



**Youth Involvement in Economic Activities and Reduction of Social Vulnerability:
Case of Bukoba Municipality and Muleba District**

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Abstract

The study was conducted in Bukoba Municipality and Muleba District Council in Kagera Region to explore the association between youth involvement in economic activities and reduction in their social vulnerability. The study specifically focused on examining the levels at which youth were involved in economic activities and their determinants, assessed capital and income earned as well as the problems they face as the result of lack of employment. Study design was cross sectional survey into four randomly selected Mitaa and villages from two wards respectively. In each mtaa and village 19 households with youth were selected purposely to make a total of 152 youth for the study. Data from youth in the selected households were collected using pre-tested structured questionnaire. Statistical Package for Social Sciences (SPSS) was used to analyze the determinants of youth involvement in economic activities where the regression analysis was done to examine the effects of various factors on youth involvement in economic activities. The study found that, education and age of respondents were statistically significant at ($p < 0.05$) and ($p < 0.001$) respectively in youth involvement in economic activities. Also majority of unemployed youth are vulnerable to inability to meet basic necessities, the situation which increases the vicious cycle of poverty, HIV/AIDS infections and Social evils among the community. However, the study recommends that, youth vulnerability reduction strategies should be specifically addressing youth differentials in gender, age and education.

Keywords: Youth, employment, vulnerability



1.0 Introduction

According to the National Employment Policy (URT, 2008), employment encompass legally accepted activities, which are within the national accounts production boundary; activities aiming at attaining decent work goals; and activities yielding an income at least equivalent to the set sectoral minimum wage. The policy defines employed persons as all persons above the age of 14 years, who during a specified reference period are either at work performing some legal work for (i) wage or salary, in cash or in kind, or, (ii) in self employment and performing some work for profit or family gain, in cash or in kind, including those with jobs but not at work (temporarily not at work), earning a minimum income equivalent to the minimum wage in the wage employment. Youth unemployment has become a concern in Tanzania as they constitute a significant proportion of the population (Christiana and Okojie, 2003). The National Bureau of Statistics, 2011 indicate that, in Tanzania 68 per cent of the population is made up of young people aged between 15 to 35 years who comprise of 53% of unemployed active labour force (15-64 years) (URT, 2007b).

There have been variations in youth unemployment with regard to gender, education and place of residence. For example, the studies of Kabeer, 2012; Mohamed and Abdulquadri, 2012, have indicated that, males are more involved in paid economic activities than females. Despite of the fact that women constitute 51% of the economically active labor force in Tanzania, only 4% of women are in paid jobs, as compared with 10% of men. Also limited available data suggest that women comprise 38% of the informal sector, a share that is lower than their 51% share of the active labor force. However, agriculture mainly in subsistence level has been the main sector in which women are highly (84%) employed than men (80%) (Blackden and Rwebangira, 2004). The rate of unemployment has been critical to urban youth especially in large cities. The 2006 ILFS revealed that in Tanzania both in urban and rural areas except in Dar es Salaam, at a national level, unemployment rates tend to increase with increasing levels of education. In Dar es Salaam, the survey indicated that the unemployment rate decreases as education level rises due to existence of two different labour markets (URT, 2007b). The figures for Dar es Salaam were as follows: for those who never attended school (27%), with primary education (32.4%), secondary education and above (26.6%).

Youth unemployment amounts to economic and social vulnerability of youths. This has resulted in the cumulative detrimental effects as youth live without hope. Arumlamplam *et al.*, 2001 suggested that, persistent and high youth unemployment has adverse long-term consequences for currently young people and society at large. These include a higher risk of future unemployment, a prolonged period of unstable jobs and a potentially depressed income growth. The 2006 ILFS indicate that, earnings from self employment activities have



been relatively low compared to those with paid employment. For instance the median income of paid waged employees was TShs. 50,000 while that of the self-employed groups was TShs. 30,000. The mean incomes of paid employees and those in self-employment were TShs. 98,454 and TShs. 75,693 respectively. This reflects the fact that the median incomes are so much lower than the mean incomes, confirms that the means are skewed by extreme high values earned by relatively few people. It also confirms that on both measures, paid employees tend to have higher incomes than self-employed people. This may be because the former are more likely than the latter to have a reliable and steady income (URT, 2007a). This situation brings economic and social stress on youth as revealed by Livinga and Mekacha, (1998) that, due to economic hardship, youth live in squatter settlements characterized by overcrowding, poor sanitation, increased crime rates, and inadequate social services. Moreover, many of them are highly engaged in unproductive activities like playing pool and drinking local beer during day hours supposed to be working hours. Young girls are especially vulnerable to sexual exploitation and violence, contracting HIV and other sexually transmitted infections and unwanted pregnancies. In 2008 the percentage of youth infected with HIV was 2.4%. Today HIV prevalence among youth is 5.7%, and about 45% of new infections are among young people aged 15-24. Young women account for 75% of young people aged 15-24 living with HIV and AIDS (RDT, 2011).

