

## The high unemployment problem among educated youths in Zimbabwe: Lessons that can be drawn from other countries.

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### **Abstract:**

**Research Question / Issue:** The review focuses on discussing the methods, models and strategies used by other countries to resolve the problem of unemployment among educated youths for the benefit of Zimbabwe which has been grappling with the problem of unemployment since attaining independence in 1980. The review wishes to answer the question: What are the strategies, methods or models that were applied by other countries to resolve the problem of unemployment in general and of educated youths in particular?

**Research Findings/ Insights:** The review established that since the problem of unemployment of youths is a global phenomenon, Zimbabwe has a lot to learn from other countries. It was proposed that the problem of educated youth unemployment should be treated with urgency to the extent of it being elevated to the Office of the President and Cabinet or other such measures which help to avoid bureaucracy in policy formulation and implementation because the problem was now affecting millions in Zimbabwe.

It was noted by the review that exporting of skilled educated youths to other countries with shortages was an option worth pursuing up until such a time that the Zimbabwean economy was able to absorb them. Such a strategy would work best if centrally managed so that the country benefits from the rebates or taxes from such labour exports in order to fund more local youths self-employment projects.

The review advised that natural resources such as land should be fully utilised so as to supply raw materials to resuscitate the manufacturing industries. Export of finished products as opposed to export of cheap raw materials should be made policy. Unproductive farmers who have neither passion nor skills should be urbanised to work in manufacturing industries to unlock the valuable resource of land which they were holding onto. This would make those with passion to get bigger tracts of land and to be bankable so that they mechanise to achieve high production.

Zimbabwe should come up with investor friendly policies which are aimed at luring foreign and local investors in order to raise industry capacity utilisation which was currently very low. This could involve making difficult decisions and revising certain laws for the benefit of the unemployed educated youths in order to create jobs.

The National Youth Service curriculum should be strengthened so those who graduate from it have enough skills to launch self-employment ventures after graduation.

**Theoretical / Academic Implications:** When the economy is functioning well, the rate of unemployment moves in the opposite direction as the rate of urbanization. That is to say, an increase in the rate of urbanization decreases unemployment.

**Practitioner / Policy Implications:** High educated youth unemployment should be treated as a state of emergency in any country because its effects have far reaching repercussions to the affected youths, their families, the nation and the global village at large.

**Key Words:** Youth, Educated youth, youth unemployment, Zimbabwe.

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### **I. Introduction**

Zimbabwe has been grappling with the problem of high unemployment among educated youths for some time and the problem continues to worsen [Kanyenze (2010) supported by Government of Zimbabwe, (2013<sup>2</sup>), Zim-Stat (2012), the World Factbook (2013) and ILO (2013)]. The usual tendency when faced with a problem of such magnitude is to waste resources in workshops to find solutions or to form committees and taskforces to investigate the problem in order to proffer solutions. This review argues that while each country may be unique, at times there is really no need to re-invent a wheel. Lessons drawn from other countries which successfully or even unsuccessfully tried to resolve the problem can form a good springboard from which Zimbabwe may formulate or tailor-make its policies in line with the dictates of a global village where countries have to work with each other and learn from each other. This paper seeks to review the methods, models or strategies used by other countries in resolving the unemployment problem among educated youths. The Malaysian case study will also be discussed.

The Constitution of Zimbabwe stipulates that youths are those aged between 15 and 35 years and it states that Government should do everything possible to make sure that they are decently employed. In this review, educated youths are those who completed post-secondary education and are holders of certificates, diplomas or degrees.

## **1.2 Background to the study**

The problem of high unemployment is Zimbabwe's oldest since independence in 1980. Upon attaining independence, the new government noted that it was faced with high numbers of unemployed citizens. At independence, the sovereign state was faced with the problem of finding employment for hundreds of thousands of refugees who had fled to neighbouring countries during the war of liberation and were coming back home after the Ceasefire Agreement. Together with independence also came the need to demobilise former freedom fighters who had opted not to join the ranks of the national defence forces and other security arms of the state (MacKenzie, 1988). Besides the need to create employment for former refugees and former freedom fighters, the government of the independent state of Zimbabwe had to find employment for the many youths who had been displaced by the war inside the country with others having fled to urban areas while others had remained in the rural areas to give underground assistance to freedom fighters. The end of the war had seen the end of activities for the war collaborators and many political detainees who were released from prisons and detention camps across the country at independence. The end of the war meant that all the groups had to be gainfully employed so that they start normal civilian life. There were also others who had been rendered jobless as the sanctions-ridden economy of Rhodesia (Zimbabwe's colonial name) succumbed to the escalating war. By 1979, most economic activities had scaled down in Zimbabwe pushing employees out of jobs.

