



MAGNITUDE AND IMPACT OF YOUTH UNEMPLOYMENT IN GHANA

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Abstract

Youth unemployment in Africa today is of critical concern. Youths (ages 15-24) in the region constituted 36.9 percent of the total working age population over the period 1995-2005. Unemployed youths are forced to find alternatives to generate income, including survival-type activities in the informal sector and criminal activity in extreme cases. Urban youth unemployment is exacerbated by rural-urban migration. The article examines how the unemployment situation in Ghana is affecting the youth. Specifically, it looks at the magnitude of the unemployment problem facing the youth in the country and the impact of youth unemployment on the economy. A case study approach within the context of descriptive analysis was adopted. The methods of analysis include reviews of existing data sources and descriptive analysis of findings contained in the censuses of 1960 through to 2000 as well as validation exercise using information provided by the Ghana Living Standards Survey. The study recommends that the self-employment and entrepreneurship development section of the Ministry of Education be strengthened to give meaningful institutional backing to programs aimed at enhancing the employment potentials of the youth.

Keywords: magnitude, youth, unemployment, labor, economy, entrepreneurship.

Introduction

The number of young people globally is about to become the largest in history relative to the adult population. At present, more than 50 percent of the population is under the age of 25, or just over three billion individuals are youth or children (UNPF, 2000). In terms of youth alone (age 15-24), there are over 1.3 billion youth in the world today. This means that approximately one person in five is between the age of 15 and 24 years, or 17 percent of the world's population is "youth." This figure is projected to increase to 89 percent by 2025. The implications for instability represented by this overall scenario are alarming and likely to

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continue. According to the standard United Nations definition, youth comprises the age group between fifteen and twenty-four inclusive. In practice, the operational definition of youth varies widely from country to country depending on cultural, institutional and political factors (Seekings, 1993).

Traditionally in Ghana, youths as a group were perceived to take instructions from elders, because they were inexperienced. This perception that they had to be cared for characterized a culture of interdependency with established codes of conduct that regulate the relationship between adults and the young. According to Abrefa (2003), unwritten rules about the behavior limits of young people in the community, defined a normative behavior that governed roles, and expectations of different age groups. In the last two decades, however, this perception changed as the youth became more educated and assertive. Youth enlightenment was radically enhanced by the increased level of information resulting from the proliferation of radio and televisions, internet services and mobile phones. This increased awareness was somewhat misdirected by a segment of the youth leading to hooliganism, drug abuse, and criminal activity. The proverb, "it takes a village to raise a child," highlights the communal obligation of adults to promote the well-being of young people, whatever the changes in traditional perception of the youth. As a result, parents, the government, and religious bodies have seen the need to harness this awareness into productive ventures. These stakeholders are beginning to understand the modern youth and their concerns in efforts to channel the youth into national development. It is now recognized that the youth are productive social beings, who want to be connected to their communities, and connected to caring adults for support, acceptance and nurturing.

The definition of the International Labor Organization (ILO), which is now the most widely used definition, at least as regards the reporting of unemployment statistics, define unemployed as those people who have not worked more than one hour during the short reference period but who are available for and actively seeking work. Unemployment has social as well as economic consequences for young people. Unemployed young people are forced to find alternatives to generate income, including activities in the survival-type informal economy and, in extreme cases, criminal activity. Urban youth unemployment is further exacerbated by rural-urban migration. Rural migrants believe that more jobs and social opportunities are available in urban areas, but once in the cities they find themselves without a job and with limited social networks. Trapped and discouraged by bleak job prospects, some turn to the sex, criminality and drug industries to survive. In many cases, their aspirations are frustrated.

According to Chambas (2008), youth unemployment situation in Africa today is an issue of critical concern. It is reported that, the youth in the African region constituted about 36.9 percent of the total working age population over the period 1995-2005. Its' labor force growth was 29.8 percent and unemployment 34.2 percent over this period. The labor force growth and unemployment rates are the second highest among the developing regions (ILO, 2004). The youth labor force participation rate, which measures the relative size of the youth labor supply available for the production of goods and services, is estimated at 65.5 percent.

