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AGRICULTURE AND THE PROBLEM OF URBAN UNEMPLOYMENT IN SIERRA LEONE

By

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In nearly all developing countries including Sierra Leone, urban unemployment is a major problem. Unemployment rate in Sierra Leone has increased substantially over the last decade. The professional and mercantile group which includes most of our school leavers have registered the highest rate of increased unemployment.

The most important factors causing unemployment in Sierra Leone are:

- (i) Increased population
- (ii) Factor price distortions
- (iii) Rising labour productivity
- (iv) Unbalanced education expansion
- (v) Factors causing rural to urban migration.

Urban unemployment can be lessened by devising programmes to solve this problem in both rural and urban areas. Carefully assessed and selected agricultural programmes should in addition to providing work for the unemployed, also improve the living standard of those already in agriculture.

I N T R O D U C T I O N

Urban unemployment is a major problem in nearly all developing countries and Sierra Leone is no exception, as politicians and policy makers recognize. The then Prime Minister Dr. Siaka Stevens in his address to the last Commonwealth Prime Ministers Conference said, "With law and order maintained we can now tackle the question of unemployment. . . . " and the Governor-General in the 1969 speech from the throne said "Government is particularly concerned with the problem of unemployment and is endeavouring to implement suitable measures to combat the problem".

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In this paper factors contributing to a high rate of urban unemployment are identified and an attempt made to show how the agricultural sector can contribute to a solution of the problem.

MAGNITUDE OF THE PROBLEM

Published statistics show that the number of registered unemployed in Sierra Leone rose from a monthly average of 3533 in 1961 to 8522 in 1967 (1). Although there is no doubt that part of this recorded increase was due to the greater willingness of unemployed job seekers to register at one of the government Labour Offices, it is evident that there has been a substantial increase in the number of unemployed persons in Sierra Leone during the last decade.

The largest number of registered unemployed (about 50%) are to be found in Freetown the Capital and largest city in Sierra Leone. Monthly data reveal that the level of unemployment has risen steeply in Freetown since 1961.

The level of registered unemployed is usually highest in the period July to November, the period of heavy rainfall when there is hardly any activity on the land. Registered unemployment usually drops in most centres in December and January when harvesting of major crops takes place (2).

Another noteworthy feature of unemployment in Sierra Leone is the fact that the "professional and mercantile" group, and "artisans" have shown the highest increase in the number of registered unemployed during the last decade. From a fairly good chance of employment in the early sixties the chances of this class of worker finding a job have deteriorated steadily.

Between 1960 and 1967 the number of persons employed in establishments employing six or more persons (most of the wage earning labour force) rose from 47,925 to 63,643. With the corresponding unemployment figures given earlier this means that the rate of unemployment among wage earners rose from around 7% in 1960 to about 10% in 1968. Let us consider some of the factors which have contributed to this rise in the rate of unemployment among wage earners.

CAUSES OF URBAN UNEMPLOYMENT

Unemployment can be caused by many reasons. Eicher et. al. have identified the important causes of unemployment in Africa(3). As far as Sierra Leone is

2. Figures in brackets refer to references at the end of the paper.

concerned the most important causes are as follows:

1. Population growth.

Population growth in Sierra Leone has led to a rapid increase in the available work force. The developing economy of the country has not been able to provide jobs for all the available hands and some are left unemployed.

2. Factor price distortions.

Government minimum wage policies which are based on social considerations lead to over valued wage rates for unskilled workers. Industry is therefore forced to adopt labour saving or capital intensive technology resulting in a lower level of labour use than would otherwise be the case. Saylor (4) suggests that this factor has limited the amount of labour employed by the iron mining industry in Sierra Leone.

3. Rising labour productivity.

Unlike the case in developed countries where an increase in Gross Domestic Product usually leads to an increase in industrial and manufacturing employment recent evidence has shown that in developing countries increases in GDP may even lead to a reduction in the level of industrial employment. This is illustrated by the figures given in Table I and is due to the fact that labour productivity increases because of improvements in the quality of the labour force and improved management, both due mainly to improvements in education and training.

