Nature and Type of Government and NGO Interventions in Curbing Unemployment and Underemployment of Urban Youth in Kenya

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Abstract

This paper examines nature and type of Government and NGO interventions in curbing youth unemployment and underemployment based on a study of the youth in Nairobi and Kisumu cities in Kenya. The study was descriptive in nature with a stratified sample from a population comprising respondents selected from slums of two major cities in Kenya where youth unemployment is rampant: Kibera slums in Nairobi and Manyatta slums in Kisumu. Questionnaires and interviews were the main research instruments used to gather data from the field for analysis. The sample size was determined by the number of registered youth groups in the slums. Data was analyzed by using descriptive statistics. Youth unemployment and underemployment is a crucial concern throughout the developing world, but it is a particularly acute problem in Africa where young people comprise a large proportion of the economically active population. Suffice to say, youth unemployment is highly dependent on the overall status of the economy. Economic activity, measured by GDP growth is probably the single factor that most influences the chances of young people finding a job. In order to find a decent job in a globalized world, young people need to develop a range of skills and knowledge that are typically gained through formal education and training. African governments are implementing various policies and schemes to promote employment opportunities for young people, including skills training and entrepreneurship funds. Even if properly designed, however, the implementation of these interventions is constrained by cost and the lack of capacity among governments to evaluate the impact of policies. The study is useful to scholars and employment institutions in supplementing efforts by NGOs and the Government in dealing with the impact of youth unemployment and underemployment.

Keywords: nature, NGO interventions, curbing unemployment, underemployment, urban youth, Kenya.

INTRODUCTION

Majority of youth in Africa are engaged in informal sector activities as shop assistants, farm hands, clerical assistants, typists, stewards and cooks in hotels and restaurants, in street trading, casual labour and illegal activities such as touting, stealing, armed robbery, dealing in prohibited substances such as drugs, and prostitution. Only a small proportion of youth are engaged in the formal sector. Many of them, male and female, are to be found along the streets of major cities, selling apples, oranges, telephone cards, telephone handsets, calculators and other assorted goods. Most employed young women are in the informal sector, some of them as skilled hairdressers, dressmakers, petty traders, among others. Many young women, for lack of better opportunities, are engaged in prostitution in African towns and cities, while some others migrate or are trafficked abroad to engage in prostitution. There is a need to engender employment promotion programmes. The inclusion of young women and girls as equal partners in youth development and empowerment programmes is very essential in overcoming gender imbalances. A large proportion of youth are thus underemployed, working long hours under poor working conditions, for little remuneration mainly in the informal sector. Thus, as in other regions, the youth employment problem in Africa encompasses the following dimensions: too many youth without the necessary qualifications and training for good productive jobs, too few jobs, and too many unproductive jobs with poor remuneration (ECA, 2002). This poses challenges for employment and development policies in Africa. Official labour statistics do not adequately reflect women’s activities, especially in rural areas where production systems are still predominantly house-hold or family based. A great deal of women’s economic activities, especially for family consumption and unpaid family labour, are not reflected in official statistics (ILO, 1997).