Unemployment is currently one of the critical problems plaguing the Ghanaian economy. Although the employment situation in the country has not been very favorable over

the years, the situation has worsened in the last two decades because of structural economic reforms introduced into the economy. In fact, employment levels started a downward trend at the inception of the second phase of the Economic Recovery Program (ERP) in 1986 when retrenchment and redeployment policies were introduced. Reliable statistics on the exact nature and the levels of unemployment in Ghana are not readily available as the figures vary from agency and agency and are subject to various forms of interpretations. What is generally accepted is however that, a fairly high proportion of the 26 percent of the population, which constitutes the youth in Ghana is largely made up of both unemployed and underemployed young men and women. In spite of differences in figures, unemployment rate and youth unemployment rate are currently estimated to be about 13.4 percent and 25.6 percent respectively (Ghana Statistical Service [GSS], 2000).

Based on the discussions of the problem, the paper examines how the unemployment situation in Ghana is affecting the youth. Specifically, the paper looks at two issues namely:

- The magnitude of the unemployment problem facing the youth in the country; and
- The impact of youth unemployment on the economy.

This article is organized into five sections. Section one provides the introduction and outline the purpose of the article. Section two provides an overview of youth employment in Ghana as well as definitional considerations while section three discusses the approach and methodology. Section four presents the findings from collected field data as well as the discussions of findings. In addition, it presents the policy implications of the findings on Ghana's economic development. The final section presents the conclusion and recommendations needed to address the problem of youth unemployment in Ghana.

Approach and Methodology

The case study approach was adopted within the context of descriptive analysis. First, the study involves a review of relevant literature on youth employment in Ghana and the challenges posed by the phenomenon to Ghana's development agenda. Data for this study was gathered from the Labor Offices in Kumasi and Accra spanning a period of three weeks. The methods of analysis include desk reviews of existing data sources and descriptive analysis of findings contained in the censuses of 1960 through to 2000. In order to validate some of the information provided in the census, the Ghana Living Standards Survey (GLSS, IV and V) were also consulted.

Accra is the capital and most populous city of Ghana with 2.1 million inhabitants as of 2007. The city forms not only the core of the Accra metropolitan area, but is also the administrative, communications, and economic center of the country. Over 70 percent of Ghana's manufacturing capacity is located within the metropolitan agglomeration of Accra. Originally established around the port, the city, its suburbs and satellite towns now stretch in both

directions along the coast and north into the interior of Ghana. Accra's rapidly expanding population is mostly absorbed by informal settlements at the urban fringes and around the port area.

Kumasi is located approximately in the central part of Ghana with a population of 1,625,180 inhabitants as of 2006. The growth of industries and the large volume of commercial activity in and around Kumasi as well as the high migrant number have accounted for this increased population. Kumasi is estimated to have a daytime population of about 2 million. The population has grown rapidly over the inter-censal periods from 346,336 in 1970, 487,504 in 1984 to 1,170,270 in 2000. The city is located in the transitional forest zone and is about 270km north of the national capital, Accra. The city is predominantly a trade/commerce center with an employment level of 71 percent (Kumasi Metropolitan Assembly [KMA], 2006). Commercial activities are centered on wholesaling and retailing with both banking and non-banking financial institutions offering ancillary services. The famous Suame Magazine where small engineering based industries are sited contributes immensely to the economy of the metropolis. The woodworking business at Anloga (now relocated to Sokoban) produce to meet the needs of residents as well as clients from Accra and other parts of the country as well as neighboring countries of Burkina Faso, Ivory Coast and Mali. Another area of interest is the handicraft-industry, which includes basket weavers, potters, wood carvers and cane weavers.

Assessment of Youth Unemployment Problems in Ghana

Unemployment is difficult to define in an economy like Ghana's since the concept of unemployment usually refers to those who are engaged in formal economy wage employment. Consequently, although unemployment is quite high, only a relatively small proportion of the labor force is officially recorded as unemployed (Abdek-Rahman, 1994). In fact, the relatively low recorded figures of open unemployment problem mask the real magnitude of the employment crisis in the country. In a situation where unemployment benefits and other social security facilities are not provided, the people are generally compelled to eke out a living from any informal economic activities, however non-remunerative it may be. In this vain, what is rather more visible about the unemployment problem in the country is under-employment which is generally characterized by low-productivity and low-income rates.

The Labor Department of the Ministry of Manpower and Employment defines unemployment as someone who is unable to find a job after three months of consistent job-hunt. Since many job seekers concentrate their search within the informal economy, they often fail to register with the Labor Department. Consequently, actual unemployment figures in the country are difficult, if not impossible to ascertain. However, unemployment data from the 2000 Population and Housing census, presented in Table 1 show that, more than four out of every 10 unemployed persons are in Greater Accra and Ashanti Regions. Greater Accra alone accounts for more than a fifth (21.4 percent) of the unemployment and more than a third (36.4 percent) of urban unemployment, while Ashanti accounts for 21.1 percent of all unemployed and 25.4 percent of urban unemployment. The urban rates in Greater Accra and

Ashanti are high, because these regions are destinations for migrants from other regions and from rural areas within the regions.

