

## Effects of the educated youth unemployment nexus in Zimbabwe

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### **Abstract:**

**Research Question / Issue:** The review focuses on the effects of educated youth unemployment on the African continent with specific reference to the Zimbabwean situation. The review was an attempt to answer the pertinent question; What are the effects of educated youth unemployment in Zimbabwe; to the affected youths, their families, society, the economy of Zimbabwe, and the African continent as a whole? For manageability, the loaded question was split into sections.

**Research Findings/ Insights:** The review established that when it comes to high educated youth unemployment (EYU), Zimbabwe is a victim of the success of its Education For All policy (EFA) which has been operating well since independence in 1980 causing the supply-side of graduates with certificates, diplomas and degrees from schools, colleges and universities to flood the economy which unfortunately has not been growing fast enough to absorb the influx of graduates.

The educated youth unemployment has had its toll on the affected youths with their self-worth having been severely affected. Most unemployed educated youths are also finding it difficult to move on to the next stages of life such as marrying, starting their own families, moving out of the family home and be independent of parental support. Some female educated youths find that their age mates cannot marry them because of unemployment and they end up going out with married older man who have money which they desperately need owing to their diverse needs which include enhancing their beauty and looks, and this fuels the spread of sexually transmitted diseases including HIV/AIDS while it also disrupts marriages.

The review also found that families are sliding deeper into poverty after educating the unemployed youths at high cost. It was established that society is affected when these educated youths out of hopelessness turn to various forms of crime and social ills such as theft, drug abuse, violence and prostitution. This tended to bring stressful moments to parents of the unemployed educated youths. The review also noted that society was unhappy with the low rate of return which the once esteemed education system was causing through high production of graduates who end up doing nothing.

The review established that government was most affected by the educated youth unemployment scourge because with it comes governance problems, such as crime and social ills which leads it to invest additional resources to control and match with high alertness in case of a possibility of social unrest associated with an idle population. Government was also losing out because of lack of return on investment to education in the form of taxes and development. The review also noted that government was most worried of its unfulfilled promises in the election manifesto and in the economic blue print, the Zimbabwe Agenda for Sustainable Socio Economic Transformation (Zim-Asset) and was seized with the problem more so because among the stakeholders affected, government was best positioned to solve the problem because it is of a macro-economic nature. The review advises government to make difficult decisions which may be unpopular to save local industry from collapse and to craft investor friendly policies which lure foreign direct investment for the benefit of the unemployed educated youths.

**Theoretical / Academic Implications:** Diminishing rate of return to education must be addressed in Zimbabwe.

**Practitioner / Policy Implications:** Political will and legal provisions to curb unemployment as enshrined in the Constitution of Zimbabwe, the National Youth Charter and the Zim-Asset economic blueprint must be backed by practical steps to create an investor friendly environment to help resuscitate industry in order to create more job opportunities for the unemployed educated youths.

**Key Words:** Youth, Educated youth, youth unemployment, effects of unemployment, Zimbabwe.

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### I. Introduction

Demographically, young people enjoy the biggest proportion of the age groups of most populations on the African continent and other countries the world over. The Zimbabwe Statistical Agency Report on the 2012 population census put the percentage of young people (0-35 years) on the population at 84.7% while the youths (15-35 years) who are the subject of this review constituted 43.7% of Zimbabwe's population (Zim-Stat, 2012).

Youths are the most energetic age group in any population and this review argues that the educated youths in Zimbabwe form the core of the most highly educated and skilled age group and what they lack, which those above 36 years have is work experience. If the energies of educated youths were fully harnessed and directed towards productive development, most economies in the Third World would not be in the situation in which they are. This review therefore posits that the difference between current and future development of any nation shall hinge on the extent to which the educated youths are productively engaged in developmental issues.

While the International Labour Organisation (ILO) reports which define youths as people in the age group 15-24 slightly differs from the United States of America (US) where the age range is 16-24, in Uganda it is 18-30 and in South Africa 15-34. (ILO Reports, 2012), Youths in Zimbabwe are defined in the Constitution of Zimbabwe as those aged between 15-35 years and this is in agreement with the African Youth Charter and Zimbabwe's own National Youth Charter (2013). Educated youths in this review are those aged 15-35 years who completed full-time education and hold post-secondary qualifications of certificates, diplomas and degrees including postgraduate qualifications. Ake (2007) emphasized:

The human being is first and foremost a worker and work is the most critical activity of society. It is by work that the human being fashions the means to stay alive, reproduce his kind and achieve civilization (p1).

The above citation states the importance of employment (work). It is for that reason that the issue of educated youth unemployment (EYU) deserved the attention of this review.

