High-quality Research Support (HQRS) Programme 2

Youth Unemployment in Hargeisa:

Causes and Consequences

In Partial Fulfillment of the Internship Phase

Requirements of the Programme

Group B

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BACKGROUND OF THE STUDY

This research report produced by the interns whose names are listed below is the end product of three month-long training on research design, data collection and analysis techniques as well as data dissemination.

ACKNOWLEDGEMENT

The research on youth unemployment in Hargeisa: Causes and consequence presents the findings of research on youth unemployment conducted in Hargeisa in March 2017. The HQRS cohort 2 trainees conducted this research.

The group of researchers and the Observatory of Conflict and Violence Prevention (OCVP) would like to express their sincere thanks to the participants of the different focus group discussions (FGD) and Key Informant interviews for their sacrifice and commitment to provide the useful information and data regarding youth unemployment in Hargeisa during the course.

The researchers would like to send their gratitude for his tireless organization and mapping out the participant during the data collection process to Mr. Abdirashid Aideed, who is the director of planning at the ministry of youth and sports.

Final thanks goes to OCVP and Transparency solutions for supporting us in the logistics and the coordination of the different groups and finally space to work on.
**List of Abbreviations**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>FGD</td>
<td>Focus Group Discussions</td>
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<td>KII</td>
<td>Key Informant Interviews</td>
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<td>MOYS</td>
<td>Ministry of Youth and Sports</td>
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<td>CSC</td>
<td>Civil Service Commission</td>
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<td>HQRS</td>
<td>High Quality Research Support</td>
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<td>OCVP</td>
<td>Observatory of Conflict and Violence Preventions</td>
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Executive Summary

This research report, *Youth Unemployment in Hargeisa: Causes and Consequences* presents the root causes and consequences of youth unemployment in Hargeisa, Somaliland. The research was conducted for the Ministry of Youth and Sports. A group
of research trainees from the High quality Research Support (HQRS) Programme conducted this research. In recent years, the government of Somaliland has struggled with a devastatingly high level of unemployment. Despite this, little effort has been made to understand the causes and consequences of youth unemployment.

The purpose of this research is uncover the root causes and consequences of youth unemployment in Hargeisa and to provide concrete recommendations on the subject. During the research, unfair recruitment, corruption, nepotism, limited employers, lack of diversified field of studies, increasing number of graduates and poor quality of education were identified as the root causes of youth unemployment in Hargeisa. Additionally, the graduates’ lack of interest in blue collar jobs and lack of creativity were among the contributing factors of youth unemployment in Hargeisa.

On the other hand, the high level of unemployment in Hargeisa proved to have negative health consequences, reinforce social class, provoke illegal migration and increase the emergence of urban gangs and overall wellbeing. Finally, there are number of concrete recommendations provided by the respondents in relation to youth unemployment. The respondents emphasized the importance of encouraging local businesses to invest in the country’s natural resources. They have also noted the importance of attracting foreign investors, who can invest in the country’s untouched resources. Fighting corruption and unfair job recruitment were also among the recommendations.

**YOUTH UNEMPLOYMENT IN HARGEISA: CAUSES AND CONSEQUENCES**

The research explores the causes and consequences of youth unemployment in Hargeisa. A number of recommendations are subsequently made based on the below findings. This research is presenting the key findings and recommendation on youth...
unemployment in Hargeisa. It will further explain the different causes as well as the consequences of unemployment on youth.

**Research Questions**

1. What are the factors that cause youth unemployment in Hargeisa?
2. What are the consequences of youth unemployment in Hargeisa?

**Research Context**

Hargeisa is the capital city of Somaliland. Somaliland is an independent state, but is not recognized by the international community. Hargeisa has a population of nearly 1.5 million. The country has managed to build a relatively peaceful and stable economy, and overcame a civil war in the last two decades. The majority of the population lives in the rural areas of Somaliland and the country’s main economic source is livestock. Despite the small improvements made in the economic sector, youth unemployment remains a constant and pressing issue for the Somaliland Government. The youth make up 70% of the total population with an unemployment rate of 65% according to the Ministry of Labour and Social Affairs (Molsa). Hargeisa, which is the country’s biggest city, has a large number of youth who are struggling to find jobs and remain unemployed. 35% of employed youth work in both public and private sectors of Somaliland. Most of the youth work for private companies, local, and International NGOs in Somaliland.

