Youth Bulge, Policy Choice, Ideological Trap and Domestic Political Unrest in Ethiopia

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Background: Interpretation of current unrest
The regions of Oromia and Amhara, where more than 60% of the Ethiopian population live, are now engulfed by protest, riots and sporadic armed clashes. This political unrest began in Oromia region last November 2015 and has now sprung up in the Amhara region. The causes of this political unrest are interpreted differently. State actors interpret it as work of chauvinists and narrow minded nationalists. Non-state political activists see it as a question of justice, equality, cultural identity and issues of control of territory and resources. Some moderates blame the much skewed wealth distribution, poverty and poor governance in the country for the political unrest. What is the devil in the political unrest in the country? In this essay I will try to examine the unrest from the perspective of population growth, age structural change and the associated economic policy choices used to combat youth bulge problems in the country.

Population Growth, Age Structural Change and Youth Bulge
The Ethiopian population had doubled since the early 1970s under conditions of subsistence economy. In 2015, Ethiopia is the second-most populous country in Sub-Saharan Africa with a population of 92.2 million. According the Central Statistic Authority (CSA), under the most optimistic low fertility scenario the population size is projected to increase to 137 million by the year 2037. This is an increase of 45 million people with an average growth rate of 2.2% per annum. Currently the Ethiopian population is increasing by about two million people a year.

Countries with a history of rapid population growth have a high potential of future population growth with youth constituting the largest segment. In Ethiopia, initially the population growth was concentrated at the child age group (0-14) which dominated the structure (an average of 40% of the population), followed by the young adult age group (15-29), constituting an average of 28%, followed by the middle age (30-59) about 25% and old age (60+) about 6%.

Since 1995, five years after the start of a decline in population growth rate of the country, Ethiopia entered into the period of youth bulge, which is commonly defined relative to the total adult population. Moderate decline in the fertility rate and the echo of the baby boom generation of the 1975/76 land reform (large child bearing populations) were the major driving forces for the onset of the youth bulge in Ethiopia. In 2008 the country had a total population of 79
million, the second largest population in sub-Saharan Africa, and 48 percent of the adult population was in the age group 15-29.

The Map shows the existence of significant regional as well as local variation in the youth bulge of the country in 2007. The border and southern regions have experienced a large youth
cohort, which was about 40-70 percent of the adult population, while the central regions have cohort size of 20-40 percent of the adult population. For the Somali region I do not have age breakdown data at district levels; but the regional level data shows that the youth bulge in the region was 54.32%, which was well above the national average. The census data shows that most urban areas have higher level of youth bulges than rural areas.

Effects of Rapid population Growth and Youth Bulge

For the purpose of policy intervention, it is important to distinguish the effects of overall population growth from the effects of youth bulge. In a subsistence economy rapid overall population growth, which in the case of Ethiopia is characterized by exponential growth, leads to massive scarcity, increase in surplus labour, fragmentation of resources, diversification of economic activities, growth of nonfarm service activities, informal self-employment and internal migration and out-migration. Analysing overall rapid population growth effects helps to understand the mechanism of economic growth and pillars of structural transformation: need for concentration of resources and centralization of production, factors of labour productivity, balanced regional development, industrial linkages and clusters.

Focus on youth bulge on the other hand helps to understand the problems around the life trajectories of young adults in the country, i.e., livelihood positions and life transitions belonging to the young adult phase of life. While livelihood positions refer to states which an individual occupies at a point in time, life transition refers to the sequence of events that brings about a change in states. The markers of life transition include events such as ending schooling, starting work, leaving home, first cohabitation, first marriage, and first birth. The timing and duration of these events and, in some cases, the sequences of these events differ over time, depending on opportunity structures.

In Ethiopia there is a glaring gap between the growing needs of the young adult age group and the availability/supply of resources to meet the markers of the life transition: access to education, getting job, earning income, marriage and housing. Because of limited opportunities, the youth is experiencing only one or two of the events for long duration, without transition to another event and this has created deep frustration and grievances leading to different forms of political violence.

According to a study of Ministry of Labour and Social Affairs, in 2007 the employment-to-population ratio for the country was 71.5%. That means about 72% of the total population aged 15 years and over were working during the reference period. The employment-to-population ration in the rural areas was higher (76.6%) than in the urban areas (50.4%), i.e., 50 % of the urban adult population was unemployed (see figure below).

In rural areas job creation was related to of access to rural land, and this has caused problems of distribution/redistribution and fragmentation. World Bank study stated that “youth employment presents a particular challenge to Ethiopia; the country faces growing youth landlessness in rural areas and insignificant rural job creation, potentially leading to an increase in migration to urban areas” (World Bank, 2007, Urban Labor Markets in Ethiopia: Challenges and Prospects. Volume I: Synthesis report 38665). In rural areas the youth have limited access to farm land because of land scarcity and land market restrictions. In urban areas most jobs are created in the low-paid informal sector, since the public and private sectors have a very limited labour absorbing capacity.

