ZCAS UNIVERISTY

MBA BUSINESS ADMINISTRATION

AN ASSESSMENT OF THE IMPACT OF YOUTH UNEMPLOYMENT ON THE PERFORMANCE OF THE ZAMBIAN ECONOMY – CASE STUDY OF LUSAKA CITY.

BY

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A dissertation submitted to ZCAS University as one the final requirements for the award of the Masters 'Degree in Business Administration
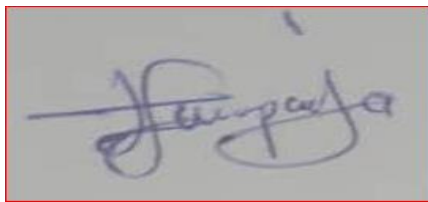
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Declaration

I hereby declare that I, Happy Kaira have prepared and drafted this dissertation out of my own work in submission to ZCAS University without any collaboration and therefore, am presenting an authentic record work of my own under the guidance and supervision of Dr.Francis Mukosa.

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Dedication

I dedicate this dissertation to my beautiful and loving family, who love me dearly and unconditionally, to my wife Lynn Kaira and my two daughters Taonga Kaira and Wezi Kaira, indeed, your endurance of my absence was not in vain most grateful for your patience and support.

Abstract

Youth unemployment has been noted to be a worldwide issue and a global challenge. All countries world over faces the challenge of youth unemployment, the only difference is the extent and degree of youth unemployment rate that varies from one country to the other. In some countries, the rate of youth unemployment is very low, more especially in the highly industrialised and developed countries, moderate in the bricks countries and usually high in several developing countries like Zambia. Zambia has experienced a high rise in youth unemployment and this has been increasing for the past three years from 2020 to 2022.

This study is about assessing the impact of high youth unemployment on Zambia`s economic performance, with the case study of Lusaka. The study is a quantitative research and data was collected using online structured questionnaires which were sent out to respondents for purpose

of gathering data, analysing data, presenting data and interpreting data so as to arrive at a conclusion and give proper and befitting recommendations.

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ACRONYMS

BOZ	Bank of Zambia
CBU	The Copperbelt University
COVID-19	Corona Virus Disease 2019
CRUPLF	Combined rate of unemployment and potential labour force
DDI/LDI	Direct Domestic Investments/ Local Direct Investment
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IDC	Industrial Development Corporation
MCTI	Ministry of Commerce, Trade & Industry
MFEZ	Multi - Facility Economic Zones
MoFNP	Ministry of Finance and National Planning
MoL	Ministry of Labour
MSME	Micro, Small and Medium Enterprises
New Dawn	Then recently elected UPND government
PAYE	Pay As You Earn
UNZA	The University of Zambia
ZACCI	Zambia Chamber of Commerce and Industry
ZDA	Zambia Development Agency
ZSA	Zambia Statistical Agency

CHAPTER ONE: INTRODUCTION AND BACKGROUND

1.0 INTRODUCTION

This research was concerned with investigating and obtaining knowledge about the assessment on the impact of high youth unemployment on the performance of the Zambian economy with case study being Lusaka city. Unemployment is defined as people of the ages between 16 and 65 years who are not working and are physically fit, able to work and are actively seeking to be employed (S.Allkatheri, 2019). Seeking for jobs, ability and willing to work, are major characteristics of the unemployed people (S.Allkatheri, 2019). And according to National Youth Policy (2015) a youth is defined as any human being between the ages of 15 and 35 years old.

Zambia Statistics Agency (2022) further, defines unemployment as a labour market situation in which persons who are unemployed during a specified brief period (last seven days) are in active job hunt or searching for business opportunities and are ready to make themselves available for work. Actively searching for jobs means that the unemployed individual is taking deliberate steps to look for work, this includes actively consulting friends/relatives, visiting factories & companies, advertising one`s skills, seeking for financial assistance with the aim of start-up business capital etc.

Unemployment rate is expressed as a percentage of unemployed people to the total labour force (Zambia Development Agency, 2022). Combined rate of unemployment and potential labour force reflects the unemployment status in Zambia. This indicator includes discouraged job seekers who may have stopped searching for work anymore after their previous persistent search of jobs proved futile (Zambia Statistics Agency, 2022). Combined unemployment rate has been increasing for the past three years from 37.3% in 2020 to 38.8% in 2021 and 41.1% in 2022.Youth unemployment rate was 18.8% in 2022. The CRUPLF for the youths was 52.1% in rural areas and 47.9% in urban areas (Zambia Statistics Agency, 2022).

