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## MANAGING LEADERSHIP TRANSITION IN ETHIOPIA BY TURNING CHALLENGES OF YOUTH UNEMPLOYMENT INTO OPPORTUNITIES- A SYSTEMATIC LITERATURES REVIEW

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### ABSTRACT

**Purpose of the study:** The main objective of the study was to identify possible remedies and make recommendations to turn the challenge of youth unemployment into an opportunity during the political transition period in Ethiopia.

**Statement of the problem:** In recent years, the influence of the youth on social, political and economic matters is rising in Ethiopia. The problem facing the youth such as unemployment, violence and addiction can have a snowball effect on the social, economic and political situations in the country. Due to this the government has to place a high priority in resolving problems that are facing the youth. Youth unemployment is among the top challenges that have to be addressed by policy makers in government. The youth has become an easy target to various interest groups in the country mainly due to unemployment making them readily available to accept or willing to be engaged in any agenda that comes in their way. In the past 2 years the country has seen ethnic conflicts as a result of political transition that were mainly driven by the youths. The ethnic conflicts and violence by the youth have caused a substantial damage on property and lives in the country.

**Research methodology:** A systematic literature review methodology was followed to make conclusions and recommendations.

**Conclusions:** The study concluded the prevalence of youth unemployment has become a serious concern for the stability of the country. The National centers to operate according to a set standard of operation procedure.

**Recommendations:** The main recommendation of the study was for the policy makers in government to prioritize and implement the establishment of National centres where perpetrators will be confined and given the opportunity to be more productive citizens by getting education. Vocational trainings and counselling centres are expected to change them into productive and law-abiding citizens. The National centers play the major role in this recommendation and the study further suggested the management of these centers to be based on a strict standard operation procedure.

**Key Words:** *Ethiopia, Youth Unemployment, Leadership, Political Transition*

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## **1.1 INTRODUCTION**

### **1.1.1 Background of the Study**

Since 2015, Ethiopia has been experiencing vibrant political protests that gave rise to a government change in 2018. The changes and reforms implemented by Prime minister Abiy Ahmed during the first year in office were threatened in 2019 and 2020 (HRW, 2020). Some of the major political unrests and communal violence include the coup attempt in the Amhara region, incident with the Oromo activist and media owner Jawar Mohamed in Addis Ababa and its surrounding, and the unrest in Oromia following the assassination of the Oromo singer Hachalu Hundessa. According to the HRW (2020) report, citing international organizations for migration report, the projected internal displacements in Ethiopia can reach up to 1.6 million out of which 66.4% are due to conflicts. The internal displacement monitoring centre [IDMC] (2019) reported that the number of internal displacements in Ethiopia due to ethnic clash in Oromia, Amhara, Somalia, and SNNPR regions led to 522,000 new displacements in the first half of 2019. The youth have been involved in these acts of violence as perpetrators and become victims as well. The unemployed youth, including the educated unemployed ones are at the epicentre of the violence and protest in the country (Abebe, 2020). Youth unemployment has become a major problem in Ethiopia since the early days of EPRDF tenure. According to a survey conducted in 1994, young people below 35 years constituted 90 per cent of unemployed in the urban (Ayele & Khan, 2017). This high unemployment in the urban areas can be linked to the reduced capacity of the states to offer employment opportunity to a growing youth population.

Youth is a transition period to adulthood. So, in their political position, leaders should guarantee the rights and services of the youngsters in the area of health, education, and employment. Otherwise, the transition can be severely affected as seen in various African countries (Abbink, 2005). UNDP's report on human development index doesn't seem to confirm Ethiopia, as a state, has been successful in delivering the benefits of development to the youth population (UNDP, 2019) (Honwana & De Boeck, 2005). The report from UNDP on human development index doesn't seem to confirm Ethiopia, as a state, have been successful in delivering the benefits of development to the youth population (UNDP, 2019). According to the report the country has been ranked 173 out of 189 countries and territories. The HDI assesses the long term progress in three basic dimensions of human development, which are: a long and health life, access to knowledge and a decent standard of living. For the period under review, which was close to two decades, there was only a 65.8% increase in the human development index (HDI). To resolve unemployment issues, a coordinated approach has to be followed as the cause of youth unemployment in urban and rural areas has their own similarities and differences (Ayele & Khan, 2017). In Ethiopia, some of the common causes of youth unemployment include skills development and exclusion of those who are not in education, employment or training and limited access to financial services. There are two main factors responsible for urban unemployment in Ethiopia, these are: the constraining environment that inhibits the private sector and specifically growth of micro and small enterprises and the failure of the educational sector to produce entrepreneurial youth with improved skills and mind-sets. On the other hand, the main cause of youth unemployment in the rural area is the land tenure system that excluded the youth and make them "property-less".

