The Nature, Challenges and Consequences of Urban Youth Unemployment: A Case of Nairobi City, Kenya

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Abstract  Globally, decline in employment has affected the youth more compared to other cohorts with youth in developing countries being particularly hard hit. There have been various interventions by the Kenyan government to address the challenge of youth employment through human capital development like the Youth Enterprise Development Fund (YEFD). Despite this, youth unemployment still remains a big problem making youth vulnerable to crime and social unrest. This paper investigated the nature, challenges and consequences of urban youth unemployment in Nairobi, Kenya. The results of this paper were obtained through a survey done in Mathare informal settlement July 2013. The respondents included unemployed urban youth and key informants. Sampling was through multistage cluster sampling for the youth while the key informants were selected purposively. An interview schedule was used to collect data from the youth and key informants through face-to-face interviews and focus group discussion respectively. The study established that most youth in Mathare were unemployed due to lack of education and necessary skills. Urban youth unemployment in Mathare informal settlement had led housing, prostitution, school dropouts, marginalization, rape, HIV/AIDS infections as well as early marriages. To address urban youth unemployment, the Kenyan curriculum should be tailored to ensure increased compatibility between work and training through offering more intensive courses. Participation in vocational training needs to be encouraged in order to promote youth enterprise development and self-employment.

Keywords  Urban Youth Unemployment, Labour Force Participation, Labour Market

1. Introduction

1.1. Background

Youth unemployment is a pressing economic and social issue in society. The International Labour Organization [26] estimates that the percentage of young women and men who are unemployed throughout the world represents roughly two-fifths of all unemployed persons [26]. In general, youth are two to three times more likely than adults to be unemployed.

A 2010 study by the ILO indicates that the share of youth who are employed in the youth population saw a decrease from 47.9 to 44.7 per cent between 1998 and 2008 [26, 37]. This kind of a scenario does not portend well for global economies and therefore stringent measures should be put in place to address youth unemployment lest the situation becomes worse in future. This is due to the fact that the world population is projected to increases tremendously with the effect being felt more in developing countries.

Future population growth will be high in the developing world, with the fastest growth in the poorest countries and regions. The ILO report further states that about one in five people, over 1.2 billion people, are between the ages of 15 and 24 and the vast majority of this youthful population are in Least Developed Countries (LDCs). Sub-Saharan Africa has the world’s most youthful population and is projected to stay that way for decades [33]. Kenya is characterised by a rapidly growing population, rapid urbanization and growing urban poverty. The county’s population grew from about 5.4 million in 1948 to about 41 million in 2012, with a projection of 94 million by 2050 [38]. This has major negative implications on employment situations in developing countries, with very high dependency ratios. In Kenya for instance, the population is dominated by young people who need to be supported by those in the workforce. Close to half of all Kenyans (42 percent) are below age 15 years [38]. This young age structure also means that the population will continue to grow for several generations even after reaching replacement level fertility (about 2.1 children per woman) because there are many young people who are likely to start their own families.

Youth unemployment, particularly in Sub-Saharan Africa, Latin America, the Caribbean and Asia has reached potentially acute levels (AEO 2012). In sub-Saharan Africa, the share of youth unemployment in total unemployment is very high, reaching as much as nearly 80 per cent of total
unemployed in some countries. In the 1990s, both sub-Saharan Africa and North Africa recorded the world’s highest youth unemployment and total unemployment rates.

According to the International Labour Organization [26], both youth labour force participation rates and employment-to-population ratios are declining. The youth labour force participation rate decreased globally from 54.7 to 50.8 per cent between 1998 and 2008, which means that in 2008 only every second young person was actively participating in labour markets around the world. In 2008 the number of employed young people was 540 million, an increase of 34 million from ten years before [26] These gains were however reversed by the increasing youth population, which surpassed youth employment.