The situation of unemployment had been managed fairly well by the Zimbabwean government during the first decade of independence up to 1990, but the retrenchments that came with the opening up of the controlled economy in the 1990s as caused by the Economic Structural Adjustment Programme (ESAP) pushed the situation out of control as many companies downsized/ retrenched or even closed down as some could not withstand the competition that came with the open market economy (CZI, 2012). According to Government of Zimbabwe (2013)<sup>5</sup> the Fast-track Land Redistribution programme which took place from 2000 affected some former farm workers of the former White commercial farmers who were rendered jobless following equitable unavoidable land redistribution. This also affected some of the downstream agro-based industries which were controlled by former White commercial farmers which also closed shop thereby throwing workers into the streets. As expected, the newly resettled farmers needed time to adjust and mechanise before increase in production could be realised.

Hyperinflation which followed and economic sanctions imposed by the Western countries which disapproved the model of land redistribution adopted by the government exacerbated the situation causing many industries to close down to a level that the industry capacity utilisation went as low as 10% in 2008 (CZI, 2013). This caused the informal sector activities to increase tremendously. Most such activities were illegal because street vending in Zimbabwe is illegal. Government attempted to rid the streets of informal activities to control the situation using a programme dubbed Operation Murambatsvina (literally meaning Operation Refuse Dirt) (Tibaijuka, 2005). The bottom line is that most informal sector activities in Zimbabwe are illegal and they cannot count for employment (ILO, 2002). Suffice to say that the street vendors are now back on the pavements in even larger numbers causing chaos and lawlessness in all cities and towns in Zimbabwe (Chirisa, 2007).

As all this happened, the education sector in Zimbabwe was experiencing a boom of record levels. Enrolments in schools, colleges and universities rose sharply and scholarships from government for students to study abroad including the Presidential Scholarships increased. By 2014, the Presidential Scholarship programme had benefited 20,000 youths (Government of Zimbabwe 2014). The increased effectiveness of the education sector was met with the decline in economic performance. This is what caused the high unemployment among educated youths, a situation which was worsening by 2015. It can therefore be postulated that the problem of high unemployment among educated youths in Zimbabwe is a product of the successful Education for All Policy introduced by government in 1980 (MacKenzie, 1988). Thus Zimbabwe is a victim of its own success. This is unusual and that is what motivated this review study.

The United Nations Secretary General in his message for the 2012 International Youth Day celebrations had this to say, 'Let us support the young people of our world so that they grow into adults who raise yet more generations of productive and powerful leaders' (Ki-Moon, 2012). This is only possible if today's older generation including policy-makers and policy-implementers work hard to ensure that educated youths are gainfully and decently employed, and not to make decisions which endanger the future of youths.

As alluded to above, the government of Zimbabwe has been live to the issue of resolving the unemployment problem since independence in 1980. Ideologies, various economic blueprints, projects and programmes have been tried because unemployment is a macro-economic issue whose resolution is at best a function of the state.

Scientific Socialism was the chosen ideology at independence and in practice it lasted for a decade (1980-1990) although it continued guiding state thinking for years that followed (Kanyenze, Mhone and Sparreboom, 2009). Zimbabwe's Scientific Socialism was characterised by formation of cooperatives and free social services such as education and health. Scientific Socialism was implemented together with a controlled economy all of which was aimed at boosting the economy, reduce poverty and create an employed egalitarian society. The open market economy driven by market forces was introduced thereafter in an attempt to create jobs (World Factbook, 2013). Economic blue prints launched since independence include: The Economic Structural Adjustment Programme (ESAP) 1991-1996; Zimbabwe Programme for Economic and Social Transformation (ZIMPREST) 1997-2000; Millennium Economic Recovery Programme (MERP) 2001-2005; National Economic Revival Programme (NERP) 2006-2008; National Economic Development Priority Programme (NEDPP) 2008; Short-term Emergency Recovery Programme (STERP I and II) 2009-2012; Mid-Term Plan (MTP) 2012 to 2015 (abandoned in 2013) and the Zimbabwe Agenda for Sustainable Social and Economic Transformation (Zim-Asset) 2013 – 2018, which was running at the time of the review (Government of Zimbabwe [1991], Government of Zimbabwe [1996], Government of Zimbabwe [2010], Government of Zimbabwe [2013]<sup>1</sup> and Government of Zimbabwe [2013]<sup>3</sup>). While evaluating the successes of each of the above economic blueprints is not within the purview of this review, what is clear is that the economic situation did not improve and the unemployment situation for educated youths continued to worsen as at 2015.

