

Combinatorial Approaches to Informal Sector Human Capital Investments and Youth Employment in Sub-Saharan Africa



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Sequence of the Presentation

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Objective of the Paper Presentation & Problem Statement

Objective:

This paper examines different combinatorial approaches for intervening in the informal sector human capital investments for sustainable youth employment in Sub-Saharan Africa.

Problem Statement:

- Misconception and Under emphasizes of the Informal Economy
- Skill Obsolescence of in Informal Sector due to neglect by national & international agencies
- Many of Socio-economic problems associated with the Youths are tracable to unemployment/underemployment
- Isolation and non linkage of the Informal Technical education with the formal Sector
- Inadequate Global attention to the Informal Sector Human Capital investment patterns and Utilization in SSA



Background and Context of the Discourse on SSA Informal Sector Human Capital Situation

- **Globalization: Trends and African Dimensions**
- **Sub-Saharan African Informal Sector Economy: Overview**
 - Schools of thought: dualist, structuralists, legalists
 - Employment capacity: 40+ per cent youth employment and average of 40 % GDP
 - Characteristics: unregulated, low productivity, easy access, vulnerable employment, indigenous knowledge/skills
 - Poor and conservative Investment practices
 - Avoided by governments and cautiously approached by international agencies



Paradigm Shifts in Informal Sector Human Capital Situation

- Entrants of educated youths
- Increased used of ICT: cell phones
- Marginal government intervention – NDE training,
- Collaboration with formal sector for example the herbal medicine
- Organized trade union



Youth Employment and Productivity in SSA

- Globally, SSA has second highest youth employment-to-population ratio (ILO. 2010)
- Poverty & lack of viable alternatives in education system motivate working youth in SSA (ILO,2010)
- Formal Education system unable to deliver all the promised returns-on-investment
- Higher incidence of working poor, vulnerable employment



Combinatorial Approaches to Informal Sector Human Capital Investment and Utilization in SSA

The combinatorial approaches:

- Evolving development models (cf combinatorial optimization) for sustainable human capital investment/utilization of the sector,
- Synergistic international initiatives by training agencies (ILO, UNESCO, UNDP, WHO, gtz etc),
- Use of customizable information communication technology,
- Recognition of prior informal learning/indigenous knowledge by the formal education system and
- Provision of compensatory international trade regimes for the Sub Saharan Africa.



Combinatorial Approaches Contd.

- Evolving development models (cf combinatorial optimization) for sustainable human capital investment/utilization of the sector. Factors include:
 - **global workforce dynamics: migration, Diaspora, demand/supply of human capital, recognition of prior learning: indigenous knowledge of local plants/technology, development of national vocational qualification framework, linkage with formal education system, adoption of modern production processes (including use of information communication technology), productivity: attitude to work, pride, commitment, soft skills, political leadership in Sub Saharan Africa, informal sector characteristics.**
- Synergistic international initiatives by training agencies (ILO, UNESCO, UNDP, WHO, gtz etc),