It can further be seen from Table 1 that, unemployment rates in Upper East and Upper West, for both rural and urban, are much higher than the national average. Upper East and Upper West Regions do not have the pull factors, yet, Upper East has the highest unemployment rate. This may be due to the limited opportunities available for the inhabitants in the region. More than one out of every 5 economically active persons in the region has no job. Continuation of this phenomenon would even deepen the level of poverty in the region and increase migration from the region to the south.

Table 1: Unemployment Rates by Region and Locality of Residence in 2000

Region	Total	Urban	Rural
Ghana	10.4	12.8	8.6
Western	8.8	12.4	6.8
Central	8.1	10.2	6.9
Greater Accra	13.4	13.9	9.7
Volta	7.5	9.0	7.0
Eastern	8.4	10.2	7.5
Ashanti	11.3	14.4	8.1
Brong Ahafo	7.3	10.0	5.8
Northern	9.5	12.7	8.5
Upper East	20.1	14.9	21.0
Upper West	15.0	18.6	14.3

Source: GSS, 2000

Table 2 examines the geographical spread of unemployed persons over the years. From the Table, it can be seen that, in 1960, the region with the highest proportion of the total economically active population that is unemployed was Greater Accra, followed by Brong Ahafo and Ashanti. In 1970 and 1984, Ashanti came second after Greater Accra as the region with the highest unemployment level. There was however, a dramatic turnaround in 2000, with Upper East (20.1 percent) and Upper West (15.0 percent) recording rates ahead of Greater Accra (13.4 percent) and Ashanti (11.3 percent) as can be seen in Table 2. All regions recorded their highest unemployment rates in recent times and this may have been the result of the less than satisfactory performance of the economy at the time. The high unemployment situation in the two largest regional economies, Greater Accra and Ashanti, may not be surprising. This is because of the concentration of economic, education, health, social and other infrastructure in these two regions. In addition, they constitute major destination points of inter-regional migrants and since not all of the in-migrants may find jobs, they join the ranks of the unemployed.

Table 2: The Unemployed as a Proportion of Economically Active Population by Region

Region	1960	1970	1984	2000
Western	6.9	5.9	2.7	8.8
Central	5.6	5.0	2.9	8.1
Greater Accra	11.6	9.6	7.7	13.4
Volta	3.9	3.5	1.8	7.5
Eastern	5.7	5.7	2.6	8.4
Ashanti	6.4	7.0	3.1	11.3
Brong Ahafo	7.2	3.8	1.5	7.3
Northern	3.9	2.0	1.1	9.5
Upper East	3.0*	10.0*	1.0	20.1
Upper West			0.7	15.0

Source: The 1960-2000, Population Censuses of Ghana * Includes Upper West

Relationship between Youth Population and the Labor Force

In Ghana, the youth population falls between the ages of 15-24. This definition has been consistent in all the censuses held in the country (i.e., 1960, 1970, 1984 and 2000). With this definition, it means the youth comprises the following:

- Junior Secondary School Graduates ;
- Students and drop-outs from Senior Secondary Schools;
- Students and drop-outs from the technical and vocational institutions; and
- Those aged between 15 and 24 who did not enter the formal education system.

Table 3 presents the age category of the unemployed from 1960 to 2000 in Ghana. From the Table, it can be seen that, all age groups experienced large increases in unemployment levels in 2000. The trend in unemployment in the country between 1960 and 1984 as can be seen in the Table is that of an increasing unemployment proportion among the 15–24 age group, a decreasing proportion among the 25-44 age group and very low unemployment levels among the other age groups.