Table I: Growth Rate of Manufacturing Output and Employment In Selected Developing Countries, 1950-60

Country	Annual % growth rate of manufacturing output	% growth rate of employment
Argentina	4.4	-2.0
Brazil	9.8	2.6
Chile	5.4	1.7
Peru	6.6	4.4
Columbia	7.6	2.5
Venezuela	13.0	2.1
Mexico	6.5	0.4
India	6.8	3.3
Kenya	7.6	-1.1
Zambia	12.5	2.0

Source: J. F. S. Levi "Labour Migration and Unemployment" Bank of Sierra Leone Economic Review, Vol. 4, Nos. 2, 3 & 4, Vol. 5.,

No. 1, June 1970, p. 4

4. Unbalanced education expansion.

As was pointed out earlier, unemployment statistics show that it is in the class of "professional and mercantile" workers that the rate of unemployment has been growing fastest in the last decade in Sierra Leone. This class is made up mainly of school leavers or drop outs seeking clerical and other white-collar jobs. They are the product of an educational system, mainly of colonial heritage, which put major emphasis on training clerks and other office workers and ignored much needed areas like agriculture and other technical disciplines. The problem is fortunately not yet as great in Sierra Leone as it is in other African countries such as Nigeria where Universal Free Primary Education was introduced without much attention being paid to the gainful employment of the resulting products. Far sighted man-power training programmes are needed in Sierra Leone to prevent further deterioration in the situation.

The four causes of unemployment mentioned above operate mainly within the urban areas themselves. A further group of factors are those which affect the level of rural to urban migration. In the current setting in Sierra Leone it appears that it is those factors which cause people to move to the cities which are more important in explaining the recent rise in the level of unemployment in Sierra Leone.

5. Factors causing rural urban migration.

The three major issues here are (a) the gap between rural and urban incomes (b) the urban bias in the provision of social services and (c) the seasonal nature of agricultural production in Sierra Leone.

Urban incomes are two to three times higher than rural incomes in Sierra Leone. The household surveys conducted by the Central Statistics Office yielded the following average monthly receipts (income and withdrawals from savings) for residents in the Western Area of Sierra Leone (5).

Western Area	Le48.24
Freetown	52.15
Other Urban Areas	43.85
Rural Areas	24.79

Receipts in the urban areas of the other provinces of Sierra Leone are lower than those in the Western Area so that one can expect rural incomes to be even lower in the provinces.

In a series of articles Harris and Todaro (6) have recently developed a model of migration concerned mainly with the African situation. The distinguishing feature of the model is that migration proceeds in response to urban-rural differentials in expected earnings with the urban unemployment rate acting as an equilibrating force on such migration. Rural urban migration will continue as long as the expected urban real income (the fixed minimum wage rate multiplied by the proportion of urban labour force actually employed) exceeds real rural income. The less the gap between rural and urban incomes and the greater the level of urban unemployment the less the incentive for people to migrate from the rural areas to the cities. Within the Harris-Todaro framework it would be rational to migrate from rural to urban areas in Sierra Leone even if the probability of getting a job is only 50 per cent (half of the people are unemployed) since urban incomes are at least twice as high as rural incomes.

The urban bias in the provision of social services also encourages rural to urban migration. Urban areas are provided with better social amenities - water supply, electricity, telephones, night life etc. These amenities tend to attract people to the cities, particularly young people who have had some formal education, while it makes it difficult to retain qualified civil servants - physicians, agricultural agents, teachers etc. in work in the rural areas (7). Considered in the light of the Harris-Todaro model this factor serves to encourage more people to move to the urban areas than would be dictated by the probability of finding a job in the urban areas.

I have already pointed out that there is seasonal peak in the number of registered unemployed during the period July to November. This period coincides with the slack period in agricultural activity in Sierra Leone. During the period of rice harvests (December and January) when labour demands are high on farms unemployment usually drops. Unemployed farm workers drift to the cities in search of employment during the July to November period.

Schemes which would help to keep farm labour employed throughout the year should be encouraged if the seasonal unemployment problem is to be tackled. Here small scale irrigation schemes which allow double cropping, like the inland swamp development scheme and rural public works programmes which use seasonally surplus labour for construction of feeder roads etc. are useful.

REDUCING THE LEVEL OF URBAN UNEMPLOYMENT

In the discussion above the factors causing urban unemployment have been classified as those that operate within the urban areas themselves and those that operate in rural areas. Policy measures adopted to tackle the problem could therefore

operate in urban or rural areas separately or in both areas.