## **1.2 Background to the study**

Zimbabwe has been experiencing very high levels of unemployment. 'Youth unemployment is one of the most formidable problems facing the country' (Zimbabwe National Youth Policy, 2000p11). Researchers, labour and economic organisations have given varying figures of between 70 -95% pointing to the fact that by 2008 Zimbabwe's unemployment rate was the highest in the world (ILO, 2012; IMF (2013), Robertson (2013) and the World Factbook (2013). The Economist Global Capital Report (2013) states that unemployment in Zimbabwe rose from 50% and rose to a peak of 95% by 2012.

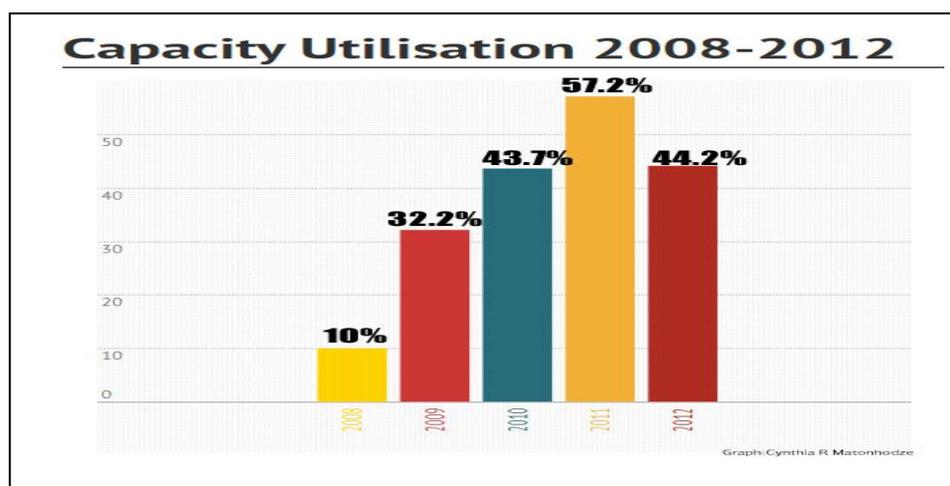
However, the Zimbabwe Statistical Agency (Zim-Stat, 2012) gave a conflicting figure of the unemployment rate as 11% which has been rejected by analysts such as Robertson (2013) who have roundly condemned the Zim-Stat's data collection instrument as flawed and lacking in both validity and reliability to the extent of grossly understating the unemployment figures. Notwithstanding that analysing the authenticity of unemployment rates is not within the purview of this review, Zim-Stat's figure of 11% still constitutes high unemployment by world standards given that the internationally acceptable natural unemployment rate stands at 3% while the world average unemployment rate stood at 5% by December 2014 according to the Zimbabwe Economic Policy Analysis and Research Unit (ZEPARU, 2015).

Nevertheless, not justifying the existence of high unemployment in Zimbabwe would be fatal to this review in the face of divergent and conflicting figures. Understanding Zimbabwe's unemployment rate calls for face validity-based analysis and figures produced thereof, because it has become common knowledge that it is high when one views the clearly visible symptoms on the ground. This review discusses only six of them among many in an attempt to link the nexus (a connection or series of connections linking issues) of high educated youth unemployment.

### **1.2.1 Justification of high educated youth unemployment in Zimbabwe**

#### **1.2.1.1 Low Industry Capacity Utilization:**

The Confederation of Zimbabwe Industries (CZI) Report (2013) gives a gloomy picture of the Zimbabwean industrial situation and its declining capability to absorb more human capital in the form of workers who include educated youths. CZI (2013) uses diagram below to illustrate the state of low industry capacity utilisation in Zimbabwe:



Source: CZI (2013)

According to the Confederation of Zimbabwe Industries (CZI) Report (2013), the Industry Capacity Utilization which was over 90% in the 1990s had fallen to its all-time low of 10% by 2008, and rose significantly to a high of 57.2% by 2011 as shown on the table below, before dropping in 2012 and in 2013 to reach 39.6%. This caused CZI to be concerned that the situation could continue to deteriorate if government did not take prudent macro-economic measures to lure foreign direct investment to resuscitate industry. The situation continued to make any prospects for educated youths to find jobs remote.

#### **1.2.1.2 Closure of companies and retrenchments:**

According to the July 2013 National Social Security Authority (NSSA) Harare Regional Employer Closures and Registrations Report for the period July 2011 to July 2013, 711 companies in Harare closed down, rendering 8 336 individuals jobless.