2.0 Methodology

2.1 The study area

This study was conducted in two districts, Bukoba Municipality and Muleba district in Kagera region Bukoba Municipality (BMC) is one of the eight local authorities in Kagera region.. Bukoba lies between latitudes 1o6'0" to 1o8'42" south of the equator and longitude 31o16'12" to 31o18'54" east of Greenwich. It is bordered by Lake Victoria on the east and Bukoba District Council on the south, west and north. Bukoba Municipal Council has a total area of 80 square kilometres whereby 22 sq.km of that area is covered by water and the remaining 58sq.km is land. Coffee is the major cash crop grown in the area and banana, maize, sweet potatoes, cassava and yams are the main food (Bukoba Municipal Council, 2012). Muleba is one of the eight districts of the Kagera Region of Tanzania. It is bordered to the north by the Bukoba Urban and Bukoba Rural Districts, to the south by the Biharamulo District, to the east by Lake Victoria and to the west by the Ngara and Karagwe Districts. Is located 1° 50' 23" South, 31° 39' 16" EastMain crops are green bananas, coffee, beans, cotton, cassava and tea. Vanilla is a recent cash crop, which is being grown in Bukoba and Muleba Districts.

The study involved 4 mitaa namely Bunkango, Migera, Lwazi, Bunukangoma, and 4 villages including Ilogero, Kamachumu, Nshamba and Bunyagongo. These Mitaa and



village were purposely selected for the study as banana has been the staple food at the same time cash crop from where they earn income, presently the two districts are experiencing banana diseases which has led into low banana production and hence low income from banana crop. This situation has led them to find alternative activities where they can earn their incomes. Therefore, this study aimed at finding out the link between alternative sources of youth employment and reduction of vulnerability.

2.2 Study design

This study was cross sectional survey into four Mitaa and four villages which were randomly selected from two wards respectively. The study was conducted March, 2015. In each mtaa and village 19 household with youth were selected purposely to make a total 152 youth for the study .Data from youth in the selected households were collected using pre-test structured questionnaire. Youth were purposely involved in the study because are targeted population for employment. A questionnaire was prepared to solicit information on social economics and demographic characteristics of youth.

2.3 Data analysis

The collected data were verified, coded and analyzed for descriptive statistics including frequencies and percentages using Statistical Package for Social Sciences (SPSS) program. SPSS was also used to perform Regression analysis. In the analysis, youth were involved in economic activities as dependent variable (Y) and independent variable including Name of district Council (X₁), Place Rural or urban (X₂), Sex (X₃), Age of Youth (X₄), level of education of head of Household (X₅) and Relationship with head of Household (X₆). These variables are indicated in the regression analysis model as shown in the following equation.

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + b_6X_6 + e$$

Table 1: Variables used in Regression Analysis

Variables	Description
Dependent variable Involvement (Y)	Youth involved in Economic activities
Independent Variables District (X ₁)	Name of district (Dummy: 1 if Muleba; 0 if otherwise)
Place (X ₂)	Place: Rural or urban (Dummy: 1 if rural; 0 if otherwise)
Sex (X ₃)	Sex of head of youth (Dummy: 1 if male; 0 if otherwise)
Age (X ₄)	Age of youth (years)



Education (X ₅)	Level of education of youth (years in school)
Relationship (X ₆)	Relationship with head of Household

3.0 Results and Discussion

3.1 Levels of youth involvement in economic activities by characteristics of respondents

3.1.1 Youth involvement in economic activities by types of activities

In order to measure youth unemployment vulnerability, the study assessed the levels at which youth involved in economic activities. The study results in Figure 1 indicate that more than half (66.9%) of respondents were involved in economic activities.

