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Raising a new Generation of Leaders

Youth Employment and Large-scale Agricultural Land Investments: Examining the Relevance of Indigenous Institutions and Capacity in Tanzania

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Outline

- Introduction
- Why Tanzania?
- Key Research questions
- Conceptual framework
- Data and methods of analysis
- Results & discussion
- Conclusion & agenda for future research



Introduction (1)

- ◆ Issues on youth and (un)employment in Africa.
 - The ratio of youth to adult unemployment rate in Africa is about 2.5
 - youth account for 60% of all joblessness in the continent.
 - Africa is one of the most youthful regions of the world.
 - Africa's youth population expected to be one quarter of the world's young people by 2025 (World Bank, 2018).

Introduction (2)

- ◆ Initiatives to make agricultural sector more attractive for the youth & create jobs (e.g. AU's African Youth Charter).
- Large-scale agricultural land investments (LALIs) in Africa higher than other regions of the world.
- Varied arguments on the implications of LALIs.
- Thus, we extend the frontiers on LALIs by using Tanzania's evidence to underscore that LALIs may not translate to youth employment – without an effective institutional framework & capacity especially at the local level.

Why Tanzania? (1)

- Tanzania is in East Africa.
- Has vast areas & parks ('big 5' game: elephant, lion, leopard, buffalo & rhino);
- Kilimanjaro, Africa's highest mountain.
- Over 57 million people



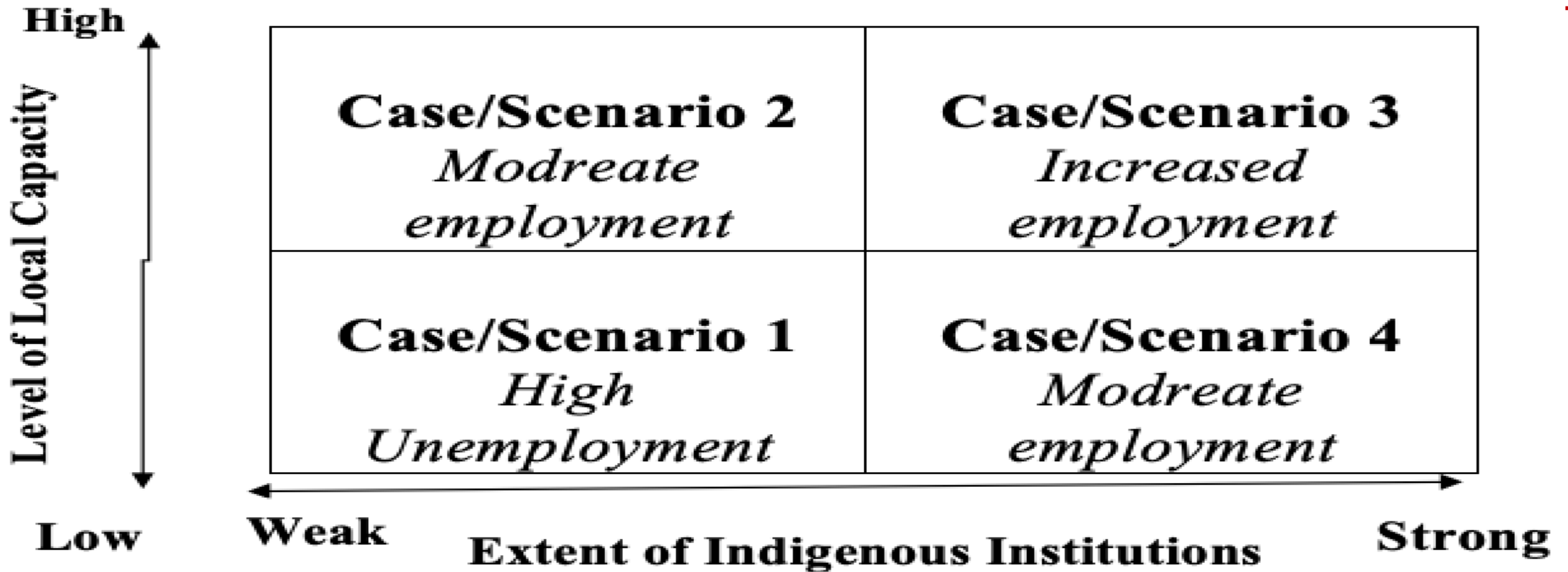
Why Tanzania? (2)