The world’s youth population is estimated at 1.2 billion, with nearly 90% living in developing countries [33]. In Kenya, young people constitute 30% (12,321,280) of total population while youth unemployment constitutes 78% of the total unemployment. In nearly all developing countries, the rate of unemployment in the 15-24 age group is at least double the rate of all other age groups [35, 7, 8]. This scenario is worsened by the big number of youth (500,000) in Kenya leaving school each year despite the Kenyan economy generating only 150,000 jobs in total, leaving hundreds of thousands of youth without opportunities for formal employment.

Youth unemployment is one of the most pressing socioeconomic problems facing most developing countries with the problem aggravated by a youth population explosion (Appendix 2: Figure 1 and 2). Concerns have been rising over the socio-economic situation of young people in much of Africa and the prospects of creating additional livelihood opportunities for them [5, 11, 25, 32, 30]. Increase in youth population boosts supply of young people in the labour market, constraining job creation. With an urban population in Africa expected to rise by 08 billion to reach 1.2 billion by 2050, the youth labour force is projected to grow by 28.2 per cent between 2003 and 2015[26, 11].

Figure 1 and 2 indicate that the Share of the world’s youth population is growing in Africa and Shrinking in more developed countries (MDCs).

Projections of the United Nations Population Division show that by 2030, more people in the developing world will live in urban than rural areas; by 2050, two thirds of its population is likely to be urban [11, 29]. In Kenya, about a quarter of the population currently lives in urban areas and with the quick urbanization; it is projected that close to half of all Kenyan’s will be residing in urban areas [41]. This apparently demonstrates that cities have transformed into magnets for those seeking a promise of a better life. Yet, rapid urbanization in the 20th century left the majority with limited access to basic services, employment, and housing [29] Kenya has witnessed growth in urban poverty with about 55 percent of urban residents currently living in poverty in slum settlements [2]. Youth are the most affected by this urban transformation and therefore it is important to highlight urban youth employment on the policy agenda and take heed of the particular needs of vulnerable urban youth such as urban slums.

Previous studies on youth unemployment in Africa present a worrying scenario. Recent survey data from southern Africa, including South Africa, indicate that formal employment opportunities for young people are very minimal [31-32]. For instance, in Zambia, only 25.0 % of the youth aged between 15-25 are in self-employment, while only a negligible proportion was formally employed. 73.8% indicated that they were doing ‘nothing’, with only 25.2% indicating that they were engaged in some form of work. Of these, 10.8% were engaged in casual work and 3.6% were helping out in a family business [10].

Several factors account for the high youth unemployment rate in Africa, most notably low economic growth, which is manifested in low economic activity and low investment [31, 32, 42, 43]. It has been argued, and rightfully so, that low economic activity entails low overall job creation. A study by [10] demonstrates that due to the sustained population growth rates, labour markets are not able to absorb all the newcomers, resulting in scarcity of jobs, which leads to more selection by education and experience; precisely the assets that young people are struggling to acquire.

The share of youth in the population in Sub-Saharan Africa was projected to increase to about 28 percent in 2010, higher than in any other region in the world. By 2035
Sub-Saharan Africa is projected to have as many youth as East Asia and by 2050 could also exceed South Asia [35]. The situation in Kenya is no different with Kenya’s youth population at 7,944,646 million\(^1\) in 2009, 20.58 percent of the country’s 38,610,097 million people [23].

Understanding the nature and causes of unemployment in Kenya is important. In 1998/99, overall open unemployment rate was 14.6 per cent, with urban unemployment rate of 25.1 per cent and rural unemployment rate of 9.4 per cent (CBS 2003). In 2005/06, overall unemployment was 12.7 per cent with urban and rural areas having unemployment rates of 19.9 per cent and 9.8 per cent, respectively [28]. To address the unemployment problem, evidence-based policies, programmes and projects are needed. However, to identify the information gap, a survey of the current situation is required. This paper is primarily concerned with the state of play as far as the nature and causes of unemployment and unemployment alleviation policies and programmes in Kenya are concerned.