Trend analysis showed a continued decline in the employment-to-population ratio as the youth cohort size increased both in the urban and rural areas. Underemployment, dissatisfaction with low-paid work and getting oneself stuck in life transition encourages outmigration from the country. A large majority of young adults who stayed in the county lived with their parents well into their thirties as slum dwellers.

Problems of Economic Policy Choice and Implementation

In youth bulge countries there is a potential for occurrence of conflicts if and when the proportion of youth bulge exceeds 20% of the adult population (Urdal, H. (2006), A Clash of
Generations? Youth Bulges and Political Violence, in International Studies Quarterly). But bulge consequence depends on policy choices: analysis of the various intervention instruments (institutional support systems, trade, finance, price instruments, etc.) and specifying the objectives of reform instruments (overcoming production scarcity, creation of productive employment, profit making, commodity export and earning foreign exchange, etc.). With the right policy (clarity in the means and objectives of economic reforms) youth bulge can be turned into demographic dividend as in the case of East Asian “tigers” during 1965–90. As I have tried to argue in a number of occasion (see below links to list of popular debate articles), the EPRDF Government has problem not only of implementation but also an economic policy choices. The Government tries to solve youth bulge employment problems without focusing to transform the economic structure of the country (namely, without solving first the consequences of overall rapid population growth in the country).

Because of rapid population growth we have now around 15.6 million agricultural households all over the country owning less than 1.1 hecter per holder. The urban economy has now made up of roughly 7 times more service providing than goods producing workers. Over 90 percent of the industrial firms are small or micro enterprises (SMEs) belonging mainly to informal sector and produce for low-income markets. Medium and large firms are known for their high dependence on imported raw material and for operating below capacity.

The fragmentation of the economy shows the need for concentration of resources and centralization of production for the purpose of labour specialization, creation of economies of scale and introduction of technology. The government, however, planned to increase public investment without a declared objective of transforming smallholder agriculture and small scale urban production for political and ideological reasons.

To transform the fragmented rural and urban economy, there is a need for a centralize production system and consolidation of resources. Centralized management of activities and concentration of land input ensures food security, reduces fixed and transaction costs, build up trust, encourages labour specialization, create production and consumption linkages and facilitate capital accumulation. Economic scale, which is the basis of technological change, is the result of concentration of inputs and centralization of production system.

Centralization and consolidation of resources can be done through privatization of land property rights to individual plot holders and development of the private sector in all regions of the country. But the EPRDF Government has no intention to slip the state’s hold on the economy due to its ideology of developmental state and politics of ethnicity. Government owning and running of the economy under condition of neopatrimonialism (patron-client
relationship which is acknowledged by EPRDF itself) leads to inequalities between regions and ethnic groups.

Patron-client relation not only entrenches informal governance system but also creates unauthorized transactions. It encourages favouritism, nepotism, and other corrupt practices, which ultimately worsens the governance (See Kebede, G. 2013, Political Corruption: Political and Economic State Capture in Ethiopia. European Scientific Journal, Vol.9, No.35). In a country where linguistic/regional differences coincided with political differences, inequalities caused by clientelism serve as a motivation factor for youth unrest.

The Ethnic Trap

Ethnic trap is a situation where one cannot escape and avoid not to falling back into it. It is a self-reinforcing process or mechanism. In 1991, the EPRDF Government used ethnic ideology to shape the country’s institutions and to spell out action oriented programs for their activities. Ethnicity is used not only to address cultural demands such as the use and celebration of the ethnic language and culture, but also as a means of devolution of power. At that time the Ethiopian population counted as 45 million and this number has currently doubled to 90 million. As a result of rapid population growth, the the spatial characteristics, distribution and variations of the Ethiopian population has changed significantly. Because of labor mobility and internal migration the number of people living in the urban areas has increased rapidly and this has changed urban infrastructure and land use patterns. Population growth in general has affected food security, employment creation, health, housing, infrastructure, urban services, public finance and sector growth.

When the ethnic federal system was constructed in 1991, no one conducted a demographic based forecast to provide alternative frameworks for future policy decisions. Effects of rapid population growth and youth bulge were not projected at the time of the creation of the ethnic federation. Population growth and age structural change is an autonomous force and the government has no control over demographic factors. After a period of 25 years of rapid spatial and basic need changes, it is no longer possible to use the criteria of language and local identity in the design and implementation of public policy reforms. Unfortunately some state actors perceive consequences of rapid population and youth bulge unrest as work of “nation chauvinism and narrow nationalism”. Some non-state actors are also using ethnic ideology due to a long-standing mistrust of central government. In both cases ethnicity is used not only to address cultural demands but also as a means of devolution of power and resource mobilization.