The researcher will start by giving a general brief historical background of unemployment challenges in Zambia, followed by the research problem, thereafter, the research questions and the research objectives will be categorically stated, and these will form the foundation on which the research is anchored upon. The research will also in brief give the justification and aim of

the research, its scope and limitations and significantly highlight the literature that has been reviewed. Further, the research will methodically state the research process chosen, design data collection methods used and data analysis and highlight the findings and finally conclude and give recommendations.

1.1 BACKGROUND INFORMATION

The challenges of unemployment are worldwide and Zambia is no exception. The number of unemployed is increasing and several unemployed youths are becoming mentally affected with hopelessness of their predicament, turning into political violence, drug abuse and crime to the extent that others are making themselves even more unemployable (e`tal F. Mukosa, A. Sakyi, M. Katebe and B. Mweemba ,2020).

Zambia has in the recent past experienced high levels of chronic unemployment especially by youths. This was recently evidenced by the massive and overwhelming number of respondents to employment adverts this year in 2023 by the Zambia Army, Zambia Airforce (ZAF), Zambia Police Service (ZP), Zambia National Service, government recruitment excise of teachers and health personnel. The numbers were overwhelming, according to the Zambia Army (2023) out of the total number of over 200,000 applicants pertaining to all security wings of the government only 5,000 slots were available that's 2.5 %, meaning only far less than a quarter of the total applicants were to be employed by the above-mentioned government security wings. More than half of that number was left out, this caused one youth who was left out to climb the communication tower in protest and threatened to commit suicide if he was not short listed by the Zambia Army. This attracted not only the attention of passers-by but also that of government and the army as well. They saved his life by offering him a job in the army.

In Zambia unemployed simply means you do not have a job period. This further means that you do not have a job that utilises your skills, talent and other capabilities you may possess as offer for your services in exchange with the monetary gain in form of wages or salaries and other emoluments. Unemployment rate is always an area that attracts massive attention. Unemployment rate is the percentage of the labour force that is unemployed, is physically fit and is actively looking for employment (Huseyn, Isik, Abdurakhman, 2015).

1.2 STATEMENT OF THE RESERACH PROBLEM

TYPE OF UNEMPLOYMENT RATE	YEAR 2021	YEAR 2022
Unemployment Rate	12.5 %	12.6 %
Youth Unemployment Rate	17.4 %	18.8 %
CRUPLF	38.8 %	41.1 %
Youth CRUPLF	46.4 %	50.4%

Table 1 – Source Zambia Statistics Agency (2022)

According to the Zambia Statistical Agency`s Labour Survey Report, Zambia recorded a rise in Combined Rate of Unemployment and Potential Labour Force (CRUPL), this increased from 37.3% in 2020 to 38.8% in 2021, showing an increase of about 1.5%, in 2022 CRUPL rate rose to 41.1% reflecting an increase of 2.3%. Therefore, this shows that Zambia `s combined unemployment rate increased for the past two years. The general unemployment rate was 12.5% in 2021 and it increased to 12.6% in 2022, giving a minimal increase of 0.1%, however, the youth unemployment rate alone was 17.4% in 2021 and increased to 18.8% in 2022 reflecting a significant total of increase of 2.3%. This shows that most of the unemployed people are youths. And according to ZSA (2022) the majority of the youths affected with unemployment are between the ages of 24 and 35 inclusive. The youth CRUPLF increased significantly by 3.5% from 46.9% in 2021 to 50.4% in 2020

1.3 JUSTIFICATION OF THE RESEARCH

According to ZSA (2022) most of the population in Zambia is of young people and the majority of the unemployed are the youths. Therefore, government invests heavily to equip youths with academic & professional qualifications and other relevant trade skills and it is the desire of government to see to it, that these acquired academic & professional qualification and other relevant trade skills are utilised by youths by way of offer of their services in exchange for gainful employment so that they are able to contribute to Zambia`s economic growth.

Increase in youth unemployment levels has reached unprecedented levels in this country and has significantly attracted the attention of all stake holders with worrying combined

unemployment rate and unemployment rate of 41.1% and 12.6% respectively in 2022 according to Zambia Statistical Agency`s 2022, Labour Survey Report.

This study is aimed at investigating the impact of youth unemployment on the country`s economic performance, propose solutions based on the findings and give suggestions on how to tackle this challenge. As stated by Zambia Statistical Agency in their Labour Survey Report there was an increase in combined rate of unemployment of 1.5% from 37.3% in 2020 to 38.8% in 2022 it increased to 41.1% in 2022 (Zambia Statistics Agency, 2022).

The researcher was keen to get factual details through secondary data, primary data and analysis of the data collected in order to have an objective assessment as to what extent were unemployment levels in Zambia, what were the causes and their impact on the economy. And if there was an increase in unemployment rates, what caused this to rise, how did youth unemployment impact economic performance and what could be the possible mitigation measures to curb this.

