



Africa's Unemployment Crisis: Evolving Public Attitudes

This paper addresses the problem that Africans tell us is uppermost in their minds: unemployment. We analyze self-reported unemployment in the light of popular views about general economic conditions and prevailing programs of policy reform.

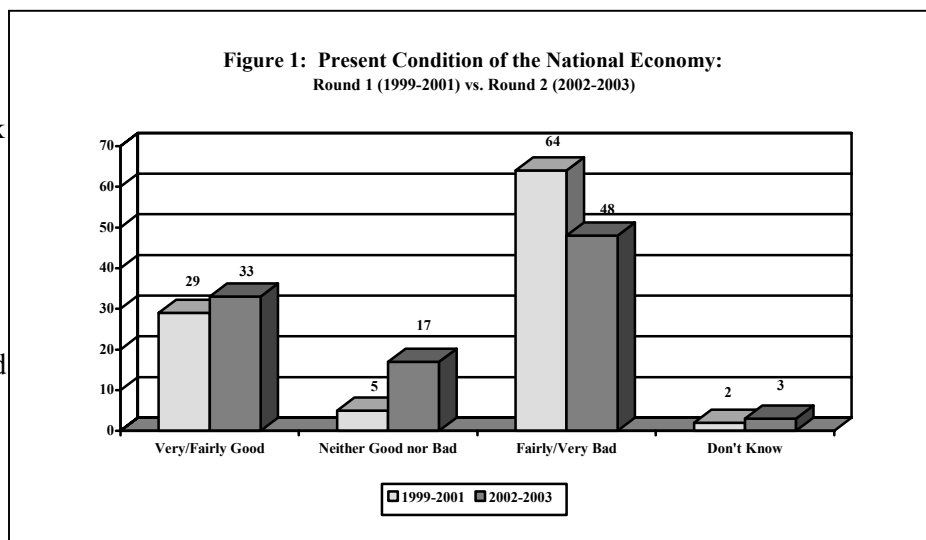
The source of our public opinion data is Afrobarometer Round 2 and the perspective is longitudinal. Our surveys ask whether incipient trends can be observed in economic attitudes between Round 1 (1999-2001 in 12 countries) and Round 2 (2002-3 in 15 countries). According to Afrobarometer convention, a change in public opinion is imputed *only* if we observe a shift in results of at least 10 percentage-points on the same item from one survey to the next.¹

The thrust of our findings is that unemployment – which has reached crisis proportions in Africa – negatively colors the general public's view of government performance.

Present Economic Conditions

As recently as the end of 2003, the economic mood in sub-Saharan Africa was somber. Almost half of the Africans we interviewed in 15 countries thought that the present condition of their national economy was bad (48 percent); only one-third thought it was good (33 percent) (See Figure 1).

Nor is it easy to make a case for improvement in the popular economic outlook over time. To be sure, slightly more people perceive good conditions in 2002-3 (33 percent) than in 1999-2001 (29 percent). But the small difference between Round 1 and Round 2 results (4 percentage points) lies within the margin of sampling error for survey comparisons (plus or minus 6 points).²



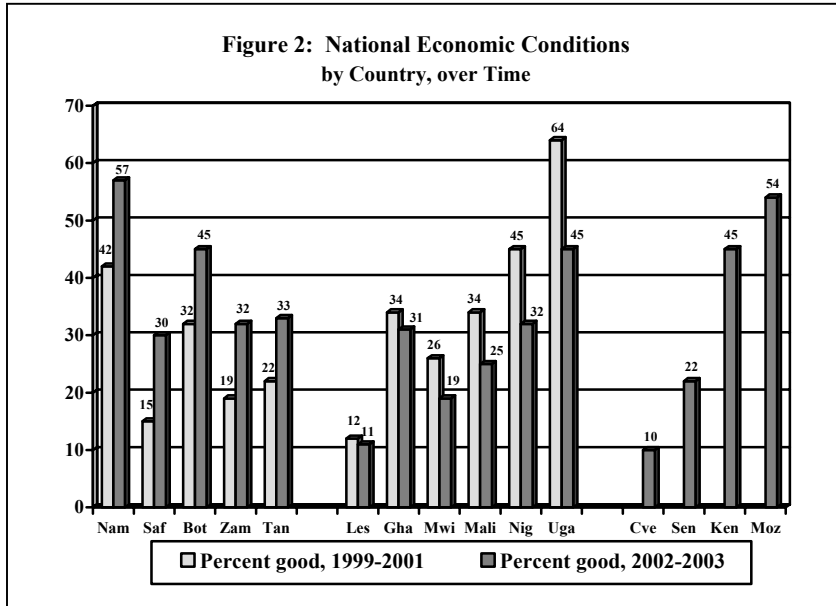
In general, how would you describe the present economic condition of this country?