The Confederation of Zimbabwe Industries Report (2015) states that many companies were downsizing and retrenching tens of thousands of their employees. Major companies that had retrenched in 2014 included such big companies as the platinum miners Zimplats and Unki which retrenched 4000, Bindura Nickel, Spar supermarkets, Dairibord, Cairns, Olivine Industries and PG Industries. Four companies contracted by Implats in Unki also retrenched workers citing non-payment of wages by Implats. Ibid (2015) goes further to note that hundreds of companies closed shop in Zimbabwe claiming the liquidity crisis. The construction industry was operating at less than 40% production countrywide. 330 companies in Harare in the retail and other business services category closed. Administration-related businesses also suffered a huge knock with 59 companies closing. 47 companies shut down in the farming sector while 20 players went under in the printing industry. In Zimbabwe's mining sector, seven companies closed. The health and transport sectors were not spared with 18 players in health services and 16 in the transport sector closing down in the two years under review in Harare. All this buttresses the existence of high unemployment rate in Zimbabwe and the biggest casualty would be the educated youths who armed with education and the skills, have nowhere to use them.

Naturally, a company in retrenchment mode tends to hold on to its best experienced performers who may be less qualified and this shuts the door for unemployed educated youths.

The findings of the Zimstat-USAID Central Business Register Inquiry Report (2014) also painted a gloomy picture of the capacity of the economy to generate more jobs to absorb the ever increasing numbers of the unemployed educated youths. Findings of the Report showed that 59% of economic activity involved wholesale and retail trade including the sale of second-hand motor vehicles most of which are imported; only 11% of the operators were in the manufacturing industry; 9.2% were in educational services; 5% in other social services; 4.7% in accommodation and food services; Mining and quarrying made up 0.2% of the establishments; 30% of the businesses had an annual turnover of less than US\$5,000; only 3% percent of businesses had an annual turnover of above US\$1m; 82% of the business had less than four employees per establishment as at December 2012 and 60% of establishments were sole proprietorships and 19% private limited companies.

Such statistics point to a weak business back-borne of a country faced with high numbers of skilled educated youths ready to start work, a situation which calls for redress.

Zimbabwe Economic Policy Analysis and Research Unit (ZEPARU) notes that:

Zimbabwe has one of the most uncompetitive business environments and is ranked among the worst in terms of ease of doing business. The country also remains unattractive to international financing largely due to a

huge external debt estimated at about US\$11 billion. This has resulted in the unavailability of long-term cheap financing with the available short-term loans being expensive.

In a normal economic environment, the closure of companies would naturally attract international investors for mergers and acquisitions in the form of Foreign Direct Investment but the above citation paints a gloomy picture to such prospects thereby further justifying why there is high educated youth unemployment in Zimbabwe.

### **1.2.1.3 Increase to the access to education:**

The educated youth unemployment rate is exacerbated by the efficient and effective supply-side of the education sector where the government policy on Education For All (EFA) has produced wonderful results.

International recognition from the UN Agencies such as UNICEF and UNESCO rated the success of Zimbabwe's education revival since independence in 1980 as of international record. Mackenzie (1988) called it 'Zimbabwe's educational miracle' (p338). By 2007 Zimbabwe had the highest literacy rate in Africa of 92%. Ibid (1988) praised independent Zimbabwe's first Minister of Education for the success of EFA Policy:

Dr. Mutumbuka's positive and forceful approach to the functions of his Ministry certainly produced remarkable quantitative results. Besides providing educational opportunities for hundreds of thousands of children who would not otherwise have attended school, his policies encouraged children to stay at school. (p341).

The Government of Zimbabwe maintained the gains of the Education for All Policy by an all-round expansion in all facets of education from primary, secondary and tertiary right up to a situation where the country which had one university by 1990 was boasting of 16 by 2015. Colleges of various forms, international scholarships including the Presidential Scholarship supported by Government all helped to absorb high school students who now constitute the unemployed educated youths in an economy which is not functioning at its full capacity. The well functioning education sector is the biggest contributor to EYU.

### **1.2.1.4 Flourishing informal sector:**

The flourishing informal sector gives the best evidence of the low industry capacity utilisation and high unemployment situation in Zimbabwe. Street vendors have literally clogged most pavements, market places, bus termini, high density road sides and open spaces in the urban centres. Most such activities are disruptive, noisy and against the dictates of the ILO (2002) international decent work agenda of which Zimbabwe is a signatory.

Most informal sector activities in Zimbabwe such as street vending are illegal and illegal activities do not count for employment the world over. The Minister of Local Rural and Urban Development called a press statement on 1 June 2015 to announce that Government of Zimbabwe had resolved to take measures to rid the urban streets of street vendors using the army if need arises. (The Herald 2 June, 2015).

While effort has been made in some quarters to gloss street vending as a form of employment, the legal truth is that in Zimbabwe it is not, at least until the law is revised, and it is not likely to be revised anytime soon because doing so would be to legalise anarchy. Government of Zimbabwe through the National Youth Policy (2013:17) had this:

The National Youth Policy recognizes that decent employment and participation in agricultural, mining, industrial, commercial and service sectors provides sustenance and sustainable livelihoods to the majority of the youths'.