1.4 RESEARCH AIM

The aim of this research was to investigate the impact of youth unemployment on economic performance of Zambia, where appropriate based on the findings give recommendations that could assist in reducing unemployment levels in our country. Further, the aim is to help in finding solutions to tackle high levels of youth unemployment in our country and how to reduce their negative impact on economic performance.

1.5 SPECIFIC RESEARCH OBJECTIVES

The research objectives were generated from the original statement of the research topic or focus and broken down into several research specific objectives (M.Saunders,P.Lewis,A.Thornhill, 2016). Objectives are more generally acceptable to the research community as researchers` s clearer sense of direction and purpose. And below are the specific research objectives:

  (i)   To establish the impact of population growth on unemployment rate.
  (ii)   To establish the impact of growth in Gross Domestic Product (GDP) on unemployment rate.
  (iii)   To determine the impact of increase or decrease of the total investments generated or attracted in the country from both Foreign Direct Investments (FDI) and Local Direct Investments (LDI) on unemployment rate.
  (iv)   To determine the impact of increase in interest rates on unemployment rate.

1.6 SPECIFIC RESEARCH QUESTIONS

The general research question was generated from the original statement of the research topic and broken down into several research specific questions (M.Saunders,P.Lewis,A.Thornhill, 2016).And below are the specific research questions derived from the general question

    (i)   RQ1: What is the impact of population growth on unemployment rate?

    (ii)   RQ2/: What is the impact of growth in GDP on unemployment rate?

    (iii)   RQ3: What is the impact of increase or decrease of total investments generated or attracted in the country by both through Foreign Direct Investments (FDI) and Local Direct Investments (LDI) on unemployment rates?

    (iv)   RQ4: What is the impact of high interest rates on unemployment rates?

1.7 SCOPE OF THE RESEARCH

Since the research was about assessing the impact of youth unemployment on Zambia`s economic performance, the study was based on Zambia, with Lusaka City as a case study, where a survey will be conducted to collect primary data. For gaining a better understanding of the research topic, literature review was based on archival or secondary data generated both locally and internationally. And primary data was collected using structured questionnaire.

The independent variable was identified as the unemployment rate. And the following were the dependant variables:

    (i)   Population growth

    (ii)   GDP/Economic growth

    (iii)   Total value of investments attracted and/or generated in the country by both through FDI and LDI

    (iv)   Increase in interest rates

1.8 RESEARCH CONTRIBUTION

Zambia has been facing chronic unemployment challenges especially for the youths and this is still an ongoing problem. This research was based on factual data, reliable and credible sources of information and therefore, was extremely objective and will narrow the information gap between members of the public and the government as far as unemployment levels are concerned and their impact on the Zambia`s economy.

1.9 DISSERTION LAYOUT OR RESEARCH DESIGN

Dissertation layout starts with chapter one. This chapter consists of an introduction, definitions, background information, research problem, research aim, specific objectives, specific research questions, research scope, justification of the research, research contributions, chapter summary. Thereafter, chapter two. This chapter consists of the introduction, key theoretical theories underpinning the study and there after an empirical literature review and analysis of the existing historical literature and other studies done by other researchers to appreciate and understand the contributions done by others on this topic or similar study and also assess gaps and other limitations if any that can be filled in by this research (M.Saunders,P.Lewis,A.Thornhill, 2016). And finally, chapter summary.

After Chapter 2, follows chapter 3, which consists of : first an introduction, research approaches selected, the research strategies and research choices preferred and the time horizon chosen , sampling frame, sample size, how the data was collected and analysed using the recommended tools of sample data collection and analysis (M.Saunders,P.Lewis,A.Thornhill, 2016). Data processing analysis, reliability of the data, validity, generalisability of the research findings, ethical and access issues and finally chapter 4 summary.

Chapter 4 is comprised of the data collected, the findings of the research and data analysis presented and elaborated by highlighting the themes with due consideration of other similar research. The analysis of the findings gives birth to chapter 5, for the recommendations and finally the conclusion. The conclusion will review the original research questions and aim of the research bearing in mind it`s limitations and scope.

DISSERTATION DESIGN

Figure 1: Dissertation Layout

1.10 RESEARCH APPROACH AND METHOD

1.10.1 Philosophy – The philosophical approach used in this study is POSITIVISIM as the researcher manly used measurable variables under highly structured approach and **1.10.2 Approaches** – This was deductive (collection of quantitative data).

1.10.3 Strategy – Lusaka as a case study.

1.10.4 Time Horizon –The researcher used cross sectional research approach

1.11 DATA COLLECTION AND ANALYSIS

1.11.1 Data Collection and Sources –

(i) **Primary Data** – Data was collected using online structured survey questionnaires.