## **1.2 PROBLEM STATEMENT**

For close to a decade, Ethiopia has faced intended and unintended outcomes due to the advent of ethnic federalism that prioritize the tribal identity than nationalism. This has given rise to the emergence of youth groups that have, at times, become an extremist in the advocacy of

ethnic federalism. There was no harm in advocating ethnic federalism. The problem starts manifesting when the ideology of ethnic federalism become a challenge for harmony and co-existence of various ethnicities in the regional states of the country. Recently, the country has seen ethnic conflicts as a result of political transition that were mainly driven by the youths. The ethnic conflicts and violence by the youth have caused a substantial damage on property and lives in the country. One of the root causes of the problem is youth unemployment where from various interviews and investigative reports following the conflict, the youth has been main actors in the violence's including looting of properties and have been mobilized by interest groups as they are readily available for their agenda. It is also evident that there is a high youth unemployment rate in Ethiopia where two third of the country's population are under the age of 25 years old and more than half are women (CBMS, 2018). This challenge related to the unemployed youth population can be turned in to an opportunity if proper policies are devised and implemented by the government. It can also be a way out of the current tension and ethnic violence for a smooth transition in the country. Since the early days of EPRDF, the country has drafted various laws and policies in order to reduce crime by the youth and create employment opportunities to the growing youth population and transform them into a law -abiding citizen. However, the systems lack consistent implementation and hijacked by the political agenda of the government. The study conducted a systemic literature review to make a recommendation on the best way of managing this critical workforce to turn challenges related to youth unemployment into opportunities to create stability in the country.

### **1.3 RESEARCH OBJECTIVE**

The purpose of this research is to identify possible remedies and make recommendations to tackle the issue of youth unemployment and reduce their role in violence and destruction in Ethiopia.

## **2.0 LITERATURE REVIEW**

### **2.1 Youth Related Policy Review in Ethiopia**

#### **2.1.1 Vagrancy Control Policy**

The EPRDF government came with a vagrancy control policy in 2004 under proclamation number 384/2004. According to the proclamation, Vagrancy was defined as "... whosoever, being able-bodied, having no visible means of subsistence' but found committing actions restricted in the proclamation. Such restricted actions include 'betting and gambling in a public place, substance abuse, disturbing on streets or around schools, participating in organized gang brawls' (FDRE 2004: 2534–6). 'Police' and the 'federal prisons commission' are identified as being responsible for implementing the VCP. The VCP was introduced in the wake of large-scale unrest in Ethiopia in 2001 where at least 40 people were killed and various distractions were recorded including looting, ransacking and vandalism in the urban areas.

This policy's main aim was to curb the wide-spreading Vagrancy in the country during the time, which has created a threat to the people's tranquillity and order (Ayele & Khan, 2017). The policy was drafted to permanently dispel this threat to bring criminals to justice and create social rehabilitation conditions. In addition, the vagrancy control proclamation was intended to impose punishment proportionate to the crime committed and create conditions for the transformation of the perpetrators in to a law-abiding and productive citizen. Ayele and Khan (2017) argues that the narratives and framings in the VCP correspond with societal narratives about 'idle' and 'unemployed' youth who pass most of their time on the street and

are perceived as deviant because of their failure to meet societal expectation of growing up and be an independent adult.

However, the transformation into a law-abiding citizen cannot be achieved through punishment though the proclamation briefly mentions about counselling. Hence, the limitation of this policy was the assumption of creating a law-abiding citizen through prosecution for the crime committed without proposing a strategy to upskill and educate the perpetrators with moral values and vocational skills. These skills can help the perpetrators integrate back into the society and make an impact in their individual life and their communities when they finish their terms. In conclusion, there is a lot of similarity in the political context when the VCP came in to being and the present context in Ethiopia. Both times exhibited limited economic opportunity to the vast number of youths in the country and the youth hustle for survival through a combination of legal and illegal activities.

### **2.1.2 National Youth Policy**

The national youth policy (NYP) was the main approach used by EPRDF to assess issues related to the youth after its endorsement in 2004. However, following the election crisis in 2005, the government embarked on the use of VCP instead of NYP, and it has been in use whenever the political environment is tense. The NYP was also termed as the most significant youth specific state document by guiding the political process of cooperation and negotiation with the youth that the government was in dire need (Ayele & Khan, 2017). The NYP was aimed at creating an “empowered” young generation with values incorporating a democratic outlook, knowledge, professional skill, organized engagement, and ethical integrity (MYSC, 2004).