Table 3: Unemployment by Age Category between the periods 1960 to 2000

Age Category	1960	1970	1984	2000
15 - 19	40.1	39.8	37.7	17.0
20 - 24	23.7	31.9	36.8	19.2
Total	63.8	71.7	74.5	36.2

25 – 44	28.2	24.5	21.8	38.4
45 – 64	6.4	3.2	2.6	15.6
65+	1.6	0.6	1.1	9.8

Source: GSS, 2000

Comparing the youth population and labor force figures over the period, it can be seen that, labor force has been fairly stable over the years. For instance, the youth segments of the labor force grew by only 10.7 percent from 1960 to 1984 but fell sharply by 38.3 percent (see Table 3). The Table further shows that the youth constitute a significant proportion of both the national population and labor force. The age structure of the unemployed shows that until 2000, unemployment was largely a youth phenomenon, with no less than 60 percent of unemployed persons concentrated in the 15-24 years age group. On the other hand, in 2000, the 15-24 years age group accounted for 36.1 percent of the unemployed. In spite of the decline, the figure still remains high and calls for the necessary attention. This is because there is a gradual migration of the unemployed from the cohorts 15-24 to the 25-44. This phenomenon only goes to create addition and new challenges regarding unemployment in the adult age groups. The proportion of the youth population to the labor force ranged between 27.85 percent in 1970 to 24.51 percent in 2000 (see Table 4).

Table 4: Comparison of Youth Population and Labor Force

Category	Age Groups	1960	1970	1984	2000
Youth	15-24	726,985 (26.6)	799,588 (24.0)	1,489,888 (26.7)	1,874,014 (22.6)
Labor Force	15-64	2,610,040 (52.3)	3,138,384 (49.5)	5,234,138 (51.0)	7,645,329 (53.4)
Youth as a proportion of labor force (%)	-	27.85	25.46	28.46	24.51

Source: Ghana Statistical Service [GSS] Census Reports 1960, 1970, 1984 and 2000. Note: Figures in parentheses are percentages

Magnitude of Youth Unemployment

It is an established fact that Ghana's future success depends, to a great extent, on the capacity of her young people to play a part and contribute to nation building. Nevertheless, numerous problems confront the youth, one of which is the low youth employment opportunities. Youth unemployment in Ghana is a reflection of the imbalances between the demand and supply sides of the labor market. On the supply side, there are two main issues to be considered – the quantity and quality of labor. The growth in youth labor supply between 1984 and 2000 was 3.5 percent per annum. However, between 2000 and 2005, it increased to 6.5

percent per annum (World Bank, 2006). Out of about 230,000 people who seek to enter the labor market every year, the formal economy is able to offer jobs to about two percent or about 4,600 of them (ISSER, 2004). The remaining 98 percent of the jobseekers are left to find employment in the informal economy, where the levels of compliance with labor standards are either non-existent or very low. Clearly, the supply of labor exceeds the demand in the formal labor market. The second issue on the supply side has to do with the quality of the jobseekers. Many of the jobseekers either have no skills or, at worse, have unwanted skills. This makes them unemployable in the formal labor market where emphasis is on qualification and expertise. Where there is formal training for jobseekers, there is a problem of gap between academic training and industry requirements. All these together, have compounded the problem confronting the youth.

Unemployment is generally highest among the youth aged between 20 and 25 years. The GLSS 3 estimated that in 1992, 17.1 percent of youth aged 15-24 in the labor force were unemployed as against 4.3 percent for 25-44 and 2.7 percent for 45-59 years age groups, respectively (UNDP, 2007). The GLSS 4 puts the unemployment rate for the youth aged 15-24 years at 15.9 compared to 7.4 percent for 25-44 and 4.7 percent for 45-64 year age groups, respectively (GSS, 2008). These confirm the general assertion that unemployment rates tend to decrease with age. The rapidly increasing population growth rate at an average of 2.7 percent per annum over the past two decades puts pressure on the labor force and has been identified as the main reason for the high incidence of youth unemployment in the country.

On the demand side, low investment and low economic growth rates are the issues that have contributed to youth unemployment. Ghana is not able to attract the investment levels required and government is not investing enough in the areas of education, health, provision of water, electricity, security, and judicial services partly because of the constraints imposed by its development partners who impose restrictions on public expenditure as a condition for accessing financial support. The lack of labor market information also makes it difficult for even those who have the right skills to be placed in the right jobs at the right time and at the right place. Ghana lacks the institutional capacity to facilitate the functioning of the labor market and for manpower planning.

Statistics of unemployment registration and placements for the youth compiled by the labor Department of the Ministry of Manpower and Employment provide some indication. Although the data represent the formal wage employment sector, they provide some useful clues about the general picture of youth unemployment in Ghana. Table 5 presents national data from 2000 to 2008.