Given limited opportunities in the formal sector, majority of women in the urban areas are self-employed in the informal sector. The most common entrepreneurial activity for women is retail trade,
including within and cross border trading. Other activities include handicrafts, tailoring and dress making, hairdressing, shop retail, food processing, services and cottage industries (ILO, 1997; Okoje, 2000). A key factor leading to urban unemployment is the high degree of geographical mobility of youth in the form of rapid rural-urban migration. This has resulted in a concentration of youth in African cities where there are few jobs available in modern sector establishments. For many youth and their parents, employment means a job with a wage or salary, or working for someone else, rather than self-employment. It is estimated that by 2010, over fifty percent of African youth will be living in urban areas (Chigunta, 2002). This poses challenges for employment and development policies in Africa. It must be noted with concern that unemployment affects young people more than any other social group. Young people face challenging transitions on their way towards adulthood. The transition to work has proven to be one of the toughest, limiting the opportunities of youth to decent and productive jobs. In many countries young people have to work in an environment where legal and financial regulations are not youth-friendly and public services are unreliable. Some important lesson drawn from the report by DEE (cited in Stewart and Knowles, 2000, p. 68) indicates that basic literacy and numeracy; the ability to work well with others; communication skills; self-motivation; the ability to organize one’s work; a basic capability to use IT; dedication and commitment and learning how to learn as key skills which were both relevant to employment and throughout life. Other authors have added or modified this list of skills, with the CBI (2008), proposing that business and customer awareness and problem solving were amongst the key skills, while UNDP (2004) also cites problem solving as a key personal skill, along with understanding the business where the individual is employed. Other skills identified are communication, numeracy, IT and ‘learning how to learn’ as key skills which were ‘relevant throughout life, not simply in employment’ (NCIHE, 1997).

The Crucial Need for Intervention Measures on Urban Youth Unemployment

In the last two or more decades, Africa has been confronted with a multidimensional crisis with several symptoms including drought and famine, floods, wars, HIV/AIDS and various endemic diseases, and widespread poverty. Underlying all these is the phenomenon of unemployment which, to some observers, is at the core of the problems of the African sub-Saharan region (Sarr, 2000). The African Common Position on Human and Social Development in Africa, a document prepared for the Copenhagen World Summit for Social Development, highlights some of the human and social issues of concern for the African region. One of the core issues addressed by the Summit and was emphasized in the African Common Position. The question is: How can the promotion of productive employment and the reduction of unemployment be carried out in Kenyan economies? Various conferences in Africa have recognized constraints and challenges to the achievement of the Programme of Action adopted at the World Summit. With respect to employment creation, it was recognized that a major challenge is the design of comprehensive, integrated and coherent employment policies to facilitate the attainment of objectives.

The main objectives of this paper are: to examine the magnitude (gender disaggregation) of urban youth unemployment; examine the nature and type of government and non-governmental organizations interventions, and examine the consequences of the urban youth unemployment, the failures and lessons learnt. The first hypothesis examined by the authors in this paper states that there is no significant difference between the perception of youth to the effect that there are no government and non-government organizations interventions to address the unemployment issues in Kenya. The second one states that there is no significant difference between the perception of youth to the effect that there are no consequences of the urban youth unemployment and there are no failure and lessons learnt.

LIMITATIONS OF THE STUDY

The study was carried out in the two urban cities in Kenya and as such the findings may not necessarily reflect the true picture of what other urban areas in the country. Nevertheless, the study provides a framework and acts as a point of departure for undertaking similar studies on the nature and type of Government and NGO interventions in curbing unemployment and underemployment in other urban areas factoring in contextual characteristics.

MATERIALS AND METHODS

A survey design was adopted for the study. The study was descriptive in nature with a stratified sample from a population comprising respondents selected from slums of two major cities in Kenya where youth unemployment is rampant: Kibera slums in Nairobi and Manyatta slums in Kisumu. Data was collected over a period of six weeks from April 2nd through May 11th 2012. Questionnaires and interviews were the main research instruments used to gather data from the field for analysis. The questionnaires were developed based on the objectives of the study, research questions and hypotheses. The sample size was determined by the number of registered youth groups in the slums. From the Ministry of Social and Cultural Services records, there was one exemplary registered youth group in each slum in Nairobi and Kisumu with a population of about 265 youths in each slum.
The sample size was established by selecting eighty from the youth groups in each slum which agrees with what Charles (1988) considers to be an adequate size for collecting reliable information that is free from bias. Simple random sampling was used to select eighty youths from each of the registered youth groups in each slum. A guided interview schedule was arranged with the administrators in charge, that is, the District youth officers and the divisional youth officers, one each in each slum, to gain an insight of youth unemployment. The respondents were drawn from two groups, namely, 80 youths from Kibera, a section of populous dwelling in the city of Nairobi and 80 youths from Manyatta, a section of populous dwelling in the city of Kisumu. There were a proportionate number of female and male respondents randomly and purposely selected for gender parity. Only respondents who were able to read and interpret questionnaire items were considered. Out of 160 questionnaires, 154(96.25%) were returned. The number received from each city was 77. Data was analyzed by using descriptive statistics.

