

# Battling Youth Unemployment: Measures to Secure Jobs for Sudanese Urban Youth

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## In a nutshell

- *According to the available figures, a large proportion of labour force in Sudan is youth with a substantial part residing in urban centres. This reality makes urban youth more vulnerable to unemployment and severely harmed by its negative consequences. However, although urban youth from both genders are greatly exposed to unemployment, reports demonstrate that the exposure of females to this risk is quite higher compared to males.*
- *These facts raise two important policy questions about: (1) What policymakers should do to provide Sudanese urban youth with more job opportunities? And, (2) What are the workable policy options which need to be implemented to give females a fairer share in job opportunities?*
- *Various policy actions can be proposed to decrease the number of the unemployed among urban youth, especially the females. These actions include initiating programmes on technical and vocational education, conducting vocational training schemes, and adopting affirmative policy actions in the form of employment quota systems.*

## 1. Key messages

Compared to other countries in the MENA (Middle East and North Africa) region, Sudan has a considerably larger proportion of young people. This category of population counts for more than 42 % and 35% of Sudan's total population and labour force, respectively (World Bank, 2014). Such a large proportion of youth calls attention to the social and economic losses that the nation shoulders if this category remains unemployed. According to the current official reports, the unemployment rate among the Sudanese youth was 24.50% (ILO, 2013). The figures become more shocking if youth females' unemployment is considered. The reported figures demonstrate that, although the youth females' labour force participation rate is relatively low compared to males, the proportion of youth females without a job reaches 26.7%, reflecting an obvious bias against this segment of the population.

However, bearing in mind that a large percentage of Sudan's population is concentrated in the capital city (Khartoum) and other cities (mainly, the relatively developed triangle: Khartoum, Wad Madani and Port Sudan), youth labour force participation is anticipated to be higher in urban areas compared to rural ones. These alarming increases in youth labour force, coupled with higher urban youth unemployment rates, become one of the challenging issues for the policymakers. This is so because the prevalence of unemployment among this important component of the society has serious social, political and economic consequences. From an economic perspective, for instance, youth represents a key contributor to the nation's economic wellbeing through the physical and mental efforts devoted to production (Mankiw, 2003). Therefore, the increases in numbers of the unemployed youth would then lead to real losses in the nation's output.

Socially, urban youth unemployment represents the causal roots of countless

societal diseases such as alcoholism, social exclusion, damaging mental health, drug addiction, moral disorder and, above all, chronic poverty. Politically, the linkages between youth unemployment and political developments are obvious. Presently many questions have been raised concerning the relationship between youth unemployment and what is taking place nowadays in the country such as ethnic tensions and tribal wars (Darfur, Kordofan, and Blue Nile States). Moreover, unemployed youth can be easily attracted by terrorist organizations and thus is generating negative consequences on the country's political and economic stability.

With challenges resulting from the incidence of urban youth unemployment in Sudan, two major policy questions can be raised: (1) What should policymakers do to provide urban youth with sufficient job opportunities? (2) What are the policy options which need to be implemented to stop the discrimination against urban youth females in the labour market?

## **2. Challenges obstructing Urban Youth Employability**

Beyond the well-known determining factors of youth unemployment, in the case of Sudan there are many factors that exaggerate youth unemployment, especially in urban centres.

First, the chronic mismatch between what youth holds from academic qualifications and the experience and knowledge requested by labour market represents one of the causes for urban youth unemployment. Annually the Sudanese universities pump thousands of graduates from the theoretical disciplines to the labour market who are mostly lacking minimum on-hand experience and technical skills required by today's labour market. Evidence indicates the exposure of this category of youth to ever-lasting unemployment with all its negative consequences.

Second, the absence of specialized vocational and technical training centres

geared to rebuild youth's capacities contributes greatly in reducing youth's employment opportunities and, thus, locks them up in an unemployment trap.

Third, the intense competition from foreign workers also contributes to unemployment expansion among Sudanese youth, especially in urban areas. Due to strategic reasons, Sudan is not in a position to close its borders in the face of immigrants from other countries, such as Egypt, Eritrea, and Ethiopia, as well as refugees from other neighbouring countries. These countries are well endowed with abundant labour and, therefore, realizing any economic improvements (e.g. the oil boom of Sudan during 2005-2011) would motivate workers from these countries to seek work in Sudan. Currently, the number of foreigners in Sudan reaches 800,000 persons, with 40% of them residing in Khartoum. Approximately, 80 % of those foreigners enter the labour market with and without permission from Sudanese authorities. Females, particularly Ethiopians and Eritreans, represent a considerable proportion of foreign labour engaged in work. The problem is aggravated further because employers tend to recruit foreign workers to escape official labour market's regulations, such as minimum wages, and to avoid conflicts with trade unions. The outcome of all this is that a great number of jobs have been occupied by foreigners, leaving many Sudanese urban youth unemployed.

Fourth, from a pure social perspective, some jobs, such as cleaning, housekeeping and hotel's hospitality, are not preferable for Sudanese workers. This negative attitude results in great losses in employment opportunities for urban youth.