Even though mass perceptions of good economic conditions are probably holding steady, there appears to be a significant decline (of 16 percentage points) in the proportion of the population seeing bad

¹ For a full justification of this conservative approach, see *Afrobarometer Working Paper No. 9*.

² Moreover, there was a change in question wording: the Round 1 question asked about popular satisfaction with national economic conditions; Round 2 asked for a description of those conditions. Thus, even though some people may well think that conditions have improved, this is no guarantee that they will also be satisfied.

conditions. While part of this shift may be a methodological anomaly,³ we infer that the general economic mood has brightened slightly of late as a reflection of improvements in GDP growth rates in some African countries in the late 1990s. Compared with an earlier period, fewer Africans now judge the condition of their national economy to be unreservedly bad; instead, some have moved into a more neutral position, finding it “neither good nor bad.”

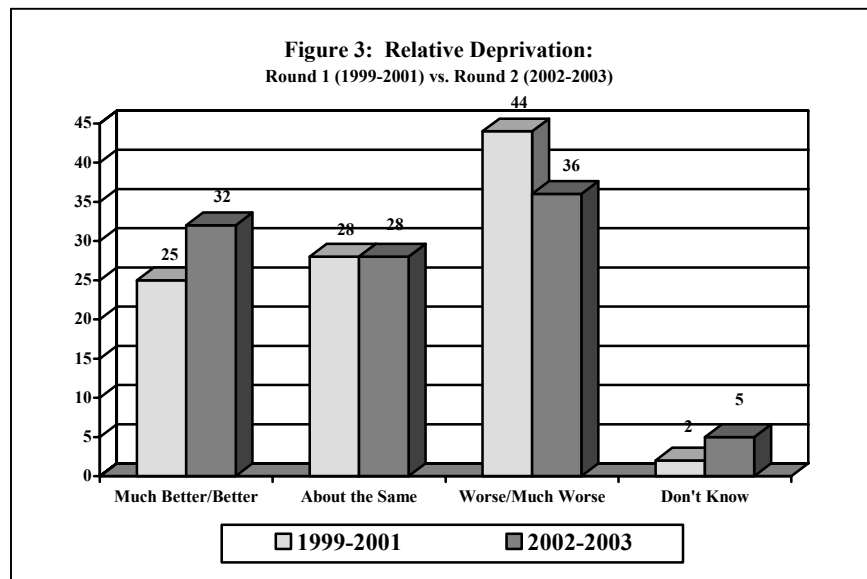


The direction and extent of any shifts become clearer when results are broken down by country. According to Figure 2, five countries – Namibia, South Africa, Botswana, Zambia and Tanzania – experienced increases in the proportion of citizens seeing good national economic conditions in recent years. From a low base, a doubling was recorded in South Africa, in concert with the country’s recovery from the “Asian flu” of the late 1990s and the strengthening of the price of gold in the early 2000s.

By contrast, the proportion seeing good economic conditions dropped sharply in Uganda as the economy failed to reproduce after 2000 the 7 percent annual rate of GDP growth it had attained in the 1990s.

Relative Living Standards

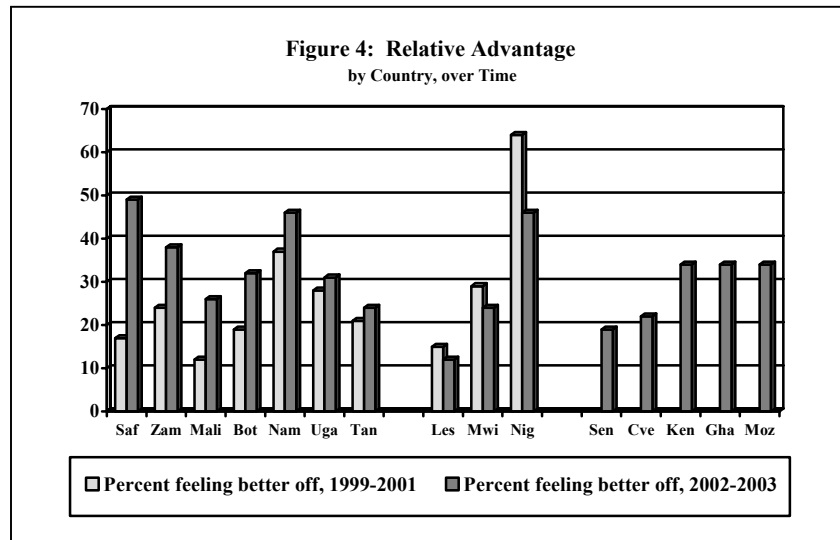
As a means of verifying incipient trends in economic attitudes, the Afrobarometer also asks about personal standards of living. Specifically, how do people rate their own living conditions compared to others’ in the same country? As shown in Figure 3, more people (36 percent) feel that they are worse off than others in their own country; a minority of 32 percent feels that they are better off than their fellow countrymen and women. While the difference is small, it reflects again a downbeat sentiment regarding relative living standards.



