Intersection of Youth Livelihoods and Agriculture in Africa

F. Kwame Yeboah, Assistant Professor
Thomas S. Jayne, University Foundation Professor
Michigan State University

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Youth bulge: Looming employment challenge

Age pyramid:
rural SSA, 2015

62% < 25 years old

Source: United Nations, Department of Economic and Social Affairs, Population Division (2013).
Key Questions

- What is the nature of the youth employment challenge?
- What is the role of agriculture and food system in promoting youth livelihoods?
- What can governments do to enhance youth livelihoods?
Nature of Youth Employment Challenge in Africa

- Job creation lags behind labor force growth
  - Only 1/4 of 350 million new entrants will find formal wage jobs in SSA

- High labor force growth due to slow demographic transition - 3% per year in SSA
- 11 million youth to enter labor force each year in SSA till 2035 (Losch 2016)

- Low educational quality
- Skills mismatch
  - Soft skills is critical
- Low awareness and skills to spot opportunities
Agrifood system: A sector of opportunity for job creation and economic transformation
1. Growing demand for food and agricultural products

- Food demand to expand by 55% in SSA (World Bank, 2015)
- Rising reliance on imported foods
  - SSA food import rose from US$6 billion to US$ 45 billion between 2001 and 2014
- Opportunity to accelerate economic growth and job creation in import-substituting local production and marketing.

Source: ReNAPRI (2017)
2. Farming is single largest employer of young people

- Share of total FTE jobs
  - Labor force (15-64 years): 34%-54%
  - Youth (15-24 years): 40%-63%
  - Young adults (25-34 years): 25%-49%

- Investment to improve productivity and profitability of farming will affect the greatest number of people and assure broad-based and inclusive economic growth

Source: Yeboah and Jayne, 2017
3. Performance of agriculture will influence rate of job growth in the overall economy

Source: Yeboah and Jayne, (2017)
Non-farm labor productivity growth highest among countries with high agricultural productivity growth

Source: Yeboah and Jayne, 2016
### Lagged Labor Productivity in Agriculture

Lagged labor productivity in agriculture is a key driver of observed decline in agriculture employment share.

<table>
<thead>
<tr>
<th>Model</th>
<th>Log lag labor productivity in agriculture</th>
<th>Log lag labor productivity in non-agriculture</th>
<th>Other covariates</th>
<th>[\text{Index of governance (lagged)}]</th>
<th>Time trend</th>
<th>Population density</th>
<th>Road density</th>
<th>Constant</th>
<th>[\text{Number of observations}]</th>
<th>[\text{Number of Countries}]</th>
<th>[\text{Adjusted/Overall R-square}]</th>
<th>[\text{Time period}]</th>
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</thead>
<tbody>
<tr>
<td>(i)</td>
<td>-0.133* [(-2.15)]</td>
<td>-0.0121 [(-0.23)]</td>
<td>[\text{Index of governance (lagged)}]</td>
<td>-0.0205 [(-0.45)]</td>
<td>-0.00961*** [(-4.62)]</td>
<td>-0.00181 [(-1.51)]</td>
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<td>161</td>
<td>11</td>
<td>0.71</td>
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<td>(ii)</td>
<td>-0.284** [(-2.77)]</td>
<td>-0.176 [(-1.89)]</td>
<td>Time trend</td>
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<td>-0.00458 [(-0.96)]</td>
<td>-0.00475 [(-1.89)]</td>
<td>-0.000260 [(-0.21)]</td>
<td>0.0690 [0.20]</td>
<td>78</td>
<td>10</td>
<td>0.87</td>
<td></td>
</tr>
</tbody>
</table>

Source: Yeboah and Jayne, 2017
What should governments do?

- Central plank of a comprehensive youth employment strategy: interventions to raise agricultural productivity growth
  - Create new opportunities in farming
  - Multiplier effects: performance of farming will influence the pace of growth in non-farm and AFS jobs

- Strategic policies include
  - Invest in R&D and institutional capacity building to generate new knowledge
  - Develop robust and effective extension systems to facilitate access to productivity enhancing technologies
  - Improve coverage and quality of physical infrastructure (energy, road, communication)
  - Develop youth-centered programs to make farming profitable for young people
    - Facilitate access to productivity enhancing inputs (e.g. fertilizer), market, and resources (e.g. land, finance, labor-saving technologies)
    - Promote mentoring by successful farmers (youth mentors)
What should governments do?

• Invest in education and skill development to upgrade skills of the labor force
  • Prepare youth to “spot” and take advantage of new job opportunities
  • Regular update of educational curriculum and approaches

• Invest in actionable research to address the data gaps on labor market issues and impact evaluation
  • What works well and how?

• Strengthen youth voice on decisions concerning them
We cannot always build the future for our youth, but we can build our youth for the future – Franklin D. Roosevelt
Thank you

Questions?