

'Bad work' and the challenges of creating decent work for youth in northern Uganda

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Key messages

- Economic difficulties in northern Uganda are grounded in 'bad work' – forms of labour that are precarious, underpaid and exploitative – and not in lack of labour supply and entrepreneurialism or exclusion from the market.
- 'Bad work' and the labour markets that create it are pervasive in northern Uganda, and by their nature sustain high numbers of working poor.
- There is a need to test out alternative approaches to postconflict livelihood recovery, such as public works programmes and collective action on labour rights and conditions.

Study Overview

Research on slums characterises the situation many northern Ugandan youth today find themselves in:

Vast masses of poor people across the global South have left rural livelihoods for city-living in recent decades. . . . Instead of being swept up in an industrial revolution that would turn them into proletarians . . . they have more often been recruited into informal slums where they eke out a living via a complex range of livelihood strategies to which agriculture and formal-sector wage labor are often marginal (Mike Davis, quoted in Ferguson 2015: 23).

In the mixed-methods study *Youth on the margins: in search of decent work in northern Uganda* (Mallet *et al.*, 2016), SLRC explores what the livelihood strategies look like for young people growing up in northern Uganda, in what ways they might be described as precarious, and what blocks young people's escape into something more stable and desirable.

Focusing on Lira town, the capital of Lira district and second largest town in northern Uganda, the study began by interviewing 29 people in Lira town using qualitative, open-ended interview guides. The majority of respondents were young people (ages 18 to 30) living in difficult circumstances and working at the margins of the urban labour market, identified through a combination of opportunistic and snowball sampling.

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Youth unemployment and underemployment are huge problems, as a society demographically dominated by young people struggles to recover from war and displacement in an economy largely devoid of opportunity

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Two of the interviews were conducted as life-history interviews. The remainder were key informants, including local councillors, members of civil society organisations, and police staff, of which we were interested in their particular views on the challenges facing Lira's youth.

This initial qualitative component directly informed the design of a survey, which was later administered to 324 respondents in Lira town. We set out to talk to the same kinds of people as in the first phase – ostensibly unemployed young people in Lira town, either not working at all or working 'bad' jobs – and ask them about family backgrounds, exposure to violence, social ties, work histories, current activities, aspirations, and economic preferences. A basic sampling strategy was followed, combining purposive, opportunistic and snowball elements. While the survey results cannot be interpreted as statistically representative of the wider population, the data do allow us to talk about the characteristics of Lira's youth with more confidence, and slightly more generalisability, than a purely qualitative approach would allow.

As a precursor to the Youth on the margins study, we undertook a smaller study in 2014 focusing on the catering sector. This study – Gender, youth and urban labour market participation: evidence from the catering sector in Lira, Northern Uganda – explores young people's access to catering work in Lira town, the terms of their participation in the sector, and the consequences of their employment (Mallett and Atim, 2014). In many ways, the findings of this study speak to and support those uncovered by the broader follow-on work, described below.

Youth and un(der) employment in northern Uganda

The Ugandan President, Yoweri Museveni, acknowledged that unemployment is the main problem affecting the youth in the

country and the entire world (New Vision, 2013). This view is shared by many in the development policy community: global youth unemployment has been recently described as a 'top policy concern' (International Labour Organization, 2015), a 'crisis' (World Bank, 2015), and an 'epidemic [representing] a great test of our time' (United Nations Secretary General, Ban Ki-Moon).¹

Although recovery is under way in northern Uganda, it has been a painfully slow and uneven process. The primary effort to consolidate stability and improve the economy in the region has been the Peace, Recovery and Development Plan (PRDP), which was launched in 2007 and is said to provide the overarching framework for addressing the region's post-war needs. Now in its third phase, a central pillar of the US\$606 million governmentled initiative is revitalisation and development of the economy. The most recent Uganda Human Development Report suggests this component has seen limited success, however, noting that while there have been 'deliberate efforts to reverse the marginalisation of the region', it 'remains an eyesore in Uganda's relatively impressive national human development record' (UNDP, 2015: 22, 19). The report points to the limitations of the PRDP's 'small-step', incremental and intervention-focused approach to recovery, highlighting the lack of serious engagement with the bigger question of structural transformation: 'development', it argues, 'is not just about improvements in infrastructure' (ibid.: 20). Neither, one could add, is it simply about the dual-intervention staple so popular in post-conflict settings of microfinance and vocational training (Blattman and Ralston, 2015).