(ii) **Secondary Data** – For literature review, the sources were journals, books, annual reports and other relevant publications from government entities.

1.11.2 The Sample – The survey area was Lusaka and the sample was selected from the population of youths in Lusaka. The probability sampling schedule was used to determine the sample size. Lusaka was chosen because most youths in Lusaka have internet connected cell phones and the survey questionnaire was an online electronic questionnaire.

1.11.3 Data Analysis – The researcher analysed the data using excel, pie charts and graphs for easy interpretation and trend analysis purposes.

1.13 CHAPTER SUMMARY

The combined unemployment rate has been rising for the past three years, from 37.3% in 2020 to 38.8% in 2021 and 41.1% in 2022 and the unemployment rate rose from 12.5% in 2021 to 12.6% in 2022 (Zambia Statistics Agency, 2022).This has raised serious concerns by both the government and other stake holders especially the unemployed youths. It has also been noted how recently, one Zambia Army job advert with very minimal job slots would receive such a huge overwhelming response of applicants surpassing the number of available job slots by far with an average ratio of applicants to available slots being 40:1 respectively. This is alarming.

CHAPTER 2: LITERATURE REVIEW

2.0 INTRODUCTION

This chapter brings out what other scholars have written on factors that causes unemployment and their impact on economic performance, the chapter reveals existing similar research, gaps if any, in similar studies and any other relevant matters highlighted for further research. This literature review assisted the researcher to gain more knowledge about what others have found in their research on similar topics and in turn assisted the researcher to use this academic intellectual knowledge as foundation upon which the research will be built in presenting own findings in an empirical and theoretical presentation manner (M.Saunders,P.Lewis,A.Thornhill, 2016).

This literature review covered books, articles, thesis/dissertations, journal publications, annual reports and publications by government institutions. The literature review went further to review existing conceptual ideas and empirical evidence on the assessment of the causes of youth unemployment and their impact on the economy (Walliman ,2017).

2.1 THEORETICAL FRAMEWORK

Theoretical framework is a formulation regarding the cause and effect of relationships between two or more variables which may or may not have been tested, and therefore, forms the bases upon which the variables are derived (M.Saunders,P.Lewis,A.Thornhill, 2016).Therefore, the theoretical frame work chosen for the sole purpose of this study is the Keynesian theory of unemployment, detailed below.

2.2 Keynesian Theory of unemployment

This study is concerned with the investigation of the impact of youth unemployment on Zambia`s economic performance and therefore, the study is pinned upon the Keynesian theory of unemployment.The Keynesian theory of unemployment, defines unemployment, as a prolonged event where there are more people available and willing to work at the same wage rates than the few available slots. Keynesian economic theory, further, states that, prolonged periods of minimal demands, could lead to prolonged unemployment (S.Jahan e.tal , 2014).

2.21 The Origin and meaning of Keynesian Theory

During the great depression in Europe just after the second world war, there were no existing economic theories, to explain in detail, why, there was a severe world-wide economic collapse

and how to come up with a deliberate public police to provide solutions to jump start production and employment. This prompted the British economist, John Maynard Keynes, to engage in deep research, and his findings revolutionised the macroeconomic theory in various areas that impact on unemployment such as, interest rates, inflation rates, demand and money supply. He stated in his theory that when the economy lacks aggregate demand the cyclical or demand deficit unemployment occurs (S.Jahan e.tal , 2014). Cyclic as the name suggest it moves with,changes in the level of economic activity (economic growth) and therefore, cyclic unemployment diminishes when the economy is booming and on the other hand increases when the economic depression hits (S.Jahan e.tal , 2014). Hence the dependant variables for this research being economic growth, interest rates, total direct investments both foreign and local and population growth.The independent vaiable is unemployment rate.

Further, the Keynesian theory states that in an economic depression there are few job opportunities and an increased number of the unemployed due to the economic theory of supply and demand. There is less demand for goods and services and, therefore, to reduce production, companies cut on investments and expansion, on the other hand, in an economic boom there is increased demand for both goods and services, labour included and therefore reduced unemployment levels because of increased total investments in the economy (S.Jahan e.tal , 2014). An economy`s output of goods and services is because of the sum of four components that is consumption, investments, government expenditure and balance of payments (net exports) (S.Jahan e.tal , 2014). This is where the researcher derived the other dependant variable which is **total investments** attracted or generated in the country through both FDI and LDI.

2.3 Studies on youth unemployment and it`s impact on   economic growth
2.3.1 Rapid Population Growth

Literature Outside Africa

S. Hossain (2020) stated in his research about unemployment in Bangladesh, that high population growth rate and overpopulation is one of the major contributors to high unemployment due to few available jobs compared to demand. When the Bangladesh`s population is compared to the country`s total investments, the total value of Bangladesh`s investment falls far short in providing the employment opportunities as needed by the people, as a result more people are left jobless (S. Hossain, 2020).

