



FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative

Balancing Market Approaches to Better Youth Employment Outcomes

Speakers: Lulama Ndibongo Traub, Dr. Bernd Mueller, and Tracy Kimathi

Moderator: Zachary Baquet



MARKETLINKS **AGRILINKS**

Dr. Bernd Mueller



Dr. Bernd Mueller is Employment Specialist in ILO's Decent Work Team for Eastern & Southern Africa. In this role, he is responsible for providing technical guidance and support to the organization's members and constituents with regard to designing and implementing employment creation policies and initiatives. He also is ILO's regional coordinating specialist on employment matters in Africa. Before joining the ILO, he was Rural Employment Specialist at the Food and Agriculture Organization (FAO) based in Rome. He has conducted extensive research on labour markets across Africa, and has authored a multitude of peer-reviewed publications on the topic of labour markets and employment promotion on the continent, particularly in rural areas. He has over 10 years of experience as development practitioner, policy advisor, researcher, university teacher, and consultant, with a specialist focus on labour markets and employment in Sub-Saharan Africa. He holds the degree of Diplom-Volkswirt (MSc Economics equiv.) from the University of Muenster, Germany, as well as a PhD in Economics from the School of Oriental and African Studies, University of London.

MARKETLINKS **AGRILINKS**

Lulama Ndibongo Traub



Lulama's dual citizenship – U.S. and South Africa – signifies an underlying passion for both countries she considers home. Her current research interests include: outreach and capacity building programs in collaboration with African-based agricultural policy think-tanks, focusing on regional staple food marketing and trade policies and their effects on sustainable and equitable development. To this end, she serves as the Chair of the Technical Committee for the Regional Network of Agricultural Policy Research Institutes (ReNAPRI); an African-led, African-driven regionally coordinated group of national agricultural policy research institutes. She currently resides in South Africa and lectures at the University of Stellenbosch while conducting research with the Bureau of Food and Agricultural Policy (BFAP).

MARKETLINKS **AGRILINKS**

Tracy Kimathi



Tracy Kimathi is the founder of Baridi. Since 2018, she has been gradually setting up an early stage footprint in the decentralized African energy and livestock sector through developing and owning commercial micro-projects.



► Employment promotion: a few thoughts on demand vs supply side interventions

Bernd Müller

Employment Specialist
ILO Pretoria

mueller@ilo.org

Date: Tuesday / 28 / September / 2021

▶ Short prologue on terminology and definitions ...

► Demand and supply side interventions: more than meets the eye

Let's do a quick quiz:

Which one of these is a demand side intervention?

- 1) Skills development and TVET
- 2) Access to finance / micro-grants to MSMEs
- 3) Elimination of child labour
- 4) Entrepreneurship development
- 5) Provision of old-age pensions
- 6) Apprenticeship schemes
- 7) None of the above

► Demand and supply side interventions: more than meets the eye

Let's do a quick quiz:

Which one of these is a demand side intervention?

- 1) Skills development and TVET
- 2) Access to finance / micro-grants to MSMEs
- 3) Elimination of child labour
- 4) Entrepreneurship development
- 5) Provision of old-age pensions
- 6) Apprenticeship schemes
- 7) None of the above

Answer: None of the above – arguably, all of them are supply side!
(although there's some nuance to that)

- Often, supply side measures are mistaken to be 'creating employment' (e.g. entrepreneurship promotion)
- Only true, if economic demand exists. But most contexts that we work in are ***demand-side constrained!*** ► ilo.org

► Demand vs supply side: What are we talking about?

Aggregate demand and supply?

or

Labour demand and supply?

- Important distinctions, because policies to stimulate *aggregate supply* can actually stimulate *labour demand* (e.g. sectoral/industrial policies, raising capital investment, etc.)

So here, I propose we focus on what *really* matters for employment:

- Labour demand
- Labour supply

We must avoid the assumption that *labour demand* is automatically ‘derived’ from growth

The quality of growth and investment is what matters → structural transformation as a key concept!