How do you rate your living conditions compared to those of other people in your country?

³ A middle response category (“neither good nor bad”) was offered in all 15 countries in Round 2, but not in five countries in Round 1.

But, in keeping with earlier hints about slight improvements in national economic conditions, the gap is gradually closing in perceived relative deprivation. Replying to an identical question on both surveys, more people think they are better off than others in 2002-3 than thought this way in 1999-2000; collaterally, fewer people now think they are worse off than others. We cannot confirm a definitive trend toward a new sense of relative advantage (the margins of difference over time are just 7 and 8 points respectively). But we note that perceived changes in personal living standards run in the same positive direction as general perceptions of evolving national conditions.



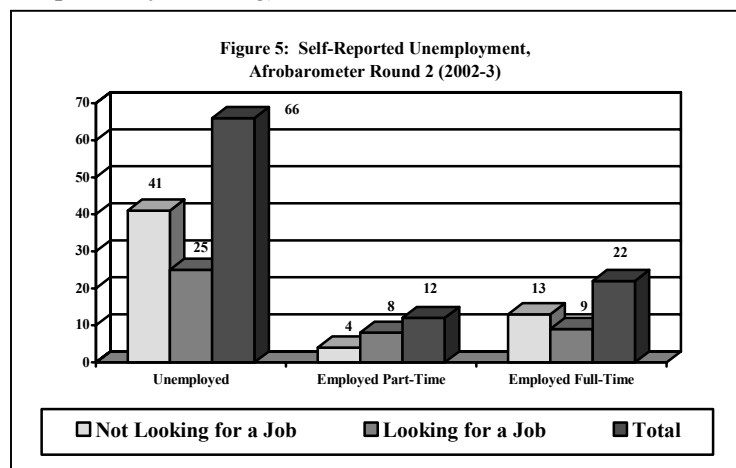
Country breakdowns are again revealing (See Figure 4). People clearly feel more relative advantage than before in at least four countries: South Africa, Zambia, Mali, and Botswana (i.e., all these countries display shifts of over 10 percentage points). They clearly feel greater relative deprivation only in Nigeria. The results for South Africa are puzzling since the Mbeki administration introduced no major socioeconomic policy initiatives between July 2000 and October 2002 that might

account for a massive upswing in felt relative advantage. But perhaps the effects of earlier investments in basic housing, water and other services were finally felt during this period. The downward drift in Nigeria is more understandable since, between Jan 2000 and November 2003, many Nigerians apparently concluded – contrary to their fervent original hopes – that the Obasanjo government lacked the will and capacity to engage in socioeconomic redistribution.

Self-Reported Unemployment

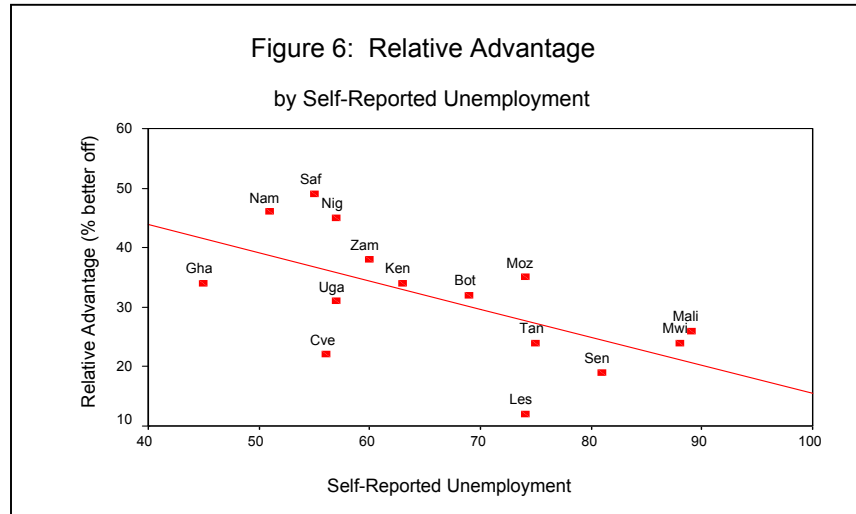
As a cost-effective method of measuring an individual’s employment status, the Afrobarometer asks a simple series of questions. Do you have a job that pays cash income? Is it full-time or part-time? And are you looking for a job (even if you are presently working)?

