statuses are highlighted below that may be considered to be parts of the youth employment challenge; lighter highlights indicate those that are partly problematic: ‘self-employed’ and ‘inactive’ (when involuntary, due to a lack of other options) and ‘informal’ work (often precarious and vulnerable). The AfDB (2016b) counts fully two-thirds of Africa’s non-student youth as unemployed, discouraged, or vulnerably employed.

Figure 1: The ‘Rosetta Stone’ for labour markets

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>In the labour force</td>
<td>Full-time worker</td>
<td>Wage employed</td>
<td>Employed</td>
<td>Wage employment</td>
<td>Formal</td>
</tr>
<tr>
<td></td>
<td>Part-time worker</td>
<td>Voluntary part-time employed</td>
<td></td>
<td>Vulnerable employment</td>
<td>Informal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Involuntary = underemployed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Out of the labour force</td>
<td>Job seeker</td>
<td>Unemployed</td>
<td>Broad unemployment</td>
<td>Not in employment education or training (NEET)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inactivity or housework</td>
<td>Discouraged</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>In education</td>
<td>Student</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from AfDB et al., (2012: 102). Highlights are the authors’ own.

³ ‘Discouraged’ is used here (and elsewhere in the literature) to refer to individuals of legal working age who have given up seeking employment, despite wanting to work, due to frustration over unsuccessful job search efforts.
Although reliable data on employment and livelihoods in Africa remain scarce, World Bank and ILO sources are seen as providing at least ‘a reasonably consistent picture’ (Cleland, 2017: 54). They find that about 65% of people rely on farming, about 20% on the non-agricultural informal sector, only around 15% are wage earners (most of whom work in sales and services), while only 2%–3% are employed in industry (Cleland, 2017). However, many workers are affected to varying degrees by time-related underemployment (too few hours of remunerated work), ‘invisible’ underemployment (an effective lack of work disguised by long hours at very low pay), and ‘vulnerable’ employment (which refers to work and self-employment without formal arrangements or access to social benefits, putting workers at high risk of poverty) (AfDB, 2018; Moore, 2015; Filmer & Fox, 2014). Estimates suggest that up to 77% of African workers are in vulnerable employment (ILO, 2014). While time-related underemployment is generally low (10%–15%), except in agriculture (with seasonal variations), invisible underemployment is high, particularly in cities (AfDB, 2018).

According to surveys conducted by the ILO in 20 developing countries, three-quarters of young people aged 15–29 are currently engaged in informal employment (Shehu & Nilsson, 2014). In the poorest African countries, the proportion of people working informally is as high as 90% (AfDB et al., 2012). The proportion of young people in the informal sector in Africa is ‘significantly higher’ than the share of adults (AfDB, 2012: 100). The AfDB (2016c: 1) moreover counts fully one-third of Africa’s nearly 420 million youth (aged 15–35) as ‘unemployed and discouraged’, another third as ‘vulnerably employed’, and only one in six as being in wage employment, noting that ‘youth face roughly double the unemployment rate of adults, with significant variation by country’.

### Table 1: Youth and adult unemployment rates in Africa

<table>
<thead>
<tr>
<th>Total</th>
<th>Youth</th>
<th>Adults</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>World</td>
<td>6.0</td>
<td>12.4</td>
</tr>
<tr>
<td>Developing countries</td>
<td>5.4</td>
<td>11.6</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>7.6</td>
<td>10.7</td>
</tr>
<tr>
<td>East Africa</td>
<td>6.9</td>
<td>8.9</td>
</tr>
<tr>
<td>Central Africa</td>
<td>6.0</td>
<td>10.1</td>
</tr>
<tr>
<td>Southern Africa</td>
<td>24.9</td>
<td>45.5</td>
</tr>
<tr>
<td>(excluding South Africa)</td>
<td>25.5</td>
<td>37.0</td>
</tr>
<tr>
<td>West Africa</td>
<td>5.7</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Source: Adapted from Thurlow (2015: 30), based on data from the United Nations Department of Economic and Social Affairs (UNDESA) and the ILO.

Estimates by Thurlow (2015) show youth unemployment rates across Africa being consistently between 1.5 and 2.5 times higher than adult rates (see Table 1). Calculations using ILO data (from 2011) also show that the unemployment rates of young people are always at least as high as adult unemployment rates or, in some countries, even more than three times higher (AfDB, 2012: 107). As the AfDB (2016a: 121) summarises: ‘Countries with high youth unemployment also tend to have high adult unemployment, with the former exceeding the latter, [but] comparing
only unemployment rates hides vast differences in labour force participation across countries.’ A large share of the young population is often not even counted as economically active.

From this snapshot of the data, it is clear that overall, young people in Africa are disproportionately disadvantaged in seeking work. They are more likely to be officially unemployed, and more likely to be engaged in informal or vulnerable forms of work. However, another perspective on the scale of the challenge can be gained from job creation and labour market entry statistics. According to one set of estimates, in the SSA region, 18 million jobs need to be created annually in order to absorb new entrants to the labour market (INCLUDE, 2017: 2), yet only 3 million formal jobs are created every year (AfDB, 2016c; INCLUDE, 2017). Even in the unlikely scenario of Africa experiencing rapid and labour-intensive non-agricultural growth as East Asia did in the past, ‘enterprises would not be able to absorb the same share of the labour force because the labour force would just be too big’ (Fox & Oviedo, 2013: 7). Filmer and Fox (2014: 39) suggest that only 4% of new entrants between 2010 and 2020 will find waged work in industry, and 21% in waged services, while the remaining 75% will split almost evenly between household enterprise and agriculture. It is expected that, by 2030, 30 million youth will be entering the African labour market each year (Dekker & Hollander, 2017).

3. How youth-specific are the causes?

What factors will shape the employment prospects of these young people? And what policies may assist them? Answers will depend not least on understanding the extent to which the causes of the youth employment challenge are youth-specific: that is, what factors affect younger people in Africa more negatively than older people? As this section highlights, young people in Africa face many barriers in labour markets, but not all are youth-specific barriers; many formal barriers affect younger and older people alike. However, there are some significant barriers related to politics, patronage, and social norms that do disproportionately affect younger people. The evidence for each issue is summarised at the end of this section in a set of summary tables.