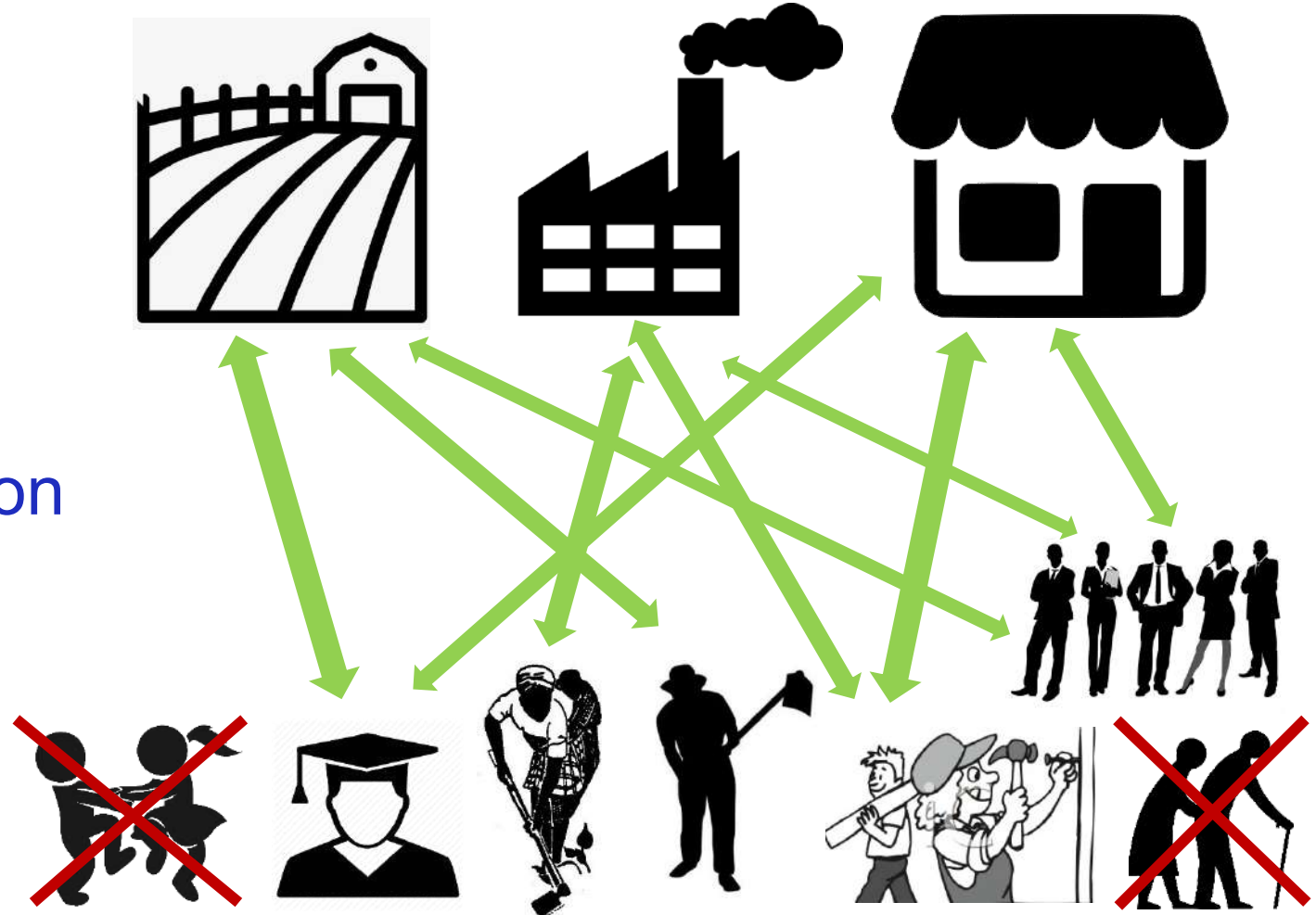
Basic premise of employment creation

Three basic intervention areas :

1. Labour demand

3. Labour intermediation

2. Labour supply



Basic premise of employment creation

Three broad policy areas:

1. Macroeconomic



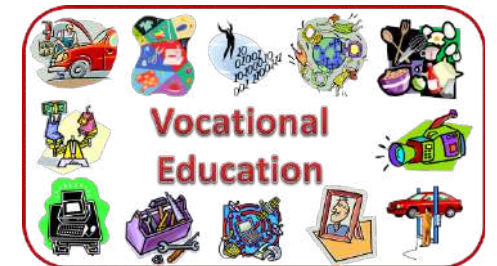
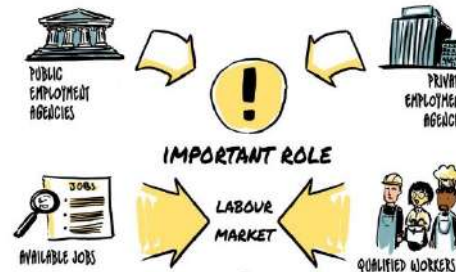
fiscal policy



2. Sectoral



3. Labour Market Policies



Vocational
Education



► **My case for (more)
demand-side interventions**

▶ **Employment promotion is key!**

- ▶ Main reason for rural poverty, underemployment and poor working conditions is simple:
labour demand < labour supply !!!
(= there simply are not enough productive jobs and business opportunities)
- ▶ So we need to "tighten" the labour market = reduce the gap between supply and demand

Two fundamental ways to do this:

1) Reduce labour supply!