1.2. Statement of the Problem

The government of Kenya has placed job creation at the top of its policy agenda and consequently the idea of institutional financing was conceived as a way of addressing unemployment. The concept is based on the premise that micro, small, and medium enterprise development initiatives are likely to have the biggest impact on job creation. The government has so far implemented various interventions to address the challenge of youth employment through human capital development like the Youth Enterprise Development Fund (YEFD) to provide youth with access to finance for capital development like the Youth Enterprise Development Fund (YEFD) to provide youth with access to finance for self-employment activities and entrepreneurial skills development [23]. Key policy documents including Vision 2030, Economic Recovery Strategy for Wealth and Employment Creation (ERSW) and the National Youth Policy document have also acknowledged the problem of youth unemployment and prescribed policies to deal with it. In spite of these efforts, unemployment and under-employment among the youth still remains a big problem [35]. Many youths in Kenya still remain unemployed and vulnerable to crime and social unrest.

In view of this, this paper attempted to establish the nature, challenges and consequences of urban youth unemployment by carrying out a study in Nairobi County.

1.3. Objectives of the Study

(i) Examine the problems associated urban youth unemployment in Nairobi.
(ii) Assess the magnitude (gender disaggregated) of urban youth unemployment in Kenya.

1.4. Conceptualizing Youth

\(^1\) The figure 7,944,646 million refers to the youthful population of Kenya, between ages 15-24 according to the Kenya 2009 Population and Housing Census Highlights by the Kenya National Bureau of Statistics.
2. Methodology

2.1. Site Description

Primary data was collected from Mathare slum settlement in the Eastern side of Nairobi City. Mathare is a collection of slums in Nairobi, Kenya with a population of approximately 500,000 people [16]. It is situated three miles East of Nairobi city’s Central Business District (CBD), and occupies an area of two miles long by one mile wide (onlineafrica). The slum is administered though the provincial administrative approach and it is in Roysambu Division, Kasarani District. It is segmented further in three areas: Mathare 4A, Mathare North, and Mathare Area 4. Mathare 4A is divided into six zones while Mathare North has three zones. Unlike Mathare 4A and Mathare North, Mathare Area 4 is relatively an affluent area accommodating middle class civil servants.

The slum settlement exhibits the characteristics of majority of slum settlements in developing country cities. The slum dwellers earn their living from informal sector activities located either within or outside the slum, and many informal sector entrepreneurs whose operations are located within slums have clienteles extending to the rest of the city. Most slum dwellers are in low-paying occupations such as informal jobs.

2.2. Sampling

Mathare was selected purposively due to the fact that being a slum area; poverty rates are very high. In addition the slum settlement accommodates a large unemployed population, and more so the youth. Sampling was through multistage cluster sampling due to the fact that there is no available sampling frame for urban unemployed youth. At the first stage of sampling, the three administrative areas of Mathare: Mathare 4A, Mathare North, and Mathare Area 4 formed the clusters. Two clusters (Mathare 4A, Mathare North) were considered for this study since poverty levels were very high. At the second stage of sampling, a sample of four zones (from the six and three zones of Mathare 4A and Mathare North respectively) was randomly selected from each cluster. The last step of this procedure involved selecting the ultimate units- the respondents who were then surveyed. For each zones, 12 youth were interviewed, thus N = 48.

To sample the youth, the researcher visited places where the youth congregate in large numbers. Male youth in Mathare usually congregated in designated areas known as ‘base’ 2, areas around bus-stops and certain business enterprises like barber shops and it was therefore easy to locate them. At each ‘base’ one male youth was interviewed. For female respondents, the researcher interviewed every fifth female youth he came across.

There were five key informants who participated in a focus group discussion. They were sampled purposively and they comprised the area chief of Mathare 4A and four chairpersons3 of the sampled zones.

2.3. Sources of Data

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2 According to the slum slang, ‘base’ referred to designated meeting points where the youth, especially male, would congregate and share about their life experiences. The youth in Mathare claimed that due to their jobless state, they were idle and therefore converged to while away time.

