

youth @ work: 5 pathways for change

Despite remarkable GDP growth levels in Africa in recent decades, this growth has not been accompanied by increased employment on the continent. According to the <u>World Bank</u>, every year, 12 million young people enter the job market, while only 3 million formal jobs are created. With 70% of the population below the age of 30, Africa is the youngest continent on earth. It is estimated that by 2040 Africa will have the largest youth work force, surpassing China and India. Addressing issues of youth employment, will be key in shaping the future of the continent.

It is against this backdrop that INCLUDE, with the support of Canada's <u>International</u> <u>Development Research Centre</u> (IDRC) and the <u>International Labour Organization</u> (ILO), launched the webinar series <u>Youth@Work</u> where researchers, practitioners, policymakers and youth came together to exchange knowledge and good practices on youth employment in Africa. Five key insights emerged from the webinar series on the role of the private sector and the future of work, which are presented below.

1. Framing the issue: from youth employment crisis to missing job crisis

Addressing the issue of youth employment in Africa needs to be framed accurately to design effective strategies. For this reason, experts in the webinars series contested the mainstream narrative that lays the responsibility and capacity to find and create employment mainly with youths. In fact, Africa's 'youth employment' crisis is, in many ways, actually foremost a 'missing jobs' crisis. As Bernd Mueller, Employment Specialist in ILO's Decent Work Team for Eastern & Southern Africa <u>stated</u>: "The main issue is that there is simply not enough labour demand compared to labour supply." Dominic Glover, Fellow of the Institute of Development Studies at the University of Sussex <u>agreed</u>: "There is a lot of emphasis on issues related to youth as if the problem is with young people, while actually the problem is with the economy. The economy is growing without generating employment for youth: making it a 'jobless' economic growth. In addition, when looking at youth employment one should not only look at formal jobs as the



<u>majority (80%) of the workforce is engaged in the informal sector</u>. In this regard, Joshua Amponsem, an environmental and climate activist from Ghana who focuses on the role of youth in climate change adaptation and mitigation, encouraged development interventions to focus on the informal share of the economy and "work with informal workers as close allies".

2. Structural transformation: invest in small and big enterprises

Addressing the 'missing jobs crisis' leads experts to consider structural transformation as one of the key strategies to address systemic hurdles to private sector development. In fact, as Bernd Mueller argued, "Addressing the deficit in labour demand requires a structural economic transformation and that's where our focus needs to be". Structural economic transformation seeks to sustain the potential of small- and medium-sized enterprises to create employment for young people in Africa. SME's are estimated to provide up to 80% of jobs across the continent and contribute strongly to economic and social development in society. In addition, as Khansa Alhaq, Director at the Global Entrepreneurship Network (GEN) Sudan added "Entrepreneurs do not only generate income and create jobs for youth, but also have an important social role in times of crises, because they give youth hope for a better future. Creating a <u>conducive entrepreneurship</u> ecosystem is therefore a worthwhile investment when it comes to working on youth employment'. Although he agrees with the notion of stimulating enterprise development, Chibuike Uche, chairholder of the Stephen Ellis Chair for the Governance of Finance and Integrity in Africa at the Africa Study Centre in Leiden, warns: SMEs should not be seen as an end in itself, but as part of value chains of larger companies, in many cases multinational enterprises (MNEs). In places where there are successful MNE's, small businesses also thrive'.

3. Digitalization & the future of work

<u>Africa is going digital</u>, following sustained economic growth, internet penetration and bankability of its population. Indeed, the number of <u>tech start-ups has grown steadily</u>, while mobile money has doubled since 2014, increasing financial inclusion. One of the promises of the digital economy for youth employment is related to 'crowdwork', a form of employment that uses internet-based platforms to provide services or products for profit. Crowdworking is particularly attractive to youth, and also creates opportunities for the more marginalised home-based workers (mostly women and disabled). However, according to Niall O'higgins, Senior Research Specialist in the ILO's Employment Analysis Unit, the digital economy is likely to benefit the more highly educated in Africa, leaving behind the millions of less-educated youths in Africa. Hannah Dawson, Senior Researcher at the Southern Centre for Inequality Studies (SCIS) at the University of the Witwatersrand, agrees with Higgins that many digitalised jobs in the service sector are characterised by high levels of precarity and warns against the 'uberization of work'. In fact, with the emergence of digital platforms crowd-workers are misclassified as independent contractors to bypass existing labour regulations and social protection.