According to the Association for the Development of Education in Africa (2014), over and above the economic blue prints cited above, the Government of Zimbabwe also launched projects and programmes which targeted employment creation among the youths. According to Murinda (2014), Mambo (2010), Government of Zimbabwe [2009], [2011] and [2013]<sup>4</sup>, some of the projects and programmes introduced are as summarised on the Table below:

<b>Programmes and Projects aimed at creating employment among youths in Zimbabwe</b>	
<b>i.</b>	Graduate Entrepreneurship Employment Programme (GEEP)
<b>ii.</b>	National Youth Service (NYS)
<b>iii.</b>	Kurera/ Ukondla Youth Fund (Administered through CABS).
<b>iv.</b>	Youths in Agriculture Programme (YAP)
<b>v.</b>	Skills for Youth Employment and Rural Development Programme
<b>vi.</b>	Decent Work Country Programme
<b>vii.</b>	Training for Rural Economic Empowerment (TREE)
<b>viii.</b>	Quality Improvement in Informal Apprenticeship Programme (QiA)
<b>ix.</b>	Integrated Skills Outreach Programme (ISOP)
<b>x.</b>	Community Share Ownership Scheme/ Trust (CSOS/T).
<b>xi.</b>	Youth Employment and Transformation Trust (YETT)
<b>xii.</b>	Youth Empowerment Fund (YEF)
<b>xiii.</b>	Wealth Creation Fund (Administered through Stanbic, CBZ, IDBZ)
<b>xiv.</b>	Training for Enterprise Programme (TFE)
<b>xv.</b>	Technical and Vocational Skills Development Programme (TVSD)
<b>xvi.</b>	Technical and Vocational Education and Training Programme (TVET)

Each of the above projects and programmes had their own level of success, but like the economic blue prints cited above, their effectiveness if judged by their ability to resolve unemployment among educated youths can be viewed as low and poverty continues to escalate in Zimbabwe (Feresu, 2010; ILO, 2012 and ILO, 2013).

## **II. Literature Review**

### **Lessons from other countries**

This review singled out countries which experienced high unemployment and how they tried to resolve the problem. It was felt by this review that Zimbabwe could take a cue from the successes and failures of programmes and projects in other countries by emulating the good ones and avoiding or fine-tuning those that do not suit its circumstance.

### **2.1 Somalia**

In Somaliland, 75% of young people are jobless and migration is high (Mochizuki, 2014). Somalia initiated the Guaranteed Employment Policy which aimed at employing into the Public Service all youths who completed Secondary School in an attempt to control unemployment among educated youths. The good thing was that all educated youths were guaranteed of a job in the Public Service.

Notwithstanding the civil wars, the government of Somalia failed to cope with the annual output of school leavers and the programme had too much pressure on the fiscus when all school leavers had to be employed by eighteen Ministries, even to do jobs which did not bring the desired rate of return to the economy (Mahbub, 2014). While it was an expensive programme given that government money comes from tax-payers, John Keynes in his Keynesian Theory of Unemployment supported such action when he advised governments to

pour money into the economy (by employing youths) as a way of increasing economic activities which would in turn create jobs in other sectors and employing all educated youths was another way of increasing economic activity by giving them money in the form of salaries (Keynes, 1936; Blinder, 1991 and Blaug, 2013). For Somalia it did not work.

According to Somalia Human Development Report (UNDP, 2012), the program strengthened central state institutions by providing ready labour and that was unquestionably important, but if this becomes the main or only focus, it threatens to further alienate local societies by rendering them passive, thereby weakening a sense of local responsibility for overcoming problems and local ownership of solutions. Youth unemployment in Somalia stood at 75% at the time of study. The figure comes from an assessment made by Somaliland National Youth Association (Sonya) in which they interviewed 800 youths between the ages of 15 and 30.

The lesson for Zimbabwe is that youths are more prone to migrating if their home economies cannot absorb them. Solutions to the educated youth unemployment problem should be sustainable and not leave the country in a worse off situation.

## **2.2 Zambia**

Zambia formed the Rural Reconstruction Centre (RRC) which involved taking urban unemployed youths 'back to the land' in the rural areas to settle them there after training them on how to use equipment (Chigunta (2002). The youths were supposed to become productive and in so doing create jobs. The programme was unpopular with educated youths and it became unsustainable to the Zambian government which realised that forcing was not an option as it would dent the government's international image.