Studies in Europe during the economic depression revealed that, when the population is growing at a rapid rate higher than that of the GDP rate, the benefits of the positive GDP growth may not trickle down to the people because the population growth rate by far outweighs that of the GDP growth rate. Therefore, for GDP to have any meaningful or significant positive impact on the economic performance, it must grow at the rate higher than the population growth rate for tangible benefits to be felt by the people (S.Jahan e.tal , 2014).

Literature in Africa

According to Uddin (2013) stated in his research on the Nigerian unemployment that it was noted that rapid population growth subsequently results in rapid growth of the labour force, which by far outnumbers the available job slots and subsequently increasing unemployment levels. The rapid growth of population on Nigeria`s unemployment is multifaceted. It impacts on the supply side through a rapid and high increase in the labour force compared to the low-level absorptive capacity of the economy (Uddin, 2013).

In a study of youth unemployment by Tunji Akande (2014), it was noted that high population growth rate and poor teaching, training and deficient in school curricular was some of the causes of youth unemployment due to lack of adequate vibrant industries to absorb the entire population of qualified graduates.

Literature in Zambia

Zambia has not been spared from rapid growth of population, in 2010 Zambia had about 10 million people and in 2022 the population doubled to almost 20 million people (Zambia Statistics Agency, 2022), the youth population of which by 2022, the youth unemployment rate compared to the entire Zambian population stands at well over 60% (Ministry of Labour 2022). Because of this rapid youth population growth, Zambia`s universities are offloading a huge number of graduates every year surpassing the number of jobs created or available job slots and thereby increasing youth unemployment rates (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

Synthesis of reviewed studies on population growth and it`s impact on unemployment

The reviewed studies have shown that rapid population growth is a wide world challenge and most countries are busy brain storming on how to keep up in providing social amenities, quality medical services, quality education and how to create more jobs for the growing population with the limited available national resources. Further revelation, was that, when the population

is growing faster than the rate at which jobs are being created it can impact negatively on unemployment rate.

2.3.2 Studies on decline in economic growth

Literature Outside Africa

During a study of youth unemployment in Central and Eastern Europe it was noted that when the stability of the economy begins to deteriorate , the unemployment challenge resurfaces and it`s immediate impact is usually on young people who are first to be laid off because they are so vulnerable and lack experience (L.Erdal and I.Gocer, 2015). It was, further, noted, during Britains`s economic depression, that poor econonic growth leads to siginificant reduction in the economic level of activities in the country. After the war, in Britain, the great depression caused several firms to down size their operations and implement major restructuring in a bid to survive, thereby, retrenching people and reducing job opportunities, therefore, companies who fail to survive due to harsh economic conditions and reduced demand of their products or services end up being liquidated and thereby shrinking the job market further (S.Jahan e.tal , 2014) .

According to the Keneysian theory, during the economic depression, demand for most goods and services, is drastically reduced, more especially goods and services that are considered or perceived to be luxury, people concentrate on most basic needs, this makes companies to close certain production lines and cut on output production due to reduced demand.Then the rule of demand and supply kicks in, the fewer the jobs the less the demand for labour (S.Jahan e.tal , 2014).

Literature in Africa

A study in Kenya about university gradutae unemployment challenges revealed that, economic growth on the other hand does bring about job creation , job opportunities and thereby elevating the living standards of people because of increased investments and increased level of economic activities which subsquently increases the demand for goods and services and the opposite is equally so true, economic deterioration reduces the level of total national economic activities which subsequently leads to reduced job opportunities (Ali, 2018).

Lierature in Zambia

In Zambia the quality of economic growth has been poor and non inclusive in various respects, one of them being that it has been confined to activities that are concentrated around certain

urban regions and furthermore, this poor growth if any at all, has been unable to create employment or income generating opportuinities that can improve the living standards of the wider population (A.Rajaram,D.Chiwele & M.Phiri, 2022).

Emmanuel Kamwi (2005) highlighted in is his study that the closure of various state industries in several provinces in Zambia due to open market economy and privatisation during the MMD government erra coupled with economic decline significantly, reduced formal employment opportunities for the youths , to date the country is still struggling to increase or expand it`s industrial base through it`s newly constructed Economic Zones.

The United Nations (2007) observed that consistent poor economic performance over the years in Zambia has resulted in high youth unemploment and this has siginificantly reduced the labour demand in almost all the sectors.

Synthesis of reviewed studies on decline in economic growth

The studies as a whole have shown that during economic depression, there is less demand for goods and services especially those considered luxury and as a result firms that deal in such products do cut down on production or discontinue production and completely shut down, then, consequently cut on jobs, thereby impacting on umeployment rate. Further more, if economic growth rate is far less compared to the population growth rate , the benefits may not trickle down to the general population in terms of job creation.

