THE ROLE OF ENTREPRENEURSHIP IN COMBATING YOUTH UNEMPLOYMENT AND SOCIAL CRIME IN TANZANIA

Pelagia Mutarubukwa, Assistant Lecturer, Department of Business Administration, College of Business Education, P.O. BOX 1968, Dar Es Salaam; E-mail p.mutarubukwa@cbe.ac.tz

ABSTRACT

Youth in a society represents the driving force for development. In order to become useful resources they must gainfully be employed. Otherwise, being volatile resources, being unemployed will lead to their energies to be directed to wrong practice that is crime. This article examines the relationship between crime and youth unemployment on the one hand and crime and entrepreneurship on the other hand. The review of literature has shown the existence of a big relationship between unemployment and crime practices as drawn from sociological control and social strain theories and empirical studies. It further shows that, the problem of unemployment can be reduced with youth engaging in entrepreneurship practices as a means of creating employment and in turn lessen the problem of crime. The study made use of review of literature, where various published and unpublished documents were visited. The documents covered the period between 1990 to current years.

Key words: Unemployment, Entrepreneurship and Crime
INTRODUCTION

Youth unemployment is a problem that affects most countries, especially in Africa Okafor (2011) as cited in Adebayo (2013). The ability of youth to engage in productive activities has both social and economic consequences in the society. Much has been documented in literature using Tanzania as a case study, with regard to crime, unemployment and entrepreneurship among the youth. However, little has been done in relation to the role of entrepreneurship in combating youth unemployment and crime. The author therefore explores the relationship between youth unemployment and social crime and the role that entrepreneurship can play in mitigating both youth unemployment and the subsequent social crime.

Extent of Unemployment

Unemployment is defined as the number of economically active population who are without work but are available for and are seeking work, including people who have lost their jobs and those who have voluntarily left work (ILO, 2012). Fajana (2000) defines unemployment as a situation whereby people who are willing and capable of working are unable to find sustainable paid employment. The types of unemployment include, structural, frictional, seasonal, cyclical, residual and technological. The author defines unemployment as a condition, whereas able and willing people do not get paid employment and these people are the youth.

There are about 1.2 billion people aged between 15 and 24 years in the world. Out of these 200 million are in Africa, and out of these about 75 million are looking for work; this represents about 20 percent of the world’s population (ILO, 2012). According to the ILO (Ibid) Africa has the fastest growing and most youthful population in the world hence the biggest workforce. Over 40 percent of this population is under the age of 15. Specifically, it is estimated that by 2050, the youth will constitute 18.6 per cent of the population in Central Africa, 18.5 percent in Eastern Africa, 18.8 percent in Western Africa, 15.6 percent in Southern Africa, and 13.9 percent in North Africa ILO (Ibid). Nearly 300 million people in sub-Saharan Africa are aged between 10 and 24 years, and these figures are expected to rise to about 561 million by the middle of this century (ILO (Ibid)).
It is interesting to note that, Africa is faced with a challenge of youth unemployment. In 2009, the youth unemployment rate stood at 11.9 per cent in sub Saharan Africa and 23.7 per cent in North Africa. In this case, if no more jobs are created, there will be many more young people who are unemployed. This may be a waste of human effort as youth are the driving force of the economy. As the population expands, more jobs need to be created and one among many coping strategies for unemployment is engagement in entrepreneurial activities for self-employment, job creation and social economic well-being of individuals and the nation at large. These strategies eventually may create grounds for reduction of both crimes and poverty among the youth. Fajana (2000) indicates that the higher the unemployment rate in an economy the higher the poverty level and the associated welfare challenges.

According to Adams (1997) and Godfrey (2003) as cited in Msigwa and Kipesha (2013) the main reasons for Africa’s high rates of youth unemployment include a mismatch between educational systems and the skills needed in the labor market, and the saturated public sector which is no longer able to employ large numbers of people and small private sector. Other reasons include labour demand barriers, such as observed discrimination by employers towards young people on the grounds of lack of experience, information gaps between job seekers and potential employers, and barriers to the creation and development of business opportunities, particularly gaining access to such opportunities. Another reason for high youth unemployment rates is the tendency among the educated young people of wanting to be employed in white collar jobs. In this regard, most young people in Africa do not finish school and universities with a plan to engage in self-employment (Katz, 2007).