The lesson learnt from the Zambian experience was that for any programme to resolve the unemployment problem, it should have buy-in from the intended beneficiaries.

## **2.3 Kenya**

Kenya launched the Rural Access Road Programme in which unemployed youths were taken to rural areas for the Public Works Programme of working on the roads as part of employment. Initially the programme worked but educated youths viewed it as too labour intensive (Awogbenle and Iwuamadi, 2010).

Kenya also launched the Village Polytechnic Programme in which the government opened 250 polytechnics throughout the country which enrolled 25,000 unemployed youths to train them in various trades such as carpentry, joinery, masonry, dressmaking, bricklaying and home economics as a way of addressing unemployment among youths. The programme worked and many graduates from the Village Polytechnic Programme went on to open their own ventures using the skills they acquired (Omolo, 2010).

The lesson learnt from this experience is that youths will be happy if a programme is enriching in terms of skills development and if it is government-driven to a level that there is no extra burden such as paying fees to the already desperate youths.

## **2.4 Malawi**

Malawi launched the Malawi Young Pioneers in the same spirit with Kenya's Village Polytechnic Programme and the programme had considerable success (Okojie, 2003). Thus Malawi did not re-invent the wheel, it simply learnt from its neighbour with some fine-tuning to suit its unique circumstance.

However, the traditional skills of building, carpentry and dressmaking have their own limitations to curbing unemployment if they are oversupplied in a modern economy driven by cheap imports, hi-tech and auto-mobile industries.

## **2.5 Botswana**

The Botswana Government launched the Brigade Programme for all Youths in which youths were employed as brigades in such works as building, road maintenance or in agriculture. The Botswana Brigades were turned into production-cum-training units formed by the government of Botswana to combat youth unemployment (Boateng, 2013). The Brigades were intended to grow into independent enterprises providing self-employment for the youths. Unfortunately, some youths did not have pre-requisite basic skills, which could only be acquired through training at a cost.

The lesson from the Botswana programme is that youths will find it worthwhile if government trains them in order to help them graduate into a company for them to enter into self-employment.

## **2.6 Nigeria**

Nigeria is Africa's biggest economy valued at US\$594 billion followed by South Africa whose economy was valued at US\$341 billion by 2015 according to <http://www.africaranking.com/largest-economies-in-africa/>. Nigeria is Africa's most populous nation with a population of 184 million by 2015 and was expected to double every 24 years.

Nigeria made it mandatory for all its 113 universities (by 2015) in all its 36 States to teach Entrepreneurship as a core course for all university students. The syllabus (course outline) was developed centrally by a team of experts and the examination is also centrally set and written by all students in universities regardless of the degree programme they will be studying. University students in Nigeria cannot graduate without passing the Entrepreneurship course. The mandatory programme is taken very seriously across all universities in Nigeria. According to Ajaegbu (2014), this Entrepreneurship training mode ensured that graduates from Nigerian Universities were able to turn their skills into opportunities for self-employment to enable them to take risks and survive anywhere in the world after graduating. This could be the way to go for Zimbabwe. This review feels that universities cannot be autonomous to a level of being trusted to run sensitive national programmes like Entrepreneurship training without central control and some form of positive enforcement.

According to Sarr (2000) supported by (Desai, 2001) Nigeria also successfully launched a number of programmes in an effort to try and mitigate unemployment among the educated youths. Okafor (2011) noted that the government of Nigeria launched the National Directorate of Employment (NDE) in 1989 to combat mass unemployment. The NDE had four core programmes namely:

- ✓ The Rural Employment Promotion Programme,
- ✓ The Special Public Works Programme,
- ✓ The Small Enterprises Programme, and
- ✓ The Vocational Skills Development Programme.

The above programmes went a long way in mitigating the unemployment problem. According to Kakwagh and Ikwuba (2010) the Nigerian government launched the Youth Empowerment Scheme (YES) in 2002 which had three programmes all aimed at addressing unemployment among educated youths, namely:

- Capacity Acquisition Programme (CAP)
- Mandatory Attachment Programme (MAP)
- Credit Delivery Programme (CDP)

Okojie (2003) noted that the United Nations Development Programme also assisted the Nigerian Government by funding more than 400 communities in 36 States of Nigeria in a programme called Job Creation and Sustainable Livelihood which also helped to reduce unemployment. Further to that the UNDP helped to open Skills Development Centres to assist those educated youths who may have left High School without adequate skills.