2.3.3 Studies on high interest rates and high cost of Capital

Literature outside Africa

In Central and Eastern Europe several youths lack experience and exposure in entrepreneurship and therefore, most lending entities perceive them as high risk and therefore, unable to access the much-needed capital (S.Jahan e.tal , 2014).

Literature in Africa

Uddin (2013) in his research on youth unemployment in Nigeria stated that the course content of most tertiary education in Nigeria lacks entreprenueral contents that would assist graduates to create jobs rather than being job seekers. Even those at lower level who have obtained training in self employment trade skills like tailoring, bricklaying, plumbing, computers , incubation etc are constrained by lack of start up capital to take off their business ideas because they can not afford the high cost of borrowing (Uddin, 2013).

Uddin (2013) observed that high interest rates increases the cost of capital and/or the cost of borrowing, as a result most youths fail to borrow, even with a brilliant business plan. Therefore, high interest rates and huge cost of borrowing creates an opportunity cost of the investments foregone thereby increasing unemployment levels and impacting negatively on economic performance.

Literature in Zambia

Most youths are unable to access the bank loans due to higher interest rates and lack of assets to use as collateral to secure the loan (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020). Smonda & Chibomba (2020) stated that owing to the youths`lack of collateral and business experience, youths are mostly perceived to be very high risk by lenders making it more harder for them to access capital. Several youths presently rely on their little savings or turn to their family, friends and other well wishers for start-up capital.And those without such alternatives have minimal chances of starting their own businesses unless special credit programmes are set up for them.

Synthesis of reviewed literature of studies on high interest rates

The studies have given an insightful, that overrall, high interest rates, increases the cost of borrowing. High cost of borrowing makes many firms, people especially the youths to fail to borrow for entreprenuership or investment purposes, this leads to opportunity costs lost in investments forgone which could have created more jobs. In addition, most youths are considered high risk due to: lack of business experience and exposure, no assets to offer as security, unable to put up a good business plan etc.This just makes it more harder for many young people to access capital.

2.3.4 Studies on levels of Entreprenuership and Investments
Literature outside Africa

A study in Europe showed that countries that are: under economic depression, politically unstable, at war, possess hostile and highly volatile business environment usually fail to attract investments from both FDI and LDI and hence creating unemployment. Investors only go to invest in countries with stable conducive business environment, good economic and political environment, because such an ideal business atmosphere gives the investors some level of comfort, that their investments is safe and will be able to get their return on their investments and this creates more jobs for the local population (S.Jahan e.tal , 2014).

Literature in Africa

According to Uddin (2013) in his research, the course content of most tertiary education in Nigeria lacks entreprenueral contents that would assist graduates to create jobs rather than being job seekers.Even those at lower level who have obtained training in self employment trade skills like tailoring, bricklaying, plumbing, computers , incubation etc are constrained by lack of start up capital to take off their business ideas (Uddin, 2013).

Literature in Zambia

Dr. Mukosa and others in their research on youth unemployment in Zambia noted that the government has made some effort to curb this challenge by setting up the Citizens Economic Empowerment Commission (CEEC) that has been funded by the government to provide loans to the youths to assit them to participate in entrepreneurship. However, even this programm has been a challenge to most youths, for two reasons.The first is that the youths are failing to access these low interest rate loans from CEEC due to allegations of corruption, secondly several other youths are unable to draft a good business plan and inability to state clealy their projected cashflows as demanded by the CEEC before they can approve a business loan applied for (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

It was further observed in their research that most youths are unable to access the other alternative bank loans due to higher interest rates and lack of collateral secuirty as demanded by banks which the majority of youths don`t have. Further, most youths lack experience and don`t have entrepreneural skills. (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

Synthesis of the reviewed on studies of levels of Entreprenuership and Investments

The literature reviewed, revealed that in various countries many youths are unable to engage in entreprenuership due to the following : high borrowing costs, lack of experience and exposure, lack of approprate skills in drafting a business plan with it`s associated projected cash flows, hostile business or volatile business environment etc.

2.4.0 Studies on other causes of unemployment

2.4.1 Rapid Expansion of Education

Literature in Africa

According to O.Uddin (2013), presently there are 97 universities in Nigeria and the number of graduates offloaded on the market has greatly increased from 73,339 in 1987 to well over 131,000 currently and this   rapid expansion of the education system which consequently resulted in increased educated man power higher than what the labour force can absorb led to increased unemployment in Nigeria, as the Nigerian economy is too weak to absorb the huge number of graduates that have increased tremendously.