Table 5: National Data on Youth Employment by Gender

Year	Registration for Employment			Placements Made			Placement Rate		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2000	217,189	32,081	249,270	5,171	975	6,146	2.38	3.04	2.47
2001	206,254	42,116	248,370	4,176	974	5,150	2.02	2.31	2.07

2002	95,811	9,638	105,449	5,019	1,669	6,688	5.24	17.32	6.34
2003	206,720	36,480	243,200	6,373	1,125	7,498	3.08	3.08	3.08
2004	310,195	46,111	356,306	6,114	915	7,029	1.97	1.98	1.97
2005	317,764	59,730	377,494	5,601	1,160	6,761	1.76	1.94	1.79
2006	69,130	24,386	93,516	7,684	2,446	10,130	11.12	10.03	10.83
2007	53,374	16,330	69,704	3,045	653	3,698	5.71	4.00	5.31
2008	54,834	16,313	71,147	2,593	964	3,557	4.73	5.91	5.00
Total	1,531,271	283,185	1,814,456	45,776	10,881	56,657	2.99	3.84	3.12

Source: Labor Department, Accra, 2009.

An analysis of the data establishes three important findings about the employment situation of the youth in Ghana. First, statistics reveal that placement rate (i.e. employment generation for the youth) from the formal employment sector is pitifully low. The average placement rate over the nine years was mere 3.12 percent; ranging from 1.79 percent to 10.83 percent in 2005 and 2006 respectively. These figures indicate a poor performance and response of the formal wage employment sector to the employment needs of the youth. Second, the data show that the formal wage employment market in Ghana is slightly gender biased (that is, the market engages more males than females). The gap between the placement rates for both sexes is 0.65 percent. What is rather significant from Table 5 is that less than proportional numbers of unemployed females do register with the labor office. Although the male-female ratio of the youth population in Ghana is almost equal, women constituted only 15.61 percent of the total figure registered between 2000 and 2008. This may be explained by the fact that females often contract early marriages than their male counterparts, and as a result, some become housewives who do not enter the formal labor market at all. This observation leads to the conclusion that youth unemployment problem in Ghana is affecting males more than females. These young women, however, engage in a whole range of economic activities in the informal sector such as petty trading, agriculture, sewing, bread-making, and food-selling to generate income to assist their husbands in taking care of the family as a whole. As the economic conditions of the country changed in the last three decades, an increasing number of women pursued higher education, leading to the reduction of early female marriages.

Employment Opportunities for Youths and Adults

The analysis goes further to look at the relative capacities of the economy to respond to the employment needs of the youth and adult populations respectively. Table 7 presents data on how the formal wage employment sector in Kumasi Metropolis has been responding to the employment demands of the youth and adults for 2007 and 2008.

Table 7: Unemployment Registration and Placements in Kumasi

Year	Youth			Adults		
	No. Reg.	Placements	Placement Rate %	No. Reg.	Placements	Placement Rate %
2007	1354	150	11.1	865	442	51.1
2008	624	107	17.1	1674	879	52.5
Total	1,978	257	13.0	2,539	1,321	52.0

Source: Labor Office, Kumasi.

The empirical evidence in the table implies that the labor market is more responsive to the needs of the adults than the youth. Whilst the average placement rate for adult job seekers over the two year period under study was 52 percent, that of the youth was 13 percent. It must be noted however that, the gaps between 2007 and 2008 figures are gradually declining. This is due to three main reasons. The first is a progressive government policy move towards helping the youth to get jobs. Some of the policy initiatives include the Youth in Agriculture Program, National Youth Employment Program. The second is the increase in campaign to shift focus from formal government provision of jobs towards youth entrepreneurship development while the third is the gradual shift by employees to engage the youth because of their energy and innovation. The youth-adult unemployment parity in Ghana compares favorably with the general situation on the African continent. An ILO report on African Employment estimates youth unemployment rates in Africa to be about 3-4 times higher than those of the adult labor force (Abdel-Rahman, 1994). This implies that the waiting-time for youth job-seekers is higher than the adults.

The reason for the unequal access of the youth to job opportunities on the labor market is not farfetched. The simple reason is that these new entrants to the employment market are not well placed as experienced adult workers to find employment in new establishments or to go into self-employment. This is because of the Ghanaian labor market and economy's inability to generate enough jobs for the growing number of graduates in the country. Conservative estimates put the total number of graduating students from the universities and polytechnics each year to over 50,000. However, the Ghanaian economy is unable to absorb these graduates. These observations imply that future employment policies in Ghana should put in place measures, which would specifically address youth unemployment within the context of a broad economic and employment policy framework.