- Among top 20 destinations of global LALIs & top 10 in Africa.
- Covered by LSMS_ISA
- Agriculture employs about 70% of labour force
- One of world's fast growing population with increasing number as youth

Key Research Questions

- ① What is the influence of LALIs on youth employment (YE)?
- ② How does YE in communities with LALIs differ from those in communities without LALIs?
- ③ How can indigenous institutions interact with LALIs occurrence to influence YE?
- ④ In what ways do local capacity influence YE given LALIs occurrence?

Conceptual Framework



Data

- Living Standard Measurement Study – Integrated Surveys on Agriculture (LSMS – ISA).
- LSMS–ISA: HHs, communities & agriculture
- Conducted 2008/09, 2010/11 & 2012/13 (2014/15 –New)
- About 3924 households.
- About 10000 individuals
- Info on communities with LALIs from Land Matrix Global Observatory data.

Some Clarifications

- Youth
- ILO: individuals within 15-24years.
- AU: 16
- Youth employment (YE): individuals within 15-24years engaged in an economic activity with incentive in the form of economic values.
- The opposite is ‘youth unemployment’ (YU)

Empirical Model

- We extend Asiedu *et al* (2011); Osabuohien (2014; 2019).
- The empirical model is surmised as:

$$Youth_employment_i = \alpha_i + \beta LALIs_i + \alpha Covariates_i + \lambda Institutions_{ci} + \partial Interactive_{ci} + \varepsilon_i$$

Empirical Results

- ① Descriptive
- ② Econometric



Table 1: Summary Statistics of Key Variables

Name/Description	<i>All Communities</i>		<i>With LALIs</i>		<i>Without LALIs</i>	
	Mean	Std. Dev	Mean	Std. Dev	Mean	Std. Dev
<i>Youth employment</i>	0.228	0.421	0.204	0.405	0.269	0.448
<i>Education (Youth Educ.)</i>	0.897	0.306	0.925	0.265	0.846	0.364
<i>Health Condition (Health)</i>	0.938	0.242	0.957	0.204	0.904	0.298
<i>Gender (m/f)</i>	1.524	0.501	1.505	0.503	1.556	0.502
+Age (Age), years).	17.19	5.86	16.67	5.48	18.09	6.41
+NSA1 (NSA1): interest group in community	5.647	13.902	4.103	5.192	7.681	20.411
NSA2 (NSA2): farmers' group.	0.413	0.494	0.387	0.490	0.456	0.504
Institutions to resolve dispute						
Institution1 (Inst1): ward tribunal.	0.918	0.276	0.913	0.283	0.926	0.264
+Institution2 (Inst2): times ward tribunal meet.	7.463	11.623	8.176	14.415	6.224	2.867
Community's Social Stability/Security						
Vigilante (Vlante): citizen's vigilante	0.800	0.402	0.773	0.421	0.850	0.362
+Violence (Vlence): cases of violent attack.	33.483	73.961	35.816	77.745	29.05	66.900
Capacity of Community Leaders						
Tenure in office (Lead1): Tenure of Community Leader.	6.728	8.790	5.796	3.872	8.333	13.516
Education of leader	3.167	0.819	3.242	0.807	3.038	0.831

Some Regression Results (1)

Table 4: Regression Results Inclusive of Presence of NSAs

	1	2	3	4	5	6
Education	1.480*** (0.054)	1.574** (0.045)	2.160 (0.122)	2.383*** (0.094)	1.542*** (0.055)	2.465* (0.100)
Health Condition	15.883* (0.000)	15.505* (0.000)	16.254* (0.000)	16.751* (0.000)	16.524* (0.000)	16.843* (0.000)
Gender	-0.903*** (0.087)	-0.877*** (0.098)	-1.291 (0.145)	-1.320 (0.136)	-0.882*** (0.094)	-1.356 (0.115)
Age	0.150* (0.000)	0.151* (0.000)	0.159** (0.014)	0.147** (0.024)	0.144* (0.000)	0.152** (0.020)
LALIs	-0.589 (0.243)		-0.555 (0.480)			
NSA1	0.356*** (0.081)	0.338*** (0.096)				
NSA2			-0.014 (0.709)	-0.020 (0.739)		
NSA1 × LALIs					0.100*** (0.085)	
NSA 2 ×LALIs						-0.036 (0.723)
Pseudo	0.220	0.210	0.194	0.186	0.207	0.187
Prob. Value	0.000	0.000	0.000	0.000	0.000	0.000
Log Likelihood	-49.695	-50.357	-21.238	-21.447	-50.554	-21.408