**Unemployment in Tanzania**

Like many other African countries, youth unemployment is also extensive in Tanzania. The findings from the Economic Survey (2012) indicate that the prevalence of unemployment in Tanzania is regarded as a major national developmental challenge, both economically and socially. The unemployment rate in the country started to rise in the 1970s, when the country experienced an economic crisis, which was reflected by the fall in the annual Gross Domestic Product (GDP) growth rate from 5% to an average of 2.6% in the early 1980s, and fell further to about 1% at the beginning of the 1990s (URT, 2000).
The economic crisis was also reflected in a decline of industrial capacity utilization and a decline in agricultural output, which adversely affected the balance of payment. The ability of the economy to create employment opportunities was severely undermined. One of the coping strategies in this case is the provision of education that would produce people who are capable of creating job opportunities and contribute to economic growth and hence fighting crime and bringing about the wellbeing of the people. This can be done through engaging in business/entrepreneurship practices and therefore creating both entrepreneurs and enterprises.
THE RELATIONSHIP BETWEEN CRIME AND UNEMPLOYMENT

According to the Oxford Dictionary of Sociology (2009) crime like some other concepts in social science has no a generally accepted definition. A ‘crime is held to be an offence, which goes beyond the personal and into the public sphere, breaking prohibiting rules or laws, to which legitimate punishments or sanctions are attached, and which requires the intervention of a public authority. For a crime to be known as such, it must come to the notice of the authority, and be processed through, an administrative system or an enforcement agency’.

Crimes fall into three major categories: Firstly crimes against persons where victims are always individuals. These include practices such as murder, rape, assault, manslaughter, kidnapping, robbery, forcible sodomy and sexual assault, to mention a few. Secondly, crimes against property; like robbery, bribery, burglary, fraud offences, embezzlement, Automatic Teller Machine (ATM) Card, blackmail, pocket picking, purse-snatching, theft from buildings, theft of motor vehicle parts or accessories, and motor vehicle theft. Thirdly are crimes against society. The practices include gambling, prostitution, drug violations, assisting gambling, and pornography, assisting or promoting prostitution, weapon law violation, drunkenness, family offences, and trespassing on real property. In this study, crime is taken to mean an activity considered illegal in accordance with the laws and the culture of a society that affects individuals and their properties, the society, and the nation at large.

Theoretical Base

There are many theories that explain the relationship between unemployment and crime practices. Each of the theories validates the problem from a different angle, but the theories complement one another.

Social Strain Theory: The strain theory argues that a person’s personal likelihood of committing a crime increase when he/she receives only negative stimuli from social interactions, that is; when the person is not treated in the way he/she wishes to be treated and is unable to achieve desired goals such as earning money and gaining labour status, to mention a few (Agnew, 1992). Basing on the theory, Agnew (1992) observed that, unemployment, may, therefore, increases crime because it puts the individual in a situation where he/she is unable to achieve certain desired goals.
**Social Control Theory:** This theory argues that, a person’s likelihood of committing a crime increases when no person or social institution monitors that person’s actions. This means, that people are inclined towards deviant behaviour when they no longer feel the pressure of society’s norms. Unemployment may thus increase criminal activity because it frees the person from the conventional control applied to workplace routines and association with colleagues. This can make one more likely to follow any person with bad behaviour and engage in deviant activities, including crimes (Agnew, 1992). The Strain and Social Control theories explain the relationship between unemployment and crime practice.

**Empirical Relationship between Unemployment and Crime**

Rural-urban migration of the youth, catalyses unemployment leading to youth engagement in urban criminal activities. A significant number of youth migrating to urban areas end up not being employed due to their lack of skills and existence of fewer jobs in the urban areas. Consequently, this may force the youth to engage in criminal activities (Kipesha & Msigwa 2013). On the other hand, this migration leads to rural unemployment because; it deprives the workforce of young men and women from the rural areas where they could be engaged in agriculture and other activities of economic importance.