The lesson for Zimbabwe is that institutions of higher learning should not be allowed to graduate students who end up without knowledge of how to turn their theory into business opportunities. Entrepreneurship could also be enforced for all colleges and universities in Zimbabwe.

## **2.7 South Africa**

Adato and Haddad (2004:13) carried out a study and noted that the South African government launched the Public Works programme in order to control unemployment and reaped the following benefits:

- ✓ The programme helped to relieve poverty by creating employment – both temporary and permanent,
- ✓ It helped to provide work experience and training to the chronically unemployed, making them more employable,
- ✓ It helped to build and maintain roads and facilities of value to poor communities and the local economy in poor areas and
- ✓ It involved and helped to build the management capacity of local communities.

If the programme had been wide spread to all parts of the country, South Africa would have been able to control unemployment.

Rather than allow youths to remain idle, the Public Works programme could also be tried in Zimbabwe for the educated youths.

## **2.8 Mauritius**

Mauritius launched the Direct Works Corporation (DWC), a programme in which Public Works Construction combined work and vocational training of unemployed youths in basic trades (Golub and Hayat, 2014). Youths were employed in Public Works Construction and time was set aside daily for them to be trained in basic skills such as building, carpentry, dressmaking, plumbing, welding and painting to mention but just a few which they could immediately apply to get a living after the training. As stated above, some of these skills were too traditional to a level that they had their limits in a modern economy based on technology, mass production and economies of scale which can push the youths in self ventures out of jobs.

Zimbabwe could also borrow a leaf from Mauritius as a way of gainfully occupying the educated youths.

### **2.9 Serbia**

The government of Serbia launched a National Action Plan for Employment (NAPE) in 2011, which funded youth employment initiative through the public works programme and wage subsidies to employers and self-employed persons. NAPE's results in reducing unemployment have been very encouraging. <http://plannipolis.iiepunesco.org/upload/youth/Serbia/Serbia National Youth Strategy.pdf>.

The lesson in this regard is that the issue of Public Works programmes is common in African countries. It takes away idle time which educated youths often abuse by indulging in drugs, prostitution or gangsterism.

### **2.10 Mexico**

Michelitsch (2012) supported by Krelle (2001) advised that Mexico had experienced a 2.8% increase in employment as a result of relatively cheap measures that involved reducing red tape, reducing taxes for business and ensuring access to reliable power. Such measures unlocked capital for business to use for expansion thereby creating more jobs.

### **2.11 Jamaica**

Jamaica launched the National Youth Service (NYS) as a way to deal with youth unemployment (Hildebrand, 2005). Youths undergoing NYS were trained in various forms of self-employment. The programme went a long way in addressing unemployment. In some cases, the curriculum included training in various aspects including civil education, patriotism and military preparedness for the youths to be a form of a reserved force ready to defend their sovereignty when need arose. Some countries in Africa emulated this model with varying levels of success.

### **2.12 China**

China is a recent example where 75 million private sector jobs were created since China's opening to the global economy, resulting in the largest poverty reduction programme in world history (World Bank, 2012). What China did was to make difficult decisions which were against the country's own founding principles of a controlled and closed economy for the sake of its youths. The end result was that Chinese nationals are now all over the world competing with market forces to win business contracts and partnerships. In that regard China became one of the fastest growing economies of this millennium.

### **2.13 Cambodia**

In Cambodia, SIDA provided support to the government initiative to create a National Multi-Stakeholder Taskforce that aimed at directing the ongoing multi-sector initiative to align education and training system to the country's growth initiatives. The aim was to channel young educated people into taking up careers in current high-growth sectors such as tourism, light industry, IT and respond to emerging economic opportunities. <http://www3.weforum.org/docs/WEF.GAC YouthUnemployment Cambodia 2012.pdf>.

The lesson for Zimbabwe is that if education is not directed, the country will experience an over-supply of skills not required by the economy and that will be a waste of time and financial resources.

### **2.14 Cuba**

Economic sanctions were imposed on Cuba since attaining its independence in 1959 (Manpower Group, 2012). The Revolutionary Government of Cuba took a rare decision upon attaining independence to allow those professionals who did not like the new dispensation to leave the country and go to work in the Diaspora if they so wished. Government even assisted them with airfares, thus leaving the country in a difficult situation as many professionals opted to leave, with Western countries exacerbating the situation by luring them. Cuba remained with a few but dedicated and patriotic professionals. The result was high shortage of critical human capital which included medical doctors, teachers, university lecturers and other professionals as those who had not liked the socialist ideology adopted by the government of Cuba at independence left the country, albeit with government support (Manpower Group, 2012).