RESULTS AND DISCUSSION
Youth’s Perception of Government and NGO Intervention on Unemployment
Table 1 illustrates the youth’s perception of government and non-government organizations interventions to address the issues of unemployment in Kenya. A large proportion of the youth (146/94.81%) disagreed that there was no government and non-government organizations interventions towards to address the issues of unemployment in Kenya while 4(2.60%) agreed. The Chi-square test of significance indicated that the difference between youth in the two cities, Nairobi and Kisumu on their perception towards government and non-government organizations interventions to address the issues of unemployment in Kenya was not significant.

Table 1: Responses on the Absence of Government and Non-governmental Organization Interventions

<table>
<thead>
<tr>
<th>Perception towards</th>
<th>Nairobi Youth</th>
<th>Kisumu Youth</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>1 (1.30)</td>
<td>1 (1.30)</td>
<td>2 (1.30)</td>
</tr>
<tr>
<td>Agree</td>
<td>1 (1.30)</td>
<td>1 (1.30)</td>
<td>2 (1.30)</td>
</tr>
<tr>
<td>Undecided</td>
<td>2 (2.60)</td>
<td>2 (2.60)</td>
<td>4 (2.60)</td>
</tr>
<tr>
<td>Disagree</td>
<td>3 (3.90)</td>
<td>4 (5.19)</td>
<td>7 (4.55)</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>70 (90.90)</td>
<td>69 (89.61)</td>
<td>39 (90.26)</td>
</tr>
</tbody>
</table>

Degree of freedom = 2
Level of significance = 0.05

Youth’s Perception of Unemployment Consequences, Failures and Lessons
Table 2 presents the youth’s perception towards consequences of urban youth unemployment, the failures and lessons learnt. A large proportion of the youth 139(90.26%) disagreed that there were no consequences of urban youth unemployment in Kenya, the failures and lessons learnt while 8(5.20%) agreed. The Chi-square test of significance indicated that the difference between youth in the two cities, Nairobi and Kisumu on their perception towards consequences of urban youth unemployment, the failures and lessons learnt was not significant.

Table 2: Perception on the Absence of Consequences of Urban Youth Unemployment, the Failures and Lessons Learnt

<table>
<thead>
<tr>
<th>Perception towards</th>
<th>Nairobi Youth</th>
<th>Kisumu Youth</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>1 (1.30)</td>
<td>2 (2.60)</td>
<td>3 (1.95)</td>
</tr>
<tr>
<td>Agree</td>
<td>2 (2.60)</td>
<td>3 (3.90)</td>
<td>5 (2.52)</td>
</tr>
<tr>
<td>Undecided</td>
<td>3 (3.90)</td>
<td>4 (5.19)</td>
<td>7 (4.55)</td>
</tr>
<tr>
<td>Disagree</td>
<td>4 (5.19)</td>
<td>5 (6.50)</td>
<td>9 (5.84)</td>
</tr>
</tbody>
</table>

Strongly agree: 67 (87.01) 130 (84.42)
Degree of freedom = 2
Level of significance = 0.05

Magnitude (Gender Disaggregation) of Urban Youth Unemployment in Kenya
As reported by the respondents, there were wide variations in female and male labour force participation in Nairobi and Kisumu cities of Kenya. The findings indicated that labour force participation rates are lower for women than for men; there were male dominated jobs as well as female dominated jobs with 60% and 40%, respectively. In fact, the informal sector was dominated by male. ILO (1997), Okojie (2000), and African Centre for Gender and Development (2002) observe that women face various structural constrains on their effective participation in economic activities due to customary laws and norms which impede women to a greater extent than men from obtaining land, credit, productive inputs, education, information, time poverty, resulting from women’s multiple and competing productive and productive responsibilities. In general, women are at a disadvantage in access to and control over productive resources. Consequently, their economic activities suffer from low productivity and are often poorly remunerated. Women’s employment has wide implications for households and the community, as their incomes directly contribute to family welfare.