Insufficient education and qualifications

Many of the policy responses to Africa’s youth employment challenge have focused on delivering more and better education and training. Consequently, we must ask: to what extent are insufficient education and training of young people causes of the employment challenge?

The social and economic benefits (to individuals and societies) from having a better-educated population are widely accepted. Access to formal education is empirically linked to a range of positive outcomes, from improved health (Agüero & Bharadwaj, 2014) to greater financial access (Sykes, Elder, Gurbuzer & Principi, 2016) and macroeconomic growth (Hanushek & Woessmann, 2015). Education can ‘transform lives, generate prosperity and promote social inclusion’ (OECD, 2015). Individual educational achievements generally lead to more successful labour market transitions into decent (and more stable) job, and bring a clear wage premium (Alderson & Nielsen, 2002; Anyanwu, 2013; Sparreboom & Staneva, 2014). Policy responses therefore often aim to deliver improved and expanded general education, vocational training, and education toward particular goals such as entrepreneurship.

Young people in Africa have more formal education than ever before. As a result, they might actually be seen as more advantaged than older, less well-educated generations. Notably, the Millennium Development Goals spurred development actors to improve quality of and access to
education. Primary school completion rates across the SSA region have risen from lows of 53% (during the structural adjustment period which began in the 1980s) to highs of nearly 70% in 2016. Lower secondary school completion rates have risen even more impressively, from 24% in 1990 to 43% in 2016 (World Bank, 2018). Yet many spatial, financial and gendered barriers to achieving universal schooling persist, and young people’s ability to benefit from education is highly unequally distributed. Personal background critically affects the quality of learning, and, in particular, early childhood nutrition has been identified as critically related to cognitive development, having a lifelong impact on learning (Black, Victora, Walker, Bhutta, Christian, de Onis, Ezzati, Grantham-McGregor, Katz, Martorell, Uauy & Maternal and Child Nutrition Study Group, 2013). Hence, the potential quality of a young person’s education is already often determined well before their entering school.

Moreover, particular obstacles to accessing and completing quality education often disadvantage females. Young girls are less likely to attend school and they stay in school for less time (Claves & Schoumaker, 2004). Societal norms and expectations about the domestic responsibilities of girls and young women in Africa compete with school attendance, and schooling can put young women at risk of sexual harassment. Early age pregnancies often dramatically affect young women’s ability to complete formal education (Ansell, 2004).

Despite higher levels of formal educational attainment in recent years, young Africans are often still held to be insufficiently skilled for the continent’s existing and projected labour market (Fox et al., 2016). Secondary school leavers and university leavers are increasingly unable to find appropriate employment that makes best use of their formally accredited knowledge and skills. ‘Skills mismatches’ are frequently cited as an obstacle in school-to-work transitions. Bhorat, Cassim, Kanburc, Stanwix and Yua (2016), for instance, observe what they describe as a chronic mismatch between the skills supplied by the South African education system and the economy’s demands. African education systems are habitually accused of not generating cadres of technically and functionally skilled graduates capable of satisfying the needs of ‘emerging’ markets. Sparreboom and Staneva (2014) suggest that a mismatch between the supply and demand of skills comes from, and has contributed to, a lack of trust and coordination between employers, education providers and labour. However, while labelling the problems associated with young people’s transitions from school into jobs as a ‘skills mismatch’ may be a convenient go-to explanation, it is far from robustly empirically supported in most cases. Finger-grained research is needed to better substantiate the degree and particular type of ‘skills mismatches’ in particular African labour markets, in order to inform appropriate policy responses.

As the goal of education is to develop experience, skills and mindsets that allow people to succeed in work and in life, educational quality matters for realising this ‘promise’ (World Bank, 2018). However, educational quality has only relatively recently attracted attention, with initiatives such as Education 2030 aiming to provide the majority of students with a certain defined minimum level of mathematics and reading skills (Altinok & Aydemir, 2017). Skills are linked with a wider discussion about the unclear quality of degrees and difficult choices younger people must make around education (cf. Porter, 2014). For example, in interviews conducted in Nigeria by Chari, Flynn, Mader, Mwaura, Oosterom, Roelen, Sam-Kpakra, Shittu, and Sumberg (2017), senior bank managers stated that applicants needed to have a degree from federal universities; non-federal university degrees were not viewed as reliable skill indicators. Yet, as Fox and Thomas (2016) highlight, most African youth face very nebulous, non-linear pathways from schooling into jobs, and it is left to them and their families to assess the (often opaque) longer-term consequences of different education options, from a position of potentially limited
understanding of future labour markets and the opportunities which particular educational choices may offer. Choosing among the growing array of education options is often financially risky. One conclusion that can be drawn, as Darko and Lowe (2016) do in their analysis of youth employment opportunities in Ghana’s growing construction sector, is that young people may require better ‘education’ about their further education opportunities. However, Sparreboom and Staneva (2014) found no evidence that younger people had greater difficulties in assessing potential labour market returns from different educational investments (particularly beyond the immediate term) than older people.

Education itself can promote job market inclusion as well as exclusion, particularly in Africa’s bifurcated labour markets. For those who are able to leverage their education into employment, the financial rewards differ widely between wage employment (where further schooling mostly leads to higher incomes) and self-employment (where financial returns from education are far less certain) (Sparreboom & Staneva, 2014). The timing of a school-to-work transition during one’s youth seems to have a particularly salient impact on attaining more or less advantageous positions in the workforce over the course of a lifetime; how individuals first enter the labour market affects their final earnings strongly. This ‘entrapment’ means that people who enter the labour market in more disadvantaged positions, such as in household enterprises (self-employed, or as unpaid family workers), are often penalised in future (Bridges, Fox, Gaggeroa & Owensa, 2017).

Furthermore, as workforces become better educated, formal qualifications increasingly become a prerequisite for accessing more decent jobs, even if the number of opportunities does not increase proportionately; in turn, lower-skilled individuals face higher risks of unemployment and exclusion (Bell & Blanchflower, 2011). Yet even successful completion of tertiary education, which is generally positively linked to increased earnings in the formal sector, is not a guarantee of formal employment. For instance, Locke and te Lintelo (2012) found that higher education in Zambia was in fact associated with lower employment rates (Fortune, Ismail & Stephen, 2015). Consequently, the informal sector has become the dominant place where even many formally educated African youth, in addition to school-leavers, integrate into the labour market, gain job experience, and even develop a sense of professionalisation (Pasquier-Doumer, 2012).