It seems that in the Ethiopian political culture there is too much use of ethnic ideology either as a result of mistrust of central government or as a means of holding to power. In any way it
is important to know that there is a limitation to use of ethnic ideology as a means and objective of economic policy formulation and implementation. Under condition of population growth pressure and spontaneous internal mobility of labour, the perception of social, political and economic conflicts between groups of people in terms of a constructed linguistic identity is inappropriate. The effects of rapid growth population on the performance of social and economic sectors and material well-being of the Ethiopian people compel us to get out of the ethnic ideological trap. It is time to accept innovation and be tolerant to other views to design type of policies that can improve economic growth performance and other components of well-being. How well the economic resources of the county meet the needs and demands of a rapidly growing population in the past decades? If the level of meeting the desired needs is unsatisfactory what are the supply and growth capacity problems? It is not possible to assess such effects of rapid population growth and suggest alternative policy measures of economic transformation using paradigms of ethnic relations.

The future: ways of finding new resources

According to the Central Statistical Agency of Ethiopia (CSA), by 2027 Ethiopia's population is projected to reach 116 million and the young adult age group will constitute about 47 per cent of the adult population. The continuous growth of the young adult group at least in absolute terms increases the number of young people searching for work and production resources. As the relative size of the cohort increases, the economic opportunities tend to decrease. In order for the labour market to absorb surplus young job-seekers, both unemployed and underemployed, it is necessary at first to transfer the structure of the Ethiopian economy.

Ethiopian population growth needs an increase in the scale of production. It is only manufacturing industrialization that increases the scale and the speed that the rate needed. At the present the country needs an instantaneous transformation in the structure of production, employment and sectoral composition of economic activities. The consequences of exponential population growth and youth bulge can only be solved through rapid industrialization that expands job opportunities and labour skills.

The attempt to scale up a fragmented economy (cost increasing activities), without changing the nature of their economic organization, and a plan of establishing industrial parks amidst a fragmented economy will not bring about fast and intense structural transformation (change in slope) as required by the population growth pressure. The pillars and requirements of economic structural transformation include:

i) Bring about a change in the scale of output production through centralize production system and consolidate resources (such as privatization of land property rights to individual
plot holders). From the perspective of private sector development, a gain in one ethnic group/region is not equivalent to another’s loss. There is no one winner and one loser. Development is not only distribution; it is also creation of resources where everyone follows an underlying rules, clearly stated objectives and strategies.

ii) Need for the expansion industrialization in rural towns for the creation of productive employment for the surplus rural labour in the nearby towns (to curb long distance migration) and supply of consumption goods to the rural households

iii) Identify the appropriate forms of industrial policy aimed at changing the structure of the economy

iv) Designing the organizational structure of industrialization appropriate for the current conditions of the country


Ethnic ideology as a rule does not provide solutions to youth bulge consequences and scarcity problems created by rapid population growth. My view is that the political ideology of ethnicity is appropriate for distribution of existing resources; it cannot be applied for the creation of new resources. The effects of youth bulge on political unrest calls for a different approach and mindset.

Alternative Economic Policy Suggestion for Creation of New Resources


4 Can Ethiopian Smallholder Farmers serve as basis for Green Revolution? July 2010

5 The Costs of Financing Small Farmer-led Green Revolution in Ethiopia: Final Reflection,
July 2010, retrieve from
http://aigaforum.com/articles/Final_response_on_green_renovation.htm

6 Problems of Institutional Instability and Green Revolution Bureaucracy in Ethiopia, July

7 Conditions and Forms of Industrial Decentralization: Towards Policy of Balanced
Regional Growth in Ethiopia, September 2010, retrieve from

8 Get Rid of Small Farms: Reflection on 2008 World Development and 2011 Rural Poverty
Reports, December 2010, retrieve from

9 Miss Conceptualizing Growth Role of Small Farms, January 2011, retrieve from

10 Structural Transformation is a Defining Moment that Leads Ethiopia to Modern
Development, April 2011 retrieve from

11 Large-scale Technology is at Heart of Economic Structural Transformation in Ethiopia,
May 2011, retrieve from

12 Reflection on Growth and Transformation Plan (GTP) of Ethiopia 2011-2015, October


14 Speeding up Industrialization in Ethiopia: What works and what does not, June 2011

15 Export-led or Domestic Demand-led Growth Policy for Ethiopia: Getting Choice and
Sequence Right, June 2011 retrieve from

16 The Youth Bulge, Rapid Urbanization and Political Violence: Understanding Egyptian
Revolution, February 2011 retrieve from

17 Revisiting Youth Bulge Countries, Deprivation Hypothesis and Opportunity Perspective,
March 2011, retrieve from
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