Nature and Type of Government and Non-Governmental Organizations Interventions
The government of Kenya uses policies to address unemployment through its budgeting so as to effect beneficial changes in the over-all levels of incomes, prices and employment (Republic of Kenya, 2002; 2003a; 2003b). Monetary policy, for example, is concerned with the lowering of the cost and increasing the availability of money or credit for business investments. However, the government is addressing the policy deficiencies which are
aggravated by the general lack of skills and job apathy among the youths, and the general decline in the national economic growth. The government is also addressing ways through which the existing strategies, and specifically, the National Youth Policy and the Poverty Eradication Plan, can be enhanced and be effectively implemented to create adequate job opportunities for the youth.

The government also has put forth concerted and deliberate efforts to encourage investment activities to expand the economy and the trickle effects that would result in jobs creation. The education system is also being re-oriented to make it relevant to the job market needs. The emphasis is on skills acquisition and not merely to pass exams. Regrettably, problems of unemployment as experienced by the educated youths and even the uneducated but skilled youths have become more pathetic in many developing economies, despite the neo-liberal strategies in addressing the issue of enhancing human capital. The world in the 21st century is witnessing a wave of entrepreneurship happening with more and more people looking for self-empowerment and business ownership. The role of governments and big businesses as a provider of jobs is shrinking and people are looking to empower themselves in other ways. To this end the government also puts emphasis on entrepreneurship as an integral part of curriculum in training institution and education.

Entrepreneurship is increasingly accepted as an important means and a valuable additional strategy to create jobs and improve livelihoods and economic independence of young people. A number of non-governmental organizations have targeted the youth unemployment and have come up with various strategies to address them. A number of policy interventions have been formulated and variously implemented, since independence, to address the growing employment problem in Kenya. Key among these policies is the growth-oriented development strategy augmented by a high wage and Kenyanization policies adopted at independence (Republic of Kenya, 1964). The government also undertook to engage in direct employment creation, regulate wages, operate employment exchange programmes, improve labour market information systems, and re-orient education and training systems to vocational and technical training areas as a means of promoting employment creation.

Other measures also implemented to address the country’s employment problem include promotion of growth and development of the informal and Jua Kali sector, adoption of fiscal policies, and short-term measures such as tripartite agreements (Republic of Kenya, 1969). In the 1990s and early 2000s, government employment interventions targeted enhancing the acquisition and promotion of efficient use of labour market information, reliance on market forces to mobilize resources for sustained growth, provision of public infrastructure, industrialization, enhancement of private sector investment and participation in the economy, promotion of industrial harmony and productivity, and liberalization of the labour market (Republic of Kenya, 2002). In 2003, the government of the National Rainbow Coalition (NARC) formulated a five-year development strategy (Economic Recovery Strategy for Wealth and Employment Creation, 2003-2007 [RoK, 2003a]). This strategy put a case for empowerment of the people through creation of employment and other income earning opportunities.

The Youth Enterprise Development Fund was conceived in June 2006 by the government as a strategic move towards arresting unemployment. The loan targets all forms of youth owned enterprises whether owned individually, as a company, in groups, in cooperatives or any other legal forms of business ownership; seventy five percent (75%) of those unemployed are the youth. The government fast-tracked this noble and timely initiative (www.yedf.go.ke). The Fund was gazetted on 8th December 2006 to provide the necessary legal framework to govern its use and operations. The Fund facilitates youth employment through enterprise development and structured labour export. The Fund disbursement process to the youth enterprises through the Financial Intermediaries and the Constituency Youth Enterprise Scheme was launched in 2007 (www.yedf.go.ke2010/06/17).