- ▶ Very difficult and long-term due to continuously high population growth
- ▶ Eliminating child labour and increasing access to pensions can be important contributors

2) Increase labour demand!

- ▶ Create productive jobs and employment opportunities!!!
- ▶ Especially in rural areas

How can we achieve this?

▶ Decent Work: Aspiration and reality

How can we promote decent work, while the idea of having a decent job seems so unrealistic and unachievable in many contexts that we work in?

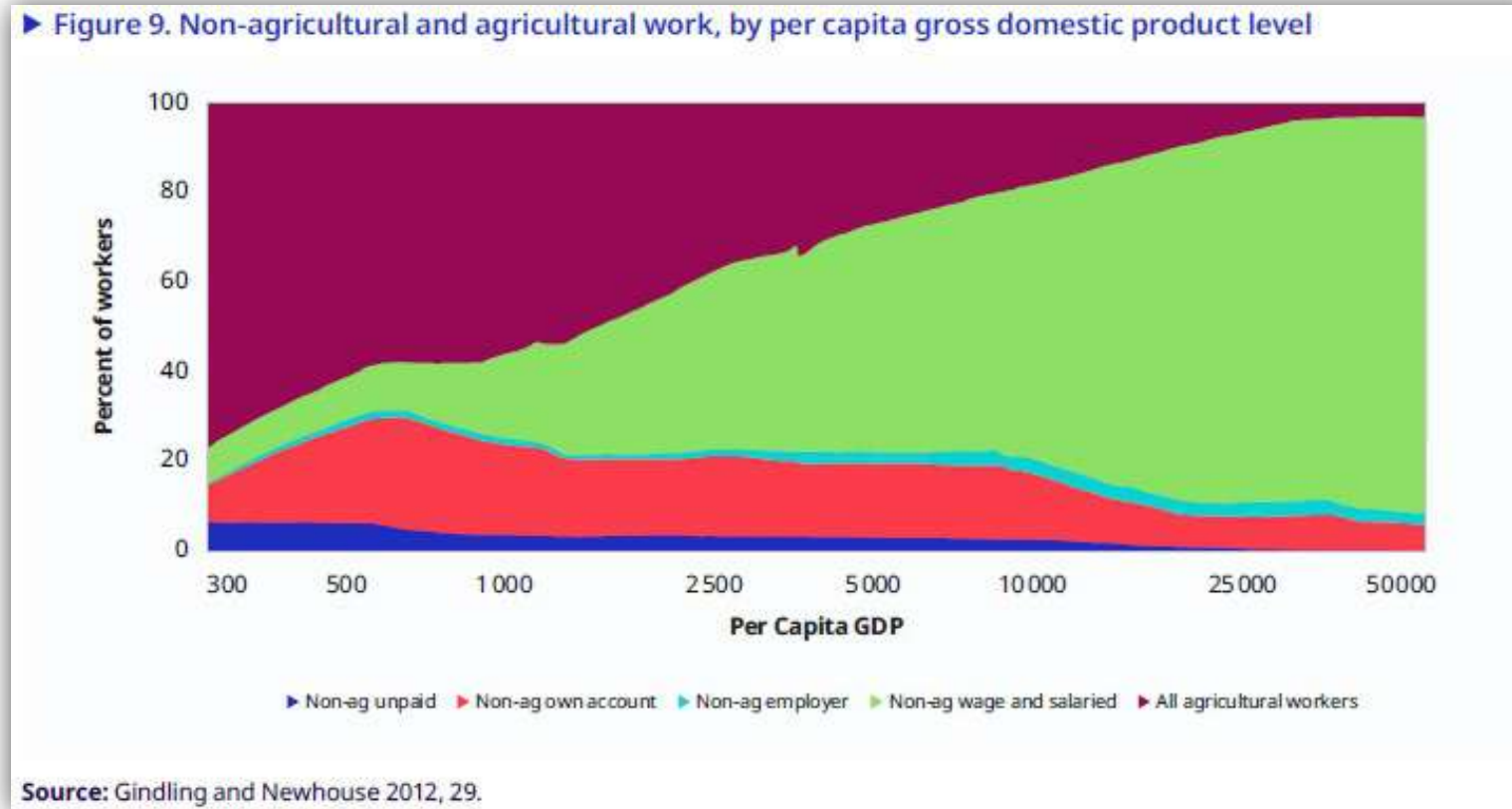
- ▶ Decent Work as an open aspiration – not a binary variable!
- ▶ Lack of productive employment often is the root cause for poor working conditions (high supply and low demand for labour create downward pressure on wages etc.)
- ▶ Thus: Employment promotion (labour demand ↑) generally contributes to creating Decent Work