Concentration on Keynesian economic doctrine, and the experience of developed countries may lead to emphasis being put on tackling the problem only in the urban setting. Programmes are therefore advocated which would employ more labour in the urban areas. Industry is advised to adopt labour saving technology and make-work programmes are developed.

But what is likely to happen in such cases? What is the demand for labour in the industrial sector of Sierra Leone likely to be? The total labour force in Sierra Leone was estimated at 908,000 in 1963, about three quarters of whom were engaged in agriculture and the subsistence sector of the economy (8). Let us assume that the labour force grows at the same rate as the overall population of the country (1.75 per cent per annum between 1970/71 to 1974/75 (9), then Sierra Leone's labour force is probably increasing by about 15,890 per year. Assuming an increase in GNP of about 5 per cent per year (10) and a very favourable incremental output to employment ratio (IOER) of 1.5 to 1 (11), then the maximum net expansion of employment in the modern sector is about 7500 jobs per annum, or a little under 50% of the probable increase in the labour force. The total number of class VII school leavers is currently about 13,000 per annum of whom about 9000 enter secondary and other technical schools. Assuming that all the male school leavers and about half of the female class VII school leavers will seek employment in the modern sector, in addition to the 1,200 odd secondary school dropouts, the 1500 Form V graduates who will not enter sixth form or University, and the 4000 odd class V to VII dropouts, we see that about 11,000 school leavers will be seeking work every year in the modern sector. Even assuming a substantial error in my calculations and allowing for the retirement of old workers, it is clearly evident that the modern sector alone cannot absorb even the number of school leavers that enter the labour market. And we must not forget that the 7500 new vacancies in the modern sector include vacancies for a substantial number of illiterate unskilled labourers. The writing on the wall is quite clear, Agriculture must provide employment for a substantial number of our school leavers in addition to providing increased employment for unskilled illiterate workers.

It is usually said that in order to solve the unemployment problem industrial and commercial enterprises should be induced to employ more workers by adopting more labour intensive techniques. This it is said might be done in two ways. The first way is for government to simply force factories to employ more labour than needed and prohibit them from discharging redundant workers. A second approach is that suggested by the International Labour Organization, that government might employ, and through taxes and subsidies induce private enterprises to hire "more labour than it would be worthwhile to employ on the basis of a comparison between

productivity and wages" (12). Jones-Asgill of the Bank of Sierra Leone followed mainly the I. L. O. recommendations in proposing an employment policy for Sierra Leone (13) which should:

- (a) provide an incomes policy which will counter any incentives for capital/labour substitution;
- (b) ensure the existence of a wage structure which will minimize wage differentials between areas so as to prevent large-scale (undesirable) migration;
- (c) emphasise, facilitate and encourage industries in which labour intensive methods are the norm;
- (d) impose penal duties on capital equipment which are likely to replace labour;
- (e) reform tax concessions and investment incentives to become a function of productive capacity and numbers employed rather than of capital employed

The Harris-Todaro model gives us an insight into what to expect if such programmes as in (a), (c), (d) and (e) above are implemented. Any increase in the number of people employed in cities without any effort being made to improve the lot of rural dwellers would only result in inducing a flood of new migrants since the probability of getting a job will have increased. Kenya is an example of a country which is trying to cope with urban unemployment problems through urban solutions. In 1964 a tripartite scheme was introduced whereby all major employing institutions, including government agreed to increase employment by 15 per cent. The private institutions did take on additional workers, but this only acted as a magnet attracting new workers into the urban labour markets. The government being short of funds did not even attempt to live up to its own part of the agreement. Although the scheme failed, it was reintroduced in May 1970. As Eicher et. al. clearly state:

The tripartite "solution" to urban unemployment is essentially an urban solution, the result may be counterproductive - it could - following the Harris-Todaro model - induce a flood of rural to urban migrants. In summary, Todaro and Harris demonstrate quite clearly that closing the gap in relative incomes between the sectors by raising agricultural incomes is a Sine qua non for alleviating employment problems in both sectors. (14)

To solve the unemployment problem we must concentrate on measures to modernize the traditional sector, to raise the levels of living and thus to provide opportunities for the masses as well as the fortunate minority. In this connection

the existence of a wages structure which will minimize wage differentials between areas" as proposed by Jones-Asgill in (b) of his employment policy is not sufficient. The great majority of the members of our rural labour force do not earn a salary and are not affected by government's "minimum wages for plantation workers". What is important is the real income of the subsistence farmers which is affected by agricultural development programmes and policies. Fortunately there is evidence in Sierra Leone that the government is aware of this reason for developing the agriculture of the country. The Minister of Finance in his 1969/70 budget speech said:

Without healthy progress in agriculture we can neither solve our immediate problems of alleviating unemployment in our urban centres nor can we hope to generate the funds which we need to finance the country's infra-structure, tourist facilities and industrial projects (15).