Urban Youth Unemployment, Failures, Lessons Learnt and Challenges

It seems that the level of unemployment is a mirror image of the state of a nation’s economy. Suffice to also say, youth unemployment is highly dependent on the overall status of the economy. Economic activity, measured by GDP growth, is probably the single factor that most influences the chances of young people finding a job. Low or negative GDP growth, economic recession and low investment are direct causes in the shrinking demand for labour source of funding among the youths and accessing the fund for projects remains a great challenge. Most youth have not been properly informed on how funding can be accessed. Furthermore, projects funded have not been properly managed either and hence low repayment rates. The funds that exist such as Youth Enterprise Development Fund (YEDF) have staffing problems and hence lack proper monitoring and capacity building. The fund has not been able to address gender imbalances and has not made significant impact in society, a challenge in itself.

The unemployment challenge in Kenya has grown overtime. The level of open unemployment increased from 6.7 percent in 1978 to 25.1 percent in 1998/1999 before easing to 12.7 percent in
There have been considerable variations in unemployment amongst the different age cohorts, with the youth category recording relatively higher rates of open unemployment. Overall, youth unemployment has persistently been at least double the national unemployment rate. Unemployment trends of different demographic groups show that youth unemployment rate is relatively higher than the total unemployment rate. There seems also to be youth and gender related inequities in access to employment opportunities in Kenya. It seems that equality in access to employment opportunities, including pay, is a key component of decent work. Hafkin (2002) asserts that consideration of gender issues in development is the greatest good. This is because gender disparities create inefficiencies, hampers growth and lowers the potential well being of a society. Accumulated empirical evidence demonstrates the centrality of gender equality for equitable economic growth and poverty reduction. The proportion of women employed in the formal sector increased marginally from 26.2 percent in 1995 to 29.5 percent in 2000, depicting a 3.3 percentage point increase over the five-year period while the proportion of women in formal sector employment remained constant at 29.6 percent in the period 2001-2004 but declined to 29.4 percent in 2005. It then increased marginally to average 30.2 percent over the 2006-2008 period (ibid.).

CONCLUSION
One of the key challenges facing the Kenyan youth is lack of necessary education, relevant training and the knowledge and skills required to enhance their absorption into the labour market. Majority of the youth do not possess appropriate labour market skills, knowledge and attitude. At the same time, there are too many unproductive and precarious jobs offering poor terms and conditions of employment. In practice, there are many complex structural and frictional constraints related with lack of employability. Most employers, for example, insist on looking for “experienced workers” while the youth, expectedly, lack the required work experience. While majority of employers in both private and public sectors of the economy put past experience as a minimum qualification requirement for certain jobs, Kenya lacks a framework for actual work experience compared to industrial attachment and an apprenticeship system to enable trainees acquire practical skills necessary for the world of work. That is, there is a difference between actual work experience and industrial attachment; the former has to do with someone who was actually employed while the latter has to do with someone who was only with the organization for a limited period of time under different terms and conditions. Consequently, new labour force entrants lack the required practical experience to undertake assigned tasks, calling re-training with attendant incremental costs.

In Kenya, however, there are no policies governing linkages and collaboration between education and training institutions, on one hand, and industry, on the other hand. This is reflected in the development and implementation of education and training curricula which is done without effective consultation and collaboration with relevant stakeholders, especially industry. In addition, skills development in the country continues to be undertaken without due regard to labour market requirements. Furthermore, institutions such as the National Manpower Development Committee (NMDC) which were meant to provide the necessary framework for interaction between training providers and industry are no longer functional. There is also minimal coordination, if any, between Government, employers, training providers and policy research institutions. Increasing global competitiveness requires re-orientation by economies to keep pace with global challenges, especially the fast changing technologies. In Kenya, a technological gap has been witnessed in various sectors of the economy, with the most affected being manufacturing, agriculture and information and communication technology. The rapidly changing nature of employment and work requirements has brought about the need for retraining and retooling of the Kenyan workforce for increased efficiency and productivity. Increased conversion of middle-level colleges, especially national polytechnics and technical training institutions into public universities, however, may weaken the skill upgrading nexus between secondary, tertiary institutions and universities. This has impacted greatly on the employability of the youth.