Although working informally despite having more formal qualifications may affect younger people more often, the causes are not directly youth-specific, in the sense of younger people lacking what older generations have. Indeed, the increasingly competitive race for qualifications may disadvantage those who cannot keep up or who stumble over the wrong choices. One undeniable fact, however, is that young people do have a particular structural disadvantage in terms of being fundamentally less experienced than older adults, which presents a high initial hurdle to accessing jobs. The ‘experience gap’ is a well-established phenomenon in labour markets globally; regression models in the ILO’s School to Work Transition studies show that age positively correlates with employment. In other words, individuals start off with less advantageous positions, but as they grow older, their probability of participating in the labour market, searching for, and finding a job increases (Nilsson, 2015). What is perhaps most starkly ‘youth-specific’ here is that unemployment experienced during the formative labour market entry years, which typically coincide with ‘youth’, may have severe long-term consequences.

In sum, although African young people now enjoy more formal education, often completing secondary school or even having a university degree, problems in quality and unequal access persist. Having completed education by no means guarantees securing decent employment (Bajaj, 2009). In an environment where there are far fewer jobs than there are job-seekers,
increasing individuals’ qualification levels does little to address the reality of there being still too few jobs. Put differently, even if more (or better) education increases the likelihood of an individual young person getting a job, collectively this can merely make the competition for a limited number of positions even fiercer. This strongly implies that the causes of Africa’s youth employment challenge cannot be explained or addressed solely via a focus on education. Insufficient achievement in education (failing to gain skills or formal qualifications) can be a crucial barrier to employment, but this is only youth-specific to the extent that formal education may today play an even greater role than in the past. Older people in Africa are even less likely to be formally educated or qualified. Yet young people are potentially additionally disadvantaged by having to face more complex and uncertain educational choices than ever before, and by the simple fact of being at a crucial stage in their lives where the right timing and decisions in relation to employment have the greatest consequences.

Table 2: How youth-specific are insufficient education and qualifications as a barrier to employment?

<table>
<thead>
<tr>
<th>Factor: insufficient education and qualifications</th>
<th>Are youth disadvantaged?</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Logic says</td>
<td>Evidence says</td>
</tr>
<tr>
<td>Lack of education</td>
<td>no</td>
<td>no</td>
</tr>
<tr>
<td>Skills mismatch / quality problem</td>
<td>no</td>
<td>no</td>
</tr>
<tr>
<td>Experience gap</td>
<td>yes</td>
<td>yes</td>
</tr>
<tr>
<td>More complex education choices</td>
<td>yes</td>
<td>(yes)</td>
</tr>
</tbody>
</table>

Source: authors.

Prohibitive legal and governance frameworks

Over-regulation and market rigidity as constraints on job expansion have been put forward as contributing to the youth unemployment challenge (Page, 2012; Owusu, Yankson & Osei, 2016). We cannot address in full the broad question about the extent to which these truly prevent growth and job creation in Africa. However, we can examine the extent to which ‘business environment’ factors may disproportionately disadvantage young people.

Do labour laws in African countries specifically constrain young people? The broader impacts of minimum wage and employee protection regulations on employment rates continue to be contentiously debated. Fox and Oviedo (2013) emphasise that little is currently known about the actual impacts of labour market regulation in Africa. While many economists now agree that minimum wages are unlikely to weaken general employment rates when set moderately, concerns remain that young people (as ‘outsiders’ to the job market) may be more likely to suffer
any exclusionary effects caused by inappropriate rates (OECD, 2015). While a number of studies have probed the impacts of minimum wages on youth unemployment, they focus mainly on OECD countries, and Broecke, Forti and Vandeweyer (2017) caution that higher rates of informality and low levels of labour law compliance in developing countries potentially limit the transferability of findings.

African labour law regimes and their levels of enforcement vary widely. Nascent investigations of the impacts of minimum wage laws on youth employment in Africa present mixed findings, and currently do not prove that minimum wage laws clearly disadvantage younger people in finding employment. A recent study of business environment factors and youth employment found little evidence that minimum wage or employee protection legislations constrained job access in Sierra Leone, Kenya and Nigeria, although it also highlighted widespread non-enforcement of labour laws (Chari et al., 2017). Similarly, in six sectors of South Africa’s economy, no significant difference was observed between the outcomes from minimum wages in terms of youth employment versus adult employment, although higher levels of non-compliance with minimum wage laws for younger employees were observed (Bhorat et al., 2016). These findings echo those of Bördös, Csillag, O’Higgins and Scharle (2017), whose comprehensive study on youth employment and minimum wages concluded that the evidence shows ‘no reason to modify the viewpoint expressed 15 years ago that the impact of minimum wages on youth employment seems to be either small or not statistically significant, or both’ (Bördös et al. in O’Higgins, 2017: 43). Nonetheless, the authors of that study go on to make two linked ‘youth-specific’ observations about institutional labour market factors:

… evidence supports the notion that strong [employment protection legislation] mitigates any negative youth employment effects associated with raising young people’s minimum wages. There is also somewhat weaker evidence to support the notion that strong and coordinated, but decentralized, collective bargaining also mitigates any negative youth employment effects of minimum wage rises. (Bördös et al. in O’Higgins, 2017: 43)

Empirical findings on employee protection regulation and young people’s employment are also sparse. In South Africa, Fox and Oviedo (2013) found little evidence for regulations having a strong negative effect on job growth, therefore suggesting that labour regulation ‘reform’ (deregulation) might have smaller employment payoffs than is often expected. Perhaps the strongest youth-specific consequence of employee protection regulations lies in the fact that younger people are less likely to benefit. Unemployment insurance, for instance, typically requires a minimum period of employment; younger people are often less secure in their employment relationships, entitled to the fewest benefits, and most susceptible to layoffs during periods of recession (Bell & Blanchflower, 2011; Baah-Boateng, 2013) and exclusion during hiring freezes (Anyanwu, 2013). While young people could stand to benefit most from greater protection, they are least likely to.