Cuba then set out from scratch to train its own professionals by opening new schools, colleges and universities in the remote areas where the former colonial governments had deprived. The training infused the new socialist ideology and patriotism in order to create new mindsets. Today Cuba has surplus of its own committed, patriotic and highly qualified professionals who include medical doctors, teachers, engineers and university professors to mention but just a few. As a solution to the excess human capital over-supply and in order to avoid high unemployment, the government of Cuba is now exporting doctors, engineers and other

specialists to countries with need for agreed periods. The agreements include a remittance to the home country with a small portion going to the state.

The lesson derived from the Cuban experience is that governments should avoid unemployment by allowing and facilitating the exportation of highly skilled manpower to other countries which have a shortage for agreed periods and on an agreed remuneration model. Educated youths in Zimbabwe would welcome such a move rather than spend each day of the year doing nothing. University graduates should be treated as international citizens because of the high skills they possess and keeping them unemployed is not only a disservice to the educated youths themselves and the concerned country but also to the Global Village as a whole. The other lesson drawn from the Cuban example is that deserting into the Diaspora especially by non-patriotic people should not always be viewed as brain-drain as it rids the country of undesirable, uncommitted elements. However, a research by Chetsanga (2010) noted that most Zimbabweans who went into the Diaspora in search of greener pastures are deeply patriotic professionals who are eager to return home once the economy is able to absorb them. It should therefore be borne in mind that most highly skilled people such as educated youths are patriotic. They are eager to give in return to the economy that educated them. Trying to make a living by going into the Diaspora should not be misconstrued as lack of patriotism because patriotism on an empty stomach is equally empty patriotism.

### **2.15 Latin American Countries**

In Latin America where educated youth unemployment was three times that of adults, a regional initiative called New Employment Opportunities for Youth (NEO) was put in place with the following strategies:

- ✓ There should be a broad consultative process involving employers, trainers and the unemployed youths themselves before coming up with a solution.
- ✓ Initiatives should be informed by research into existing best practices for delivering high impact programmes to mitigate the youth unemployment problem.
- ✓ The issue of youth unemployment should be elevated, and a dedicated office with leadership and its own budget plus resources should be put in place.
- ✓ There should be public sector investment support in high-impact programmes based on partnerships for delivery of services, with strong emphasis on partnership with employers with a potential to absorb significant numbers.

According to Krelle (2001) the results were pleasing. The standards of monitoring and evaluation (M&E) and documentation of the project impact was improved and this shaped the direction taken by the education and training sector.

The lesson Zimbabwe can learn from this is that if the issue of educated youth unemployment is made a regional problem, it may help to tackle it as a block so that neighbours whose economies are experiencing growth can help to absorb the educated youths from neighbours whose economies are experiencing recession. This is particularly important because working in isolation has its own repercussions because instability caused by high unemployment in one country will always have spill-over effects to the stability of neighbours.

Zimbabwe can also learn by elevating the problem of educated youth unemployment to the Office of the President in the same manner as Presidential Scholarships. This may help to deal with red tape in order to treat the issue of youth unemployment as urgent since it is now affecting millions in Zimbabwe. If Zimbabwe takes the Latin American model, there would be broad consultation between government, the educated youths themselves, employers, researchers and curriculum specialists in colleges and universities in an attempt to win buy-in from all stakeholders on how to resolve the problem together as one team in one nation.

### **2.16 The Malaysian Case Study**

This review singled out the Malaysian case study as worth discussing in more detail because it has become a success story leading to high economic growth, reduction in educated youth unemployment and gross national happiness of its people. Malaysia, a former British colony like Zimbabwe is one of the fastest growing economies in the world which enjoyed remarkable economic growth since its independence in 1957. Malaysia was now one of the most urbanized countries of the world. According to Duflo (2012), Malaysia's rate of urbanization was so fast that cities were growing more rapidly in Malaysia than in China and if that trend continued, over 70% of the Malaysian population would be urban by 2020 because of industrialisation.