In Tanzania, for example, most youth migrate to urban areas believing that there is plenty of work in the cities, which is often not the case (Msigwa & Kipesha, 2013). This move consequently fuels various kinds of crime since the youth cannot cope with the prevalent unemployment hence they end up engaging in some forms of crime such as petty theft, armed robbery and drug abuse as a means of livelihood. Some of the youth engage in commercial sex which is prone to other social problems such as the spread of Human Infectious Virus/ Acquired Immune Deficiency Syndrome (HIV/AIDS) among the Youth which further causes family crisis and death. The Behaviour Surveillance Survey among Youth (2010) reveals that most HIV/AIDS victims are in the age group of 20-49 years with a higher reported cases were in the age groups of 25-34 and 30-39 for female and males respectively. Youth aged between 15 and 24 years contributes 15 percent of the total HIV/AIDS cases countrywide.
Moreover, unemployment also causes breaking up of families leading to, among other things, the problems of street children who further engage in various types of criminal acts including commercial sex. In Dar-Es-Salaam for example, there is evidence of commercial activities on Ohio Street and brothels in Kinondoni District and other parts of the city (Msoka, 2014).

Youth unemployment has highly contributed to most of the criminal activities, violence and civil disorders among the youth in the region (Nitrrasa, 2002). In Tanzania youth, are engaged in criminal gangs, some of which carry out their operation under the cover of religion and which have been responsible for the on-going destruction of churches and injury and killing of priests in different areas of the country such as Zanzibar, Dar-Es-Salaam, Tunduru and Kigoma (Msoka, 2014).

A recently formed and operative bandit group commonly known as ‘mbwa mwitu’ and ‘mtoto WA mbwa’ or ‘Panya road’ emerged in Dar-Es-Salaam and have been terrorising people in different areas including Kigogo, Magomeni, Tabata, Mbagala, Buguruni, Karume etc. This group attacks unsuspecting victims and rob their valuable belongings. The group also breaks into homes to rob the occupants of valuables, including laptops, mobile phones, electronic appliances, cash and the like. Furthermore, according to Nsazugwako as cited in Msoka (2014) the group engage in violent crimes among traders in various areas including Buguruni, Kigogo and Karume in Ilala Municipality causing a shutdown of businesses for security reasons.

Unemployment may also be related to another extreme type of social crime known as human trafficking. Sommers (2013) indicates that children and young people are trafficked for the purpose of providing cheap domestic labour and commercial sex in various parts of the country, especially in urban areas. Unemployment forces human traffickers to engage in this business as an income generating strategy. At the same time, children and youth become victims of this situation owing to their own and their parents’ pathetic economic situations that result mainly from unemployment.

In Nigeria, in West Africa, youth unemployment has led to severe consequences such as the emergence of street children, armed conflict-militancy in the Niger Delta, and currently the Boko Haram crisis that has been fuelled by youth unemployment and poverty in addition to religious and other related factors. There has also been a rise of HIV/AIDS cases (Cutain, 2000; Chinguta, 2002;
Okojie, 2003; Alabi & Alanana, 2012). Unemployment in many cities in Nigeria has resulted in youth “idleness” whereby youth congregates at bars and eating places to drink, watch football matches, converse or smoke marijuana, for substantial parts of the day (Chinguta, 2002). Such places encourage the development of street gangs and criminal activities. The youth survives by engaging in various menial activities such as petty trading, casual work, borrowing, as well as criminal activities such as stealing, pick-pocketing, prostitution, touting, cybercrime (such as internet and financial frauds), drunkenness, drug abuse (such as marijuana, Indian Helm and other related drugs).

Youth unemployment in Nigeria, just like the case in Tanzania, leads to gangsters who engage in violence, armed robbery, kidnapping, car jacks, oil burking and the operation of illegal refineries, illegal importation of arms and involvement in other criminal activities most of which have reached alarming levels in several Nigerian cities. Furthermore, jobless and poor youths die from explosions trying to steal petrol from broken oil pipelines or overturned oil tankers (Vermodia, 2012). Generally, unemployment appears to be the root cause of violence in Nigeria (Ajeaba, 2012).