There has been much research in the past regarding the issue of youth unemployment and its effects on the country’s stability, economy and youth migration. However, limited research has been done on the causes and consequences of unemployment in Hargeisa.
In Somaliland, a number of challenges and problems are associated with trying to find employment. As Nail (2001) argues, unemployment is linked to a series of negative health consequences, both physical and psychological which tend to grow disproportionately with the duration of unemployment. In addition, the unemployment in Somaliland has led many young people to illegally migrate to Europe by crossing through Ethiopia, Sudan, and Libya and onwards to Italy. Low progression of economy leads to disintegration of families and lack of hope for the youth in the future, along with the organization of gang clubs and disturbance of peace and security of the country.

According to an ILO youth unemployment report, Somaliland requested support for the collation of concrete and reliable data on the labour market to serve as an integral element for policy formulation facilitating the development of inclusive growth for employment and hence, there is a clear confusion as to what really causes the increasing unemployment in Hargeisa.

**RESEARCH: OVERALL AIM AND SPECIFIC OBJECTIVES**

**THE OVERALL AIM OF THE RESEARCH**

The overall aim of this research is to find out the causes and consequences of youth unemployment in Hargeisa.

**SPECIFIC OBJECTIVES**

- To identify the factors that cause youth unemployment in Hargeisa.
- To find out the consequences of youth unemployment in Hargeisa.
- To provide concrete recommendations and solutions to the Ministry of Youth and Sports.

**EXISTING KNOWLEDGE AND HOW THE RESEARCH WILL CONTRIBUTE TO IT**
The National Youth Policy sets the definition of youth in Somaliland as the age range between 15—35 years. 70% of Somaliland’s population is below the age of 30 and out of this proportion, 40% are between the ages of 15 to 29; hence, Somaliland is experiencing a “Youth Bulge” – a situation that if not attended to early, could undermine any gains in peace and stability in the country (SONYO, 2016). In addition, youth unemployment has a negative impact on the youth’s health and mental wellbeing. According to Abokor (2015), unemployment among young people in Somaliland also leads to reduced levels of happiness and mental health problems. Being employed is important for young people in order to feel accepted by society, thus not having a job can cause economic, cultural and social isolation. Social exclusion, stress and employment worries can cause mental health problems, such as depression. Moreover, studies have found that youth unemployment is associated with increase in drug and khat use as well as higher levels of crime among young people and sometimes they make physical journeys and also illegal travel because they don’t see hope and they want to come back when their fathers and older people allow retirement (Ubo, 2015).

Policy makers, the ministry of sports and culture and other decision makers can use the findings of this research to address the pressing issue of youth unemployment in Hargeisa. In addition, other NGOs and INGOs can use these results to inform the designs of their future programs concerning youth unemployment in Hargeisa. Finally, future researchers will also use this as source of literature for further research.

**Methodology**
**Overview of the Methodology Used**

This research employed a primarily qualitative approach to research. The respondents were selected from private and public sectors, NGOs, and included both employed and unemployed youth. Age and gender were also given special consideration. A guide to researchers and well-detailed questionnaires were developed, which enabled the collection of data from five KII respondents and four focus group discussions. The data was transcribed and subsequently manually grouped and analyzed.

**Data Collection Methods**

In order to capture views regarding youth unemployment in Hargeisa, focus group discussions were conducted, where extensive data was gathered. In addition, Key Informant Interview were conducted for the most informed and experienced people in the sphere of youth unemployment. The most informed individuals were interviewed and provided highly relevant data regarding the subject.