Most informal sector activities such as street vending, touting, illegal gold panning do not pass for 'decent employment' as such they must not be counted as a form of employment despite their prevalence, but are useful signs and symptoms of the extent of the problem of unemployment because . Luebker (2008) states that people who get into the informal sector would have chosen between starvation and survival, and the common adage 'Necessity knows no law' applies. A joint study carried out by the Government of Zimbabwe and the UN Country Team (2010) noted that there are no clear policy guidelines to regulate the informal sector in Zimbabwe. Studies by Luebker (2008) found out that with its hustles, lack of pension, 'cat and mouse chases' with the municipal police (metropolitan police), the informal sector in its current form does not favour the educated youths who prefer dignified jobs which befit their education. For that reason, the informal sector in Zimbabwe cannot be counted as a form of education for the educated youths.

However, when faced with a choice between survival and starvation, educated youths are finding themselves at the bitter end of their wits and desires and are having to take part in the informal sector. Aitsabokhai and Ehighebol (2014:199) had this to say:

The desire to be employed in the formal sector has encouraged a lot of youths to obtain formal education over the years. This can be seen in the increase in the number of youths in secondary and tertiary institutions in most African countries. Though a laudable achievement and a welcomed development, most labour markets in many African countries are unable to accommodate the skilled or educated young graduate.

As a result, young educated people are forced into selling snacks, apples, oranges, telephone cards,

telephone handsets, calculators and other assorted goods along the streets of major cities. Some engage in illegal activities such as touting, stealing, armed robbery, internet scam, dealing in prohibited substances such as drugs, and prostitution.

The citation above underscores and proves the existence of educated youths in the informal sector against their wish as premised on the failure by economies to absorb them in formal employment or in formal self-employment ventures.

#### **1.2.1.5 Export of raw materials against high imports of finished products:**

The Confederation of Zimbabwe Industries Reports from 2000 to 2014 gave a picture of the declining exports in Zimbabwe. The opening of the economy following the introduction of the multi-currency, led to the influx of cheap imports and this made exports to be uncompetitive. CZI Report (2013) notes that over 80% of goods sold in retail supermarkets in Zimbabwe were imported products. The Report condemns government for allowing imports of basic products such as potatoes and chickens at the expense of local producers who now find it difficult to break even. CZI (2013) also notes that the country continues to export unprocessed minerals which then fetch low prices on the international market.

This review equates exporting cheap raw materials to exporting jobs, while importing finished products is equivalent to importing unemployment in Zimbabwe and this should be avoided as it has far reaching implications on the unemployed educated youths. If Zimbabwe which is rated as the richest country on earth in terms of untapped natural resources per person stops exporting raw materials in favour of processed products and uses its competitive advantages which were summarised by the Natural Resources Per Capita Index (2013) that: Zimbabwe has the highest diamond reserves in the world, the second highest platinum reserves in the world, is the fourth largest producer of chrome in the world, has the largest known coal reserves in Sub-Saharan Africa and is the sixth largest gold producer in Africa, then EYU can be addressed.

Also Zimbabwe has 40 other exploitable minerals, has some of the best soils and climatic conditions in Southern Africa. It also has abundant natural resources, including 8.6 million hectares of potentially arable fertile land and is blessed with good climatic conditions but continues to import food while some of its agro-based industries are closing shop because of lack of business caused by cheap imports, which invariably drives educated youth unemployment

#### **1.2.1.6 Political and Legislative admission that the problem is growing out of control:**

Ake (2007) had this advice to share:

Perhaps the most telling deficiency of our development strategies in Africa is the failure to register singular importance to the problem of unemployment. Yet the problem of unemployment in Africa is so critical that, we may not legitimately resolve underdevelopment if we do not solve it. (p1).

The citation underscores the need for government to put in place strategies to resolve unemployment which includes EYU.

The Government of Zimbabwe (GoZ) must be applauded for making the issue of unemployment of youths a Constitutional matter. Chapter 1, Section 20 of the new Constitution of Zimbabwe (Amendment No. 20) Act, 2013 (pp20-21) states that:

The State and all institutions and agencies of Government at every level must make reasonable measures, including affirmative action programmes, to ensure that youths, that is to say people between ages 15 and 35 years:

- (a) have access to appropriate education and training ...
- (c) are afforded opportunities for employment and other avenues to economic empowerment.

The above citation clearly shows that the supreme law of Zimbabwe enforces that current and future governments should prioritise the education and employment of the youths. Besides making youth employment a constitutional matter in Zimbabwe, in politics there is no other commitment which surpasses entrenching a pertinent issue into the election manifesto of a political party. The ruling ZANU (PF) party in Zimbabwe had an election manifesto which promised to create two million two hundred and sixty five thousand jobs in five years (2013-2018) in a country which has three million economically active people. While this contradicts Zim-Stat's assertion that the unemployment rate is only 11%, it shows political will and political awareness of the magnitude of the problem in society by a party which ultimately won the 2013 General Elections with a majority to form government. The GoZ went ahead to craft an economic development blueprint dubbed Zim-Asset (Zimbabwe Agenda for Sustainable Socio Economic Transformation) in 2013 which again reiterated government's desire to create 2,265,000 jobs in five years.