Among young women, lack of employment opportunities contributed to increasing feminization poverty. Samoya (2011) shows that, unemployment has encouraged prostitution as a means of survival in several towns and cities in Nigeria. Furthermore, unemployment has encouraged trafficking in women and girls across national borders to engage in prostitution. Girls in Nigeria are trafficked from Niger the Niger Delta in states such as Edo State, Delta, Imo and other states in the southern part of Nigeria (Gilbert, 2010; Aliba & Alanana, 2012). The victims of trafficking are mainly young women between the age of 17 and 20 years with some as young as 14 years (Murphy, 2000).
ROLE OF ENTREPRENEURSHIP ON ALLEVIATING YOUTH UNEMPLOYMENT AND SOCIAL CRIME

Entrepreneurship is defined by Alawiye (2004) as a process of increasing the supply of entrepreneurs or adding to the stock of existing small, medium and big enterprises available to a country by creating and promoting many capable entrepreneurs, who can successfully run innovative enterprises, nurture them to grow and sustain them, with a view to achieving broad socioeconomic developmental goals. One of these goals is sustaining employment.

An entrepreneur is a person who earns money using the available resources so as to cater for his or her financial needs while also creating opportunities for other people to get employed highlighting the relation of entrepreneurship with economic development and the reduction of unemployment (Rao & Joshi, 2011). Similarly, Meredith (1993) defines an entrepreneur as a person who possesses the ability to recognize and evaluate business opportunities, assemble the necessary resources to take advantage of them and take appropriate action to ensure success.

Entrepreneurs are people who constantly discover new markets and try to figure out how to supply those markets efficiently and make profit. They are also persons that search for change, respond to change, and exploit change by converting change into opportunities. In this paper, an entrepreneur is defined as a person who possesses the ability to recognize and evaluate business opportunities, assemble the necessary resources to take advantage of them and appropriate action to ensure success for him, the unemployed and the nation at large.

The entrepreneurs referred in this paper are the youth. Youth Entrepreneurship is defined as the practical application of enterprising qualities, such as initiative, innovation, creativity and risk-taking in the work environment (either in self-employment or employment in small start-up firms), using the appropriate skills necessary for success in that environment and culture (Schunurr & Newing, 1997).

Curtain (2000) observed that, youth entrepreneurship has a number of potential benefits, the most significant one among many, being that of employment creation for the young who own businesses. In this case, experts bring back the alienated and marginalized youth into the economic mainstream.
(Curtain, 2000; White & Kenyon, 2000), and especially if they hire fellow youths from the ‘dole’ queues (Curtain, 2000). Thus, entrepreneurship helps to address some of the social-psychological problems and delinquency that arise from joblessness, frustrations, depressions, drug abuse and poverty, to mention a few.

Youth-run enterprises (YREs) also provide valuable goods and services to society, especially to the local communities (OECD, 2001; Stone, et al., 1991). This leads to the development of local communities. In the views of Curtain (2000), new small firms tend to raise the degree of competition in the product market, thereby bringing gains to consumers. In addition, the enterprises may create linkages between youth entrepreneurs and other economic actors, through sub-contracting, franchising, and so on (White & Kenyon, 2000). This will help the youth to learn from each other.

YREs promote innovation and resilience as they encourage young people to find new solutions, ideas and ways of doing things through experience-based learning (OECD, 2001; White & Kenyon, 2000). This results in the youth becoming confident and innovative. In certain circumstances, young entrepreneurs may be particularly responsive to new economic opportunities and trends. This is especially important given the ongoing globalization process. It is increasingly accepted that young entrepreneurs can present alternatives to the organization of work, the transfer of technology, and a new perspective to the market (White & Kenyon, 2000).

White and Kenyon (2000) further noted that social and cultural identities are partly promoted through youth enterprises, as there is a stronger sense of community whereby young women and men are valued and better connected to society as they are no more excluded. White and Kenyon (Ibid) also add that youth enterprises give young people, especially marginalized youth, a sense of ‘meaning’ and ‘belonging’. This plays a role in shaping the identity of the youth and encourages others to treat them as equal members of the society. A popularization and democratisation of entrepreneurship will allow the disadvantaged in the society to succeed regardless of social or family background (OECD, 2001).

On the same point, Maslow (1968) as cited in Naz, Munir, Khalid, and Ahmed (2011, p. 279), observes that, “100 people to bring into a deteriorating society would not be economists or
politicians or engineers, but rather 100 entrepreneurs”. This means that entrepreneurs are very important for the revival and development of a society.