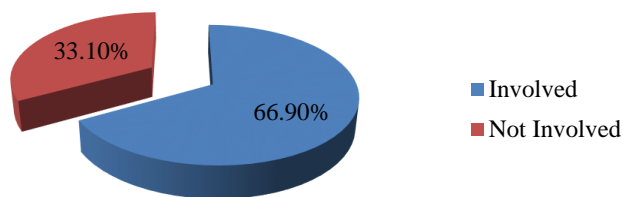


Figure 1: Levels of youth involvement in economic activities

The majority (79.7%) were self employed followed by family activities (18.7%), the types of employment were mainly Agriculture (36.0%), petty business (24.5%) and artisan (10.1%) as shown in Figure 2. Results in the same figure indicate that, only (2.2%) were employed in paid employment.

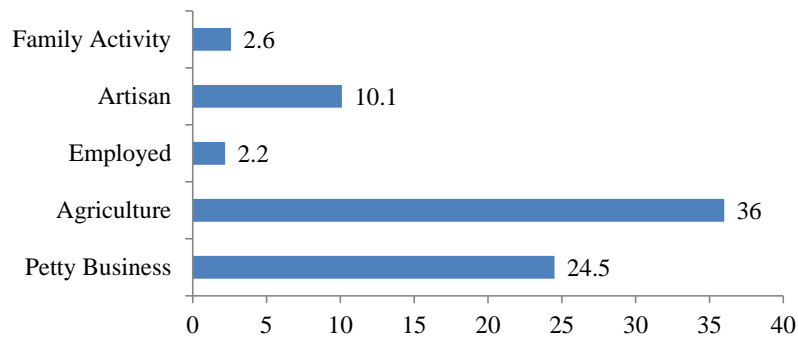


Figure 2: Types of economic activities

These results are not far from the study of Blackden and Rwebangira, 2004 which found that, agriculture is the main sector which provides employment among both male and female youth especially in rural areas. This might be due to lack of necessary skills required for paid employment and capital for non-farm activities as a result, youth especially in rural areas find it easy to employ themselves in agriculture. However, they remain in vulnerable conditions due subsistence production as the result of poor technical knowhow and poor technologies used in agricultural production.

3.1.2 Youth involvement in economic activities by place of residence and gender

The study assessed the level at which youth are involved in economic activities with regards to their socio-demographic characteristics. The findings of the study were as shown in Figure 1.

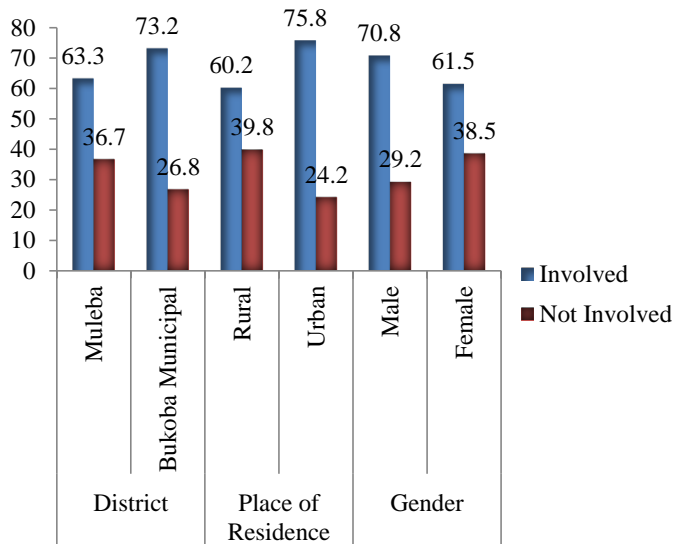


Figure 3: Youth involvement in economic activities by district, place of residence and gender

The study results in Figure 3 show that, majority of youths were involved in economic activities regardless of the district, place of residence and gender. However, the percentages of youth who were involved in economic activities differ among districts, place of residence and gender. For example, it was 73.2% in Bukoba Municipal while in Muleba it was 63.3%, also it was 60.3% and 75.8% in rural and urban respectively. As far as gender is concerned, 70.8% and 61.5% of male and female respectively were involved in economic activities. This indicates that, youth in Bukoba Municipal, residing in urban and males have more opportunities for employment than their Muleba, residing in rural and female counterparts respectively.

3.1.3 Youth involvement in economic activities by level of education and relationship with head of household

Majority of respondents had primary and secondary education, also majority were living with their parents (father and Mother) as shown in Table1. Whereby, the study in the same table found that, majority of youth involved in economic activities were those with primary education 47(78.3%) followed by those with secondary education 54(62.1%). Also it was found that youth opportunities in involving in economic activities differ depending on their



relationships with heads of households. For example, all 3(100.0%) youth living with their husbands, 33(75.0%) and 59 (64.1%) living with their mothers and fathers respectively were involved in economic activities.