Beyond labour laws, other business environment regulatory frameworks (such as those governing property rights and financial regulation, or taxation) may influence business activities in ways that affect young Africans. International comparisons often focus on the ‘ease of doing business’, with regulatory burdens and poor institutional environments argued to prevent

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4 Their study was based on 328 effects from 43 papers published since 1990, and covered data on high-income and middle-income countries, but did not cover low-income countries for the obvious fact that many do not have employment protection legislation.
entrepreneurship that could generate economic growth and employment, particularly through the emergence and growth of small and medium enterprises (SMEs) (Nuwagaba & Nzewi, 2013). In this context, do business environment factors disproportionately harm young people?

The available empirical data on the effects of business environment reform (BER) on young people’s employment opportunities are varied. Perhaps unsurprisingly, there is little evidence that youth-owned SMEs are differentially affected by general business environment constraints. In a study of 900 youth-owned SMEs in Ethiopia, Amhaa and Woldehanna (2016) found that the tax regime and business licensing were relatively inconsequential as constraints on youth-owned SMEs, while policy predictability (stability) was very important (ibid.). A key assumption behind BER is that most SMEs are growth-oriented; however, literature on entrepreneurship in developing contexts often clearly distinguishes ‘growth-oriented’ from ‘survival-oriented’ enterprises, which operate on a different logic (Berner, Gomez & Knorringer, 2012). Businesses founded by owners who believe in their ability to capture market opportunities have far greater potential to grow than those initiated by individuals who primarily seek to fulfil the subsistence needs of their household (Amhaa & Woldehanna, 2016).

This nuance is often understated or overlooked in thinking about youth entrepreneurship. Some young African entrepreneurs may be seeking to create ‘Africa’s Google’ or ‘Africa’s Uber’, but evidence suggests the vast majority of young Africans who create SMEs have entered entrepreneurship as a ‘plan B’, and would prefer stable wage jobs (Al-Samarrai & Bennell, 2007; Owusu et al., 2016). For example, Namatovu, Langevang, Dawa, and Kyejjusa, in Gough and Langevang (2016), find that the rate of total early-stage entrepreneurial activity in Uganda is higher among youth than adults, and interpret this as demonstrating the attractiveness of entrepreneurship for youths. But the characteristics of the youth entrepreneurs they uncover – often less formally educated, running a business ‘on the side’ while employed in low-earning jobs – and young people’s own assessments of entrepreneurship actually suggest the majority to be necessity-driven. Many Ethiopian young SME owners also cited ‘lack of other options’ as a primary driver for starting their business (Amhaa & Woldehanna, 2016).

Lastly, lack of access to finance is often cited as a barrier to youth employment or to investing in one’s own education. Youth do make up a disproportionately large share of the unbanked persons worldwide and, in Africa, youth are more likely to use informal finance providers than formal providers (Sykes et al., 2016). However, the causal mechanisms leading from financial inclusion to employment and empowerment outcomes remain very poorly understood (Sykes et al., 2016; Mader, 2018a). In particular, interventions focused on individual savings seem to have the weakest links to positive employment outcomes, whereas appropriately targeted enterprise finance programmes have the greatest job creation potential when they focus on providing larger amounts of credit to young people who already run growth-oriented businesses (Sykes et al., 2016; Flynn & Sumberg, 2018). Widespread youth financial inclusion efforts may not have a significant employment effect. Also, youth SME owners report business support services being equally or more important than access to finance for business growth (Amhaa & Woldehanna, 2016).

To sum up, some initial inferences can be drawn, but large uncertainties remain. The enforcement of existing labour laws in Africa is inconsistent at best, and it is unclear to what

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5 Total early-stage entrepreneurial activity (TEA) is defined by the Global Entrepreneurship Monitor as ‘the proportion of the population that owns either a nascent business (less than six months old) or a new business (less than 3.5 years old)’ (Namatovu et al., in Gough and Langavang, 2016).
extent these laws affect young people positively or negatively in practice. Consequently, it is uncertain to what degree efforts to liberalise and reform labour market regulations would affect young people. There is little doubt that business environments affect African entrepreneurs' success, but many qualifiers attach. This is particularly the case for young people, whose entrepreneurship is often necessity- rather than growth-driven, and who do not widely report regulation to be stifling their efforts. Although young people find it harder to access formal finance, the effects of this are uncertain and, in terms of job creation, finance appears to be lacking where it matters most – namely for existing, larger SMEs with growth potential (cf. Bateman & Chang, 2012).

Table 3: How youth-specific are legal and governance frameworks as a barrier to employment?

<table>
<thead>
<tr>
<th>Factor: prohibitive legal and governance frameworks</th>
<th>Are youth disadvantaged?</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logic says</td>
<td>Evidence says</td>
<td></td>
</tr>
<tr>
<td>Labour laws</td>
<td>maybe</td>
<td>?</td>
</tr>
<tr>
<td>Business environment</td>
<td>no</td>
<td>?</td>
</tr>
<tr>
<td>Access to finance</td>
<td>yes</td>
<td>(yes) ?</td>
</tr>
</tbody>
</table>

Source: authors.

Infrastructure constraints

Improvements to infrastructure, when coupled with better human development outcomes, promise to drive economic growth and poverty reduction. The African continent's infrastructure deficit is widely viewed as a critical barrier to economic improvement (Mafusire et al., 2010).

Conceptually, there are many possible linkages between improved infrastructure and employment outcomes. These include better education creating a more skilled population and competitive workforce, better road networks and other transportation infrastructure helping increase access to education and health and financial services, and transport and energy access both directly and indirectly enabling job creation – not least through intensified agricultural and non-farm activity in rural areas (Porter, 2014). In this section, we do not debate the wider merits of improvements to infrastructure for economic growth and job creation. However, we examine how barriers resulting from insufficient infrastructure in Africa might specifically affect younger people. We find the youth-specificity of the infrastructure barriers we examine to be indistinct. To
illustrate, we briefly examine three areas of infrastructure development: transportation, power, and ICTs.

Poor-quality road networks and insufficient public transportation are daily challenges in Africa. Rural communities are isolated from social services (if they exist) and their potential for market-oriented agricultural livelihoods is undermined (Porter, 2011). For women, safe, affordable and reliable transport options are particularly important in reaching surrounding markets as a key source of livelihoods (ibid.). For young people, job search efficiency often requires travelling to different locations away from where they live (Smith & Zenou, 2003). While they use the same roads and transport systems as everyone else, young people may have a harder time affording transportation, and this may discourage access to potential jobs. Improving road networks and public transportation undoubtedly would bring significant positive impacts to many African communities, but transportation infrastructure in and of itself does not automatically have a positive impact on all: for instance, in some instances highway development has also been linked to reducing women’s market access and increasing their exposure to HIV (due to commerce along trucking routes) (Porter, 2011).

