



# But where are the workers? How the youth entrepreneur model fails in Africa

**Pierre Girard**

The figures are now well known: 375 million young people will reach working age in Sub-Saharan Africa by 2030, and for many their livelihoods will depend mainly on the rural economy (Losch, 2016). Facing the massive generation of activity required by these demographic dynamics, entrepreneurship has become the leitmotiv of many donors' and NGOs' programmes and projects, as well as public policies. According to them, the multiplication of entrepreneurs can meet the employment challenge in the African countryside.

Amidst the positive picture presented by the 'Afro-optimism' narratives that have emerged since the growth recovery of the 2000s and the proliferation of over-publicised success stories, entrepreneurship is scarcely criticised. In view of the above, it is essential to qualify the unrealistic expectations generated by the fantasy in which millions of rural youth would constitute a myriad of independent entrepreneurs on the continent. Not everyone will become an entrepreneur in this fantasy: the majority of young people will combine different employment statuses where relationships of economic dependence and subordination will be dominant. Therefore, it would be better to focus public policies on social protection than on entrepreneurship.

## Family dependencies

Beyond key terms ordinarily used for defining entrepreneurship – such as 'exploiting market opportunities', 'innovating', 'creating' or 'risk taking' – an entrepreneur must be considered as someone who engages his or her own capital (or that of investors) to generate activity while contributing more or less to the work directly related to the production process.

By this definition, undertaking business is not a new thing in sub-Saharan Africa's countryside. Indeed, it is a property of the majority of rural production structures, mostly family-based, that they generate their own activity, whether agricultural or non-agricultural, by investing their capital and their own labour. Indeed, under various constraints, they have

no choice but to innovate and take risks to meet their needs.

Further, entrepreneurship as currently supported seems not to take into account the social structures where the rural youth are born. Before being able to initiate their own businesses, these young people are first family workers whose individual choices depend foremost on the structures within which they grow up. In Sub-Saharan African rural households, being a family worker is a form of subordination to the elders, even if it cannot be considered exploitation because land and capital are normally transmitted to these workers.

Admittedly, the youth of the continent have never been so educated and open to the world, which certainly helps to increase their capacity to transform family structures. Indeed, youth is precisely a period of evolution of such economic, social and cultural dependencies, where young people are able to change the rules governing the functioning of households. Nevertheless, grasping youth only from the perspective of its capacity to transform, to innovate, to take opportunity – as entrepreneurship approaches tend to do – generates erroneous visions of social reality. Young people are not on an island, but are well connected to productive structures, especially for access to productive resources such as land and capital. Most of the time, due to the lack of other social mechanisms, the family, especially the head of the household, remains the main body providing access to these resources and deciding on the distribution of family incomes. Finally, due to the lack of social protection, family workers have to take in inactive family members.

## The 'silent' wage employment

For methodological and ideological reasons, such informal wage employment is invisible in official labour statistics such as the ILO's Labour Force Surveys. Yet wage employment is present in rural Africa and sometimes vital for some households, as many scholars have proven (Oya and Pontara, 2015). Beyond formal wage employment on large-scale

farms, social differentiation processes related to competition to access resources generate massive movements of workers between rural households.

Indeed some households, if they have sufficient land and capital, can generate enough income to meet their production and reproduction needs through agricultural activity. For others, this is not enough and household members must sell their labour power to meet their basic needs and ensure their social reproduction. This type of 'silent' wage employment does not make headlines despite being quantitatively massive. By choice or by default, rural young people will engage in wage employment, whether or not combined with family work or self-employment. Indeed, wage employment can be a way to access capital by sidestepping family rules around its access; this in order to provide for young people's needs or to initiate their own activity.

In addition, in some areas where family inheritance processes are challenged by the lack of land or low capital, young people have no other means to support themselves and their young households but to find wage employment.

### **Beyond entrepreneurship**

As discussed above, since the majority of young people will not become entrepreneurs, should we not recognise the institutional weakness of workers, whether family or salaried, and organise rights and mechanisms that give them the power to respond to structural domination?

Moreover, would not freeing family structures from certain social expenditure allow them to increase their own investment capacity and thus generate more activity and employment? Around 18% of sub-Saharan populations currently are covered by at least one social protection benefit (ILO, 2017), which are reserved for workers in the formal sector. Thus, in contexts where the informal economy predominates, households play a central role in ensuring the reproduction of workers, whether they are family or salaried workers (by providing health care and care for the inactive, in particular).

The promotion of entrepreneurship in accordance with neo-liberalism hinders the debate about social protection mechanisms when it is crucial to meet the employment challenge in sub-Saharan Africa. The focus on entrepreneurship is a way of allowing the state to disengage from, or not engage in, some of its

social functions. More generally, what is avoided is reflection on the constitution of welfare states guaranteeing a minimum level of well-being to the entire population through an extensive system of social protection to cover old age, invalidity, unemployment, maternity, family responsibilities, and education. However, the links between social protection policies and economic progress have been demonstrated (Mkandawire, 2001).

Although the size of the informal economy and the financing of social protection schemes remain major challenges in many Sub-Saharan African countries, social protection policies should not be the privilege of rich countries, and deserve to be part of the debate on rural youth employment.

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