Unofficial rule of thumb:

Any new, non-exploitative job, that is better than the alternative, constitutes a small step towards “Decent Work for all”



► Structural transformation and labour markets



- Structural transformation must be a central element if we want to achieve mass employment
- We cannot assume that development happens, but current economic/sectoral structures remain the same
- **This requires concerted policy action, leadership, and vision. Sectoral policies are key!**



▶ **ILO's work towards
employment promotion**

National Employment Policies

Normative context – Employment Policy Convention, C122

The current approach and interpretation:

New generation of gender-responsive NEPs

Context-specific design and implementation:

- ▶ Standalone, comprehensive policy documents
- ▶ Integration of employment targets within national/regional development plans and frameworks, as well as economic and other relevant policies
- ▶ ILO support along the entire policy cycle

Focus lies on

- ▶ Effective implementation
- ▶ Demand-side policies
- ▶ Future of Work
- ▶ Youth
- ▶ COVID-19 recovery

Basic
principles

NEP

Quantity:

Work for everyone who is available and looking for work

Quality:

Such work is as productive as possible

Non-discrimination:

There is freedom of choice of employment and fullest possibility for each worker to utilize her/his skills, irrespective of race, sex, age, religion, political opinion, nationality or social origin.

▶ ILO work areas, tools, approaches relevant to employment promotion

Some of our key work areas include:

- ▶ comprehensive national employment policy frameworks, incl support to structural transformation through pro-employment macroeconomic and sectoral policy making
- ▶ employment-intensive investment programmes (EIIP)
- ▶ sustainable enterprise development, incl. market systems development for decent work (among others)
- ▶ green jobs and just transition to carbon neutral economies
- ▶ transition to formality
- ▶ skills development
- ▶ promoting decent work in the rural economy
- ▶ public employment services and active labour market policies
- ▶ labour statistics and labour market information systems
- ▶ Supporting constituents in managing ‘future of work’ transitions

Always cutting across all we do:

- ▶ gender equality and non-discrimination
- ▶ youth
- ▶ social dialogue
- ▶ rights at work and labour standards
- ▶ environmental sustainability
- ▶ “building back better”: inclusive and sustainable recovery from the COVID-19 crisis

For more info, click the logo



International
Labour
Organization



Conclusions: offering a few pointers ...



► Employment promotion: what works?

First things first: there are no “silver bullets“! (and growth alone is not enough)

Employment promotion requires political vision and will, and a combination of measures. E.g.:

- Pro-employment economic policies and implementation (e.g. through embedding employment targets in national budgets)
- Active incentives for employment-intensive investments in transformative sectors (“enabling environment“ is not enough)
- Development of value chains with high employment potential
- Skills development. *But: aligned with current or future demand, and where possible work-place based*
- Entrepreneurship training can add value. But it does NOT create jobs on its own.
(In a demand-constrained economy, entrepreneurs cannot magically create demand for their own labour power)
- Active labour market policies (Wage subsidies, Employment Services, etc.)
- Public Employment Programmes in order to address immediate needs/poverty, create public assets, transfer skills, and stimulate domestic aggregate demand
- Context is key – *no one size fits all!*
- Social dialogue and tripartism as important enabler: *It takes time, but creates sustainability!*

► Employment promotion: what does *not* work?