3 Each of the nine zones of both Mathare 4A and Mathare North as a representative referred to as a chairperson whose mandate is to assist the area chief with administrative duties.
Data for this study were both primary and secondary. Primary data were gathered from respondents in Mathare, an urban slum settlement in the eastern part of Nairobi City, Kenya. The respondents were of two categories: unemployed youth of the slum and key informants. The secondary sources of data were government reports from the ministries of Youth Affairs and Sports and the Ministry of Planning and National Development.

2.4. Data Analysis

Primary data that was gathered was descriptive in nature and it was analysed through establishing emerging themes. Data analysis was a continuous process throughout the study period. The following steps were taken to organize and manage the data during the study period: Field notes were written on a daily basis throughout the study period. The researcher however, perused through them at the end of each day to find out any emerging patterns. Case analyses were done for each interview and focus group discussions done. This enabled the researcher to highlight the main points and to see what information was generated. Any patterns emerging were noted and recorded. Case studies were compiled for all the key informants.

Eventually, data collected was content analyzed and then descriptively and thematically presented. This was achieved through categorizing data on the basis of codes corresponding to the emerging themes. Thus all data addressing each question or theme was pooled and put together through the use of assigned codes. The information and the meanings thereof have been used to answer the research questions of this study. Besides, secondary data from literature review was used to supplement field data.

3. Nature, Challenges, and Consequences of Urban Youth Unemployment

In total, 48 youth were interviewed; 37 male and 11 female. The respondents' age ranged between 18-33 years with the modal age being 25 years and the median was 24.44 years. Out of the 48 respondents, five had not completed secondary school level of education, with three out of the four dropping out before reaching Form Four, the level of education in Kenya that is a minimum requirement for most middle level colleges. The fourth respondent had only attained primary level of education, having reached standard eight while the fifth had dropped out of primary school. Interestingly, all of these five respondents were females. This confirms the results of the 2009 household census, which indicates that more males than females attend school (Table 1).

The remaining 43 respondents had at least attained the Kenya Certificate of Secondary Education (KCSE), the secondary school examination in Kenya. Out of these, only one had university training and another twelve had acquired skills from tertiary or middle-level colleges. This category had training skills in courses ranging from Computer Literacy, Computer Maintenance, Accountancy, Hair-dressing, Laundry and Dry-cleaning, to Entrepreneurship. Others had training in Electrical Wiring, Sales and Marketing, Social Work, and Animal Health.

Education of respondents definitely has implications on the employability of youth in Mathare Slum Settlement in that by analyzing unemployment by the level of education indicates a relationship between education attainment and unemployment. This means that in Mathare, most youth would lack employment due to lack of education. Various authors have argued that many people lack the necessary education and training for good productive jobs [35-41]. These findings conform to a report by the Kenya National Bureau of Statistics which established that ‘…half of the unemployed had primary level of education while about one third had secondary level of education. Those with university level of education were almost 1 percent of the unemployed’ [20].

The share of the unemployed in Mathare is likely to be higher for female youth than males. Out of the 48 sampled respondents, 5 females had not completed secondary level of education compared to all males who had at least Form Four level of education. This is also strengthened by the fact that only 1 out of the 10 female respondents had training in vocational skills (hair-dressing). Apparently, several factors combine to deny female youth employment compared to their male counterparts. This analysis of sex and unemployment in Mathare is not a strange finding since it corresponds to the labour force analytical report based on the 2005/06 Kenya Integrated Household Budget Survey which established that ‘the share of the female unemployed age 15-19 than that of males…’[20, 24].