If the natural unemployment rate of 3% is equivalent to zero, then the Malaysian story as illustrated on the table was below is quite impressive. Loganathan, Nanthakumar, Yussof and Kogid (2012) quoted World Bank (2011) figures and summarised them in a Table

Table 1 Unemployment rates in selected Asian countries

Name of Asian country	Unemployment rate over the years						
	1980	1985	1990	1995	2000	2005	2010
Malaysia	5.7	6.9	5.1	3.5	3	3.5	3.4
Thailand	0.9	3.7	2.2	1.7	2.4	1.3	1.1
Indonesia	2	2.2	2.5	7.2	6.1	11.2	7.1
Singapore	3	4.4	3.1	2.7	6	5.6	2.2
Philippines	4.8	6.1	8.1	8.4	11.2	7.7	7.3
Japan	2	2.6	2.1	3.2	4.8	4.4	5
South Korea	5.2	3.8	2.5	2.1	4.4	3.7	3.7

Adopted from Loganathan, Nanthakumar, Yussof and Kogid (2012) in International Journal of Emerging Sciences 2(2), 247-258, June 2012.

World Bank (2004) stated that it is not possible to achieve zero unemployment rate in a country because of fictional unemployment which arises when people move from one job to another or for a few months when school leavers and graduates are looking for employment. This is called normal or natural unemployment which is desirable unemployment. In light of the foregoing, it could therefore be deduced that on the table above, Malaysia had a real unemployment rate of 0% in 2000, in 2005 it was 0.5%, and in 2010 it was 0.4%. Thus Malaysia's unemployment rate was in a stable mode since the year 2000. There should be something that Malaysia was doing well which attracted this review.

Malaysia realised that staying in urban houses and sending children to good schools would help develop the nation without condemning part of the population to vicious cycle of poverty were they remain in remote rural areas with no mobile phone network, no broadcasting waves, poor roads, unequipped schools with poorly qualified and demotivated teachers, and few or no clinics; where they drink from rivers and with no reliable roads or transport. Such a situation divides the nation into social strata where others get trapped in vicious cycle of poverty while those in urban centres enjoy growth and development. Such inequalities cascade to children and grandchildren of citizens in a country like Zimbabwe whose liberation war goal was to create an egalitarian (classless) society.

Dufлот (2012) states that the Malaysian government has since independence been moving people from rural areas to cities in order to make them access better living conditions such as portable water supply, access to various health services, good schools as well as securing gainful employment. Like in any other country, the cities in Malaysia developed because of the growth of industry and the development of the manufacturing sector, particularly during the New Economic Policy (NEP) initiated in Malaysia in 1971.

During the period of the NEP, which lasted from 1971 to 1990, the government of Malaysia brought about a more balanced participation of the different ethnic groups in the economy. More importantly, it gave more power to the Bumiputera who are the indigenous Malays in order to urbanize them so that they also accessed good standard of life which had all along been enjoyed by other ethnic groups. In order to promote the urbanization of the Bumiputera, the government offered them several incentives such as scholarships, housing and loans to set up businesses in cities. These policies were successful because the Malays increased their urban presence from 17% of the urban population in the 1960s to 44% in 2000. Rural to urban migration accounted for 40% of urban growth in Selangor and Kuala Lumpur.

This unlocked the rural areas and made them production centres where the raw materials such as crops and rubber are produced to be fed into industry. Industries went hi-tec because urban buyers had increased. It is common knowledge that when a country develops it urbanises and numerous jobs are created in commerce and industry which pull people out of the rural areas. Farming on the land becomes profitable for those with passion and skills if they till on large tracts of land to feed millions in towns because of economies of scale. The high income they get will enable them to buy machinery to enable each farmer to till even more tracts of land. That brings wealth to the country.

Loganathan et al (2011) noted that the above paradigm was supported by economic migration theory of the Harris-Todaro model and the Lewis Dual Sector model which explains the successful urbanization in Malaysia. The Harris-Todaro model assumes that people migrate from rural areas to urban areas as motivated by rational economic considerations of the benefits and the decision to migrate often depended on expected wages and better living conditions rather than the actual wage differentials between the 2 sectors. However Dufлот (2012) warns that such a conclusion may not be entirely true because in Malaysia because the primary incentives to migrate were given by the government which encouraged Malays to move to the cities by providing financial incentives. These financial incentives assisted Malays to set up their businesses and therefore guaranteed them with substantially better living conditions than the ones they had in the rural areas according to Dufлот (2012).

If Zimbabwe took a cue from the Malaysian model, farming would be left for those with passion for it while the rest of the human capital would go into manufacturing industries in cities and towns. According to



Zuehlke (2009), such a model would be in line with Rostow (1930) Theories of Development which state that development moves people from the Traditional Society of subsistence agriculture in rural areas to manufacturing industries (in urban centres). With mechanization, large tracts of land could be left in the hands of few indigenous people who have passion and skills. Their high productive and intensive farming would feed into the agro industries in urban centres which in turn would employ more people. What this would mean is that the majority of the indigenous population which moves from rural areas into urban centres does not only experience a rise in their standard of living but it unlocks land for business purposes. It is like when one skilled Black indigenous farmer with passion is given twenty tractors and ten combine harvesters on land irrigated by centre pivots. Such a farmer would sufficiently work on hundreds of hectares while the majority of the people go to urban areas to work in agro industries where the produce from his/her farm is processed into finished products.