In many ways, the PRDP initiatives are secondary to what's going on in the Ugandan economy more generally. Although the last decade has seen strong rates of growth – about 7% per annum between 2005/06 and 2012/13 – this has not been

¹ UN News Centre (2014).

accompanied by economic transformation, such as expansion of formal wage sector employment (ACET, 2013). Neither does it seem that the spoils of increased growth have been shared out equally: at first sight economic activity in the north might appear bustling, but there are claims that its current 'boom' - characterised by substantial cross-border trade with South Sudan, a rising presence of Indian and Chinese enterprise in the local economy, and the prospect of big agribusiness and natural resource extraction opportunities – is mostly concentrated in the hands of a few (Okiror, 2016; UNDP, 2015). Indeed, a recent SLRC survey of Acholi and Lango sub-regions suggests there have been very few significant improvements in the living conditions of many (if not most) northern Ugandans (Mazurana et al., 2014), and years on from war's end, the economy still lags. According to 2009/10 National Household Survey data, 46% of the northern Ugandan population was living below the poverty line, compared with 11% in the central region, 24% in the east, and 22% in western Uganda (Uganda Bureau of Statistics, 2010). And the region continues to have among the lowest literacy rates in the country, the worst access to any education facilities, and the highest rates of teacher absenteeism (ibid.).

Linked to this, youth unemployment and underemployment are considered huge problems, as a society demographically dominated by young people struggles to recover from war and displacement in an economy largely devoid of opportunity. Research suggests that as much as 80% of northern youth are either unemployed or unemployable in the formal sector as a result of low qualification levels (International Youth Fund, 2011). Instead, youth find themselves working in 'low-productivity subsistence agriculture and the informal sector, where returns on labour and capital are generally low' (Advisory Consortium on Conflict Sensitivity, 2013: 26). And so the recovery attempts of many have taken them to the towns and cities of northern Uganda where new livelihood options are being sought beyond a life tied to the farm (Uganda Bureau of Statistics, 2012). But the reality of the urban economy (a site of costlier living yet still constrained in the possibilities it offers) has continued to push people into low-return corners of the labour market, where youth take whatever they can get, and where the work is often casual in the extreme.

Implications and recommendations

The International Labour Organisation's Decent Work Agenda's four pillars – employment creation, social protection, rights at work, and social dialogue – are foundational elements within the 2030 Agenda for Sustainable Development, particularly Goal 8 which calls for "the promotion of sustained, inclusive and sustainable economic growth, full and productive employment and decent work" (ILO, np). Our own research offers concrete recommendations regarding what is needed to help create decent work in northern Uganda.

Addressing 'bad work' – forms of labour that are precarious, underpaid, exploitative – should be a focus of the Government of Uganda and its development partners

Similar to the challenge of global youth unemployment, the same phrases – a 'top policy concern', a 'crisis', and an 'epidemic

representing a great test of our time' – could and should be used in relation to the phenomenon of 'bad work' in northern Uganda and indeed worldwide.

Globally, vast numbers of young people are eking out a living in towns and cities, not through formal wage employment or agriculture but via a range of informal and casual methods. For several hundred young people living in northern Uganda's second largest town, Lira, their lives are characterised by life after war, a slow and uneven process of recovery accompanied by limited institutional support, and an almost complete absence of decent work opportunities.

The evidence clearly shows that just because someone is in work, it does not automatically follow that they are doing well. For many in this study, years of participation in the informal economy – often involving simultaneous self-employment, wage labour, apprenticeships or unpaid work – has not helped them to become better off. Of the young people we surveyed, around half fall below the Ugandan national poverty line (currently US\$1.25 per day). This is not a result of unemployment, but of the nature of economic life at the bottom of the urban labour market –a system that *creates and sustains* high numbers of working poor.