Unrecorded Youth Unemployment

The discussion so far has focused on the youth in search of jobs in the formal wage employment sector. It is believed that this component of the unemployed youth represent a small proportion of the national figure. Since the labor offices are based in urban areas, it is likely very few rural dwellers who constitute the majority in Ghana would register with

them. Even among the urban dwellers, it is expected that only those interested in formal paid employment are likely to register with the labor offices. With diminishing employment prospects in this sector for the youth in particular, more and more youth job-seekers are turning to the informal economy which requires no registration. This includes a large proportion of young migrants who flock into the cities and other urban centers. When some fail to land a job in the formal economy, they end up on the streets and pavements eking out a living by selling a whole array of petty items such as iced water, dog chains, car dusters, bubble gums, radio cassettes, etc. (Odoi, 1994). Recent media reports in the country indicate that these categories of youth on our streets are increasing at a disturbing rate. It is estimated that there are roughly 10,000 street children in Accra alone. Although these young people are not openly unemployed, most of them are seriously under-employed as indicated by low productivity and low income-levels.

Effects of the Youth Unemployment Problem

Given the large juvenile population in Ghana, high unemployment rates among the youth are having serious social, economic and political consequences on the nation. The impacts of the problem are analyzed on two levels: (a) Effect of unemployment on the personal lives of the youth and their families; and (b) Effects on the national Economy.

Prolonged joblessness of the youth is creating serious frustrations, hopelessness and desperation among these frail and inexperienced young folks. One thing the youth cannot bear with is idleness and boredom, which is now the lot of many. The psychological effects of boredom and worthlessness is driving many of them to commit various forms of crimes and engage in unacceptable conduct such as sex work, drug addiction, teenage pregnancy and disrespect for the elderly. Recent studies are reporting that the incidence of sex-related diseases, particularly HIV/AIDS, is increasing among the youth. Mental and psychiatric problems are also reported to be on the increase. Another disturbing impact is the dwindling interest of the youth in formal education. Some are beginning to devalue education due to their unfortunate circumstances. The consequences of the unfortunate impressions about education on the future development of these young people are quite obvious. These include disconnected members of society who become rebellious and conditioned by their circumstances hence tend to engage in deviant activities such as armed robberies, drugs, alcoholism, and violence. This is because they end up frustrated, hopeless, angry, disgruntled and eager to get even with our society for letting them down. In the not too distant future, the disinterest in education will create problems for the country due to the large pool of unemployable and uneducated people who will be a threat to peace, stability and development of the country.

To the family, prolonged unemployment of the youth means bigger family budget. This is because of the youth enjoying adult privileges without being responsible for living costs such as rent, clothing, and food a situation that generates incredible freedoms for them. After investing so much of family resources in the education of their wards, some parents have to bear with the difficult and unpleasant task of having to continue to provide daily support for their young ones after they have obtained certificates. What is even disturbing and embar-

passing to most parents is when their wards give in to peer group pressures and begin to practice some of the deviant behaviors, which land some of them in psychiatric hospitals and jails.

The impact of youth unemployment on the national economy is even more significant and far reaching. High incidence of unemployment among the youth population obviously result in high economic dependency ratio. Simply put, fewer people would be supporting the rest of the population. Second, despite the inability of the youth to contribute to the Gross Domestic Product (GDP), these young people would continue to exert increasing pressure on our national budget for social services such as health and housing given the size of their population.

Another problem youth unemployment creates for the nation is the high cost of crime control. With increasing crime rate resulting from joblessness among the youth, the country has to spend more money in strengthening our security and corrective institutions like the police, prisons and mental/psychiatric hospitals. Teenage pregnancy is not only ruining the future of our young ladies, but it is also undermining our population control programs. Children born to these teenage parents are more likely to be liabilities to the nation. Finally, the frustration and psychological pressures associated with youth employment is ruining the prospects of our future leaders and the country's development. Unless this problem is tackled with some seriousness, these young people will grow with a sense of despondency and desperation to the detriment of the national economy.

Policy Implication

It should be borne in mind that lack of growth, resulting mainly from macro-economic instability and unfavorable external trade relations, constitutes that basic abuse of unemployment and underemployment in Africa in general and Ghana in particular. Since, past economic experience has shown that economic growth alone is not sufficient condition for meeting employment objective, it is imperative that policies aim at influencing both the rate and pattern of economic growth in support of more employment generation (Abdel-Rahman, 1994). It is also significant to recognize that employment policies should be integrated into an accelerated national development program of which the private sector serves as the engine of growth.