Like many other workers in the informal economy, platform workers are as such extremely vulnerable and often exploited; having to work long hours, for low wages without any form of social protection. Landry Signé, Managing Director and Professor at the Thunderbird School of Global Management, and co-author of the <u>paper</u> on the future of work, agrees that the first main concern is the digital divide. Significant gaps in physical and digital infrastructure in many African countries limit the accessibility to modern information and communications technologies. The high cost of internet data and unreliable and expensive electricity provision means that especially the most marginalised groups in society may be excluded from the potential benefits of the digital revolution.' Therefore, focusing on bridging the digital divide is crucial to creating inclusive job growth in the future of work.

4. Green jobs and agricultural transformation

Justin Flynn, research officer and doctoral researcher at the Institute of Development Studies (IDS) and Thomas Yeboah, Research Fellow with the Bureau of Integrated Rural Development (BIRD) in Ghana <u>argued</u> that despite the many opportunities presented by digitalization and the tech economy, agriculture is expected to remain the largest jobsupplier in the coming decades. Projections estimate that around half of Africa's new jobseekers will need to find employment in rural areas, at least until 2030. In Sub-Saharan Africa in particular, around 60 per cent of the youth population is expected to continue to live in rural areas for at least the next decade. Since many African countries are still highly dependent on natural resources, making their economies extremely vulnerable to climate change, climate action is closely linked to the employment prospects of youth in Africa. Transitioning to a green economy is therefore essential when it comes to investing in youth employment. The 'greening' of economies is a process where resources are reallocated from unsustainable production systems to sustainable and regenerative ones that also reduce vulnerabilities and promote human well-being. This transformation is anticipated to create new 'green jobs', and for this reason is widely heralded as a solution to the youth employment crisis in Africa. However, a green transformation of the economy will also displace existing jobs, even as it creates new ones. This is bound to be disruptive, even if the eventual outcomes are generally positive. According to Mette Grangaard Lund who works as a Technical Officer at the Green Jobs Unit at the ILO, a strong emphasis needs to be placed on ensuring that it is a just transition', promoting decent work and ensuring social protection where needed, so that no one is left behind.

5. Meaningful youth participation: the crosscutting pathway

Effective implementation of youth policies requires strong contextualization at the local level as well as specific strategies and interventions to support marginalized groups to overcome their particular barriers to participation. As youth representatives during the webinar series agreed, this engagement needs to go beyond tokenism towards real participation.



As Tijmen Roosenboom, Ambassador for Youth, Education and Work at the Ministry of Foreign Affairs and promotor of <u>Youth at Heart</u>, stressed "It is key to ask young people what they want, not only in the context of digitalisation of work, but also in their broader search for employment, because they know best what they need.' The importance of meaningful youth participation in programming and policy making was a cross-cutting theme in all webinars . Youth participation can take different forms, ranging from information provision through to consultation, shared decision-making and comanagement, all the way to autonomy. The nature and quality of participation determines the extent to which young people's voices are heard. As Theodore Klouvas, Senior Policy Officer Youth Employment at the Dutch Ministry of Foreign Affairs and Program Manager of Orange Corners <u>suggested</u>: 'Youth have to be invited to sit around the table and be part of the design, implementation and evaluation of youth employment policies. Never again should we design anything without meaningful participation: nothing about them, without them.'

INCLUDE Knowledge Platform

Wassenaarseweg 52 2333 AK, Leiden, The Netherlands +31(0)71 527 6602

 $info@includeplatform.net \ | \ www.includeplatform.net \ | \ @INCLUDEplatform$