Literature in Zambia

Two decades ago Zambia had only two universities (UNZA & CBU) and therefore was producing very limited number of graduates, however, according to Higher Education Authority (2023) Zambia now has well over 108 private higher education institutions and 15 public higher education institutions, making a total of 123 registered higher education institutions with the Higher Education Authority as at December 2023. This means that a lot of graduates are being offloaded on the market every year, at the rate higher than the rate at which new job slots are being   created, further, worsening the unemployment situation (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

Synthesis of reviewed literature on rapid expansion of education

There has been a rapid expansion of the education system for the past few years, more especially, the higher learning institutions which have greatly increased in number in many countries and are offloading graduates in huge numbers every year on their respective local job market surpassing the number by far, of the few available job slots,thereby,increasing youth unemployment rate.

2.4.2 Study on Urban Rural Migration

Literature in Africa

The rural urban migration is normally referred to as the push- pull factors.This will include the pressure from man-land ratio in rural areas and the serious unemployment as a result of seasonal cycles, lack of infrastructure facilities and lack of social ameneties because these areas are negelected in the allocation of social and economic opportunities and therefore, making rural life hard and unattractive.This unequall distribution of employment opportunities

between urban and rural areas compells young people to go to urban areas where there are more social amenities and economic opportunities with a higher probability of securing lucrative employment in industries (Uddin, 2013).

Literature in Zambia

In Zambia, income inequality is very high, urban – rural inequalities, regional inequalities across provinces and inequalities across occupational groups have largely widened.The poorest groups survive on peasant farming agriculture, while the middle class derive their income from wages in formal employment and a few from entrepreneurship (A.Rajaram,D.Chiwele & M.Phiri, 2022). Zambia is rated as one of the fastest urbanising countries in Africa.

Synthesis of literature on Urban/Rural Migration

Most third world countries`s rural areas are usually very under developed and lacking infrastructure facillities, social amenities, economic opportunities etc .This makes these rural areas very poor and unattractive, compelling native youths from these areas to migrate to urban areas in search of good economic opportunities and good soft life and therefore , putting more pressure on unemployement rate in urban areas.

2.4.3 Study on lack of skills and work experience

Literature Outside Africa

In the 21st century the work environment has become dynamic and unique, therefore, people who have adequately acquired skills as demanded by the current labour market can easily get suitable jobs, while the opposite is also true, people without skills it`s hard to get jobs and remain unemployed because of the mismatch with the problem and therefore breeding unemployment (S.Allkatheri, 2019).

Literature in Africa

In Bostwana, work experience remains one of the vital components of qualifications in the labour market, while some youths have under gone either professional or academic training or even both but are still disadvantaged because of the dynamic changes in the modern labour market that demands for work experience in simillar industry.This has also contributed to youth unemployment in Bostwana (Sechele, 2021).

Literature in Zambia

A study by A.Rajaram, D.Chiwele, M.Phiri (2022) revealed that the underlined problem of inadequate practical training of many graduates necesistated the importance of in-service training to ensure productive skills.The study discovered that some but not all firms responded to skills gaps with deliberate strategies like hiring local or expatriate workers with relevant experience or offer training to fresh graduates. Firms with high skill gaps opted to fill the skills gap with the aid of expatriate staff. Zambia being below the average lower middle income country is one of the reasons noted, why some firms opted for lower labour skills costs by investing in training because of the likehood of trainned staff being poached by other firms (A.Rajaram,D.Chiwele & M.Phiri, 2022).

Synthesis of study on lack of skills and work experience

Several studies alluded to the fact that lack of proper skills and appropraite experience contibuted to the challenge of youth unemployment, as many employers prefer those with experience due to shorter learning curves and lower training costs.

2.4.5 Mismatch of skills and labour demand

Literature Outside Africa

In the recent past there has been an increase in the number of enrolments in the mushroomed universities compared to the past few years but little attention has been paid to their output quality in terms of balancing acquired skills with demanded skills (S.Allkatheri, 2019). This has contributed to the increase in unemployment rate for the recent graduates. According to Allkatheri (2019) if acquired careers mistmatch with what the labour market demands or requires, then unemployment rate increases due to career mistmatch. He further,stated that a small level of mistmatch relates to both education and skills, while the larger rate of mistmatch relates to either education or skills. This can lead to more skills saturation in some sectors and a lack of skills in other sectors (S.Allkatheri, 2019). Also people who possess outdated qualifications and skills are unemployed cause they are not on demand as they don`t meet the modern required expertise and lack modern skills (S.Allkatheri, 2019).

Literature in Africa

Universities and students in Zimbabwe must know what study careers are trending and marketable, which ones to go for and what labour skills are in demand ,without this analysis there is more than likely to be a mismatch between acquired careers and what the labour market demands, giving rise to unemployed graduates with an eduaction system that is totally irrelevant to the industry (T.Bhebhe, R.Bebhe & B.Bhebhe, 2016).