Abdel-Rahman in his African Employment Report argued that employment strategies need to be comprehensive and multidimensional, linking macro-economic policies with employment-intensive economic growth as well as incorporating policies pertaining to population, migration and productivity. They must also be multi-sectoral to incorporate rural and informal sector development while taking head of the special needs of particularly vulnerable groups such as women, the disabled and the youth. Since our economy is still dependent on export of primary produce, there is the critical need to introduce macro-economic policies designed to intensify the diversification of our production base into export of manufactured goods based on a more labor-intensive pattern of industrial development.

Finally, any meaningful macro-economic policy intended to stimulate employment cannot by-pass agriculture. As the dominant sector of the economy, the raising of labor productivity and output in the agriculture sector is critical in achieving higher level of employment and income in the economy as a whole. This calls for introducing incentives and support mechanisms that favor our small scale peasant farmers who produce the bulk of our agricultural produce (Statistical Service, 1991) as well as attract the youth and young graduates.

On the educational front, there is the urgent need to inject more innovative and dynamic employment strategies into our basic educational system. The educational curricula should promote an enterprise culture that prepares the youth to take advantage of business opportunities in the economy. To this end, both female and male students should receive instructions in self-employment and entrepreneurship. This would be feasible if similar training is incorporated into the curriculum of all vocational teacher training institutions and programs. Further, the Self-Employment and Entrepreneurship Development Section within the Ministry of Education should be strengthened to give meaningful institutional backing to programs aimed at enhancing the employment potentials of the youth through the educational system. This broad policy framework on macro-economic and educational reforms will provide the favorable environment within which an effective youth employment program can be developed.

Given the complexity of youth employment problem in the country, stereotyped prescriptions by way of solution are likely to be ineffective. For example, evidence from various studies in Ghana showed that youth population was not a homogenous group (Van Ham et al, 1991). Youth employment promotion therefore requires conscious planning targeting specific youth groups. The following three broad groups are defined:

- Youth without employable skills: This category includes the youth without any marketable skills or trade. Not all have received formal education. Even those who have been to school might not have gone beyond primary education;
- Youth with employable skills: These are mainly the products of our basic education system as well as vocational and technical institutions. Since skills acquisition programs in the Junior High Schools (JHSs) are not well established, the products are not fully trained. In addition, they lack the requisite experience. Some of them require further training and on-the-job experience that can be obtained by serving some period of apprenticeship in the workshops of master-craftsman. These skills include dress making, cookery, carpentry, arts and crafts, masonry, auto mechanics, electrical and electronics, faring, refrigeration, upholstery, metal works etc; and
- Youth in underemployment situations: Although these categories of young people are somehow working, they are not engaged in very productive and

remunerative jobs. They may be either skilled or unskilled; in paid or self-employment and might have received formal education or not.

Each of these broad categories can be further sub-divided. Proper identification of relevant target groups will therefore ensure that the design of employment programs is made more demand responsive. Without this, there is likely to be some mismatches between the demands of the labor market and the type of personnel we produce. In terms of programs, the following two major outfits are proposed:

Youth Employment Information Center

Although the proposed Youth Employment Information Center will be similar to Youth Employment Registration Unit of the Labor Department, its role and range of activities will be more encompassing than the former. This outfit will function on the philosophy that availability and dissemination of information is a vital requirement for the effective operation of the labor market. Access to information by all the key players in the labor marketplace would enhance effective transactions and minimize waste and delays. The specific functions of this outfit may include the following:

- **Research:** the outfit will compile all statistics and information on available employment opportunities and prospects in every region. This will include avenues for paid-employment as well as opportunities for self-employment. On the latter, the research will examine the feasibility of certain types of businesses. The output of these feasibility studies will be an assemblage of data on capital requirements, infrastructure and input needs, marketing prospects and problems, production levels of specific business enterprises;
- **Registration of unemployed youth:** The objective here is to get-up-to-date records of employment levels of the youth. The concern is not only to link them up with employers but more importantly, to get proper estimates of the magnitude of the unemployment situation to facilitate effective planning and projections. It is suggested that at least, all final years students of JHSs should be registered before they pass out. Those in the rural areas can be registered through District Assembly members in the electoral areas. District Labor Offices can oversee this exercise;
- **Counseling Services:** The main task is to mount continuous counseling sessions for those registered with the outfit. This counseling program should be introduced to the students just before they graduate so that they would avail themselves for further counseling sessions while searching for jobs. Counseling should not only focus on how to choose jobs but should also enlighten people about potential avenues for self-employment. Education on labor

laws, work ethics, working conditions, wages level etc. should be included in the package; and