Figure 5 describes the distribution of respondents in 2002-3 across 15 African countries. Two-thirds say they are unemployed (66 percent), of which the majority is not seeking a job. Some 12 percent of the respondents report being employed part-time, most of whom keep looking for more work. Finally, just 22 percent report possessing full-time paid employment, though almost half say they still seek a better job. The present rang of self-reported unemployment is wide, from a low of 45 percent in Ghana to a high of 89 percent in Mali.



Do you have a job that pays cash income? Is it full-time or part-time? And are you looking for a job (even if you are presently working)?

Over time, the self-reported unemployment rate is unchanged, at least across six Southern African countries where we asked in both Afrobarometer surveys. In the aggregate, it was 65 percent in 1999-2000 and 66 percent in 2002-3. At the country level, self-reported unemployment went down over time in Botswana and Malawi (by 8 percentage points in both cases) and up in Namibia and Lesotho (by 16 and 9 percentage points respectively). In South Africa it remained stable at 55 percent.



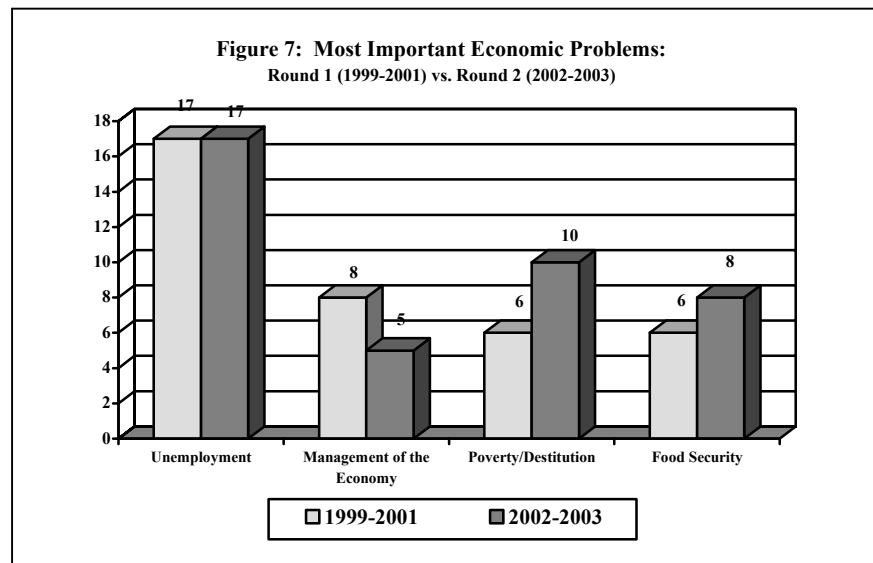
As Figure 6 illustrates, self-reported unemployment is a strong (inverse) predictor of perceived relative advantage ($-0.608, p = .016$), a finding that we elaborate below. To all appearances, paid employment has become a defining feature of an African's internal sense of well being and validation in the community.

Pearson's $r = -.608, p = .016$

Most Important Problems

Since all is not well with African livelihoods, however, the Afrobarometer asks, "what are the most important problems facing the country that the government should address?" As in Round 1, the most frequently cited problems in Round 2 are economic – rather than social or political.

Figure 7 shows that unemployment topped the people's development agenda, not only in 1999-2000, but also in 2002-3. Even though this measure of unemployment holds steady over time (at 17 percent of all problems cited), there are at least two reasons to think that it is a growing cause of popular concern. First, the proportion of people who mention unemployment as one of their first two priorities goes up sharply, from 25 percent in 1999-2001 to 43 percent in 2002-3, a noteworthy 18-point increase. Second, whereas the lack of jobs was cited as the most important problem in less than half (5 out of 11) of all countries surveyed in Round 1, by Round 2 it attained this lead status in two-thirds (10 out of 15) of all countries surveyed.