Moreover, the respondents were selected from a wide array of backgrounds including private companies, CSOs, government ministries, as well as employed and unemployed youth. The questionnaires were designed in a descriptive way, to enable the respondents to provide as much information as possible in their own words.

For the FGDs, respondents were divided into four categories: a FGD for employed youth, a FGD for representatives from government ministries and agencies, a FGD for unemployed youth, and a FGD for private companies and CSOs.

Regarding the key informant interviews, five interviews were conducted with the most knowledgeable people from the following organizations; SONYO youth umbrella, Shaqadoon Organization, Telesom Company, Ministry of Youth and Sports and the Civil Service Commission (CSC).
Table 1: Number of female and male participants of FGDs

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<tr>
<th>Focus Group Discussion</th>
<th>Genders</th>
<th>Total</th>
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<tr>
<td></td>
<td>Female</td>
<td>Male</td>
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<tr>
<td>Employed Youth</td>
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<td>Unemployed Youth</td>
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<td>5</td>
</tr>
<tr>
<td>Representative from government</td>
<td>4</td>
<td>2</td>
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<tr>
<td>Private and CSOs</td>
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Table 2: Number of females and males interviewed

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<tr>
<th>Focus Group Discussion</th>
<th>Genders</th>
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<td>Female</td>
<td>Male</td>
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<tr>
<td>Civil Service Commission</td>
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<tr>
<td>Shaqadoon Organization</td>
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<td>Ministry of Youth and Sports</td>
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<tr>
<td>Telesom Company</td>
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<td>SONYO Youth umbrella</td>
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**FINDINGS**

**Causes of Unemployment**

Participants in FGD and KII Hargeisa all agreed that Hargeisa’s unemployment rate is high. Respondents believed the lack of quality education and diversified\(^1\) field of studies to be a contributing factor to youth unemployment. Additionally, the universities in Hargeisa offer not only similar course units, but predominantly social science ones.

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\(^1\) youth unemployment FGD
Moreover, the existence of unjust recruitment and the limited employers in the labour market are among the root causes of youth unemployment in Hargeisa.

Moreover, respondents revealed a belief that causes of youth unemployment include blue-collar jobs, nepotism, and inadequate local and foreign investment². Apart from that, there are a number of white-collar jobs offered to people from other countries, i.e. Ethiopia, Yemen, Kenya etc. Respondents accordingly mentioned that youth unemployment in Hargeisa comes from a lack of vocational training in schools, urbanization, weak writing skills, and excessive university graduates³. It is also suggested that graduates lack creativity in establishing their own businesses to become job creators, rather than job seekers.

Furthermore, there are increased concerns about employer preferences, especially international NGOs, who employ people who studied abroad rather than give opportunities to locally-based staff⁴.

**Consequences of Youth Unemployment**

Youth unemployment remains the biggest challenge in Somaliland. A large proportion of youth unemployment has triggered illegal migration as well as the creation of urban gangs, which are a threat to the city's security. Snatching valuable electronics at night

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² FGDs
³ Unemployment, employment and private & NGOs FGDs
⁴ youth unemployment FGD
and increased theft are currently the biggest security issues in Hargeisa\(^5\) brought on by youth unemployment. Additionally, youth unemployment hinders the economic development of the country and hence, it reinforces social classes lines among the community.

2.1 Illegal Migration
Respondents believe that youth unemployment in Hargeisa encourages youth to migrate from the country and take the dangerous journey from Somaliland to Ethiopia and all the way to Libya and Italy\(^6\). Thousands of Somaliland youth migrate from the country to Europe in search of a better life and jobs every year. Unfortunately, only few end up making it to Europe. This does not only give ground for other youths to migrate, but also decreases the country’s labor force. Additionally, it puts a financial burden on the shoulders of the families whose children migrate to Europe, as smugglers demand ransom payment. Additionally, it gives smugglers the opportunity to carry out their smuggling activities in Somaliland, which poses a threat to the stability of the country.