Severe challenges in providing stable, affordable energy affect many African economies, particularly as inconsistent power supply reduces general productivity, and its mitigation poses additional costs (Berner et al., 2012). Energy crises, such as Ghana’s recent ‘dumsor’ experiences, affect not only the industrial sector but also family-run SMEs, as electricity-dependent businesses (such as cold stores and hair salons) struggle with the costs of private power generation. While Ethiopian young entrepreneurs cite inconsistent power supply as one of the top five impediments to running and growing their businesses (Amhaa & Woldehanna, 2016), it is not plausible conversely to assume that lack of energy infrastructure would significantly disadvantage youth relative to older adults.

Regarding ICTs, is the picture any different? The rapid expansion of ICT access across Africa has engendered great optimism as they enable access to information and facilitate social network connectivity across greater spaces. Mobile phones in particular are changing how many African households and family networks operate (Porter, 2014). Improvements to ICT infrastructure tend to improve labour activity rates (Chen, 2004). The impact of the growing telecommunications industry (telcos) in Africa on youth employment has not yet been closely investigated; however, initial studies from Ghana suggest positive links between telco expansion and increases in job availability, both in terms of relatively higher-paying telco office jobs and microbusinesses selling phone credit and accessories (Boateng, Koufie & Yellen, 2011; Afutu-Kotey, Gough & Owusu, 2017). To what extent younger people specifically benefit from new telecom-related jobs relative to older people is, however, indeterminate. What is clearer is that young people have greater access to ICTs, especially internet services, than older adults; 20% of youth access internet services compared to 8% of those aged 45 years or older (World Bank, 2016). There is ample evidence that young Africans are integrating ICTs into their job search and job creation strategies (Ismail, 2016).

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6 Leaving aside education, which we have dealt with above.
7 ‘Dumsor’ is a Ghanaian term used to describe irregular and unpredictable power outages. SMEs in Ghana were estimated to lose $2.2 million daily, or about $686.4 million annually, due to recurrent power shortages over the past three years, according to the Institute of Statistical, Social and Economic Research (ISSER).
The uptake of ICTs by young people has spurred enthusiasm for ‘digital entrepreneurship’ and assorted policies promoting ICT as a means to address the African youth unemployment challenge. Technology business incubators and accelerators like MEST® and Impact Hub® seek to support digital business creation, particularly in yet-to-be-realised centres like Kenya’s ‘Silicon Savannah’. As Ismail (2016) suggests, the potential of ICTs to reduce youth unemployment remains hampered by inadequate ICT infrastructure, especially internet access, and few African governments have matched their rhetorical fervour with investments in equitable ICT access. In reality, the number of African youth who are making a living in digital jobs is still fairly small (Ismail, 2016). In addition, Sumberg and Hunt (2018) warn against current essentialist portrayals of young people as inherently more ‘tech innovative’ or ‘ICT savvy’. They argue that, while young people may be more technologically connected than older people, ‘the picture is very muddy’ with regard to claims that significant numbers of young Africans are innovative ‘digital natives’, or that they find work in sectors such as agriculture more attractive when it is linked to ICTs. Yet, as mobile phone penetration and social media usage increase, other channels may open: young Africans may share problems and frustrations, support each other, and potentially organise themselves in relation to their employment experiences using ICTs (Fortune et al., 2015).

In sum, as might be expected, infrastructure does not represent a very youth-specific employment constraint, despite its apparent importance across the board. Poor roads and power delivery affect all ages in similar ways. There is strong evidence that young people are more likely to use ICTs, and thus more affected by ICT infrastructure being unavailable or poor quality; but evidence is rather weak regarding the assumption that young people can use ICTs to leverage access to or create new jobs. Essentialist thinking about young people being inherently innovative and likely to drive a digital entrepreneurship revolution is empirically untenable.

Table 4: How youth-specific are infrastructure constraints as a barrier to employment?

<table>
<thead>
<tr>
<th>Factor: infrastructure constraints</th>
<th>Are youth disadvantaged?</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Logic says</td>
<td>Evidence says</td>
</tr>
<tr>
<td>Roads &amp; transport</td>
<td>no</td>
<td>mixed</td>
</tr>
<tr>
<td>Power</td>
<td>no</td>
<td>no</td>
</tr>
<tr>
<td>ICT</td>
<td>possibly</td>
<td>possibly</td>
</tr>
</tbody>
</table>

Source: authors.

8 The Meltwater Entrepreneurial School of Technology (MEST) offers training programmes, seed funding and business incubation to young African technology entrepreneurs from Ghana, Nigeria, Kenya and South Africa.

Socio-cultural norms

Young people have expectations about the work they would like to do, and older people have expectations about the work younger people ought to do. These views, while related, are not always comfortably aligned. Aspirations can be stymied by labour market conditions, legitimate efforts can be thwarted by discriminatory or essentialist attitudes and/or ambitions held back by conflicting norms. These represent strong (albeit informal) barriers that a person of any age might face, and which are likely to be at least partly class- and gender-specific. To what extent are they also youth-specific?

How different societies define ‘youth’, how young people see themselves, and the cultural models that define what is expected from young men and young women in a given context all shape what it means to be a ‘young’ person. As Oosterom, Kache, Mususa and Pswarayi (2016) argue, societies make ‘potentially important distinctions between young people and adults’ and there are ‘different cultural models and everyday discourses about morality that prescribe moral behaviour for young people’. Youth-specific moral expectations shape young people’s livelihood options, with gendered norms hugely complicating the societal expectations that young people contend with as they navigate among different options in the world of work.