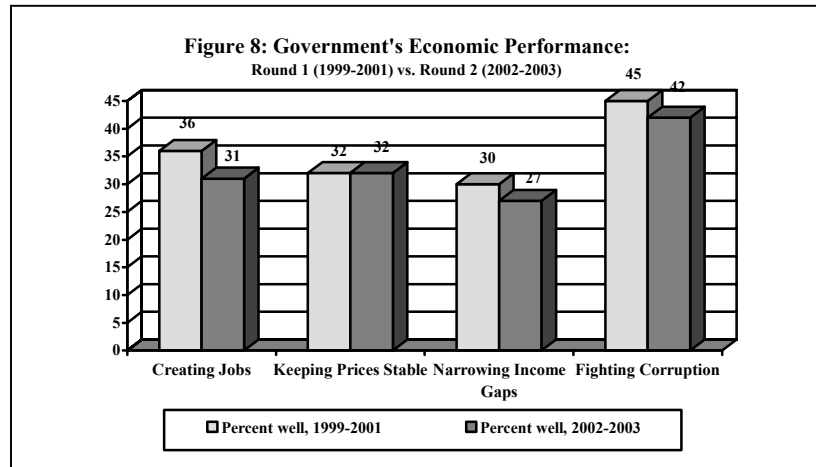


What are the most important problems facing the country that the government should address?

Unemployment remains the principal preoccupation in economies with developed industrial sectors like South Africa and Namibia and in migrant labor economies like Lesotho and Cape Verde. Interestingly, however, people now cite joblessness as an escalating concern in economies traditionally based on small-scale agriculture, like Mali, Malawi, and Tanzania. At the same time, problems associated with unemployment – like poverty and food insecurity – are rising in importance on the people’s development agenda: whereas education ranked second in Round 1, it is displaced by poverty in Round 2; and whereas crime was ranked fifth, it is now overtaken by food insecurity.

Government Economic Performance

In the harsh light of public opinion, African governments receive low marks for economic management, especially job creation. Figure 8 summarizes popular evaluations of government

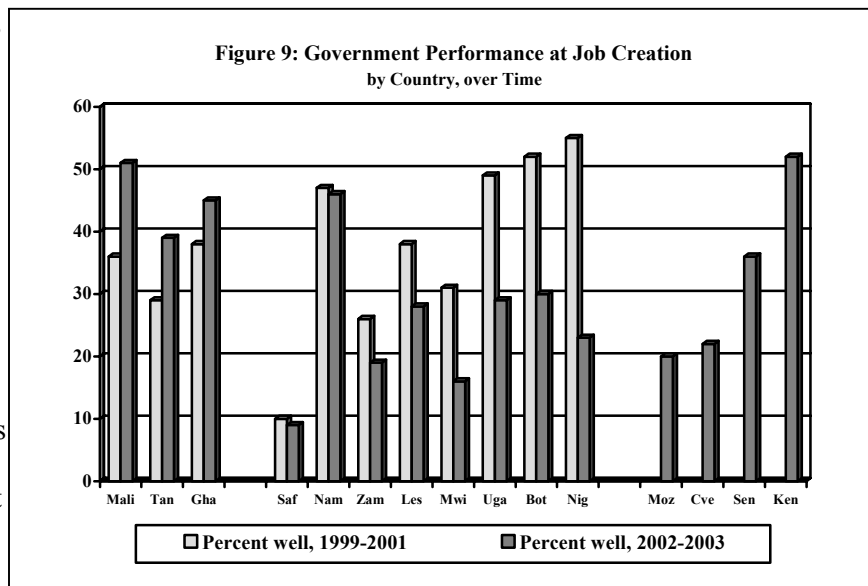


performance on four basic economic tasks. For most of these activities – creating jobs, controlling inflation, and narrowing income gaps – only about one in three Africans interviewed thinks that their government is performing well. And just over one in four – still a minority – gives credit to their government for doing a good job at fighting corruption.

How well or badly would you say the present government is handling the following matters?

Statistically, we cannot confirm any general trends in perceived government performance at economic management since, overall, any differences between 1999-2001 and 2002-3 are within margin of sampling error for survey comparisons. But if there is any incipient direction, it is downward. While approval of government’s handling of inflation remains steady (at an unimpressive 32 percent), there is slippage with regard to official management of corruption, income distribution and – by the widest margin of 5 percentage points – job creation.