But not all potential agricultural development projects will contribute in equal measure to alleviating the unemployment problem. Planners should not concentrate solely on maximum growth rate in selecting projects but should apply comprehensive cost/benefit analysis in which the employment generating potential of alternative projects should be included.

It might be a useful exercise at this state to look at the employment generating capability of some alternative projects in Sierra Leone.

It has become the vogue to recommend large tractor mechanization schemes as a panacea for all the problems of transforming traditional agriculture so let us examine briefly one possible project in this area. It is being proposed that about 10,000 acres of rice land be developed in the Rhombe swamp scheme. This acreage could be cultivated in two ways. First of all a central authority could cultivate the whole area as a unit. If we assume that machines are not so efficiently used and that two crops are taken a year then about 40 wheeled tractors may be needed (each cultivating about 800 acres a year). Even if two tractor drivers are employed for each machine (an inefficient procedure) we have a total of 48-80 drivers, a few of whom will also drive combine harvesters and other vehicles. The agency may probably employ an additional hundred people for other jobs, so that to cultivate the 10,000 acres about 150 to 200 people will be employed, i. e. 150 to 200 families will be directly maintained by the project.

An alternative way of cultivating the 10,000 acres would be to parcel the land into four acre blocks which it has been estimated an average farm family (2 adult males, 2 adult females and 3 children) could effectively double crop using hand tools only and hiring additional labour in January, February, June and July (16).

Under such an arrangement there would be 2,500 farm families employed as opposed to the maximum of 200 in the previous arrangement. If we want to provide for the use of small hand driven tractors then maybe about 10 acres would be needed per family in which case we would be providing employment for about 1000 families. The production of rice under the two schemes should be the same. Development costs are likely to be higher in the small holder scheme because of the need to provide low cost housing for the families, but this is likely to be largely offset by the reduced mechanization costs and the consequent saving of scarce foreign exchange which would be spent on the importation of machinery needed for the large farm scheme.

The above discussion is not meant as an argument against all forms of large tractor mechanization schemes. Where labour is in short supply and it is difficult because of ethnic barriers to get people to move from high population density areas, large tractor mechanization schemes come into their own. Such is the case (maybe) in the Southern Riverain Grasslands of Sierra Leone. My plea here is that large tractor mechanization schemes should not be regarded as the only way to develop the agriculture of Sierra Leone, since they may defeat agricultural development aims in high population density areas such as the Port Loko and Kambia Districts in which incidentally the Rhombe swamp is located.

The same critical look needs to be taken of other alternatives like small holder versus plantation cultivation of our industrial crops. Central plantations might be easier to manage but where unemployment is a problem they may not necessarily be the best way of bringing about agricultural development in a country such as ours.

C O N C L U S I O N .

Urban unemployment is increasing in Sierra Leone. I have shown that it is unrealistic to expect the non-agricultural sector to absorb all our school leavers, let alone provide employment for uneducated labourers. Agriculture must therefore provide employment for a large proportion of our school leavers. Because of the gap between urban and rural incomes, the urban bias in the provision of social amenities, and other less important but significant factors, migrants are being drawn increasingly from the rural to the urban areas of Sierra Leone. In order to stem the tide, the level of living and well being of farmers must be improved. In order to generate employment as well as enhance the development of the agricultural sector development projects need to be carefully assessed. Planners must examine the social as well as the purely financial impact of projects before including them in our development plan.

NOTES

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8. Central Statistics Office, Freetown, (1965) "Population Census of Sierra Leone", Government Printer, Freetown.
9. Figure used by the UNDP/FAO, IDAS team in preparation of the Ten Year Agricultural Development Plan.
10. Kamara-Taylor, Hon. C. A. (1971) "1971/72 Budget Speech".
11. This IOER simply means that an annual increase in employment of one percent would require an increase in output (GNP) of 1.5 percent per year. Limited experience has shown that this ratio is the best that can be expected

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