Currently, urban youth unemployment does not show any sign of reduction. Moreover, despite the growing awareness towards this type of unemployment, the policies adopted continue to reflect policymakers' concerns on total unemployment rather than unemployment pertaining to disadvantaged groups, such as

urban youth. Therefore, a short-term policy needs to be framed to free urban youth from the trap of unemployment and to end the bias against urban youth females' employment. This challenge is undertaken by this policy brief.

### 3. Recommendations

In the light of the above facts, a package of practical actions can be proposed to reduce the number of unemployed among Sudanese urban youth in general and especially so urban females. These actions include:

#### (a) *Adopting affirmative action policy*

The policymakers should adopt an affirmative action policy in the form of an employment quota system to decrease urban youth unemployment. The quota system must be designed in a manner which mitigates the bias against youth females' employment and also consider granting job opportunities for new entrants in the labour market. The suggested quota can be implemented as follows:

▪ ***The main jobs' quota:*** This quota requires employers in urban centres to reserve a 35% of their total jobs to the work seekers from youth. The calculation of this quota should be based on youth's share in total labour force participation. However, preserving a jobs quota for total youth without considering gender is not enough to mitigate unfairness in distributing jobs across genders. Accordingly, to raise the effectiveness of this policy, by incorporating the disadvantaged groups among youth, the main jobs' quota should be broken down into two sub-quotas:

▪ ***Youth females' quota:*** This quota is designed to preserve 42% (the share of females in youth's labour force participation) of jobs from the main quota for urban youth females. The key aim behind this quota is to protect females from bearing the heaviest burden of unemployment. However, since employers prefer recruiting rather males than females, policymakers can encourage females' employment by giving concessions to those employers who recruit this category. This can be done by setting each female

employed by an employer corresponding to two workers in the total employees' quota.

▪ ***Fresh graduates' sub-quota:*** This quota represents a deduction from the main jobs quota (approximately 20%). The suggested quota gives opportunities to youth from fresh graduates. To motivate employers to recruit fresh graduates, the government can take a further step by giving subsidies for employers against each graduate employed. This subsidy acts as a compensation for employees' training costs that should be otherwise shouldered by government. Looked at differently, this subsidy can be viewed as a compensation for the low productivity that is usually associated with recruiting fresh employees.

It is worth mentioning that the employment quota system could be repellent for foreign investors since it restricts the recruitment of skilled foreign workers. In the short term, this could lead to cut back in foreign direct investments (FDI). However, the long-term benefits on the economy would offset this defect. By getting employed, urban youth would raise domestic demand for goods and services and, thus, would open rooms for more FDI inflows. Furthermore, giving job opportunities to disadvantaged groups, such as youth females and fresh graduates, would help a lot in shrinking income and wealth inequalities in urban areas. Achieving a high level of equality in turn would have a great say in deciding the nation's better livelihood more than do FDI inflows.

#### (b) *Initiating technical and vocational education programs*

As indicated, the mismatch between the existing type of education and what the labour market demands represents a critical factor in expanding urban youth's unemployment. The government and the stakeholders should, therefore, work together on developing and operating technical and vocational schools to overcome this mismatch.

These schools should consider equipping youth with knowledge and skills by attending courses in certain technical areas (i.e. electricity, carpentry, plumbing, knitting and sewing, mechanical and electronic engineering, information technology, and hotels' hospitality) for a period of time lasting for two years at least. To implement this educational policy, government should target establishing at least one technical and vocational school in each capital city of the sixteen states of the country. The number of schools must be set proportional to the population residing in each state. Moreover, to maximize the nation's benefits, at least one of the specializations should target preparing students to steer the vocations brought by economic activities dominating in the concerned state. Besides, to ensure the consistency with affirmative policy, these schools should put aside a share of seats for females.

**(c) Conducting vocational training schemes**

The policymakers should work on establishing short-term vocational training centres to provide urban youth with **pre-employment and on-the-job vocational training**. The pre-employment training should aim at raising the capacity of urban youth to be prepared for jobs that trainees intend to apply to. Moreover, policymakers should initiate training schemes that target improving local workers' capacity in socially underestimated jobs. At the present, these jobs are occupied by Ethiopian, Eritrean and Asian workers. Conducting short term training for youth, especially in urban centres, would contribute a lot in removing the bad image attached to these jobs and, therefore, give youth green light to join up.

Policymakers should also establish **on-the-job vocational training schemes** to conduct training to urban youth who are already employed. This type of training targets

protecting urban youth from losing jobs when youth employees shift from one position to another as well as when the work environment exposes to changes. In this regard, to avoid wasting time, the training can be offered during employees' leisure times (i.e. weekends, holidays, and the annual leaves).

Administratively, these vocational centres can be run either by employers or in collaboration between employers and other stakeholders. However, the funds for the centres should be paid by the government in the form of a voucher. To encourage youth to an admission to these schemes, the vouchers must be given to trainees and then refunded by trainers after completing the prescribed training. To preserve funds for new trainees, the granted funds should be paid back to the government after trainees get employed.

**(d) Encouraging jobless youth to immigrate**

The attack against high unemployment rates among urban youth can be also practiced through the immigration front. In this regard, because the national economy has demonstrated its failure to absorb the unemployed, policymakers are advised to encourage youth to migrate to countries which grant them job opportunities. Also, the government can encourage youth immigration by postponing the performance of national services for those youth who find job opportunities abroad.

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