However, the citations about company closures, retrenchments, the informal sector and its illegalities, lack of direct foreign investment citing poor investment climate and export of raw materials versus imports of finished products are but some of the issues affecting government's ability to achieve the set target two years

into the launch of Zim-Asset. This is a clear indication of the existence of political will to resolve the problem of EYU as evidenced by election manifestos and economic blueprints and legislative enforcement as evidenced by the Constitutional provisions and the National Youth Policy (2013). These however, need to be backed by practical action and difficult decisions to create a conducive investment climate which will in turn help to create employment opportunities for the educated youths.

The above section aimed at positioning this review in the form of an evidence-based argument of the existence of high unemployment among educated youths by stating six of its main drivers to justify why the 11% unemployment rate given by Zim-Stat (2012) could be an understatement and opting to accept the 70 – 95% unemployment rates given by various researchers and organisations cited above.

## **II. Literature Review**

Kingdon and Knight (2004) advised that, 'Unemployment is a matter of serious concern if its effects on economic welfare, production, erosion of human capital, social exclusion, crime and social instability are to be taken into consideration' (p391).

The above quote summarises the effects of unemployment which are too costly to contemplate.

### **2.1 Effects of unemployment on the educated youths**

The experience of being unemployed is difficult, debilitating and stressful to the affected individuals argues Blyton and Jenkins (2010). It is an experience which does not only affect the individuals but the entire households including the extended family structures. Unemployment reduces the affected individual's self worth.

Loss of self-worth among educated youths is also manifested when after prolonged periods of unemployment they start feeling embarrassed of having attained high qualifications. CZI (2014) found out that some of the educated youths go to the extent of hiding their high qualifications to employers in order to secure menial jobs in an attempt to earn something and get at least some livelihood only to produce the higher qualifications if a vacancy for a senior post arises in the organisation. In light of the foregoing, Zimbabwe is slowly facing the challenge of serious misplacements and underutilisation of skills possessed by educated youths.

Blyton and Jenkins (2010) noted that unemployed people are also more likely to experience divorce, nervous breakdowns and bad health than their employed counterparts. Ibid (2010) noted that there are more suicide cases among the unemployed than the employed. Loss of status and social stigma are attached to the unemployed (Kanyenze, 2010). Warr (2009) concluded that unemployment was generally bad for educated youths in terms of both their physical and psychological well-being as well as their material position.

According to Hussamans (2007), long periods of unemployment reduce the value of human capital. Educated youths become a useless/ redundant resource. When educated youths are out of work for prolonged periods, their skills diminish. They become 'rusty' and they miss out on training and staff development in new methods. Hussamans (2007) further argues that nothing beats experience. If educated youths are not working, they lose out on gaining proficiency through experience on the job. Their net value lowers.

Studies have also proven that the longer a person stays out of employment the harder it becomes for him/her to get a new job offer. Thus unemployment breeds more unemployment and more unemployment breeds permanent unemployment a situation which is not good for the educated youths. The World Bank (2010) adds that there is a gender dimension to unemployment as more educated women are affected as compared to their educated male counterparts. Such a situation may subsist among educated youths.

Kakwagh and Ikwuba (2010) noted that in most African cities, the unemployed educated youths spend their time idle in streets and street corners of residential areas where they congregate and share their sorrows on a daily basis. In so doing, bad habits of smoking dagga and other forms of drugs as well as gangsterism and violence creep into their characters. Ibid (2010) noted that the language the unemployed street youths use and their patterns of dressing reflect the kind of experiences they have had in the streets. Their language and patterns of dressing are very different from those of their parents or the wider society (Abdullah, 1999). Mkandawire (1996) describes this language as the language of protest that ridicules the language of the mainstream culture. It is protest language because if educated youths fail to get jobs, they start viewing adults who were strict with them during their school days as 'liars' who used to lie to them that if they get educated they would be guaranteed of a better future.

As stated above, educated youths if not productively engaged become street youths. Kakwagh and Ikwuba (2010) had this to say:

To survive on the street with no legitimate means of earning a living, young people tend to live by their wits and acquire criminal values. Many therefore survive on the street by stealing, pick-pocketing, prostitution and other criminal activities. Most of them are on alcohol and marijuana. These livelihood activities of street

youth are generally abhorred by the mainstream society. Street youth are thus viewed with awe, contempt and vicious passion.

Chigunta (2002) further postulates that the unemployment and underemployment status of the youth is further reflected in the visible phenomenon of 'idleness' known as 'kucheza-cheza' among young people in Zambia or 'parkshopping' in South Africa.