In addition, the policy was aiming to bring active participation of the youth in socio economic, political and cultural activities and enable the youth to be a beneficiary of the result. The two main narratives of NYP are the broad narrative on the status of the youth and a narrow narrative on the issue of youth employment in the country. On the broader narrative the main factors restricting young people’s potential energies and capabilities are identified to be high level of poverty together with economic and political marginalization. Nonetheless, the narrative specific to the youth's employment has several layers, explicitly admitting the government alone cannot resolve them without the youth creating job for themselves. The study can borrow an important lesson from this policy in its recommendation for the youth to be “job creators” when they are back in the community using the vocational skills learned in the “national centers”. Since the youth will be beneficiaries of the revenue from the “National centre”, part of it will be used as a start-up capital for the business they will be engaged in upon graduation from the centers.

### **2.1.3 The Youth Development Package**

The youth development package policy (YDP) was developed following the inconsistent use of the NYP and political urgency following the 2005 post-election violence in 2006. The YDP puts emphasis on the consultation with the youth in Urban and rural areas to address “burning problems” such as unemployment, unavailability of well-equipped and youth-focused social services and recreational centres’ and ‘exclusion and lack of participation forums’ (FDRE, 2006). The YDP endorsed the youth as a “front-leader” to solve the problem they are facing following a strategic directions that were set out including enabling of the youth to understand its leading role, facilitating youth participation forums, enhancing young people’s educational, vocational and leadership skills for improved participation, and organizing the youth depending on their interests.

The main criticism of YDP policy is the omission of consultation with all stakeholders specially the youth before implementation. It was devised in a rush to quickly respond to the post-election violence of 2005 for implementation by the ministry of youth, sport and culture (MYSC). The most critical aspect of policy formulation, consultation, was left out. Despite the attempts of the YDP to acknowledge and act on the structural and institutional constraints of the youth through the expansion of MSEs, the government did not examine the sustainable and long term impact of the policy and focused on regaining legitimacy.

## **2.2 EMPIRICAL LITERATURE REVIEW**

### **2.2.1 Success Stories of Labour-Intensive Agriculture**

Agriculture plays a big role in the Ethiopian economy and creates job opportunities for about 80% of the labour force. Despite the fact that the country has a large potential of arable land, only less than 5% of this potential is irrigated due to lack of water storage facility and infrastructure systems. If proper policies are devised and implemented to utilize the abundantly available arable land and labour resource, the country can emerge as a success story in labour intensive agriculture (Worqlul *et al.*, 2017).

Almeria horticultural farms are located in Almeria, Spain, once one of the poorest Spanish provinces. It covers a total of 31,000 hectares (76,600 acres) and visible from space with annual production of roughly 3.5 million tonnes of fruits and vegetables. Thanks to the labour-intensive fruits and vegetable farms, the province has now become the most affluent province in Andalusia and ranked now about average in Spain. The success stories of the Almeria horticultural farms have become a counter point to current European rural development strategies that considers the promotion of agriculture a mistake and advocate instead the economic diversification of farms (Aznar-Sanchez *et al.*, 2011). Labour intensive farms in California state, United States of America produces two-third of the nation's fruits and nuts and one-third of vegetables, of which a quarter is exported around the world. There are more than 400,000 farm workers employed for the planting, harvesting and packing. In recent years California farmers have reported farmworkers shortage specially during harvest seasons (Rutledge & Taylor, 2019). According to rural migration news (2018) there were 16, 150 California agricultural establishments hiring 425,500 workers paying USD13.7 billion in 2016. It reported also the annual average salary for a farmworker working 40 hours and 52 weeks a year to be about USD32,300. This figure is sixteen times more than the average annual living wage of a farm worker in Ethiopia, which makes Ethiopian farm produces more competitive in the international export market due to cheap labour cost (Ayelech, 2015).

The cotton production sector depends on a huge workforce and China have positioned itself very well in the global cotton production. Cotton industry in china are labour- intensive and facing an increasing challenge from labour shortage. It is also one of the most efficient cotton productions in the world using only 15% of the world's cotton lands to produce 30% of the world's cotton. Among the factors that contributed to this efficiency are the cultural practices and labour-intensive technologies despite the use of large input materials by the labour-intensive technologies (Dai and Dong, 2016).