2.2 Dependency and Creation of Social Classes
The respondents believe that the high level of youth unemployment in Hargeisa has created dependency and an emergence of social classes\(^7\), which has made the unemployment even worse. Likewise, the dependency itself is a contributing factor of the poor standard of living and increased social problems among families.

\(^5\) FGD for Representatives from Ministries, March, 2017
\(^6\) FGD for unemployed youth, March, 2017
\(^7\) FGD for employed youth, March, 2017
2.3 Creation of Urban Gangs in the City
In Hargeisa, the police and public are concerned about the increasing number of youth gang groups. These gangs pose a threat to the peace and stability in Hargeisa. They often commit crimes including rape, physical and sexual assault. This occurs as a result of youth unemployment as well as a lack of recreational training centers for the youth to entertain themselves. The gangs who are equipped with and knives commit the violence against women, girls and elderly people\(^8\) at night.

2.4 Health Problems and Reduced Level of Confidence and Self-esteem
Low self-esteem, reduced levels of happiness and lack of hope are immediate consequences of youth unemployment in Hargeisa. There are a number of young people who have committed suicide and many others are at a higher risk of committing suicide after years of rejected job applications\(^9\). Youth unemployment has resulted in increased family violence, mental and psychological problems. Consequently, youth unemployment also leads to the increase usage of drugs including Khat and other intoxicants.

Ways of Tackling Youth Unemployment in Hargeisa
The appropriate ways of tackling youth unemployment in Hargeisa remain up for discussion. The increasing of number of students graduating each year in the country’s different universities also doubles the unemployment rate in Hargeisa. Limited job

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\(^8\) FGD for private and CSOs, March, 2017
\(^9\) FGD for Private and CSOs, March, 2017
opportunities and a lack of diversification of field of studies have made the situation worse. There are number of recommendations, if considered, which can contribute to the solutions for youth unemployment as highlighted below.

3.1 Fighting Corruption to Increase Job Opportunities and Fair Recruitment
There are concerns with the recruitment processes and selection procedure of applicants in Hargeisa. Nepotism and lack of transparency during the recruitment process has been one of the biggest challenges for youth in obtaining jobs\(^\text{10}\). Making job recruitment fair does not only increase the job opportunities but also encourages inclusivity and decreases youth discouragement. In addition, the effective management of resources is a key solution to the problem. Finally, the fair and just competition among the applicants is not only a good and lasting solution for the country, but also good for companies that need competent applicants.

“In Hargeisa, if you don’t have as well a human CV who can support you through the process it is hard to get a job”. FGD Participant.

3.2 Improving of Quality of Higher Education and Establishment of Vocational Training Center
The country’s universities particularly those in Hargeisa, offer the same courses regardless of the market demand and alarming youth unemployment in the country. In addition, the overall quality of higher education in Somaliland is still poor. The lack of diversification of fields of study coupled with the low quality of education and increased

\(^{10}\) FGD for unemployed youth
number of graduates means the situation continues to deteriorate. The establishment and rehabilitation of the existing but non-functioning vocational training skills centers across the country and the regulation of the country’s higher education can help respond to the situation\textsuperscript{11}.

“I chose to study BA in Management because my other friends were also studying. I had no any idea of why to study Management nor interested, but because influence from my peers” FGD Participant

3.3 Encouragement of Local and Foreign Investment in the Country

In Hargeisa, the major employers are Telesom, Dahabshiil, government, NGOs and other large and SMEs enterprises. However, these are not enough to provide employment opportunity to the large proportion of unemployed youth. Encouraging local businesses to invest in agriculture, fishing and other natural resources of the country, would create job opportunities for the thousands of unemployed youth in Hargeisa and Somaliland at large. In addition, the government needs to attract foreign investors who can invest in the country’s untapped resources\textsuperscript{12}.