The real question then is not whether young people are working, but what the dynamics of their work actually look like. Several themes recur for Lira's marginalised youth: low and irregular pay, insecure terms, transient, socially undesirable. And these are not just characteristics of independent casual labour. As we found in the earlier catering study, working for someone else can expose young people to economic, physical and sexual exploitation (Mallett and Atim, 2014).

Youth are stuck in low-return segments of the labour market

Within the northern Ugandan economy opportunities for formal wage labour are hard to come by; the large post-war investments entering the north are reportedly concentrated in the hands of a few; and the agricultural sector appears incapable of absorbing the region's massive supply of youth labour (in demographic terms, Uganda is the world's youngest country). In short, there simply aren't that many viable alternatives around, and so a series of factors combine to make escape from 'bad work' unlikely.

But so too is it related to what some scholars call 'adverse incorporation', when individuals who are not faring well in the workplace are somehow prevented from moving onwards (and upwards) (Hickey and de Toit, 2007). This is not about exclusion *per* se – as the term implies, these people are already 'incorporated' into the market – but rather the detrimental terms of their participation and the means through which that constrains economic mobility. To put it crudely, these people aren't poor because of their disconnectedness from the market, but because of the way they are included. Examples from the youth in this study, include:

- early school drop-out;
- breakdown of the family structure;

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- pejorative social attitudes directed towards young people, particularly those engaged in 'deviant' work;
- absence of personal connections to influential business people, politicians or state officials to secure good jobs;
- exploitative nature of some apprenticeship schemes; and
- continuous exposure to 'bad work' that normalises negative working conditions and a mental internalisation of those as acceptable.

Just because someone is working, it does not mean they are doing well

The main implication of our findings is that we need to engage more seriously with the challenges presented by bad jobs – and, by extension, with the way in which labour markets actually work. If we accept that economic difficulties are created not just by exclusion from the market, but also by the problematic nature of people's participation, then the solution is not simply to facilitate entrance (which would essentially assist people into new positions of vulnerability). Neither can the solution rest solely on enhancing young people's employability or encouraging entrepreneurial drive: as much as these are important, the real issues here are not to do with labour supply.

Policy analysis should move beyond its preoccupation with unemployment - with the idea that economic problems are first and foremost characterised by people's absolute exclusion from the economy (i.e. the residual perspective). There needs to be an additional consideration of the ways in which labour markets are actually working for the people within them, particularly for those struggling to carve out a livelihood in their worst spaces. What this study perhaps shows more than anything else is that just because someone is working, it does not automatically mean they are doing well. Many people are locked into low-paid, unprotected positions where they find themselves vulnerable to abuse and exploitation by managers and other senior staff. More than one-third of all Ugandans are classified as 'working poor', and that share is concentrated disproportionately among young people (Government of Uganda, 2006). What these two points suggest is that unemployment by itself is probably not a particularly helpful measure of economic performance or personal wellbeing. We would do better to think less in terms of whether someone is employed, and more in terms of what they actually do to make a living, regardless of its degree of (in)formality (Deranty and MacMillan, 2012).

Building a better quality labour market

The most basic first step to building a better quality labour market is to accept that labour markets are not neutral spaces of exchange. They are, in all too many contexts, sites of conflict, structural violence, appropriation and marginalisation. As such, to leave it up to the 'natural' forces of the market is to allow the reinforcement of existing socio-economic inequality.

Looking at what Lira's marginalised youth are doing to make money, we observe a number of recurring themes: low and

irregular pay, insecurity, transience, and socially undesirable positions. Individuals also tend to find themselves adversely incorporated into a particular stratum of the labour market, from which it is extremely difficult to escape. While physical mobility might be quite high, it is usually confined to the worst occupations available: casual labour (leja leja), hawking, brokering, low-grade bar work, the sex industry. Indeed, the very fact that someone is doing one of these things itself makes it hard to secure alternatives, affecting as it does personal horizons, the capacity to accumulate the 'right kind' of human capital, and the perceptions of others within the urban community. Thus, when we consider what the alternatives to casual labour actually are (and there do not seem to be many attainable ones), it is not too difficult to see why so many of Lira's marginalised youth aspire to become their own boss. That life may not be secure or reliable – it is competitive and difficult - but it offers at least the possibility of living life on one's own terms when the alternatives fail to guarantee stability.

