



“Situational Analysis of Youth Unemployment in sub-Saharan Africa - the need for National Policies on Youth Entrepreneurship”

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1.0 Context and Challenges

Africa is the second largest and second most populous continent with 14% of the global population. As at 2016, it has a median age of 19.5yrs, younger than the global median age of 29.6yrs and much younger than Europe’s average median age of 42.4yrs. Whilst Europe’s population is expected to decrease by 9% to 728million, in contrast, Africa’s population is estimated to increase by 113% or 2.5billion by 2050 - exceeding China and India. At that point, Africa is forecast to have 25% of the world’s population, rising to 39% by 2100. Increased prosperity and improving healthcare means that the population, especially the youth, is growing at a rapid pace leading to ‘Africa’s youth bulge’ phenomenon. As with the rest of Africa, Ethiopia and Nigeria are two predictable countries that could swell sub-Saharan Africa’s youth population, and consequently youth unemployment. Therefore, there is a need for policy shift towards promoting national youth entrepreneurship schemes through education and policy, with an aim ultimately to combat poverty and unemployment – the two underlying causes of most conflicts in sub-Saharan Africa including terrorist conflict.

In this perspective, many multilateral and international agencies including The Commonwealth, European Commission and the Organisation for Economic Co-operation and Development (OECD) are keen to emphasise the importance of entrepreneurship education, but they also provide best practice models and evidenced-based policies that could be adopted at various regional and national levels to address youth unemployment. In parallel, as part of a broader coalition to promote global peace and socio-economic prosperity, the Sustainable Development Goals (SDGs) framework (Targets 4.4 and 8.3) also provides a distinct yet complementary development targets that emphasise the importance of ‘entrepreneurship education’ as a way of providing youths, especially in the Global South, with the employability skills essential to creation of decent jobs.

This emphasis is particularly relevant to Africa. It’s 226 million youths (aged 15-24yrs old – this number increases significantly if 25-34 yr olds are included) which account for 19% of the global youth population are largely unemployed or underemployed. If anything, there is a culture of dependency on government jobs and salaried employment amongst the graduate youths, partly because of the absence or limited political will to foster and sustain the spirit of entrepreneurship amongst youths through investments in national-level infrastructures, such as, entrepreneurship knowledge and policy ecosystems. The unemployment situation, coupled with increasing urbanisation exacerbated by youths migration from the rural areas, constitutes the most significant challenge Africa faces in its efforts to integrate into the global economy. By 2040, urban areas in sub-Saharan Africa would have received youth migrants equivalent to United States population. There is a need therefore to make the necessary investments (e.g., youth entrepreneurship-appropriate policies) at national levels to support opportunities for decent jobs and self-employment, particularly amongst the youth sector.

2.0 Embracing opportunities

Despite these challenges, if African economies can articulate a coherent strategy that provides their youths with the education, training and the employability skills essential to their personal development, then the youth sector could provide a powerful force that unlocks Africa's socio-economic growth and global integration. To achieve global integration, there is a need also for national investments in innovation alongside national entrepreneurship strategy. Both are crucial for global integration. Entrepreneurship activity in sub-Saharan Africa is mainly driven by 'necessity' rather than 'innovation' – in this sense the ability to spot an opportunity to create something new. In most cases, innovation is probably not even the object of interest for most people. This is not to say there have not been instances in which innovation rather than necessity has not been the object of interest - the ratio, however, in relation to necessity-driven entrepreneurship clearly demonstrates that in sub-Saharan Africa entrepreneurship represents a route out of poverty, a means by which people with little capital, education, or experience earn a living. Therefore, what is urgently needed are evidenced-based policies to encourage entrepreneurship through innovation, formulated on the basis of context-specific needs of each economy or sub-regional economies. Specifically, national policies that feed into educational programmes framed around the needs of 'the individual', 'the classroom' and 'the community' could make a significant impact. Thus, African governments, by working in collaboration with multi-lateral stakeholders (e.g., the academia, industry, international development agencies and non-governmental organisations), could pursue the following principles:

- Deepen levels of engagement, in a more co-ordinated fashion, with youths and their career prospects within the SDGs mandate through investment in national policies on youth entrepreneurship
- Formulate and implement more transparent systems of mutual accountability at a national level
- Focus on youth development in sub-Saharan Africa through national investments in human capital development, employability skills, employer-focused curriculum and start-up schemes.
- Encourage bilateral and multilateral knowledge exchange/transfer partnerships that support broad-based initiatives and bottom-up employment generation programmes (such as initiatives championed by CAEL in collaboration with our African partners) that seek to reduce youth's vulnerability to poverty, conflict and forced migration.
- Create conducive business environment and the climate for outward and inward investments by collaboration with different layers of governments, industry stakeholders/employers, the education sector, international development agencies, and the investor community.
- Support entrepreneurship education schemes that marries entrepreneurship with ICT
- Devise strategies to support entrepreneurial effectiveness and youth employability skills within the higher education system using student-centered but integrated curriculum approaches
- Focus on youth employability development through capital investments (e.g., curriculum, youth apprenticeships schemes, entrepreneurship/skills acquisition centres, research and innovation laboratories) in the education sectors including tertiary and the secondary sectors.
- Build new and strengthen existing entrepreneurship and entrepreneurship education infrastructures through capacity building e.g., skilling, upskilling, reskilling individuals and groups within sectors that interface and interact with youths
- Establish transparent and accountable units at Federal level - either within existing ministries/parastatals or as standalone agencies - dedicated to developing evidence-based national policy in entrepreneurship and entrepreneurship education for governance

In conclusion, whilst not exhaustive, this briefing has summarised the state-of-the art challenges and the implications of youth unemployment in sub-Saharan Africa as well as how investments in national policies and entrepreneurship education can best be deployed to address these challenges.