Labour intensive irrigation farms in Egypt using the Nile river expanded following the completion of the Aswan high dam in 1964 which has illuminated the yearly flood and mud sedimentation downstream by controlling the Nile river (Satoh & Aboulroos, 2017). The labour intensive irrigation farming using Nile water have also helped to address the food and water requirements of the growing population in Egypt. There are two season of cultivation in Egypt with summer been the main season to produce field crops like cotton. The farming of the cotton absorbs much of the available labour and represents the notable portion of the

value of exports. Egypt is positioned as the principal long-staple cotton producer and other crops produced on irrigated land includes maize, rice, wheat, sorghum and fava beans.

### **2.2.2 Success Stories of Labour-Intensive Industries**

The successful labour-intensive garment industries in Thailand through job design in developing a high-performance workforce was studied by Rungrueang *et al.* (2020). In Thailand the garment industry has been a success story in producing ready-made garment for local use and export with linkage with the downstream industry that is labour intensive and does not require high investment and complicated production technique. The industry contributes about 17% to total GDP of the country and employs more than 1 million people, translating to roughly 20% of total employment in the manufacturing sector. In this study, the elements of job design included job rotation, job enlargement and job enrichment by taking in to account the health, ability and work environment of the worker. The development of business potential in the garment industry has a significant positive contribution to the Thai economy at macro and micro level. The industry has also absorbed huge youth population.

Bangladesh is another success story in the labour-intensive apparel sector. The ready-made garment (RMG) industry is growing at a steady rate through the “Made in Bangladesh” motto. The industry has contributed to social economic prospects, creating a huge number of employment opportunities mostly for the poor illiterate female workforce in the country (Islam *et al.*, 2016). The RMG sector contributes more than 10% to the Bangladesh economy and provide 84% of the country’s foreign currency earning. The sector also plays a significant role in job creation employing 4 million people. The majority of these workers are unskilled and semi-skilled labour from the rural areas where there is an acute shortage of farm lands due to the fast increasing population.

### **2.2.3 Juvenile Centers and Youth Employment Programs**

According to a report from Justice policy institute (2009), in the united states, approximately 93,000 young people are held in the juvenile justice facilities. Out of these, 70% of these youths are held in state-funded, post adjudication, residential facilities at an average of USD241 per day per youth. This is an exorbitant amount of cost and states in the US have faced serious budgetary constrain. Thus, the policy makers need to formulate strategies to reduce juvenile justice spending that won’t compromise the public safety. It was further stated that policies that locks up more youth do not necessarily improve public safety.

A coalition project, solution for youth employment (S4YE) was launched in 2014 by Accenture, International Labour Organization, International Youth Federation, Plan international, RANDA corporation, the world bank, youth business international, Microsoft, Mastercard foundation, the Rockefeller foundation and various governments (S4YE, 2017). The S4YE impact portfolio is a group of 19 diverse and high potential youth employment projects representing 15 developing nations from six continents. The objective of the project is to sharpen its focus on innovation, piloting and scaling innovative intervention on youth employment, especially those that better connect supply side with demand side interventions and working closely with the private sector. The S4YE coalition has an explicit commitment to achieve these objectives in 15 years.

## **3.0 SUMMARY AND RECOMMENDATION**

From the empirical literatures and policy reviews, the study draws the below key learnings to manage the leadership transition in Ethiopia by turning challenges of youth unemployment into opportunities. The outmoded and ill-conceived approach of treating the youth that are in trouble with the law requires a watershed change. The approach of having a prison, juvenile centre or correction centers is too costly for the government to operate by providing the basic

needs to the youth detained in this centers. Rather a more robust approach that fit the local situation in Ethiopia is mandatory to reach at the expected outcome. At the moment youth unemployment is high in Ethiopia and the youth have become targets by political interest groups to advocate their agenda. This is mainly observed among the educated and unemployed youth in rural and urban areas that have become vagrant making them fall easily in the trap of the interest groups. These interest groups have either political motives or intentions to cause tensions between the co-existing ethnic groups in the country. So, the root cause of the problem is youth unemployment and the proposed solution of establishment and implementation of an alternative solution to prison/juvenile centers, termed in this study as “national centers”, requires a clear-headed, common sense, and bipartisan approach.