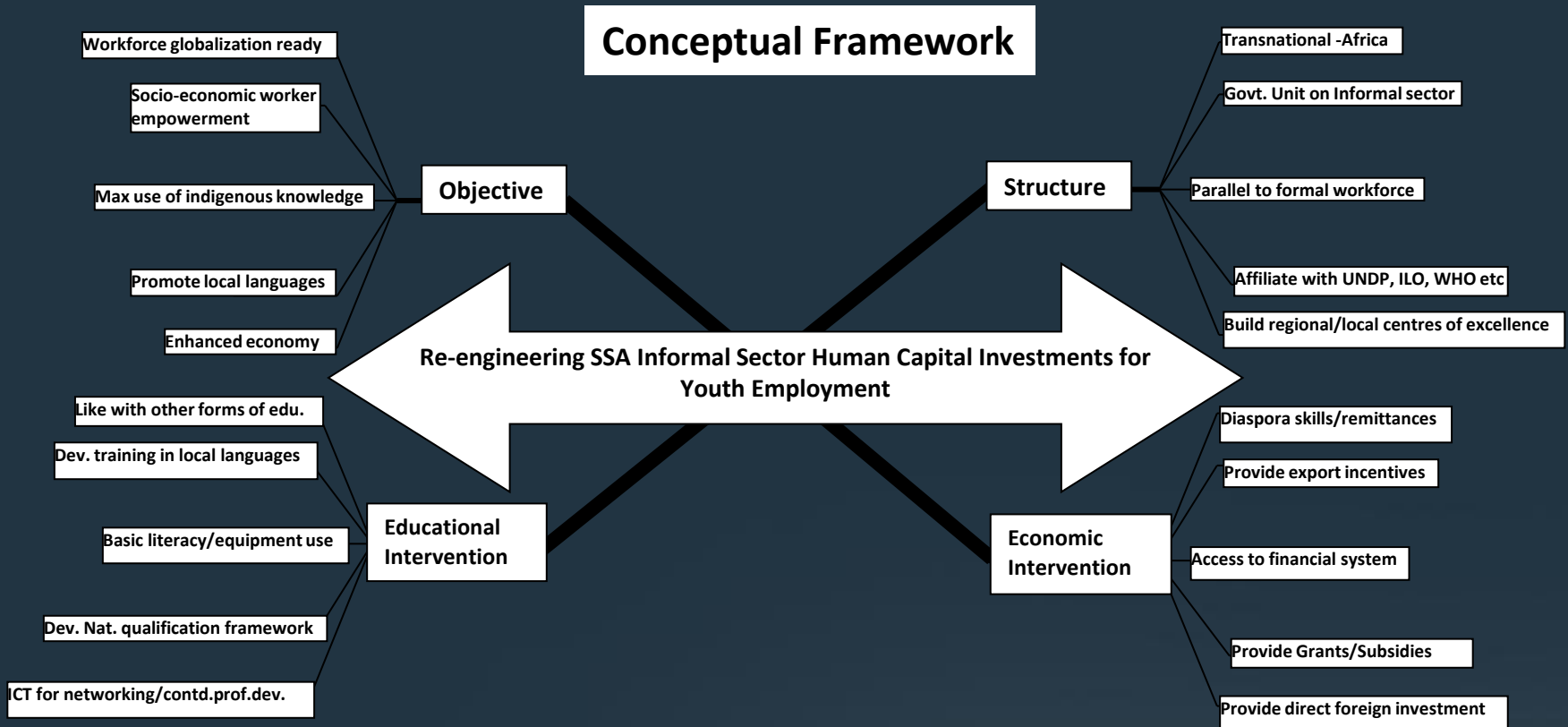


Combinatorial Approaches Contd.

- Recognition of prior informal learning/indigenous knowledge by the formal education system: NVQF
- Use of customizable information communication technology
- Provision of compensatory international trade regimes for the Sub Saharan Africa – for FDI, creating more informal sector jobs



Re-engineering SSA's Informal Sector Human Capital Investments for Youth Employment





Re-engineering contd.

- Perceptual reorientation on Effort/Chance relationship to success

$$\int_f \rightarrow f^n \frac{\sum E}{\sum C}$$

$$\int_f \rightarrow \frac{50}{50} = \frac{1}{1}$$

At all times $E + C = 100$ (boundary Condition)

Where \int_f = Success index or success factor

E = Effort (mental, intellectual, physical, technological)

C = Chance (extraneous variable, benevolent spirit, good fortune etc)

f^n = function

\sum = Summation (Nnadi, 1998)



Conclusion and Closing Argument

Globalization is here for a long haul

The Strength of the Globalization process can only be assessed by the weakest Region

There is every Justification in Assisting SSA develop its Informal Sector Human Capital potentials

The ripple effects of productive engagement of SSA youths has greater global security than the present neglect

The ultimate end...is not knowledge, but action. To be half right on time may be more important than to obtain the whole truth too late – Aristotle

**Thanks for your
Time**