Jahoda (2004) postulates that several studies point that the most affected by unemployment are those individuals with strong work ethics and strong orientation. A strong orientation for work generates greater feelings of frustration from being unemployed compared to those whose work ethic is less pronounced. Indeed, if one is workaholic by nature only to finish studies at college or university with flying passes to find no job for prolonged periods is a dilemma too difficult to handle for affected educated youths. Edgell (2006) supports the same assertion when he states that studies of unemployed educated youths with strong work commitment have proved that they develop mental problems faster and stress build-up may gradually lead to drastic reduction in life-span. That is why Luebker (2008) called the unemployed youths 'A lost generation'.

### **1.3 Effects of unemployment to families**

The ILO Report for Africa (2013) noted that:

A decent and productive job does not only contribute to attaining fundamental individual and family well-being, but also spills over, contributing to society's broader objectives, such as poverty reduction, economy-wide productivity, growth and social cohesion.

Taylor (2002) as supported by Aghatise (2002) noted that in Ghana, Nigeria and Morocco an increase in women trafficking to become sex slaves after being lured with promises of lucrative job offers. This can easily affect unemployed educated female youths. Chigunta (2002) analysed data from some African countries such as Zambia, Malawi and South Africa, and noted that many educated youths who are unemployed survive on the goodwill of parents, relatives and friends, while young women rely on their husbands or boyfriends.

Studies have proved that unemployment causes youth to delay or cancel plans to marry because such plans come with added responsibilities. This assertion is supported in studies by Bentolila and Ichino (2000), who revealed that while 91% of the employed left their homes to set up their own households, only 25% of the unemployed moved out to new places to set up their households. Aghatise (2002) supported that being unemployed reduces the attractiveness of wanting to leave the home and go to start a family opting to stay with parents. It also results in rural to urban migration and family instability. The decision by the unemployed educated males not to marry impacts heavily on their female educated counterparts because if most of their male age mates are no longer marrying, the educated females change focus and target married men thereby causing disharmony in families. In so doing the educated female unemployed youths are prone to abuse and cases of AIDS and HIV then escalate. Such educated female youths easily become hardcore prostitutes in an attempt to survive and their families especially parents are psychologically affected when all what they expected from their girl child:- a good job, marriage and a good life are not achieved.

The diminished rate of return to education (RORE) which manifests when families discover that all the wealth they poured into educating their children at high cost came to nought is more worrisome and breeds stressful moments for the family. Fending for the educated youth some of which have degrees is no mean task for most African families and the educated youths themselves feel very bad and dejected to be causing more suffering to the family yet they possess high qualifications. When few resources are used to cater for a large number of family members, poverty escalates.

### **2.3 Effects of educated youths unemployment (EYU) to societies**

'People need to be needed' (Lipse and Chrystal, 2011). In other words, unemployed educated youths feel very bad if they see that they are not needed to play a role in the development of their societies due to unemployment. What is clear with unemployment is that it affects some groups in society much more than others. For instance, the educated youths with no prior work experience, the women, unskilled workers, the disabled and the minority ethnic groups are all affected differently.

Unemployed educated youths end up being the enemies of society by forming gangs. Ibid (2011), these youth gangs and their criminal enterprises become some form of 'career path' with some form of identifiable 'ladder of promotion', salary and status attainment where the participants can then begin to see personal development. These rewards tend to motivate and harden the educated youths. The increase of such youth gangs continues to create problems not just to the larger society but to the youth themselves as well. For instance, while society suffers from the effect of the hideous crimes such as violence, murders, rape, robbery, and other atrocities that gangsters commit, they themselves, because of their involvement in the 'underground economies', are not at peace with the law enforcement agents where either they can become the hunter or the hunted depending on the situation. Such youths also lose out when it comes to organized workshops, training and funding which creates employment opportunities in the labour market arena.

## **2.4 Effects of educated youth unemployment (EYU) to economic development and national stability**

McKenzie (2006:18) cited Austin (1999) who had this to say:

While it would certainly be an exaggeration to claim that youth unemployment is directly responsible for the high prevalence of civil conflicts on the African continent, it is likely that the availability of young unemployed men, possibly involved in criminal activities or addicted to drugs, fuels these conflicts.

While Zimbabwe is not affected by the issue of civil wars and rebels, the above citation points to the fact that youths including educated ones, need to be employed if stability is to be achieved on the African continent. Ibid (2006) noted that unemployment has enticed youths to turn to war in some parts of Africa and many youths across Africa have a feeling that the transition from 'street' to war bestows them a sense of prestige.