Youth in Mathare Slum Settlement indicated that they were rarely in employment. Whenever an employment opportunity was available, it lasted a few days. Out of the 48 respondents involved in the study, it was only 15 who indicated that they had been at one point been employed. The forms of employment they were involved in included among others, garbage collection, building construction, bakery, social work, and hair-dressing. The employment periods ranged between 5 months and two years, with wages slightly above 1US dollar per day. However, it emerged that their definition of employment was pegged to any activity that earned them money.
Unemployed youth in urban set-ups faced quite a number of challenges. The respondents interviewed claimed that housing (Appendix 2; Figure 5 & 6) was one of the major challenges they experienced. Due to lack of income, most youth could not afford to pay rent for decent housing. One respondent stated thus:

‘Life in slums is very difficult. We live in shanties constructed in unsafe places…I don’t have a job and therefore no source of income and cannot even afford to pay rent for the shanties. We have to share a single room with my parents and the other siblings’

The problem of housing was so compounded that to the urban youth, there was no feasible solution. It emerged that a planned slum upgrading programme had been resisted by the slum dwellers for various reasons. Some respondents claimed that due to unemployment, some youth construct shanties at any available space which they rented out. Upgrading of the slum would automatically leave them without an income. Though to such youth they had a source of income, this created other problems since such shanties posed health risks to the occupants. Some were constructed right at the hedge of rivers and above drainage systems.

Lack of proper housing led to other social problems. These include premarital sex, a problem that affected especially teenage girls. Most respondents felt that parents were to blame for this since they could not provide adequate housing and this leads to a whole family sharing a small room. A female respondent explained:

My father’s family is composed of six members. It is always embarrassing for me to confess I learned about sex at an early age…I would experiment what I witnessed my parents do at night since there was no privacy in the house.

This particular respondent stated that she ran away from home to live with the man who had made her pregnant. Since she could not secure employment, she experienced many problems especially after she delivered. The ‘husband’ would not provide enough for her and the child. From the focus group discussion, participants confirmed that premarital sex was a rampant practice in the slum settlement. The discussion revealed that some parents even had sex with their daughters. One of the members in the group stated that:

Due to unemployment, some fathers come home drunk and frustrated… At times when they find their daughters at home they force them into sex… this has led in some instances to infection of HIV/AIDS and other diseases.

Unemployment has resulted to prostitution in Mathare slum among young girls. Due to inability to meet daily needs, female youth have resulted to prostitution with some having unprotected sex with their clientele. This has exposed many youth, both female and male, to diseases as well as early childbirth for the female youth. The situation gets more complicated for the young mothers since they lack support for the children. The words of an eighteen year old female respondent support this:

Young girls get into prostitution here in the slums due to unemployment. Life in the slums is very tough for us… One has to eat, dress, pay for rent; school your child, and many other needs. Where do think one would get money for all this? Without employment, one has to earn something (money)

The observation that can be made at this stage is that prostitution, lack of housing, and unemployment has led to high population in Mathare. This finding agrees with a report by the [41] that about a quarter of Kenya’s population lives in urban areas which has led to a growth of urban poverty, particularly in slum settlements [41].Some respondents claimed that for lack of occupation as well as recreation, many youth and even adults in the slum engage in sex as a pass time. The social-economic problems related to this become cyclic and interrelated. For instance, there has been an increase in failure by the family to look after children. According to [10] ‘increasing numbers of young people are dropping out of school due to lack of fees, while families and communities are increasingly failing to provide to their young…’

Youth unemployment in Mathare slum settlement has led to increase in crime. Just like many unemployed female youth turn to prostitution as a means of livelihood, male youth resort to crime. Youth from Mathare 4A and Mathare North revealed that due to idleness, male youth meet at certain points (‘base’) to while away time. In the process, due
to peer influence, they end up engaging in criminal activities. This was confirmed by the focus group in which case the area chief stated that there were rampant cases of theft in the area reported by the residents.

According to the participants, most of those involved in the thefts were youth who stole mostly household goods which can be sold off easily. This was not a strange finding in Mathare since criminality among the youth existed elsewhere in other urban areas. According to [10], due to lack of discernible livelihood opportunities for young people, ‘gangsterism’ has become a meaningful occupation for the youth. He further points out that ‘the rise in youth gangsterism in urban Africa seems to be posing a new social threat, not only to young people, but also to the larger city community’ (2002 18).