- ▶ “**Changing the order of the queue!**”, rather than actually creating jobs
- ▶ Focussing on easily measurable “results” for your project M&E report (e.g. counting trainings delivered, grants provided)
- ▶ One-sided programmes/projects, e.g. isolated skills development or subsidies to high-tech sectors, human resources are not available. (we often forget that *manual, wage jobs* are key!)
- ▶ Copying existing concepts (“best practices”) from context A to context B. e.g.:
 - NEP approach in difficult political contexts (e.g. Zimbabwe)
 - Quality apprenticeships in countries without adequate TVET structures or acceptance for “manual” career paths
- ▶ Unrealistic and out of touch expectations, e.g.:
“Any new job that we create must comply with decent work principles from day one.”
- ▶ Ignoring national stakeholders or not seriously incorporating their views and contributions
- ▶ Approaching work areas in isolation (e.g. youth employment, informality, working conditions)



International
Labour
Organization

 **Thank you!**

mueller@ilo.org





FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative

Balancing Supply- & Demand-Side Approaches:

Better Youth Employment Outcomes in Sustainable Markets



MARKETLINKS **AGRILINKS**

Outline of my talk:

- My Context:
 - It's both Personal & Professional
- Supply-side:
 - Building capacity to empower the youth
- Demand-side:
 - Role of the agrifood sector

My Context:

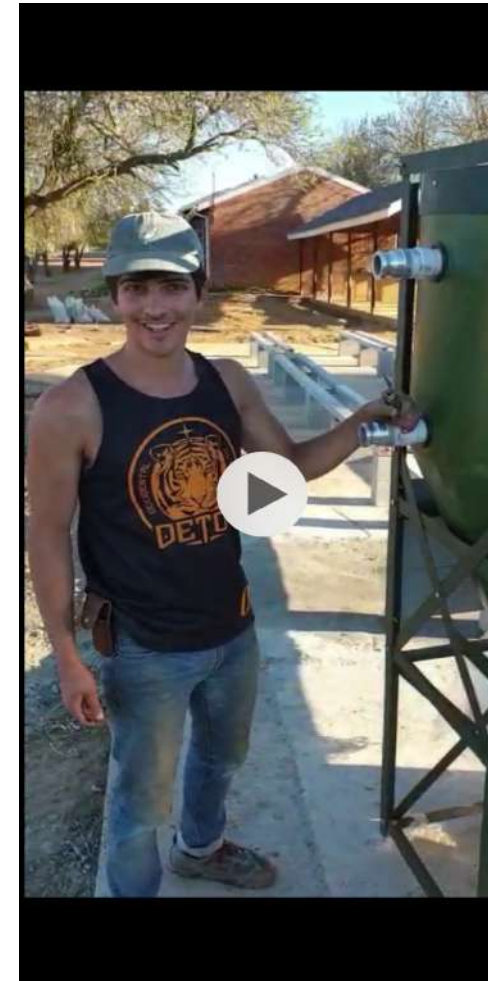
MARKETLINKS AGRILINKS

My Context: It's Personal



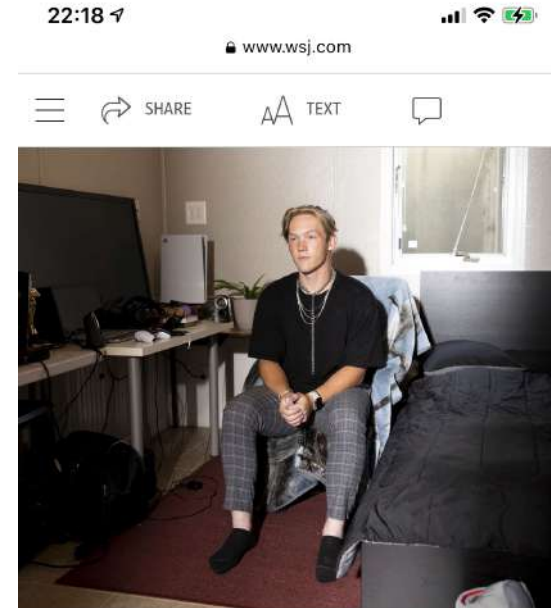
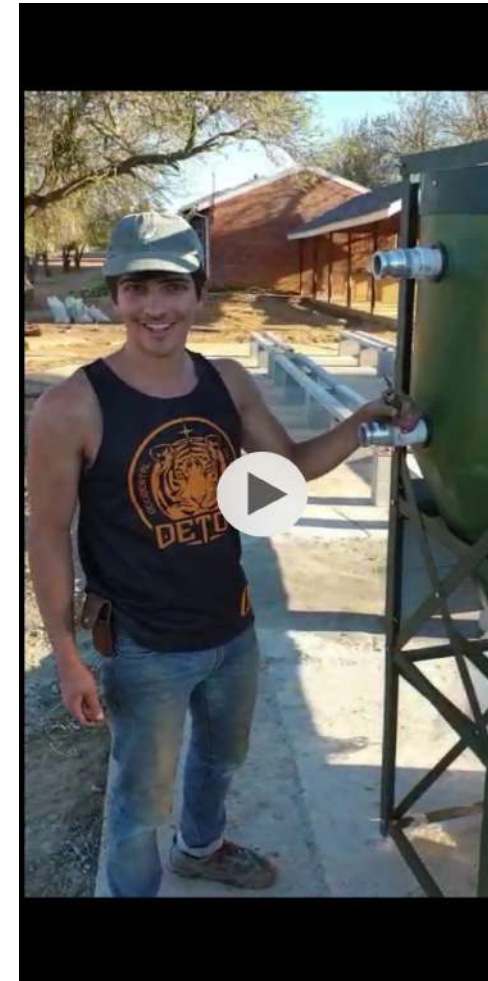
MARKETLINKS **AGRILINKS**