In some senses, this aspiration reflects the current range of policy approaches seeking to support entrepreneurship and enterprise. As Dolan and Rajak (2016: 515) tell us, aid-driven attempts to produce fleets of young entrepreneurs embody a normative 'vision of a personalised economy of development' in which the focus has shifted 'from macroeconomic restructuring to a more humanised focus on individual self-actualisation'.

In practice, this shift away from restructuring, and the idealised conversion of Africa's youth into 'job creators' rather than 'job seekers', essentially puts less focus on the need for governments and agencies to focus on helping foster the conditions to create decent jobs. Gone is the need to understand how labour markets actually work, and to incorporate that understanding into policy approaches. Gone too is the need for structural economic change, replaced as it has been with more targeted interventions geared towards increasing employability and 'liberating the inner entrepreneur' (ibid.: 515). As a result, the demandside dynamics of labour markets - that is, the factors that determine how much decent, secure work there is available and in what ways it gets distributed - go relatively untouched while an ever increasing surplus youth labour finds itself between a rock and a hard place: a cut-throat, low-return world of self-employment on the one hand, an 'expanding informal economy' characterised by 'low wages and unstable, unprotected employment' on the other (Meagher, 2016: 493).

What is needed instead are stronger efforts to improve the quality of the labour market. In practice, this means reforms designed to tweak what are known technically as the market's 'demand-side dynamics': these determine what kinds of work are available, how well conditioned they are, and the ways in which they get distributed. Unfortunately, it is much harder to influence these things than it is to teach a poor person new skills or provide them with finance, as they entail a more politically charged set of options. Minimum pay, workers' rights (and the observance thereof), access to legal redress when things go bad, unionisation: these are just

some of the potential routes through which a better quality labour market could be built. And while this is clearly not an easy proposition, recent research into 'thinking and working politically' by the Overseas Development Institute (as well as similar initiatives led by other organisations) suggests it is possible to influence large-scale public reforms when external actors work with the right people, at the right time, in the right way (Booth, 2015).

Test out some alternative approaches

The evidence shows that some of the standard vehicles for post-conflict recovery, namely microfinance and vocational training, generally have little impact (Blattman and Ralston, 2015). We recommend testing out some alternative approaches, deviating to various degrees from the standard 'toolbox' of interventions.

- At one end of the spectrum would be an intensification and scale-up of the standard package: make access to finance and skills even easier by expanding those options. Many of those in our survey sample identified a lack of credit as a major barrier to economic activity in Lira town, suggesting it is quite difficult for many of the poor to participate in these schemes. Expanding such programmes, and incorporating a degree of mentoring and supervision into their implementation, might see some better results. This won't be easy given the saturated and weakly diversified nature of the labour market, however.
- Addressing some of the root causes of adverse incorporation seems sensible. To that end, a range of measures designed to keep children and youth in school and ensure secondary completion should be a priority. This could entail better systems of social support, providing both financial and psycho-social support to single mothers and female headed households and orphans vulnerable to economic exploitation.
- Part of what is making the labour market such a difficult space to get by in is the lack of viable alternatives beyond casual work. One response is to try to create more alternatives, particularly in relation to the availability of wage labour. Large-scale public works programmes modelled on the Mahatma Gandhi National Rural Employment Guarantee Act in India offer people a decent wage in exchange for their labour on particular projects, potentially with a minimum number of guaranteed work days per year.
- Most radical of all would be greater collective action on labour rights and conditions, entailing advocacy for a minimum wage, the implementation of labour laws combatting exploitative practices in the workplace, and an insistence on having grievance mechanisms for when exploitation does occur.

Of all the options available, these last measures are arguably the most politically charged. But they are also most likely to have an impact in changing the way in which the labour market actually works.

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The Secure Livelihoods Research Consortium (SLRC) aims to generate a stronger evidence base on how people make a living, educate their children, deal with illness and access other basic services in conflict-affected situations. Providing better access to basic services, social protection and support to livelihoods matters for the human welfare of people affected by conflict, the achievement of development targets such as the Sustainable Development Goals (SDGs) and international efforts at peace- and state-building.

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