### **EXTENDED ABSTRACT**

Not Just Luck

Characteristics and Attitudes Related to Employment in Different Sectors in Rural Ethiopia

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### Introduction

Ethiopia accounts for the largest youth population in Sub-Saharan Africa and the lack of employment opportunities for Ethiopian young people is among the critical developing challenges facing the country (Guarcello et. al 2006). Yet, there seems to be a drought of research on specific factors affecting youth employment in Ethiopia. Prior research has centered on policies and programs promoting employment in general and/or the effect of educational aspirations and attainment. Only a very limited number of studies have tried to solve the empirical puzzle of how individual background characteristics and social context affect adolescents' attitudes towards occupational attainment. This paper investigates this relationship by examining how background and contextual characteristics affect perceived importance of ascribed and achieved characteristics on becoming a farmer, kiosk owner, school teacher or office worker. In addition, we also consider adolescents' perception of "luck" on occupational achievement. The results from this paper add to the current debate regarding those factors which influence educational attainment and occupational choice, shifting the debate away from traditional issues affecting occupational choice and attitudes, such as for example early labor market entry and human capital accumulation.

### Context

Ethiopia is situated in East Africa and is bordered by Eritrea to the north, Sudan to the west, Kenya to the south, Djibouti to the northeast, and Somalia to the east. Ethiopia is Africa's second most populous country, and also one of the poorest countries in the world. In addition, civil conflict and instability is very prominent throughout Ethiopia and the development of formal sector employment has been slow (especially outside of the capital city of Addis Ababa).

School enrolment rates at all levels in Ethiopia are some of the lowest in the world. However, in the past few years school enrolment and completion rates has been on the rise. The World Bank reports that in year 2000 the primary school completion rate was 22% whereas in 2006 this figure had increased to 43% [1]. More generally, government investments in the physical infrastructure and various development schemes have begun to expand levels of formal employment in other cities and towns.

Ethiopia is an extremely ethnically diverse nation. According to the 1994 census, Oromo is the largest ethnic group in Ethiopia accounting for 32.1% of the population. The second largest ethnic group is Amhara, accounting for 30.1% of the national population. It should be noted that traditionally Amhara people are known to be farmers; however, Amharic language is also the language of federal authorities, and people of Amhara origin tends to dominate the political and the economic spheres. With regard to religion, In Ethiopia 61% are Christian (Orthodox 50.6%, Protestant 10.2%) and 33% are Muslim (1994 census). Finally, Ethiopia's economy is based on agriculture, accounting for almost half of GDP, 60% of exports, and 80% of total employment. However, the agricultural sector often suffers drought and is object to poor cultivation practices.

### **Data**

Data for this paper are from the ongoing Jimma Longitudinal Family Survey of Youth (JLFSY). The JLFSY is a five year panel study, interviewing household heads every 12 months and youth every 6 months. The population surveyed are boys and girls age 13 to 17 in 2005 (age 18 to 22 in 2010), residing in Jimma Town (situated in the Oromiya Region of west Ethiopia) and the small towns of

Yebu, Serbo, and Sheki as well as the nearby rural villages. Data for these analyses are from the first round of the survey (collected in 2005). The JLFSY is designed as a stratified representative population sample and includes 2100 adolescents: 700 respondents are from Jimma Town (the major city), 700 respondents are from Yebu, Serbo, and Sheki (small, rural towns), and the remaining 700 respondents are from rural areas within 10 km of small towns.

# **Analytic Sample**

In our sample Oromo is by far the most prevalent ethnic group. 65% of the respondents are reporting to be of Oromo origin, 10% is of Amhara origin, and 25% of the respondents are of other ethnic origin than Oromo or Amhara. This includes, among others, Kefa (4%), Daworo (8%), Gurage (6%), Yem (2%), Tigre (1%), and Walito (2%). Also, in our sample 39% of the respondents report to be Christian, and 61% to be Muslim. While the Oromo and Muslims are in the majority in the Jimma Zone, they are more often rural residents, with less access to educational and nonagricultural employment activities. There has been considerable ethnic and religious conflict in Ethiopia, including in the Jimma Zone. In the past decade, there has been a movement towards teaching primary school in the Oromo language, which may limit opportunities of the Oromo adolescents for higher levels of education and for employment. We hypothesize that the Amhara youth will see occupational attainment as primarily a function of merit, whereas the Oromo, as a minority population, will more often think ascribed characteristics (ethnicity, religion, gender) as critical to getting a higher status (teacher or office worker) job. In addition we hypothesize that youth who have experienced paid employment (29% of respondents) as well as youth who are in secondary school, are more likely to think that merit (and particularly, job experience) are important in obtaining higher status employment.

## **Descriptive results**

The JLFSY questionnaire included a battery of 11 questions asking how important characteristics such as education, vocational training, connections through friends and school mates, connections through relatives, one's own age, speaking Amharic, ethnicity, good luck, religion, being male, and being female are for becoming a farmer/farm worker, a kiosk owner, a primary school teacher or an office worker. Respondents were asked to choose from the following answer categories: very important, important, somewhat important, not important and don't know. As a first step binary variables were generated from these 11 questions. The first category was labeled 'important and included very important and important. The other category was labeled 'not important' and included somewhat important, not important and don't know. In addition the 11 questions were split into three conceptually distinct types of characteristics. The first group of characteristics is considered achieved characteristics, the second group ascribed characteristics, and the third and final group are characteristics associated with chance or luck.