\textsuperscript{11} KII for SONYO Chairperson, March, 2017
\textsuperscript{12} KII for Telesom Company, March, 2017
3.4 Youth Encouragement and Behavior Initiatives

Youth encouragement initiatives can play a major role in reducing youth unemployment rates in Hargeisa. The youth depend on their family when they’ve exhausted their job search in Hargeisa. There is a need to educate young people on entrepreneurship skills and encourage them to establish their own businesses. In Hargeisa, most of the youth are ignoring other job opportunities in Hargeisa, which is one of the problems. Programs geared towards changing youth job-hunting behaviors would better serve to change this problematic mindset. In addition, youth need to be mentored, supported and provided pre-counseling before they enter university and after graduation as well\textsuperscript{13}.

Obstacles That Unemployed Youth Face During the Job Seeking Process

Respondents revealed that two main obstacles faced by unemployed during their job seeking process are poor communication and writing skills. As a result, they are unable to write convincing job applications and CVs\textsuperscript{14}. In this regard, respondents indicated that youth seeking jobs face unfair job recruitment systems and available opportunities are not merit-based. They expressed that having human CV is more important than a written CV. “\textit{When you encounter a job vacancy, you better search a politician or an elder to take you to the employer and ask this post to be given to you}”, one respondent said\textsuperscript{15}.

\textsuperscript{13} FGD for unemployed youth, March, 2017
\textsuperscript{14} Unemployed youth FGD
\textsuperscript{15} Unemployed youth FGD
Furthermore, unemployed youth face having less employers, lack of counseling centers, job access problems and stiff requirements when seeking opportunities. Above all, the nepotism, missing easy to reach public job publicizing places, and lack of information are among the numerous difficulties that youth face during their job seeking process.

**Socio-Economic Development**

Respondents confirmed that unemployment affects socio-economic development in Hargeisa in many different aspects, one of which is the social problems brought on by unemployment. These include family violence, family breakdown, stress, low social cohesion, and suicide.

In addition, youth unemployment hinders the economic development of the country. Because of the high level of youth unemployment, the inflation rate rises and GDP goes down and increases the cost of living. Moreover, the excessive use of social media by the large number of unemployed brought, and denying girls education emerges.

**Policy Recommendations**

There are number of policies recommended by all the participants which can likely bring a reduction of unemployment if implemented. These include; anti-corruption policy, foreign and local investment policy, public sector reform and development and implementation of the national employment strategies. In addition, the encouragement

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16 Representatives from government ministries and private & NGOs

17 FGD for employed youth
of non-formal education (vocational training schools) through a national non-formal education policy could produce more skilled young people.

LIMITATIONS AND FURTHER RESEARCH

During the entire research and data collection, researchers faced several challenges, including late arrival and absenteeism of the FGD participants, excessive postponement of the interviews by KII interviewee’s, and above all time constraints. The given time for the research was not enough to reach vast areas of Hargeisa as well, which resulted in the data collected being very short.

In addition, many of the respondents were not able to fully understand the questions and as the researchers strived to translate the English-written questions into Somali language, it became impossible because the meaning of the questions might change.

Finally, though this research provides enough information about the causes and consequences of youth unemployment in Hargeisa, it still remains a phenomenon that could be further researched. We recommend broader research on this topic as this research primarily focused on Hargeisa.

Conclusions
Youth unemployment is not only a matter of national concern but also an issue of debate and discussion. Illegal youth migration and creation of smugglers in the country are the result of youth unemployment.

This research presents the root causes of youth unemployment as well as the immediate and long-term consequences of the unemployment rate. Reduced work force in the country and loss of a generation of young people are among the future consequences of the problem.

Concerning the problem, youth unemployment will discourage and reduce the student enrollment and increase illiteracy levels in the country.

Therefore, the high level of youth unemployment coupled with reduced level of income in the community and the prolonged drought in the country, will not only hinder the economic development of the country, but will also have an impact on peace and security as there are now gangs in both Hargeisa and other regions of Somaliland as well.

The government, private sector and other policy-making agencies are urged to consider the recommendations provided in this report and act urgently on this alarming national matter.
WORKING BIBLIOGRAPHY


ILO, 2012 Labour force survey Somaliland