Urban youth in Mathare slum settlement experienced stigmatization due to their environment. All respondents agreed that their social life was affected because of the perception people from other localities had about slums. This made urban youth in the slum have a low self-esteem. One male youth said:

We are always sidelined… when we interact with youth from other urban set-ups, especially in youth forums; they perceive us in a negative way. Their attitude is that one born in Mathare can have nothing positive. So, even our contributions in such forums are never taken seriously… We lack mentorship here in the slum and our interaction with the ‘outside world’ is almost non-existent.

Such findings are not new amongst slums dwellers. A UN report on the challenges of slums summarises the characteristics of slums, thus:

slum populations tend to have low average incomes, high levels of unemployment and relatively low levels of education. As a result, they are often stigmatized, leading to social discrimination... The often pronounced urban isolation and victimization, difficult access to physical and social infrastructure and generally higher incidence of violence and crime generate patterns of depressed urban areas where the inhabitants, despite their heterogeneity, seek common interests on the basis of unsatisfied basic needs [34].

4. Conclusions and Recommendations

This paper has established that in the urban set-up, unemployed youth experience numerous problems. The interview in Mathare is a clear illustration that even though the government is continuously initiating intervention programmes, a high youth population in Kenya is increasingly eroding these efforts. Besides the efforts so far made by the government, there is need for major and urgent interventions geared towards containing urban youth unemployment.

Transition from education to the productive system of the economy should be improved. A big number of students do not transit to the next level of schooling. The education system, especially at the primary school level, has a theory based curriculum leaving those who do not proceed to the next level ill prepared for the labour market. To improve transition, there is need to increase participation in vocational training right from the primary school level. The Ministry of Education, Science and Technology can review the workshop programme initiated in the 1980s in primary schools in order to equip the leaners with both theoretical training alongside productive activity. Besides, youth polytechnics should be revived and equipped, to enable them train the youth and equip them with skills that will make them fit in the current labour market.

The curriculum should be tailored to ensure there is increased compatibility between work and training through offering more intensive courses. This can be achieved through creating partnership between training institutions, especially institutions of higher learning, and employers. This guarantees training programmes designed by the learning institutions meet the specific requirements of the employers. By so doing, there would be a link between industry demands with education design. There is a big disconnection between industry and educators. Typically, course content is not sufficiently related to the workplace, particularly in academic education. This needs to be addressed and there must be mechanisms put in place to allow businesses to be more involved in the design and delivery of professional education.

Another approach is to promote youth empowerment. The formal sector has experienced slow growth, not only in the developing world but also globally, consequently offering few job opportunities. The government of Kenya should therefore promote youth enterprise development and self-employment. In 2006, the government implemented the Youth Enterprise Development Fund (YEDF) to address youth unemployment. YEDF seeks to increase access to capital by young entrepreneurs in order to reduce the level of youth unemployment in the country. However, the youth are faced by several huddles in accessing this fund thereby isolating a bigger proportion of would be beneficiaries. For instance, some young people cannot fulfill YEDF requirements such as developing a business plan, being in a registered group and having an existing bank account. In effect, these rules should be more flexible in order to ensure that youth accessed the fund easily. This promotes entrepreneurship and employment among young people, ultimately reducing the high poverty levels, especially among youth in the urban informal settlements.

The study has established that unemployment is significantly higher among young females than among young males. This therefore reinforces the need to design employment promotion policies with a gender focus.

Finally, the current population growth rate in Kenya should be checked. This can be done through mainstreaming population issues with other development sectors. The new population policy (Sessional Paper No. 3 of 2012) should be
fully implemented. This will include addressing population issues such as urban planning, infrastructure development, promote a multi-sectoral approach in provision of quality integrated youth friendly population education, advocate for Family Life Education for both in and out of school youth, as well as contribute to the implementation of the Kenya Vision 2030 poverty reduction programmes.

**Acronyms**

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<td>CBD</td>
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<td>ILO</td>
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<td>KCSE</td>
<td>Kenya Certificate of Secondary Education</td>
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**REFERENCES**