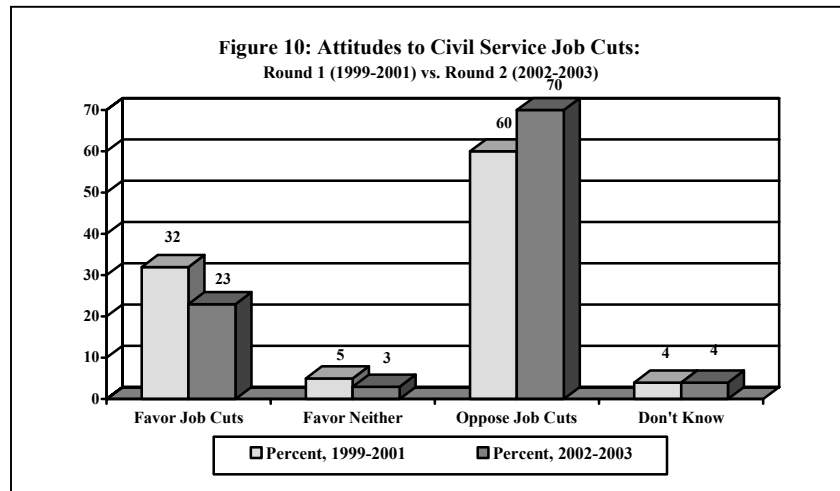
Figure 9 shows that this modest general difference disguises wide country distinctions. In two countries, government performance at job creation is deemed to have improved over the past few years, perhaps as economic growth has begun to trickle down into the informal sector. In both Mali and Tanzania, opinion on this subject has warmed by 10 percentage points or more. But, more typically, people contend that government performance at generating jobs has worsened in five countries.



For example, public approval has plummeted by 20 percentage points in Uganda, 22 percent in Botswana, and 32 percent in Nigeria over the past several years. In Nigeria, this assessment derives from the governments failure to get to grips with “pervasive poverty and widespread unemployment ... stagnation of the non-agricultural economy has meant no growth in formal employment and limited informal activity.”⁴

Civil Service Jobs

Popular views about unemployment can be traced in part to the economic policies adopted by African governments. At the behest of the World Bank and IMF, governments have embarked on

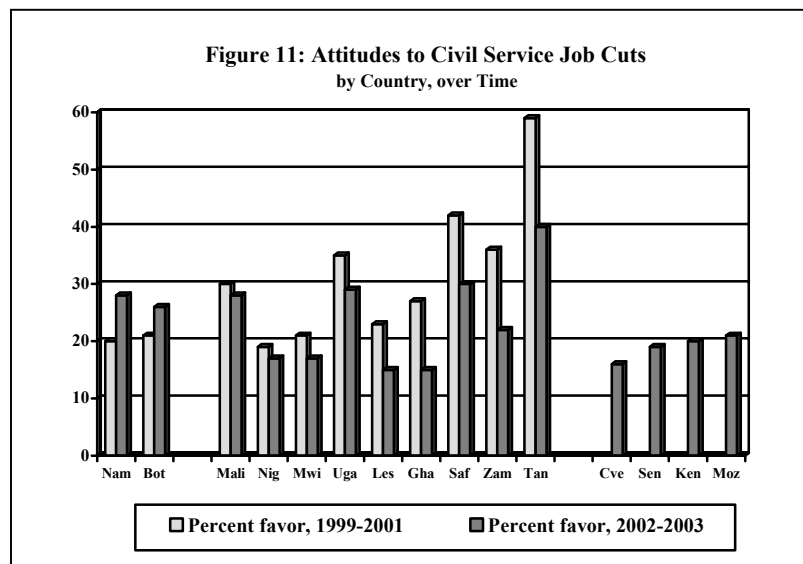


programs of public sector reform that, among other things, have reduced the size of the civil service payroll. The Afrobarometer reveals that Africans consistently reject this aspect of public sector reform. In Round 1, only 32 percent favored such job cuts, whereas 60 percent were opposed. By Round 2 the margin had widened: only 23 percent favored job cuts and 70 percent were opposed (See Figure 10).

Which of the following is closest to your view? A: All civil servants should keep their jobs, even if paying their salaries is costly to the country. B: The government cannot afford so many public employees and should lay some of them off.

We can confidently assert, therefore, that resistance to civil service retrenchment is deepening across the sub-Saharan sub-continent. In the short period between 1999 and 2003, there has been a 10 percentage point shift *against* the proposition that “the government cannot afford so many public employees, so should lay some of them off.”