Although common perceptions of systematic discrimination against women in African job markets are not always borne out by empirical evidence – notably, the difference between male and female labour force participation rates in Africa is the lowest in the world – there is strong evidence that gender norms put up important informal barriers to employment for young women (Nilsson, 2015; Al-Samarrai & Bennell, 2007; Chari et al., 2017). In many African societies, strongly held societal perceptions of what is gender-appropriate work affect young people’s choices. Evidence of the impact of this can be found in how female school-leavers’ employment tends to be confined to a much narrower set of occupations than men (Al-Samarrai & Bennell, 2007). Jobs traditionally considered more appropriate for women include hairdressing, tailoring and catering, all of which can take place in or near the home (Fortune et al., 2015; Oosterom et al., 2016). Notably, 25% of African women have their first child or become pregnant between the ages of 15 and 19, while men tend to become parents later in life; women face far greater trade-offs of childcare against continued education or seeking work (Fox et al., 2016). Young women also often avoid certain forms of work, even if these are better-paid, because they are considered risky or inappropriate. Lahai (2012) described how women in urban Sierra Leone chose to sell cold water rather than engage in foreign currency exchange, because carrying cash exposed them to risks of violence, including sometimes from their husbands. Male household members, such as fathers or husbands, can also prescribe appropriate work locations or the extent of travel for women (Chari et al., 2017). Gough, Chigunta and Langevang (2016) described expectations among young women that they will need to offer sexual favours for employment, both at interview stage and subsequently in employment.

Mobility is a key asset in being able to reach better job options, and African societies often have pronounced norms regarding youth mobility, which are closely tied to gender. Livelihood options that require travel generally may be coded as masculine and seen by young women themselves as potential threats to their reputation and physical safety. In Mali, for example, young men who migrate for work are seen as making an essential contribution to a family’s livelihood, gaining higher family status and social recognition for what is seen as part of traditional rites of passage into adulthood, whereas female migration is viewed suspiciously and stigmatised (Hertrich & Lesclingand, 2013). For rural women, potential off-farm job openings, which are an important
factor in diversifying livelihoods, may be restricted by the dual constraints of distance and travel restrictions (Porter, 2011).

Social norms also more broadly dictate whether an employment opportunity counts as a ‘proper’ job. The definition of ‘proper’ work by many families and communities goes far beyond the World Bank’s definition of a ‘job’ as an activity that ‘generate[s] income, monetary or in kind, without violating human rights’ (Batmanglich & Enria, 2014). Different types of work are associated with vastly differing social status (Oosterom et al., 2016). The ‘right’ jobs not only earn incomes but also social respect, and naturally not all jobs command the same respect. ‘Formal’ jobs are seen across many African societies as more prestigious than entrepreneurship, in spite of (or perhaps because of) small-scale entrepreneurship’s prevalence. In many African countries, most ‘formal’ jobs are still public sector jobs; for example, estimates from Sierra Leone suggest there may be only 100,000 formal jobs in total, of which the public sector offers the majority (Chari et al., 2017). Gough et al. (2016) report that Zambian youth see public sector jobs as some of the most desirable, thanks to the regular income and low likelihood of being fired, even though government salaries are increasingly seen as insufficient. Yet, public employment has substantially declined since structural adjustment began in the 1980s, and data from East Africa show a much smaller proportion of well-educated under-30s entering state jobs than those who entered the labour force two decades before (Simson, 2016).

While public sector jobs may be socially respectable and desirable – particularly given a scarcity of other formal options – to expand public sector payrolls is not widely considered to be a viable solution. Even as the public sector continues to be an important (and above all respected) employer, government and donor employment programmes have usually turned to the private sector, and particularly the idea of entrepreneurship, as offering solutions to the African youth employment challenge (Batmanglich & Enria, 2014). However, the degree to which entrepreneurship, including youth entrepreneurship, is socially viewed as legitimate and acceptable varies by socio-cultural context (Owusu et al., 2016). Idealised jobs, often referred to as ‘serious’ or ‘proper’ jobs, tend to be associated with having a contract, a regular salary, social security and income tax, perhaps some benefits, and a level of employment stability (Esson, 2013).

Negative societal views of some of the most viable current private sector employment options can discourage youth from considering them. For example, although the construction sector is seen as having growing employment potential in many countries, in Ghana, working in construction does not enjoy a positive image, which deters young people or condemns them to participate as a last choice (which reinforces the negative image) (Darko & Lowe, 2016). Another common example of a relatively profitable, widespread livelihood option for young people (typically men) that fails to qualify as a ‘proper’ job is okada (motorcycle taxis). Okadas have become commonplace throughout West Africa, and often are the dominant transportation option, particularly in rural communities. However, okada riding has negative social perceptions and is demeaned as ‘young man’s work’, only suitable for earning ‘quick money for the day, to eat, drink, possibly smoke jamba (marijuana), maybe gamble a little, but unfit to feed a family and sustain an orderly and responsible lifestyle’ (Menzel, 2011). The work is physically demanding, and it is rare to find anyone over the age of 40 years actively working as an okadaman, yet in reality okada-riding fathers and sons sustain many families (Fortune et al., 2015). Okada-riding thus aptly illustrates the paradox many young Africans face: the jobs that may enable them to escape economic dependence also carry social and moral stigma. As Bürge (2011) argues, this
denies young people a chance to enjoy both moral and economic success and slows down their
socioeconomic progression into ‘adulthood’.

In the ‘formal’ sector, employers also often hold youth-specific biases and beliefs about young
people’s capacities. Market analysis from the Prospects Liberia programme¹⁰ found that Liberian
employers often questioned the skills, trustworthiness and character of young people by default:
‘[One of our] biggest challenges in hiring are finding honest workers who show up on time and
want to work’ (Topulli, 2016). Liberian employers listed previous work experience (46%),
educational level (29%) and personal skills (21%) as most important when hiring for formal jobs
(ibid.). These results reinforce Chari et al.’s (2017) finding that young people often encounter
‘experience traps’, where employers inherently prefer older candidates. However, not all
perceptions of young workers held by potential employers are negative: limited sectoral evidence
suggests that certain employers may target younger people because of their potential
productivity and cost advantages over older workers, and younger people are sometimes
considered more trainable (Chari et al., 2017).

Unsurprisingly, young people often internalise societal expectations and norms. As a result, even
relatively successful livelihood strategies in the informal economy are not always viewed by the
young people who pursue them as ‘work’ because of the negative connotations attached to them
(Batmanglich & Enria, 2014). One of Chari et al.’s (2017) key findings is that, contrary to the
current hype about youth entrepreneurship, young people in Sierra Leone, Kenya and Nigeria
demonstrate strong desires (particularly those who are more educated) to obtain salaried
employment, and relatively little interest in entrepreneurship. Even when they obtained a formal
sector waged job, ‘to further my studies’ was the second most important reason for young people
to have left their last job (Chari et al., 2017). This indicates that young people are aspirational
and pragmatic, and not necessarily seeking the ‘quick fix’ which some policy-makers seek
through promoting youth entrepreneurship.