- Linking of employers to job-seekers: the purpose is to link employers to job-seekers. Experience has shown that employers often want to avoid the labor office for various reasons. Appropriate incentives and sanctions should be introduced to make it more beneficial for both employers and job-seekers to deal with the Information Center.

Business Training and Promotion Center

This outfit would be in charge of a number of activities aimed at promoting and facilitating business and entrepreneurship among the youth. In order to deliver a comprehensive package of services, the Center should have under its umbrella, a number mutually supporting programs. This is very necessary to avoid problems of implementation often arising from uncooperative attitudes of collaborating agencies. The center will be responsible for three functions:

1. Training Unit: this unit will design and offer a whole array of vocational courses for the youth. Unlike the formal technical and vocational institutions, this outfit will offer short courses with emphasis on practical skill acquisition. These courses will be run in collaboration with master-craftsmen in the various trades. Trainees would be required to spend certain proportion of their apprenticeship period with master-craftsmen. The curricula of the training programs should be drawn by the ministries of Education and Employment and Social Welfare in consultation with the various artisan associations in the country such as Small Scale Carpenters Association, Association of Garages etc.;
2. Support Service Unit: After training, these young artisans would require some support that will enable them to enter and establish themselves in the business environment. These support services would include credit assistance, employment placements, securing of production orders and contracts, marketing advice and follow-up activities; and
3. Incubation Program: This program aims to provide a more comprehensive and direct support to some selected trainees in some towns. Although the package may vary from area to area, it will include facilities like a standard multi-purpose workshop with electrical fittings, basic tools, and credit assistance. A beneficiary will be on the incubator (that is, use the facility) for a maximum of four or five years after which the person would be required to find his/her own business premises in order to make room for others. Beneficiaries will pay rents as will be determined by the authorities. It is sugges-

ted that the incubation program should be run in collaboration with district assemblies. This will ensure local participation, access to land and effective enforcement of planning and environmental regulations and standards. This project can be a potential area of investment for the District Assemblies to strengthen their revenue base.

Conclusion

It is further proposed that each regional capital should have both the information and business training and promotion centers. Regional specializations should be taken into account in the selection of courses for each region. Where necessary, the Centers should collaborate with existing institutions such as the Intermediate Technology Transfer Units; National Vocational Training Institutes etc. access to these programs should be restricted to the youth aged between 15 to 24 years.

Another vital issue that needs to be recognized when dealing with self-employment promotion is how to ensure access to suitable business premises, particularly, in the central business districts (CBD) of our cities. Since the central business districts in our urban centers are already chocked with various economic activities, there will be the need to explore other options to provide the new entrepreneurs access to affordable and convenient business sites. One alternative, which is becoming increasingly important and visible in Ghanaian towns, is the integration of economic activities into residential developments and areas. A recent study in Kumasi found that this phenomenon is happening in both high and low income neighborhoods at a phenomenal rate (Afrane 1995). The study found that in the four neighborhoods surveyed, there was a ratio of one economic activity per house: and each activity engages roughly three (3) persons on either full or part-time basis. The goods and services produced by these enterprises are not consumed within the neighborhoods, but also, have market outlets in other parts of the city and beyond.

One aspect of this phenomenon, which is rather disturbing to the public, is that increasing number of these enterprises is engaged in retailing rather than production. Through proper planning, more business activities can be conveniently incorporated into residential premises. Appropriate mechanisms should however be introduced to minimize environmental effects. The integration of work and residence is a viable proposal because it is convenient, cheaper and consistent with our traditional living and housing practices. It is believed that the implementation of these programs will contribute significantly in finding a comprehensive and lasting solution to youth employment problem in the country, which seems to be getting out of hand.

In conclusion, it has been established in the article that the employment problem of the youth is of a high magnitude. The problem requires urgent attention of the government and the public because it is very expensive to keep the youth unemployed. Further delays in responding effectively to this problem cannot be countenanced. A Nobel Prize winner, Gabriela Mistral underscores this point with this statement: "All can wait but not children."

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