It is difficult for any government to make sure that electricity, portable water, good roads, good schools and good clinics are within the walking distance of every rural home because of the distances between homes. It would be so expensive as to defy the rate of return approach or the cost benefit analysis model of development. Trying hard to do so may further impoverish a nation.

Lessons drawn from the Malaysian case study show that the rate of unemployment moves in the opposite direction as the rate of urbanization. For instance, an increase in the rate of urbanization decreases unemployment. The more the people in towns, the more profitable the businesses in towns. The more the businesses in town expand, the more they employ and this resolves the problem of educated youth unemployment. This made Kuala Lumpur to be the economic hub of the Asian countries. As more people came into urban areas more goods were produced for their consumption while more services (schools, clinics, colleges, universities) were required. Since the goods were mass produced in Malaysia and supplied to consumers who were near (in towns) at low transport costs, the goods become cheap and thus affordable.

In a way, this also partly explained the economic model of urbanization in Malaysia which successfully addressed the problem of unemployment. The Malaysian example meant that if enough goods were supplied for the economy, work can turn into shifts so that there is a day and night shift to produce even more goods for the export market and in this way, unemployment would be wiped out. It is also a truism in research that as the standard of life of people improves, they tend to have smaller families as compared to when they are left poor in rural areas; this also makes unemployment manageable. Golub and Hayat (2014) noted that in East Asia, the last 50 years have witnessed a rapid growth of export-intensive manufacturing, growth of employment, slowing population growth, as well as rising wages and living standards according to World Bank (1993).

### **III. Methodology**

This research study was based on literature review.

### **IV. Main Findings**

It was the finding of this review that educated youth unemployment just like other forms of youth unemployment should be treated as a national emergency to a level where it is elevated to the highest office – the Office of the President and Cabinet or to any such department which reduces bureaucracy in implementing government decisions.

This review noted that in order to avoid losing the educated youth generation, it was incumbent upon policy-makers and policy implementers that hard decisions should be made which sometimes may differ with the running ideology in an attempt to rescue the educated youths. Such decisions may include drawing investor friendly policies and encouraging export of human capital to the Diaspora rather than condemning it. The educated youths, the nation and the global village at large would be the biggest beneficiaries in such arrangements.

Zimbabwe can bank on the land which it gave to the indigenous Black majority as its biggest economic driver, but such land needed to be in the hands of skilled people with passion and resources while the rest of the rural human capital should be absorbed into manufacturing and agro-based industries in urban centres to achieve urbanisation. This would ensure that the greater proportion of the population is able to access good standard of living.

Entrepreneurship should be part of the curriculum in colleges and universities to a level of government convincing or even enforcing that all colleges and universities should teach and examine it to all students as a pre-requisite before graduation.

National Youth Service programmes should be undertaken by all youths who leave high school without a specific skill. In this regard, the NYS should be skills-based and skills-packed such that graduates from the programme would be able to open their ventures and survive. It should be borne in mind that once a graduate is able to enjoy life and earn a living using his skills, patriotism as in commitment to the country naturally grows such youths as opposed to when youths are unemployed and suffering.

Educated youth unemployment if it goes out of hand can best be tackled as a regional bloc because its existence in one country affects the stability of its neighbours.

## V. Recommendations

The government of Zimbabwe should treat educated youth unemployment as a national emergency. In line with this recommendation, it should be elevated to the Office of the President and Cabinet and be treated as a national priority.

Centrally managed exporting of skilled educated youths to other countries with shortages is an option worth pursuing up until the Zimbabwean economy will be able to absorb them.

Natural resources such as land should be fully utilised so as to supply raw materials to resuscitate manufacturing industries and the export of finished products. Unproductive farmers who have no passion should be urbanised and employed in the manufacturing sector to unlock the valuable resource of land which they are holding onto.

Zimbabwe should come up with investor friendly policies which are aimed at luring foreign direct investment and local investors in order to raise industry capacity utilisation which in turn would create jobs.

The National Youth Service curriculum should be strengthened to make sure that all graduates from it have enough skills to launch into a venture or self-employment endeavour

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