While it is unnecessary to resort to country case examples to make this point, Figure 11 shows that the largest drop-offs in favor of job cuts have occurred in Tanzania, Zambia, South Africa, and Ghana. Over precisely the period that the governments of these countries have sought to streamline the civil service, popular resistance has grown to the policy of downsizing the state. Wherever the government is the largest employer – as it is in most African countries – people continue to look to the state as a



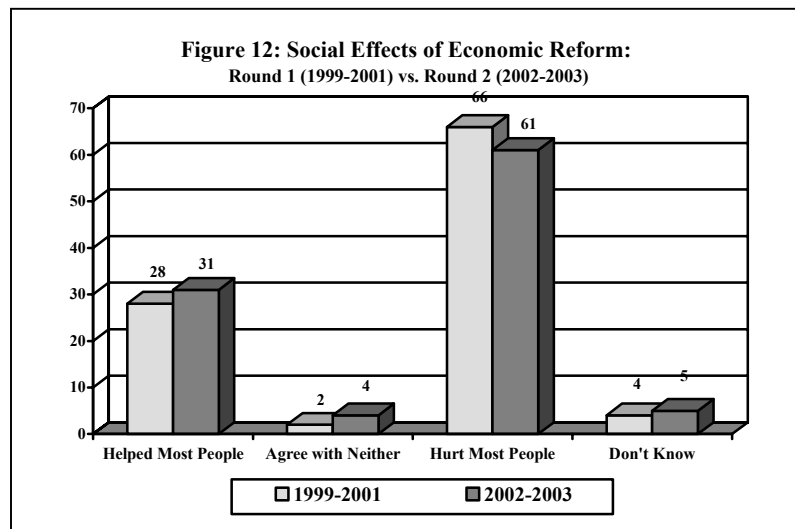
⁴ World Bank, “Interim Strategy Update for the Federal Republic of Nigeria” Report No. 23633-UNI, February 13, 2002.

major and irreplaceable source of employment. Unless and until the private sector can generate at least as many jobs as have been lost through public sector reform it is difficult to see a constituency developing in African countries for policies to restructure state institutions.

Patience with Economic Reform

Nevertheless, we offer a glimmer of hope about the status of economic reform programs in Africa. At this early stage of our research, trends in public opinion about reform policies – often implemented only partially or half-heartedly by African leaders – are far from definitive. But people’s observations about the harsh social consequences of reform, and their willingness to endure them, serve as bellwether indicators of the possible future acceptance of a market oriented economic strategy.

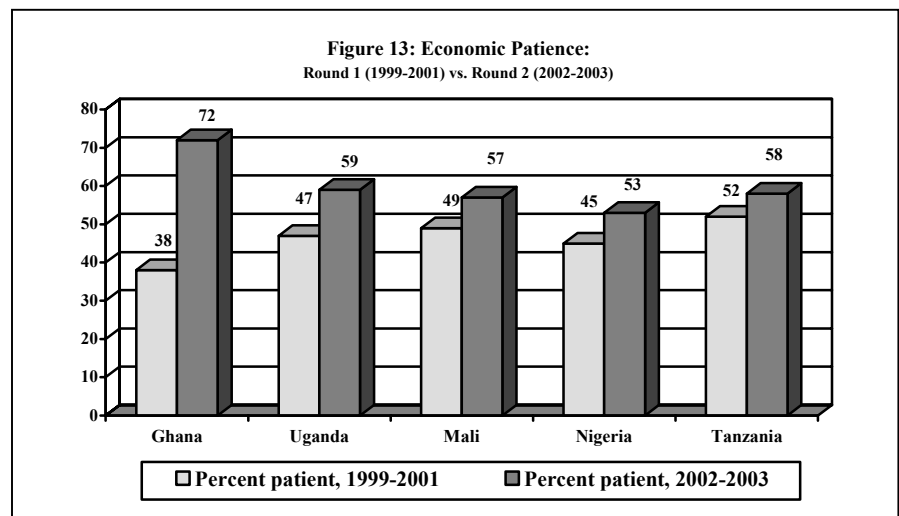
With reference to Figure 12, we discuss the social consequences of reform. In Round 1, only a small segment of the Africans we interviewed agreed that, “the government’s economic policies have



helped most people” (28 percent). An overwhelming majority said that the existing policy regime had “only benefited a few” (66 percent). This ratio of opinion remained statistically unchanged in Round 2 (31:61 percent), though the tendency, if any, was towards a perception of greater, not lesser, social benefit. To be sure, most of this “gain” came from the entry of new countries into the calculation where the question was being asked for the first time. We note that in places like Botswana, Mozambique and Namibia, a fairly significant minority (averaging 40 percent) now thinks that economic reform policies have “helped most people.”

Which of the following statements is closest to your view? A: The economic policies have helped most people, only a few have suffered. B: The government’s economic policies have hurt most people and only benefited a few.