Table 1 presents the percent distribution importance by occupation using these generated binary variables. Here we see some noticeable variation. Looking at the group of achieve characteristics, 99% of the respondents state that education is important in order to become a school teacher or an office worker, whereas only around 70% think that education is important in order to become a farmer or a kiosk owner. Maybe more surprising is the fact that 91% and 92% of the respondents think vocational training is important for becoming a school teacher or office worker, but somewhat less important for becoming a kiosk owner (80%). Also one's own age seems to be a more important characteristic in gaining employment as a school teacher (90%) and office worker (91%), than a kiosk owner (77%) or a farmer (82%).

When moving to the group of ascribed characteristics, we see that 85% of the adolescents consider the ability to speak Amharic as important to become a school teacher or office worker, but in order to become a kiosk owner this figure is 74% and only 57 for becoming a farmer. A similar pattern is found when reviewing the importance of religion. 72% finds religion important for becoming a school teacher or office worker and only 58% finds religion important in order to become a farmer.

In the final type of characteristics; the group of luck characteristics, it is prevalent that overall good luck is the characteristic that seem to have the least importance. For all of the four occupations only 36-37% of the respondents think good luck plays an important role in entering the particular occupation. Finally, there are some prevalent differences when it comes to being male or female, which could signal ideas of what is considered male and female occupations. 74% finds it important to be male in order to become a farmer, whereas for becoming a kiosk owner, school teacher or office worker this figure range within 52 to 54%. An even larger difference is found for the importance of being female. Just 31% thinks it is important to be female in order to become a farmer, but in order to become a kiosk owner, school teacher or office worker this figure range within 57 to 61%.

### Method

The interesting findings in Table 1 call for further investigation. First, some characteristics are clearly believed to be more important than others. For example, overall good luck is not believed to be as important for any of the suggested occupations, where as connections through friends and schoolmates and ethnicity is believed to have an overall greater importance. Second, and maybe more notably, there are differences in what is considered important between the four suggested occupations. Even though ascribed characteristics and chance are seen as important factors, achieved characteristics (indicating a belief in merit) also are important. There is clearly a split, too, between those jobs that are privately obtained and often family-based (farmer or kiosk owner) and those occupations associated with government employment (teacher and office worker).

In our analysis we will use the full four-point scales of factors important in occupational attainment to determine the relative importance placed on each factor, and to identify persons who give primacy to ascribed characteristics and/or chance compared to those whose primary emphasis is on merit. These factors will, of course, differ by occupation. To take these sources of variation into account we will use a factor analysis to determine principal response patterns. We then will investigate how beliefs about the functioning of the labor market are associated with the respondents' own ascribed characteristics, their family socioeconomic origins, opportunity structures in their places of residence, and their school and paid work experiences.

### Conclusion

As adolescents transition to adulthood the ability to plan for the type of occupation they enter has crucial impact on their actual pathways. Policymakers trying to promote educational attainment and entry to the formal labor market in developing countries should include adolescents' ability to plan for the future in order to include a full picture of the actual educational and labor market attainments of young persons. These belief systems are often determined by a complex interplay of individual background variables as well as social contextual causes. It is this complex interplay that this paper aims unfold. Often education is thought of as the dominant prime driver of social change in developing settings, but this is only true if a merit-based labor market develops. Even if a merit-based labor market does develop, if minority group adolescents, those from poor family backgrounds, and those whose places of residence offer few employment alternatives view opportunities for formal sector employment as primarily limited to persons with preferred ascribed characteristics, they may self-select away from higher educational attainment, resulting in a system in which the development of formal labor markets exacerbate religious and ethnic differences in the system of social stratification..

Table 1: Percent distribution of importance by sector/occupation (percentages) [N=2083]

	<u>Farmer</u>	<u>Kiosk</u> Owner	School Teacher	Office Worker
Achieved characteristics		OWITEL	<u>reacher</u>	
Education				
Important	69.52	73.21	98.75	98.56
·				
Vocational Training				
Important	86.75	79.45	91.36	91.79
Connections (friends or school mates)	71.05	68.70	71.87	72.01
Important	7 1.05	00.70	11.01	72.01
Important				
Connections (relatives)	78.01	75.18	69.95	71.24
Important				
Ones Own Age	81.47	76.67	89.92	90.73
Important				
Ascribed characteristics				
To Speak Amharic	56.99	74.08	84.49	84.30
Important	50.99	74.00	04.49	04.30
Ethnicity				
Important	73.84	74.36	70.09	70.14
Religion				
Important	58.28	67.55	71.58	72.20
<u>'Luck' characteristics</u>				
Good Luck	07.50	00.00	00.45	07.00
Important	37.59	36.39	36.15	37.06
Being Male				
Important	73.84	52.18	53.91	54.34
Being Female				
Important	31.40	57.03	60.30	61.21

### **Notes**

[1]. Source: <a href="www.worldbank.com">www.worldbank.com</a>. Definition: Primary completion rate is the percentage of students completing the last year of primary school. It is calculated by taking the total number of students in the last grade of primary school, minus the number of repeaters in that grade, divided by the total number of children of official graduation age. United Nations Educational, Scientific, and Cultural Organization (UNESCO) Institute for Statistics.