Differences between official descriptions and how young people describe their own situations are
telling: a Q-methodology-based study of Kenyan youths’ jobs aspirations found young people
being capable of conceptualising both the employment problems they faced and what they
perceived as necessary measures to solve them, but there were major gaps with how
government officials perceived the issue (Mukutu, 2011). As an Afrobarometer study from
Zambia (Mujenja, 2014) found, citizens’ perceptions of unemployment rates differ widely from
official figures. Similarly, young people working in the informal economy often describe
themselves as unemployed, despite working up to 80 hours a week, and despite the importance
attached to the informal economy in contemporary development economics (Fortune et al.,
2015). These insights clarify that Africa’s youth employment crisis is not simply about a shortage
of work, but of ‘real’ and reputable jobs that match societal norms and ideals.

¹⁰ Prospects Liberia is a youth empowerment program implemented by Mercy Corps and funded by the Swedish
Embassy in Liberia and Chevron.
Table 5: How youth-specific are socio-cultural norms as a barrier to employment?

<table>
<thead>
<tr>
<th>Factor: socio-cultural norms</th>
<th>Are youth disadvantaged?</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Logic says</td>
<td>Evidence says</td>
</tr>
<tr>
<td>Restrictive gender norms</td>
<td>maybe</td>
<td>(yes for women)</td>
</tr>
<tr>
<td>(im)mobility</td>
<td>mixed</td>
<td>mixed</td>
</tr>
<tr>
<td>Societal ideas about a ‘proper’ job</td>
<td>yes</td>
<td>yes</td>
</tr>
<tr>
<td>Employer beliefs about young people</td>
<td>yes</td>
<td>mixed</td>
</tr>
</tbody>
</table>

Source: authors.

Social networks, patronage and politics

In an environment with few jobs and many job-seekers, patronage and social networks can be key factors in gaining work. Family ties significantly influence the starting point from which young people join labour markets, and as one progresses in the world of work, ‘who you know’ matters – for older and younger people alike. However, while social networks and patronage relationships may prevent young people from accessing some jobs, they might also help them find others. Moreover, the politics of local job markets have complex and differential effects.

Family has a significant impact on individuals' initial job projects. Family size and birth order have been shown to affect educational outcomes, with inequalities that occur during education-age years likely to persist in the labour market (Nilsson, 2015). Parents' and siblings' education and economic status can affect a young person's employment outcomes in various ways. The family network effect works through parents whose own levels of education and social networks can advantage or disadvantage their offspring (Shehu & Nilsson, 2014), as educated parents are better situated in the workforce, more informed about job opportunities, and more capable of supporting their children in successful and rapid school-to-work transitions.

In the SSS region, young people tend to work in roughly the same sectors and types of jobs as their parents (Fox & Thomas, 2016). In addition, young Africans whose siblings are employed have fewer and shorter unemployment periods (Nilsson, 2015), and having 'successful' siblings decreases the time it takes to get one's first job (Guénard & Nilsson, 2015). However, Pasquier-Doumer (2012) noted that having a self-employed parent (father) did not necessarily result in
intergenerational transmission of entrepreneurial skills, though it may advantage young people if
they choose to enter the same sector as ‘the family business’, due to intergenerational
transmission of industry insights and useful networks. The performance of intergenerational
SMEs, especially household businesses, depends greatly on the support of a family and kinship
network (Nordman, 2016). In brief, data from African countries indicate that family and kinship
networks significantly impact how people get jobs and start businesses. While family dynamics
may be of little legislative use to policy-makers, their presence strongly suggests that policies
aimed at individuals will spill over to benefit siblings and offspring.

Social network effects on employment access more broadly are well-established in labour
markets research. Information about opportunities circulates along interpersonal networks, as
people talk to friends and acquaintances about available jobs and about whom to do business
with (Fafchamps, 2000). A large and growing literature has established the link between labour
market dynamics (including wages) and friends and acquaintances, which prevails in virtually all
labour markets (Jackson, 2010). There is strong evidence that informal networks are important in
accessing the labour market in developing countries. Nordman and Pasquier-Doumer’s (2015)
study of social networks in Burkina Faso suggests that network size and strength of ties
significantly correlate with labour market transitions; lack of access to social networks is
consequently a significant ‘informal barrier’ for younger job-seekers (Chari et al., 2017). While
social networks are perceived as extremely important in connecting young Africans with potential
jobs (including by young Africans themselves), the networks of friends, affiliates and professional
acquaintances that young people have tend to place them at a disadvantage. Young people may
lack information about opportunities, and may not understand what actions might allow them to
capture these opportunities (Fox & Thomas, 2016). Moreover, youth-specific network
disadvantages include a lack of strong, relevant networks or social capital that connects them to
relevant jobs (Bhorat et al., 2016).

Patronage is, by definition, non-meritocratic access – for example, to jobs distributed on the
basis of identity (ethnic, religious, social, personal) and political influence, rather than skills and
experience (Simson, 2016). The significant imbalance between supply and demand in most
African formal labour markets provides much of ‘the necessary oxygen’ for patronage and
political influence in the market (Chari et al., 2017). While patronage-based job access privileges
some young people, it excludes others. A significant proportion of young people in Sierra Leone,
Kenya and Nigeria claimed that unfair recruitment and discrimination were reasons for their lack
of success in recent job searches. When asked about friends who were more successful, 67% of
respondents thought their friends found better jobs because ‘they have good connections’ and
only 45% because ‘they are well qualified’ (Chari et al., 2017). Findings from the Prospects
Liberia assessment revealed that young Liberians’ most common strategy to find jobs is asking
family and friends (78%) and other contacts in the community (48%). Young people,
predominantly men, perceived this method as ‘always’ or ‘sometimes’ effective, and far more
effective than other methods such as newspaper-reading, radio-listening, or checking notice
boards; however, many women respondents expressed exclusion from the ‘boys’ club’ (Topulli,
2016). Research by Philips (2013) and Hoffman (2011) shows how young men in urban areas
of Guinea and Sierra Leone draw on rural/kin-based networks to strategically access livelihood
opportunities; social and kin networks also play an important role in recruiting for more nefarious
livelihood options, such as drug smuggling (Fortune et al., 2015).