My Context: It's Personal



MARKETLINKS **AGRILINKS**

My Context: It's Personal

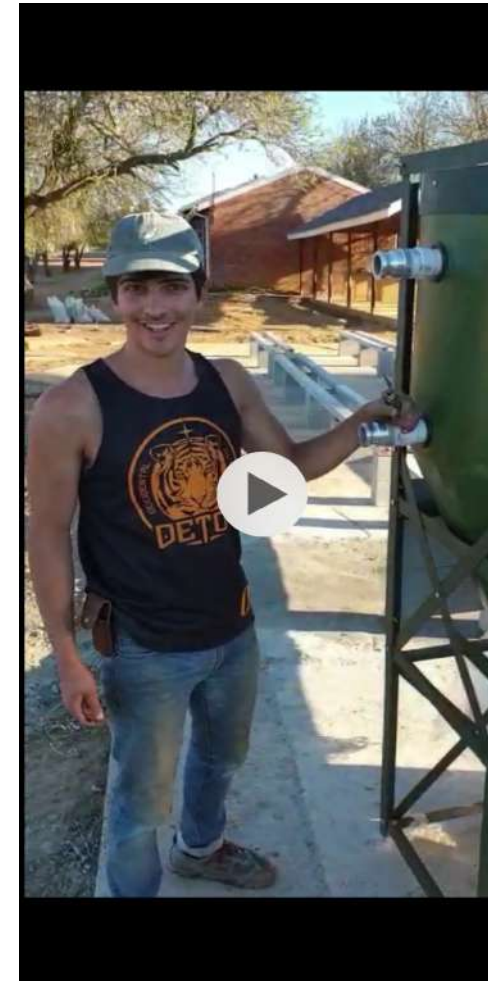


Daniel Briles in his room at home in Red Wing, Minn. TIM GRUBER FOR THE WALL STREET JOURNAL

A Generation of American Men Give Up on College: 'I Just Feel Lost'

The number of men enrolled at two- and four-year colleges has fallen behind women by record levels, in a widening education gap across the U.S.

My Context: It's Personal



22:18 www.wsj.com

SHARE TEXT



Daniel Briles in his room at home in Red Wing, Minn. TIM GRUBER FOR THE WALL STREET JOURNAL

A Generation of American Men Give Up on College: 'I Just Feel Lost'

The number of men enrolled at two- and four-year colleges has fallen behind women by record levels, in a widening education gap across the U.S.

- Next generation is pivoting and carving out pathways that make sense to them.

MARKETLINKS **AGRILINKS**

My Context: Professional Interest



MARKETLINKS **AGRILINKS**

My Context: Professional Interest



MARKETLINKS

AGRILINKS

Supply-side: Empower the youth

MARKETLINKS AGRILINKS

Challenge to building capacity



- 2019: Policy Roundtable on Right-skilling the workforce in Africa for Industry 4.0

MARKETLINKS **AGRILINKS**

Challenge to building capacity



- 2019: Policy Roundtable on Right-skilling the workforce in Africa for Industry 4.0
- 65% of primary aged children will enter jobs that currently don't exist - 2016, WEC Future of Jobs Report
- 85% of jobs that will exist in 2030 have yet to be invented - 2018, Institute For The Future

MARKETLINKS **AGRILINKS**

Challenge to building capacity



- 2019: Policy Roundtable on Right-skilling the workforce in Africa for Industry 4.0
- 65% of primary aged children will enter jobs that currently don't exist - 2016, WEC Future of Jobs Report
- 85% of jobs that will exist in 2030 have yet to be invented - 2018, Institute For The Future

- Challenged:

- What skills will be required for the future workforce?
- What should government, industry, and academia do to help build the right skills for 4IR?