Referring to development and full employment, President Ferdinand Marcos of Philippines in 1973, as cited in Nelson (1977, p. 889) stated that:

“The small entrepreneur holds the key to rapid technological development and full employment. He offers a means whereby new employment opportunities can be created in rural areas. The small entrepreneur would not only provide himself with livelihood, but would create employment for others, thereby easing up social tension growing in an atmosphere where so many are deprived” Nelson (1977, p. 889)

The capacity of an economy to successfully compete and grow, especially in this globalised world, depends on balancing the stock of enterprises through encouraging more startups and managing business transfers. Therefore, sustainable growth based on innovation and excellence requires an increasing number of startups, which are likely to provide more and better jobs. As a result, countries exhibiting a greater increase in entrepreneurship rates tend to show greater subsequent decreases in unemployment rates. Moreover, entrepreneurship practices develop creativity and self-confidence among young people, which is not only limited to starting up a new business or creating a new job, but also is a key competence in social life, helping the youth to act in a responsible way that is lost through unemployment.

Entrepreneurs lead to the development of small, medium and sometimes large scale business, based on creativity and innovation. The success of these businesses in turn helps in developing the nation’s economy. It equally reduces the poverty rate with visible increment in employment rate among the youth. Entrepreneurship shifts young people from being jobless to being job creators and also from being socially dependent to being self-sufficient individuals. High rate of unemployment has been associated with low level of entrepreneurial development in any country. This justifies the need to increase entrepreneurial activities to reduce the high rate of youth unemployment and in turn reducing crime rates.
While reducing unemployment and crime rates, creating an entrepreneurship, culture to youth is important. Entrepreneurial attitudes need to be developed with the help of nurturing qualities such as creativity and a spirit of initiative and problem solving. This can best be done through active learning based on children’s natural curiosity and at all stages of a child’s development through competence based curriculum. Gibb (1999) suggests that nothing can be achieved unless people are educated to think and act in a particular way to achieve the goal of what it means to be enterprising. An enterprising culture is one which is characterized by a set of attitudes, values and beliefs operating within a particular community or environment leading to enterprising behaviour (Gibb, 1999).
CONCLUSION

This article examined the relationship between crime and youth unemployment on the one hand and crime and entrepreneurship on the other hand. However, this challenge can be addressed through engaging the youth in entrepreneurial activities, and this will inspire other youths to be engaged in similar entrepreneurial activities, attract more investments leading to more employment especially among the youth. Youth Run Enterprises (YRE) will employ fellow youth and pull them from the street and gethos. YRE including Small and Medium Enterprises (SMEs) will contribute to the national Gross Domestic Product (GDP). As Rao and Joshi (2011) observed, globally, the micro and small enterprises are considered to be the engine of economic growth and constitute over 90% of the national economies. In Tanzania, it is estimated that SMEs contribute 27 per cent to the GDP (URT 2012) and 20 per cent of the total labour source (Wangwe, 1999).

Being an entrepreneur goes hand in hand with acquiring skills such as confidence, creativity, innovation, and competition that are important for the youth. Even though, the benefits will blow out to the communities and societies in a range of ways; acquisition of entrepreneurial skills will reduce chances among the youth to engage in crimes, reduce HIV/AIDS infections, reduce conflicts, illegal immigration, human trafficking, suicide, engages in armed robbery, frustrations and hence improve peace, security, wellbeing and democracy among people paving way for the country’s development. To attain this, there is need to create a culture of entrepreneurship among the youths to cater for youth unemployment and in turn address the evils of unemployment, among many young people.
REFERENCES


Curtain, R. (2002). Generating Youth Employment through Information and communication Technologies: Best Practice Example in Asia and the Pacific, Education Development, Center, Newton, MA


Msoka, C. T. (2014). Criminal bands and the future of urban Tanzania: How life has been redefined. Claiming the City Civil Society Mobilisation by the Urban Poor, 185-198


OECD (2001), Putting the Young in Business: Policy Challenges for Youth Entrepreneurship, The LEED Programme, Territorial Development Division, Paris


URT (2000): Tanzania Economic survey