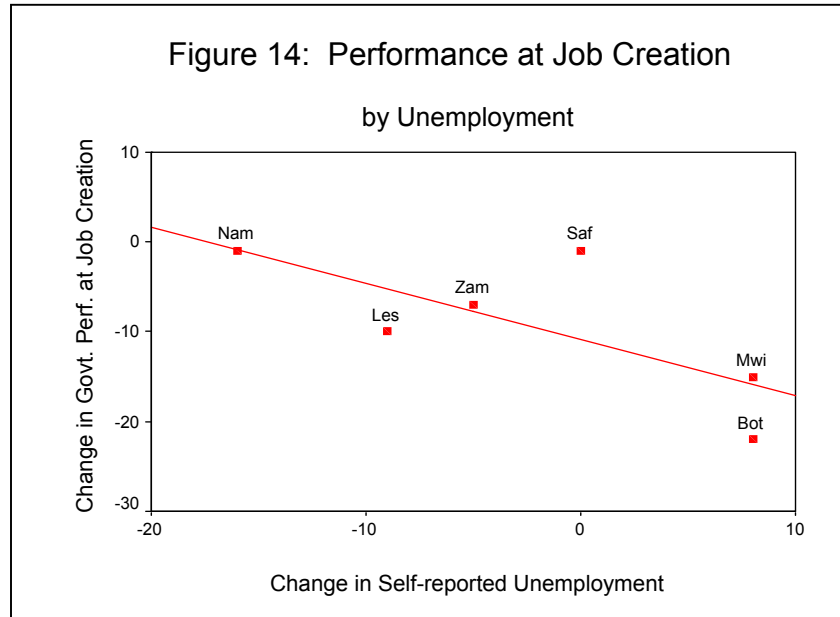
Moreover, we find a meaningful increase in economic patience, at least in the five African countries where this attitude has been tracked over time. Figure 13 shows the share of adults who display economic patience: rather than requiring the government to “abandon its current economic policies”, and in order to ensure economic gains in the future, they agree that, “it is necessary for us to accept some hardships now.” On average, economic patience measured in this way increased by 14 percentage points, from 46 percent in 1999-



Which of the following statements is closest to your view? A: The costs of reforming the economy are too high; the government should therefore abandon its current economic policies. B: In order for the economy to get better in the future, it is necessary for us to accept some hardships now.

2001 to 60 percent in 2002-3. To be sure, this gain was driven in good part by a near doubling of economic patience in Ghana. But, even in the face of economic contraction, Ugandans clearly expanded their commitment to sticking with their country's economic reform program. And, to a lesser extent, Malians, Nigerians and Tanzanians followed suite.

The Effects of Unemployment



Pearson's r = -.727, p = .101

By way of conclusion, we demonstrate that unemployment remains a major obstacle to a more fulsome popular embrace of the government's performance in the management of economic reform (See Table 14).

First, we note a direct link between self-reported unemployment and popular performance evaluations. Across the six countries in Southern Africa for which we have time-series data, an increase in self-reported unemployment has a powerful depressing effect on approval of the government's handling of job creation. For every 10

points that a country's score on unemployment goes up, approval of government's performance at delivering jobs goes down by seven points, even at the existing low levels that prevail in these countries.

Second, we also discern an indirect linkage from unemployment to policy preferences that applies across all African regions. We have shown that self-reported employment is an excellent predictor of a person's sense of relative advantage vis a vis her fellow citizens. We now report that change over time in perceptions of relative advantage is strongly and positively related to improvements in popular evaluations of how well the government is handling job creation (Pearson's $r = .545$, $p = .103$, $n = 10$, table not shown). For every 10-point increase in a country's score on relative advantage, we see a gain of five and a half points in popular judgments of its government's job-creation performance.

The implications are clear. Whereas people with jobs are prone to approve of government performance, people without jobs are a volatile and hostile political constituency. Africa's unemployment crisis – represented by the two-thirds of Afrobarometer respondents who say they lack a job that pays cash income – severely undermines the perceptions of ordinary Africans about how well their governments are doing. In our future work, we will continue to explore whether the continent's unemployment crisis also undermines the political legitimacy of elected governments, and the economic strategy of market reform with which they are associated.

The Afrobarometer is produced collaboratively by social scientists from 16 African countries. Coordination is provided by the Institute for Democracy in South Africa (Idasa), the Centre for Democratic Development (CDD-Ghana), and Michigan State University. Several donors support the Afrobarometer's research, capacity-building and outreach activities, including the Swedish International Development Cooperation Agency, the Netherlands Ministry of Foreign Affairs, and the U.S. Agency for International Development. For more information, see: www.afrobarometer.org