Table 1: Youth involvement in economic activities by level of education and relationship head of household

Level of education and Relationship with the head of Household	Involved in any economic activity		Not involved in any economic activity	
	Frequencies	Percentage	Frequencies	Percentage
Level of education				
Informal Education	1	100	0	0.0
Primary Education	47	78.3	13	21.7
Secondary Education	54	62.1	33	37.9
Higher Education	1	16.7	5	83.3
Relationship with Head of Household				
Husband	3	100.0	0	0.0
Father	59	64.1	33	35.9
Mother	33	75.0	11	25.0
Sister	1	50.0	1	50.0
Brother	4	50.0	4	50.0
Parent in law	2	66.7	1	33.3

3.1.4 Determinants of youth involvement in economic activities

In order to ascertain the association between youth involvement in economic activities, and districts, place of residence, sex, age, level of education and the relationship with heads of households, logistic regression was performed. The results in Table 2 indicate that, regression model was statistically significant, $\chi^2=33.6$, $p<0.001$, explained 27.9% (Nagelkerke R^2) of the variance in involving in economic activities and correctly classified 76% of cases.



Table 2: Regression Analysis on the determinants of youth involvement in economic activities

Determinants	B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
							Lower	Upper
Step 1 ^a								
DC(1)	.400	.658	.369	1	.544	1.491	.411	5.414
Place(1)	-.908	.618	2.158	1	.142	.403	.120	1.354
Sex (1)	.704	.401	3.082	1	.079	2.021	.921	4.433
Age of Youth	-.187	.054	12.200	1	.000	.829	.746	.921
Level of Education	.895	.360	6.187	1	.013	2.447	1.209	4.951
Relation With head of HH	.166	.213	.605	1	.437	1.180	.777	1.792
Constant	.535	1.739	.095	1	.758	1.707		

a. Variable(s) entered on step 1: NODC, PLAC, SEX, AOY, LOE, RWHH.
 $\chi^2=33.6$, $p<0.001$, 27.9% (Nagelkerke R²)

The odds of being engaged in economic activities among youth in Bukoba Municipal were 49% higher than Muleba District. This indicates that youth in Bukoba Municipal have many opportunities for self employment than Muleba district. The results also explain higher vulnerability to youth unemployment in urban than rural areas since the odds of being engaged in economic activities were 60% lower for urban than rural. This might be due to abundant land in rural areas which provides opportunities to rural youth to employ themselves in agriculture sector. Ages of respondents were highly statistically significant associated with involvement in any economic activities at $p<0.001$ and vulnerability of being not employed increased as ages increases. Kabeer, (2012) and Mohamed and Abdulquardri, (2012) found that female were more participating in agricultural production than male. These findings are similar to the results in this study where the odds of engaging in economic activities among female were more than 2 times males due to the fact that keeping other variables constant, female were mostly involved agricultural activities which was the main activity in the study areas. The likelihood of engaging in economic activities increased as education increases from informal to primary and decreases from primary to secondary and above education. These results are of no surprise as they are similar to the results of the 2006 ILFS (URT, 2007). This can be explained by differences in the labour market because those with informal education might find it difficult to undertake self employment activities due to their relatively low skills. On



the other hand, those with secondary education and above might have high expectations of being employed in office work while they do not possess relevant skills for such employment. The likelihood of engaging in economic activities was higher for those living with wife, parents and other relatives than those living with their husbands.

3.2 Capital and income earned from business per year

The results in Table 3 show that, the mean capital to start business was very low at Tshs. 145,100 though there was large deviation Tshs. 285,451 of the maximum and minimum capital from the mean though there was increase in the mean business running capital to Tshs. 413,130 which resulted to the increase in deviation to Tshs. 1,725,960. This shows that majority of youth in the study area started their business with a very low capital as a result they are limited in small business which enable them to earn low average amount of Tshs 469,250 per year, which cannot enable them to have descent lives. However, the standard deviation of earnings from the mean income is high indicating that, the income earned is highly skewed to few people with large businesses, the results which are similar to that of 2006 ILFS.