To summarise, patronage networks may provide a (relatively effective) ‘workaround’ for the
issues of insufficient job availability and steep competition, if one is ‘in’ well-positioned networks.
Evidence and logic suggest that young people may be more disadvantaged by virtue of having had less opportunity to develop the ‘right’ networks – largely based on their labour market inexperience.

Batmanglich and Enria (2014) argued that it has become commonplace to discuss youth employment issues and responses to them in either economic or technical terms, while avoiding the political dimension. However, political actors in Africa are frequently accused of channelling resources to regime loyalists, including to young people affiliated (strongly or loosely) with the incumbent party (Hansen, 2010). Although the mixed and complex ways in which local politics shape access to employment and livelihood opportunities will affect adults as much as young people, they could disadvantage youth more, inasmuch as younger people are unlikely to be at the head of patronage-disbursing networks. Informal tactics of patronage work against the employment and livelihood opportunities of young people who refuse to buy into such networks (Honwana, 2011; Oosterom et al., 2016). In fragile and conflict-affected states, patronage politics are even more likely to disproportionately affect youth. Networks of ‘big men’ can tie youth into patronage, and sometimes mobilise them for political ends in exchange for economic opportunities (Enria, 2015; Lindell and Utas, 2012; Utas, 2012). In post-conflict settings, such networks have evolved out of relationships between commanders and their more junior ranks (Enria, 2015). In more authoritarian regimes, there are clear links between political parties, their youth wings, and the distribution of economic opportunities, including through national youth policies (Oosterom, 2016; 2018). This is the case in Zimbabwe, for instance (Maringira & Gukurume, 2018; Oosterom et al., 2016), and in Ethiopia (Balcha Gebremariam, 2017).

To recap, social relationships, particularly family, play a key role in shaping young people’s access to jobs and the way they are able to navigate economic realities. Young people are not simply dependent on older adults’ social networks, but also establish networks with one another. Young people’s social positions and life transitions are dependent on their relationships with family and broader society (Langevang, 2008), but the links which they are able to independently establish through peer networks are also critical as they launch into employment. While ‘who you know’ is generally influential for all working-aged individuals, young people may not yet know the ‘right’ contacts. Moreover, in more fragile and politicised contexts, where regime actors or other political actors have an interest in mobilising youth or ‘buying’ them in, informal politics and patronage networks are likely to particularly affect youth. Even if older adults are also affected, younger people are often more vulnerable to political instrumentalisation.

Table 6: How youth-specific are patronage, politics and social networks as a barrier to employment?

<table>
<thead>
<tr>
<th>Issue: patronage, politics and social networks</th>
<th>Are youth disadvantaged?</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family background affects job prospects</td>
<td>Logic says: (yes)</td>
<td>Evidence says: (yes)</td>
</tr>
</tbody>
</table>

‘Class’ (social background) matters at all ages, and does not vary by age; however, its effects may be greatest during initial steps into the job market, which have path-dependent effects.
Peer networks affect job prospects  yes  ?  Young people are likely to know other young people, who are less likely to be able to assist with employment opportunities. (Evidence gap)

Local politics create in-/outgroups  no  no  (FCAS: yes)  Local patronage politics has a strong effect on work opportunities, but this cuts across age groups. (For fragile/conflict-affected states (FCAS), where political actors target youth, they are likely to be more affected.)

Source: authors.

4. Summary of findings

This report has taken a fresh look at the African youth employment challenge by asking how youth-specific it is, and how youth-specific its causes are. A brief review of data showed that young people are indeed disadvantaged in finding work in Africa, and more young people are entering African labour markets than new jobs are created.

The main body of the report assessed the logic and evidence for the youth-specificity of five key factors. First, lacking qualification for work was found not to be youth-specific; however, educational choices are becoming more complex, and young people lack the experience which employers often demand. Second, neither legal and governance frameworks nor, third, poor infrastructure emerged as very youth-specific factors; they affect all workers fairly equally, although access to finance and ICT might have some youth-specific effects. Socio-cultural norms have clearly differential effects on younger people: much of the work that young Africans can do (including entrepreneurship) is not seen as ‘proper’ work, employers are sometimes biased against younger applicants, and younger women are harmed by gender biases. Finally, patronage, politics and social networks also differentially affect younger people, because their peer networks may be less effective; local politics tend to have youth-specific effects in fragile and conflict-affected states.

These findings do not so much deliver a final verdict as offer reasonable conclusions drawn from the body of research dedicated to understanding young people in labour markets in Africa. Three main implications can be highlighted:

- Firstly, some informal barriers – particularly socio-cultural norms, patronage, politics and network effects – appear to be more youth-specific than formal barriers to employment. While recognising the importance of social norms leads to few easily implementable policy recommendations, it does suggest that a far deeper understanding of context-specific norms and expectations is needed for the development of effective policies; norms and values profoundly shape the choices that young people (can) make. Similarly, recognising the practical importance of social relationships – patronage, politics, and social networks – in facilitating or constraining employment may inform future interventions that could seek to go with (rather than against) this ‘grain’, by considering the inclusionary effects that networks can have while tackling the most exclusionary ones.
• Secondly, if informal barriers to employment are a more youth-specific constraint than formal barriers, then the case for policies that focus on the formal barriers is less convincing. For instance, ‘supply-side’ programmes that deliver more education and upskilling run counter to the fact that young Africans are already better-qualified than before, and risk further saturating job markets (cf. Mader, 2018b). Programmes that address regulation, governance, or infrastructure as potential demand-side constraints, meanwhile, focus on factors that have relatively less direct bearing on African young people’s chances. There is even a risk that policies aimed at business environment reform, labour market deregulation, or infrastructure – if they are justified in terms of youth employment – risk instrumentalising rather than helping young people.

• Finally, important evidence gaps have emerged – specifically, the evidence on how business reform, legal reform and infrastructure policies affect young people in practice remains weak, and much finer-grained empirical research is needed to support specific policy initiatives. More broadly, a better understanding of the very different needs, expectations and potentials of different young people – rural school-leavers, urban graduates, growth-oriented entrepreneurs, women and men, from rich or poor backgrounds – will inform better-targeted solutions. This underscores and bolsters the (fortunately) growing consensus that the success of youth employment programming depends on a much deeper understanding of the choices young individuals make and the contexts within which they make them.
5. References