MARKETLINKS

AGRILINKS

Strategy to building capacity



AgriWetenskappe
EyeNzululwazi zoLimo
AgriSciences

MARKETLINKS **AGRILINKS**

Strategy to building capacity

- “Skate to where the puck is going...” – Wayne Gretzky



MARKETLINKS **AGRILINKS**

Strategy to building capacity

- “Skate to where the puck is going...” – Wayne Gretzky
 - Science, technology, engineering and mathematics
 - Business leadership and entrepreneurial social influence
 - Critical thinking skills
 - Complex-problem solving skills
 - Collaboration to build “soft skills”



MARKETLINKS **AGRILINKS**

Strategy to building capacity



MARKETLINKS **AGRILINKS**

Strategy to building capacity



- Increased Public Investment in agricultural R&D&E:
 - Achieve the 1% target of Agricultural GDP invested in agricultural R&D&E
 - Investments that go beyond the farmgate

MARKETLINKS **AGRILINKS**

Strategy to building capacity



**Patent Publications by technology:
Number of patents registered in Africa by Africans**

Field of technology	Period	
	2000-2009	2010-2019
1 - Electrical machinery, apparatus, energy	380	325
3-7 - Telecommunications	578	643
15 - Biotechnology	133	200
18 - Food chemistry	216	190
19 - Basic materials chemistry	305	269
24 - Environmental technology	197	212
25 - Handling	650	264
28 - Textile and paper machines	94	75
32 - Transport	554	307

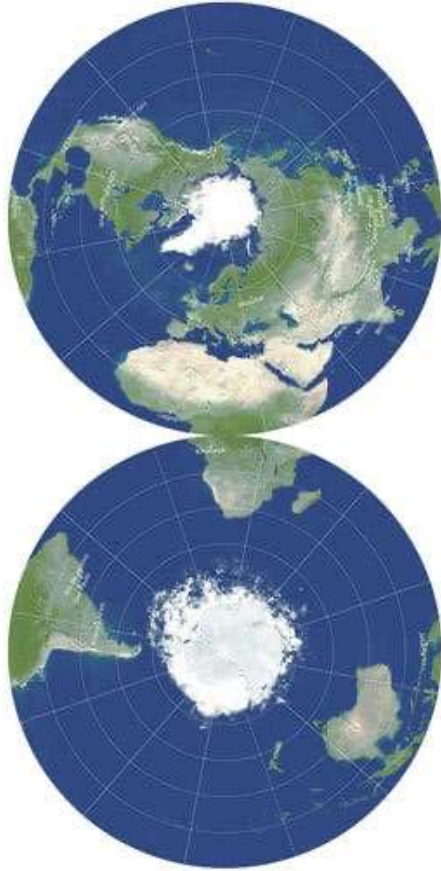
Source: WIPO Statistics database, Schmoch, 2008

- Increased Public Investment in agricultural R&D&E:
 - Achieve the 1% target of Agricultural GDP invested in agricultural R&D&E
 - Investments that go beyond the farmgate

Demand-side: Role of agrifood sector

MARKETLINKS AGRILINKS

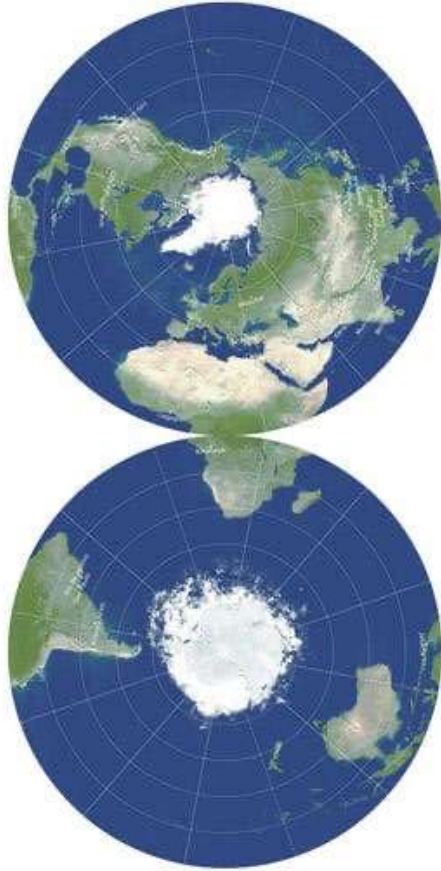
Role of the Agrifood Sector



- Globally:

MARKETLINKS **AGRILINKS**

Role of the Agrifood Sector



- Globally:
 - Not an insignificant sector
 - Varied employment opportunities
 - Opportunity to make a difference

Role of the Agrifood Sector



- African Continent: high-degree of informality

MARKETLINKS **AGRILINKS**

Role of the Agrifood Sector



- African Continent: high-degree of informality
 - Formalized agrifood system offers employment opportunities.