The vagrancy control policy (VCP) narrative of criminalizing the youth perpetrators cannot be pursued due to major human right violations and the inability of the state to provide basic needs to the perpetrator in the traditional prison system. There are a lot of opportunity costs in locking up a young and energetic working force in a juvenile centers that can potential be an engine of development for a nation. One lesson the current political leadership can learn from the recent past is the ineffectiveness of a VCP approach in resolving the problems at hand. This study calls for an alternative approach to detaining youth perpetrators who have been found engaged in violence and ethnic conflicts in prisons or juvenile centres. This alternative is the establishment of dedicated centres which are termed as “National Centres” in this study. This so called “National Centres” are similar to detention centres in the approach they follow in controlling the behaviour, conducts and actions of the youth perpetrators. They are managed based on a well-structured standard operating procedure that stipulates similar process as the prison or military system in terms of discipline and following rules and regulations.

The perpetrators are obliged to spend a duration of time in the “National Centres” depending on the level crime committed and the level of improvement from the regular assessment by the “National Centres” administration. The perpetrators, during their stay, learn vocational skills, moral values, co-existence with other youths from a different ethnicity and gradually turn in to a law-abiding citizen before graduating from the centers. Each “National Centres” to be operating according to a stipulated “standard operating procedures”. In the process the national centres are assumed to be self-sufficient by becoming a showcase centers of productivity where their surpluses can be sold to the local market or export. The production and operation of the national centers will be using the internally available, able and energetic youth workforce. The centers have to be located at a strategic location where cultivation of land through irrigation is possible for labour-intensive agricultures. The research also suggest the adoption of a successful labour intensive agricultural or industrial production similar to the ones reviewed under the literature review section including but not limited to fruits and vegetables farming , cotton production, garment and apparel productions with strong forward and backward linkage in the supply chain. Choosing a strategic location for the national centers is important from a logistic perspective for access to inputs and market (both local and export).

The “National Centres” are expected to be self-sufficient by becoming productivity and youth empowerment centres. A proper study has to be conducted to choose a perfect location for the establishment of the “National Centres” with the main factors taken under consideration. The locations have to be close to inputs to the “National Centres” and markets for the outputs. In Ethiopia, there are various industries that require a backward integration with labour intensive agricultural activities in the local economy. To mention few, the ongoing expansion of sugar factories, manufacturing in the industrial parks like textile and leather, food oil factories etc. The “National Centres” can be located at a strategic location to create seamless

linkage to the aforementioned projects. The production of sugarcane by the “National Centres” can be used as an input in the sugar factories, dairy farms by the national centers can supply hides and skin to the factories engaged in value adding leather industries at the existing industrial zones. Similarly, a strategically located “National Centres” in the north western oil seeds producing areas of the country can supply an input to factories that produce food oil and enable the country to export a value-added product instead of exporting row oil seeds.

In addition, lessons learned from the successful stories of labour intensive industries covered under the empirical literature review calls for policy makers to focus on identifying suitable sector for employing the youths from the “National Centres” by conducting proper research on the climate suitability for agricultural activities and other local situation. Regarding “National Centres” engaged in agricultural sector, value adding on the output can be considered instead of supplying row outputs to the market which can further create employment opportunities. This technique can be followed specially for perishable productions such as fruits and vegetables where a value addition can help in reducing wastage.

The “National Centres” are expected to operate according to a set standard operation procedure. Depending on the level of crime committed by the youth, he/she can spend a specified duration in the centre and will pass through an academic curriculum (using televised or virtual instruction technique), vocational trainings and counselling. After an individual finishes the term, he (she) is expected to undergo an assessment as prescribed on the SOP and if the results are satisfactory, they will be allowed to leave the centre. Thereafter, the the centre is expected to consult the individual on the business he/she would want to participate after leaving the centre and will be provided with start-up capital. The start-up capital will include the accrued salary paid after graduating from the centre for the service during the stay. The standard operating procedure (SOP) also dictate the “National Centres” to follow a predetermined process in managing the conduct and behaviours of the youth in the centre. A high level of security is required to guard the youth in the centre from fleeing away as well us monitor every activity of the youth. The responsibility to provide the security to the centers can fall under the relevant law enforcement agency of the federal government.

The standard operating procedure will be used to guide and dictate the management of the “National Centres”. Once the pilot projects are rolled out and the success showcased on a number of selected “National Centres”, the government can gradually withdraw and consider the participation of private investors. In doing so, the government has to continue overseeing critical areas of the “National Centres” such as security and quality. The investors can invest and become shareholders on the returns with the youth from the “National Centres”. There are a number of good example of successful projects and PPPs that have a similar arrangements agreed between private investors and governments where all the arrangements are guided by global best practices such as weighted cost of capital (WACC) formula so that equitable share of returns can be enhanced between the investors and the youth who gets the share on graduation from the centers.

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