In support, studies by Chigunta (2002) in African countries where civil wars and rebels have manifested, show that war provides quick returns as unemployed youths can rely on the gun to bring them money, prestige, respect and power (through the barrel of the gun), which they did not enjoy before. The widespread use of drugs on the warfront also excites the youths since drugs erode self-control and encourages acts of bravery. Ibid (2002) further notes that unemployed youths have provided an important pool for recruitment into rebel armies across Africa. For the youths, war appears to be an option that requires few skills and no capital investment. The lesson here is that African countries can reduce possibility of wars and rebel activities by simply dealing with youth unemployment.

A critical analysis can be adduced in that since the educated youths are not gainfully employed, and many are therefore not married, they therefore feel that they have no stake in the shared future of the country and they have no children or personal property to protect. Invariably such youths can migrate to other economic zones in the world in search of employment to the detriment of their country which made a lot of sacrifices to educate them. This situation has affected Zimbabwe since the start of the new millennium.

Okafor (2011:367) stated that:

In Nigeria, unemployed youths have become political thugs and blood-thirsty hoodlums at the disposal of the politicians. The point here is that when large of youths are unemployed their quest to survive may make them to become willing tools in the hands of maverick and disgruntled politicians who may want to use them for anti-social and clandestine political activities.

This above citation becomes a very unfortunate scenario where the politicians who are supposed to protect and work tirelessly to resolve the plight of the educated youths, turn around to abuse them for their selfish gains.

In support to the above citation, Awogbenle (2010) carried out studies on the problem of youth unemployment and found out that large numbers of youths who are unemployed are capable of undermining democracy as they constitute a serious threat if engaged by the political class including opposition politicians for clandestine activities.

Hoppers (1994) noted that when people are unemployed, the State is the biggest loser in many ways. Ibid (1994) noted that while families and individual educated youths lose income, the State also loses development opportunity through non-contribution to the economy in terms of goods and services that could have been produced, the State also loses revenue from income taxes, it loses again since it has to capture the poor households under social safety nets (health care, tuition fees, free agriculture inputs etc). Ibid (1994) argues that the widespread poverty, possibility of uprisings or protests and prevalence of crime among others causes state agencies such as the police and the army to spend millions of dollars in maintaining law and order.

Societies and nations also suffer from high unemployment when the production output of goods and services lowers because people are not employed. Unemployment depresses income and thus deprives the government of both direct and indirect tax revenue. The link between rise in crime and rise in unemployment is well documented.

High unemployment causes employers not to value its human capital and observe surety of tenure for their workers when they know that if they fire a worker, they are faced with wide choices of even better workers wanting jobs. Coupled with this, salaries in economies with high unemployment such as Zimbabwe are kept low and this causes employers to exploit workers. On the other hand, workers cannot strike because once dismissed, they are easily replaced. Such scenarios are bad for fair labour standards and bad for collective bargaining processes. Unemployment is known to push up the prevalence of corruption when the unemployed have to pay bribes to get jobs while the employed have to endure low salaries because they cannot be increased due to high unemployment as explained above. Sexual abuse and sexual harassment increase if there is high unemployment when unemployed female educated youths expose themselves to unscrupulous managers in order to secure jobs.

Social cohesion becomes difficult for governments to maintain in economies facing high unemployment such as Zimbabwe. Emergence of illegal informal markets and other anti-devial practices escalate when educated youths can do anything in order to survive. Religious/ Spiritual leaders and false

prophets sprout to further exacerbate the already bad situation on the unsuspecting unemployed youths in the pretext of assisting them to move out of poverty.

## 2. 5 Positive effects of unemployment

Unemployment should not always be viewed in bad light. Omolo (2010) states that unemployment gives people the time to pursue their education and leisure opportunities which they could not pursue if they were employed. It is common cause that unemployed educated youths are coming from a hectic situation of more than 11 years of continuous formal education where because of pressure of books, they had no time to experience real life. In light of that, a breather in the form of one or two years of unemployment may not be that bad.

Unemployment creates flexibility to the economy. The economy will be able to expand relatively faster if there is a pool of suitably qualified people ready to take up jobs once a new company opens in the area. Ibid (2010) further notes that the other benefit of unemployment is that it reduces push inflation by lowering prices if there is limited money in circulation. Prices of goods and services are generally stable when there is high unemployment in the economy and Zimbabwe's situation is a case in point.