Some Regression Results (2)

Table 5: Regression Results Inclusive of Local Institutions

	1	2	3	4	5	6
Education	1.770** (0.035)	1.831** (0.031)	1.846** (0.028)	1.926** (0.024)	1.702** (0.044)	1.817** (0.034)
Health Condition	16.682* (0.000)	16.646* (0.000)	16.755* (0.000)	16.744* (0.000)	15.011* (0.000)	16.789* (0.000)
Gender	-0.813*** (0.100)	-0.819*** (0.104)	-0.719 (0.156)	-0.724 (0.151)	-0.786 (0.123)	-0.703 (0.161)
Age	0.168* (0.000)	0.169* (0.000)	0.169* (0.000)	0.169* (0.000)	0.167* (0.000)	0.161* (0.000)
LALIs	-0.259 (0.592)		-0.162 (0.749)			
Institution 1	0.995*** (0.100)	0.986*** (0.085)				
Institution 2			-0.353** (0.026)	-0.359** (0.017)		
Institution 1×LALIs					0.049** (0.019)	
Institution 2×LALIs						-0.209** (0.043)
Pseudo	0.230	0.228	0.213	0.213	0.221	0.212
Prob. Value	0.000	0.000	0.000	0.000	0.000	0.000
Log Likelihood	-58.756	-58.901	-56.601	-56.653	-59.426	-56.721

Some Regression Results (3)

Table 7: Regression Results, Inclusive of Local Capacity

	1	2	3	4	5	6
Education	1.922* (0.010)	1.979* (0.010)	1.810** (0.017)	1.859** (0.016)	1.902** (0.014)	1.850** (0.017)
Health Condition	16.852* (0.000)	16.733* (0.000)	-1.810* (0.000)	15.343* (0.000)	15.350* (0.000)	15.347* (0.000)
Gender	-0.881*** (0.089)	-0.871*** (0.094)	-0.844*** (0.090)	-0.845*** (0.091)	-0.900*** (0.077)	-0.843*** (0.093)
Age	0.176* (0.000)	0.177* (0.000)	0.165* (0.000)	0.166* (0.000)	0.168* (0.000)	0.167* (0.000)
LALIs	-0.367 (0.465)		-0.226 (0.646)			
Capacity1	0.367*** (0.075)	0.338** (0.022)				
Capacity2			-0.008*** (0.069)	-0.007*** (0.076)		
Capacity1 × LALIs					0.005*** (0.097)	
Capacity2 × LALIs						-0.011*** (0.086)
Pseudo	0.251	0.247	0.233	0.231	0.238	0.231
Prob. Value	0.000	0.000	0.000	0.000	0.000	0.000
Log Likelihood	-56.784	-57.057	-59.682	-59.792	-57.760	-59.794

Some Robustness checks

- Only Rural areas (Table 8)
- the signs of the variables remained consistent.
- Regression using Tobit Technique (Table 9)
- suitable for estimating models with truncated explained variable.
- explained variable is between two alternatives: worked for pay (right censored) or not (left censored).
- Results remained consistent.

Summary of Main Findings & Implications

1. Indigenous Institutions & capacity: community tribunals, the social stability; education of community leaders, are important factors that can enhance the LALIs' effect on youth employment in Tanzania
2. Implication:
 - ✓ strengthening & ensuring functional NSAs
 - ✓ social stability & security be encouraged
 - ✓ leadership capacity in the host community be enhanced

Conclusion & Future Research

◆ Future research to complement:

- Comparative analysis on implication of LALIs on employment (e.g. Tanzania & other African countries with LALIs)
- Fieldwork and mixed method (qualitative and quantitative)



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Thanks for your attention

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