Table 3:Capital and income earned from business

Capital and income Earned from business	N	Minimum	Maximum	Mean	Standard Deviation
		Tshs	Tshs	Tshs	Tshs
Capital to start business	69	2,000	1,800,000	145,100	285,451
Current capital to run business	57	10,000	13,000,000	413,130	1,725,960
Income earned from the business	85	10,000	4,800,000	469,250	604,608

3.3 Vulnerability caused by unemployment

Vulnerability takes different forms and is defined differently for example URT (2002) define vulnerability as “a process in which individuals, household or communities are impoverished and eventually become poor or poorer. It describes a continuous forward looking state of expected outcomes: the probability of falling below a socially defined minimum level of well being in the future. For the purpose of this study, vulnerability has been translated from the problems facing unemployed youth into three groups of vulnerability. They includes failure to buy necessities, difficult to get health services and difficult to educate children.

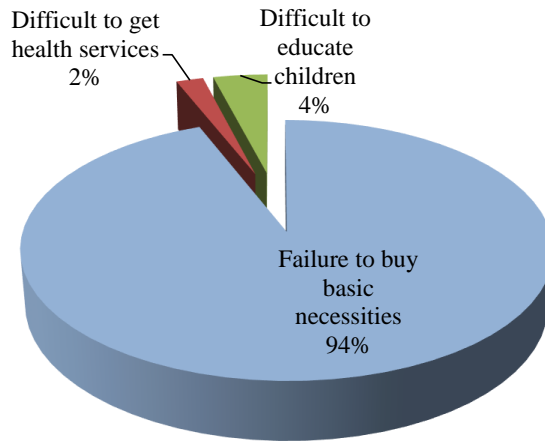


Figure 4: Vulnerability caused by unemployment

The study of Livinga and Mekacha, (1998) found that, youth unemployment is characterized by economic hardship which expose them in squatter settlements characterized by overcrowding, poor sanitation, increased crime rates, and inadequate social services. Therefore, the study assessed the problems faced youth as the results of unemployment. The study results found that, majority (94%) of respondents reported failure to meet basic needs and others reported difficulties in educating children (4%) and getting health services (2%) as the problems facing them as the result of unemployment. These results implies that youth unemployment vulnerability is mostly based on failure to meet basic necessities like food, clothes, shelters, health and education requirements.

3.4 Vulnerability by involvement in economic activity, District, sex and education

Four variables were considered to assess the experience of youth unemployment and vulnerability. These variables include involvement in economic activity, District, sex and education. The results are summarized in Table 4. The results in the table show that those involved in economic activities (52%), Muleba district (60%), male (50%) and secondary education (58%) of respondents reported that unemployment put youth at risk of failure to buy necessities.



Table 4: Vulnerability by involvement in economic activity, District,,Sex and Education

Characteristics	Type of vulnerability		
	Failure to buy necessities	Difficult to get health services	Difficult to educate children
Involvement in economic activity			
Yes	26(52)	1(2)	2(4)
No	21(42)	0(0)	0(0)
District			
Muleba	30(60)	1(2)	0(0)
Bukoba	17(34)	0(0)	2(4)
Sex			
Male	25(50)	0(0)	2(4)
Female	22(44)	1(2)	0(0)
Education			
Primary	16(32)	0(0)	2(4)
Secondary	29(58)	1(2)	0(0)
Higher Education	2(4)	0(0)	0(0)
Total	47(94)	2(2)	2(4)

Figures in parenthesis are percentage

Only few from Muleba district, those involved in economic activities, and secondary education (2%) respectively reported that unemployment put youth at risk of difficult in getting health services. This implies that majority of population in the study area are experiencing difficulty in getting necessities. These results are not far from the findings of the study by Livinga and Mekacha, (1998) which indicated that, due to economic hardship, youth live in squatter settlements characterized by overcrowding, poor sanitation, increased crime rates, and inadequate social services.

4.0 Conclusions and Recommendations

The results of the study indicate that, youth seek for self employment opportunities as the coping strategy towards office and paid employment. However, youth involvement in economic activities is determined by age, gender, level of education, place of residence and relationship with head of household. Nevertheless, youth unemployment vulnerability has been reduced through self employment by involving into various economic activities. This is due to the fact that, they are involving in low paid economic activities with a very minimal earning per year, the situation which leads to persistently high unemployment vulnerability among them. The main vulnerability is failure to buy basic necessities which has further impacts on access to nutritional requirements, health services and education. This situation increases the vicious cycle of poverty, HIV/AIDS infections and Social evils



among the community. Therefore, youth unemployment reduction strategies should be designed focusing on youth specific unemployment challenges. Whereas, entrepreneurial skills enhancement and soft loans should be given priority so as to enable youth to involve themselves in economic activities so as to reduce their vulnerability.

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