Role of the Agrifood Sector



Expansion of African Footprint for the top three South African Retailers: 2015-2020

No. of Stores	MassMart*		Pick n Pay**		Shoprite Checkers***	
	2015	2020	2015	2020	2015	2020
South Africa	365	404	1126	1771	1644	2048
Rest of Africa	38	41	116	154	289	330
Total Stores	403	445	1242	1925	1933	2378
Total Employees	48035	45776	48700	53600	132942	141452

Source: MassMart, 2015 & 2020; Pick n Pay, 2020 & 2015; Shoprite Checkers, 2015 & 2020

Notes:

* Stores operating in Botswana, Eswatini, Ghana, Kenya, Lesotho, Namibia, Nigeria, Tanzania, Uganda, Zambia

** Stores operating in Botswana, Eswatini, Lesotho, Namibia, Zambia and Zimbabwe, with planned expansion into Nigeria

*** Stores operating in Botswana, Eswatini, Lesotho, Mozambique, Namibia, Zambia, Madagascar, Uganda, Ghana, Nigeria, Malawi, and DRC

Role of the Agrifood Sector

Five of the top 100 food, beverage and milling companies in Africa

Company Name	Country	Established	Ownership structure	Sector	No. Employees	Local Procurement
Africa Improved Foods	Rwanda	2016	Public-Private Partnership	Grain Processing	208	2020: 15K MT of maize sourced from 45K farmers
Astral Foods Limited	South Africa, Eswatini, Mozambique, Zambia	-	Publicly traded on JSE	Poultry & Animal Feed	9067 permanent + 2394 contracts	2020: Largely local with import substitution
Beloxi Industries Limited	Nigeria	1994	Private limited liability	Grains, Milling and Pastry	2300	-
BIDCORO Africa Limited	Kenya, Tanzania, Uganda,	1985	Joint venture with Co-Ro Food in Denmark and Land O' Lakes	Consumer goods, animal feed	2000 (+)	2020: Sources from 30K Soya bean and Sunflower farmers
Dangote Group	Nigeria	1978	Diversified and fully integrated conglomerate	Sugar, salt & seasoning, Tomato and Rice farming, fertilizer	10500 (+)	2020: 60% locally sourced rice, while vertically integrating into rice farming

Source: Food Business Africa, 2020 and company websites.

MARKETLINKS **AGRILINKS**



Role of the Agrifood Sector



- African Continent: high-degree of informality
 - Formalized agrifood system offers employment opportunities.

Role of the Agrifood Sector



- African Continent:
 - Formalized agrifood system offers employment opportunities.
 - Transition will require policy-makers:
 - Enabling environment
 - Effective regulation

Recap of my talk:

- My Context:
 - It's both Personal & Professional
- Supply-side:
 - Building capacity to empower the youth
- Demand-side:
 - Role of the agrifood sector



ADD PHOTO CREDIT HERE

Thank You

Lulama Ndibongo Traub

Email 1: traubl@sun.ac.za

Email 2: ndibong2@gmail.com

MARKETLINKS AGRILINKS



FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative



ADD PHOTO CREDIT HERE

Tracy Kimathi

Youth employment: startup's perspective

Founder of BARIDI | www.baridi.co.ke | tracy@baridi.co.ke



MARKETLINKS
AGRILINKS



In Kenya 500,000 youths graduate
from tertiary institutions yearly

MARKETLINKS

AGRILINKS

SUPPLY PERSPECTIVE



Middle-income employees most likely to start secondary businesses'



Employees turned Employers

MARKETLINKS



AGRILINKS



DEMAND PERSPECTIVE

- Contractual Employment
- Young workers value freedom to control their work-life balance
- Lower Monthly Burn-rates for MSME's

baridi

**AGRILINKS
MARKETLINKS**

Solution

- Partnerships
- Full time Employment vs. Collaboration

MARKETLINKS

AGRILINKS

Guide to Hiring Millennials and Gen Z's

MARKETLINKS



baridi

AGRILINKS



Tracy Kimathi
tracy@baridi.co.ke

baridi

Thank You



MARKETLINKS AGRILINKS

Q&A

MARKETLINKS AGRILINKS