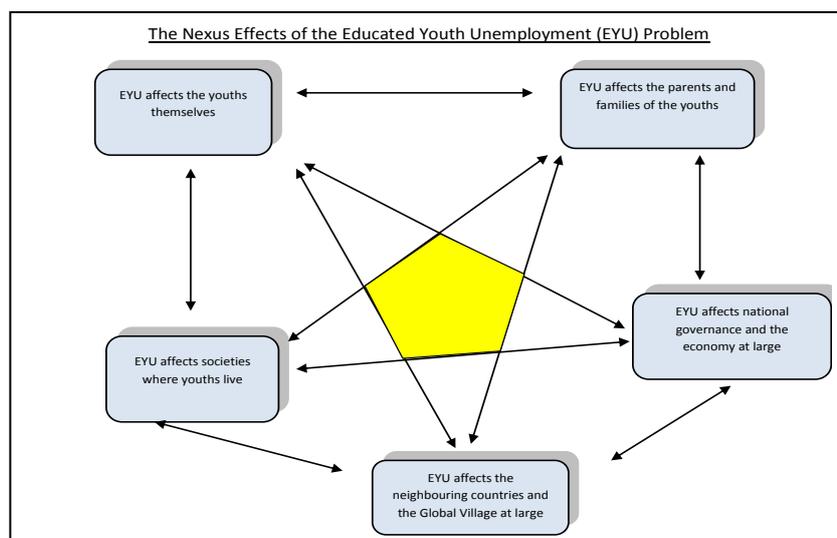
If more people are dependent on the State for handouts, it creates loyalty among the governed (Chigunta, 2002). Vosko (2011) states that there is stability in work places if there is high unemployment. Workers in post may not demand salary increases if they know that there are many job seekers waiting to take up their jobs if they go on industrial action. This situation is true for Zimbabwe if one takes into account the prevalence of strikes and stay-aways in the late 1990s. Workers will also work harder if they know that they can be replaced if they show laziness and incompetence. Ibid (2011) notes that there is loyalty, obedience and respect for seniors at workplaces in an economy faced with high unemployment.

Employees who once experienced prolonged unemployment are known to work hard to increase production once they get an employment opportunity and that builds a nation with a culture of hard workers. Workers emerging from prolonged unemployment tend to hold on to a job which they got 'after a long struggle'. This makes the job of management easy. Such employees are also known to be responsible to their families as they normally do not abuse the salaries they earn.

Unemployment gives room to innovation and creativity when the unemployed try new things to get an income. Some musicians, fine artists, craftsmen, dancers, models, politicians, soccer players, comedians, boxers, preachers, prophets and traditional healers are known to have come out of unemployment situations to discover their talents to earn a living.

This study notes that be that as it may, the negative effects of educated youth unemployment to individuals, families and nations far outweigh the benefits. For that reason, unemployment especially on educated youths is an economic ill that must be addressed at all cost and without delay. The situation in Zimbabwe is a case in point.

In summary after going through various sources and authorities on unemployment in general and educated youth in particular, this review came out with the diagram below to explain the interconnectedness of the educated youth unemployment problem:



Source: The Author

The diagram above illustrates that educated youth unemployment (EYU) affects the educated youths themselves in as much as it affects their parents and families as well as the society in which the educated youths come from (micro-level). The problem of EYU goes further to affect the country's governance (increase in crime, instability, social ills) and the economy (macro-level) but it does not end there, it further affects neighbouring economies and the Global Village at large when the unemployed educated youths give up and migrate sometimes illegally and without enough to sustain themselves before they land on menial or professional jobs and this creates governance problems in destination countries which by nature have their own problems to attend to. Owing to its far-reaching effects, educated youth unemployment should be urgently resolved.

### **III. Methodology**

As noted above, the basis of this research was literature review from various sources.

### **IV. Main Findings**

Unemployment of educated youths has many far reaching repercussions on the well being of the affected educated youths.

Female unemployed educated youths are affected since their male unemployed counterparts cannot afford marriage and responsibilities that go with being a husband or father and for that reason educated unemployed females turn to married men thereby fuelling the spread of sexually transmitted diseases and family disharmony.

Prolonged unemployment erodes the value of the skills learnt by the educated youths such that after prolonged unemployment, a graduate youth will have lost his/ her skills or they will have become irrelevant or outdated in a fast changing world.

The families which sacrificed a lot to educate the unemployed youths are negatively affected by the unemployment scourge.

Unemployment erodes the rate of return to education when families feel that by educating youths at high cost they lost out. The society and the economy at large suffer severely due to high unemployment of educated youths.

Governments lose out on development contribution from this energetic and skilled age group and it also loses out on taxes.

### **V. Recommendations**

There is need for governments in general and for the Zimbabwean government in particular to prioritise the issue of creating employment to benefit the unemployed educated youths who are suffering and getting psychologically affected.

The government of Zimbabwe which legislated the issue of prioritising job creation for the youths in the Constitution, National Youth Policy and the ZIMASSET economic blue print is urged by this review to create conducive environment for investment to resuscitate industry to create jobs so as to enjoy the value inherent in the skills of educated youths.

Of particular importance, government should prioritise value addition to move towards stopping the export of unprocessed raw materials.

Full exploitation of natural resources, controlling imports and building industry capacity, while formalising the informal sector to ensure that its activities are organised, legal and not chaotic as a viable option of employment creation to benefit the unemployed educated youths who continue to wallow in poverty yet they are armed with certificates, diplomas and degrees are also options to be pursued.

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