The desirable situation in Kenya is that boys and girls have equal access to education and often girls are doing better than boys at school. But unemployment has continued to be higher among women than men. Furthermore, on average, relatively most men earn more than women. Women face various structural constraints on their effective participation in economic activities that include poor customary laws and norms which impede women to greater extent than men from obtaining land, credit, productive inputs, education, information health care and coexistence of multiple laws which create ambivalence (for example customary and statute laws relating to marriage and inheritance; gender bias in access to basic human resource development services such as education, training and health, resulting in gender gaps in adult and/or youth literacy rates and time poverty resulting from women’s multiple and competing reproductive and productive responsibilities) (Okojie, 2000; 2003). Regardless of these poor customary laws and norms labour market also exhibit discriminatory policies, structural
barriers and other prejudices that inhibit majority of female youth from entering and staying in the job market.

Analysis of the employment data for Kenya shows, for example, an increasing trend in the engagement of workers on casual terms of employment. The relatively high unemployment levels amongst the youth and particularly the women folk may as well suggest their disproportionate share in precarious employment. It is noted that most employers in Kenya, particularly those within the private sector have resorted to the increasing use of casual, temporary, part-time, contract, subcontracted and outsourced workforces to ostensibly reduce labour costs, achieve more flexibility in management and exert greater levels of control over labour. This trend allows the de-politicization of hiring and firing that makes it easier for companies to avoid labour legislation and the rights won by trade unions. The nature of employment of casual workers do not facilitate them to enjoy the fundamental rights of workers such as freedom of association and collective bargaining, right to paid leave and other requisite benefits. This revelation contrasts sharply with the country’s desire to reduce poverty and enhance social protection. This leads to lack of motivation and increases shirking, which decreases effort. This could partly explain the persistently low levels of labour productivity, low enterprise competitiveness and the slow economic growth rates in Kenya.

The Kazi Kwa Vijana (KKV) programme, one of the “youth” targeted public works programme in Kenya, is a fairly recent initiative but is not as effective as anticipated. Experience shows that the longer people stay out of work, the more their “employability” deteriorates, making it progressively harder for them to gain employment. This is especially worrying for the youth who may have completed school and get trapped into a lifetime of weak attachment to the labour market alternating between low paid insecure work such as casuals and open unemployment.

**RECOMMENDATIONS**

A number of various labour market programmes and interventions aimed at redressing the youth employment problems that have worked elsewhere can be customized in Kenya:

(a) One of the comprehensive surveys of interventions to address youth employment is provided by Betchereman et al. (2007) and Puerto (2007). This is based on findings of a Youth Employment Inventory (YEI) of 289 interventions implemented in 84 countries representing all regions of the world. The interventions are categorized based on a framework developed by Godfrey (2003). The framework for the YEI comprises two key elements: (i) increasing labour demand and (ii) increasing the integrability of workers to enable them take advantage of employment opportunities as labour demand increases.

(b) Promote innovative ways to expand technical and vocational skills development focusing on out-of-school youth in the rural and informal economy in terms of employment promotion and income generating opportunities through skills development initiatives, for example, informal apprenticeship. A key issue is raising the level of employability for individuals by ensuring they have the important generic skills in team-working, reasoning and communicating that are among required ones for many modern careers'. Educational and training institutions need to maintain and increase their activity in developing employability skills in all students, despite the economic downturn and the pressure on budgets. History shows that investment during a downturn leads to success when pressures ease, and investment in employability is an investment in the future.

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http://www.yedf.go.ke