Synthesis of study on mmismatch of skills and labour demand

The above studies states that mismatch of acquired skills from that which is demanded by the labour market causes unemployment rate to rise.This is worsend, when people who have outdated skills are no longer considered relevant on the job market due to other transformations and changes e.g change in technology.

2.4.8 Study on ccorruption with due regard to unemployment

Literature in Africa

Uddin (2013) concluded in his research, that one of the causes of increase in unemployment, in Nigeria, is corruption.He stated in his report that corruption had spread like cancer to the entire social structures of Nigeria, robbing the country of developing the vibrant economic base because funds meant for economic developmental projects were misappropriated, embazzled, diverted or stashed away in foregin off shore bank accounts, while some incompetent corrupt bureaucratic administrators in public offices and parastatals have liquidated these public entities.

Literature in Zambia

Corruption in Zambia is also rife and is described by Transprance Interantional as an endemic. This has escalated because of consistent poor economic performance. This has made jobs to be easily accessed by youths from wealthy families due to connections, nepotism etc (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

Strict regulation must be inacted to curb corruption, nepotisim, favouritisim etc (Ali, 2018). Simonda & Chibomba (2020) stated in their research, that corruption is one of the factors that causes mismatch between the demands and supply of educated youths.

Synthesis of literature on corruption

From the studies reviewed so far, it shows that, the challenge of corruption as one of the causes of unemployment is mostly applicable to developing countries where only children from wealthy and well connected families are mostly the ones getting good jobs.

2.5 Literature on other possible economic impacts caused by youth unemploymentt

High levels of youth unemployment are always a serious source of worry and concern by governments worldwide because of it`s profound economic and social impact, including the impact on young peoples' lives.

Literature in Africa

2.5.1 Potential social unrest

The Arab uprising was events that spread like wild fire in the Arab world and was started in Tunisia by just a 26 year old Mohammed Bouazizi who was then a Tunisian street vendor who set himself ablaze on 17 December,2010 in protest of the confisfication of his wares and the harasssment and humiliation by the state police. The protest of this young man became a catalyst for a revolution in Tunisia and subsequently inciting demonstrations and riots in the whole of Tunisia in protest of social and political issues in the country (L.Erdal and I.Gocer, 2015).

Considering the above Arab spring and other issues, it should, be emphasised, however, that the effects of social consequences of youth unemployment is far much more cardinal than the economic consequences. It is a well known fact that constantly being disappointed about future employment prospects and being deprived of a decent job, may cause youths to suffer from life long behavioral disorders and creating in them a feeling of uselessness and of exclusion from society (L.Erdal and I.Gocer, 2015).

2.5.2 Opportunity foregone in Investments and Entreprenuership

Uddin (2013) observed that high interest rates increases the cost of capital or the cost of borrowing, as a result most youths fail to borrow, even with a brilliant business plan.Therefore, high interest rates and huge cost of borrowing creates an opportunity cost of the investments foregone and impacting negatively on economic performance

Literature in Zambia

2.5.3 An opportunity Cost in economic growth

The youth populance have been identified as energetic, vibrant and representing the most active age group with massive potential to contribute to the economic growth of any country, Zambia included .Some scholars have stated that high youth unemployment rates leads to lower earnings and reduced productivity (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020). The cost incurred by a country for not employing the youths is therefore, an opportunity cost in economic growth because of the lost potential income in form of tax revenue foregone and consumption power (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

2.5.4 Increase in activities that undermines the stability of society & increases market risk

Chronic youth unemployment has made some youths, after a long period of consistent job search give up on their dreams, get discouraged, frustrated and they start to engage in

undesirable vices to drown their frustrations, such as drug abuse, drunkardness, prostitution, political violence and crime (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020). Some youths even become suicidal.

World bank (2008) noted that unemployed youths are readily available for anti-social criminal acvtivities that undermine the stability of society and an unstable society increases the risk of the market.

2.5.5 Increased Medical Costs

Simonda & Chibomba (2020) discovered in their study that high youth unemployment leads to a siginifican decline in self – esteem, diminished levels of well being, frequent isolation from peers and this may lead to depression and mental health issues resulting in high medical expenses incurred by government and impacting negatively on the economy because funds that could have been channeled to other sectors to grow the economy are now being spent on medicals for the youth on issues that could have been avoided.

2.6 Gaps in the literature

The literature review has been very enlightenning and well articulated on the causes of youth unemployment and their economic impact. Some of the literature reviewed so far has gaps in identitifing what causes rapid increase in unemployment rates. Most of the causes of unemployment recorded have been thoese which are generally applicable world wide or univerasally, however, there are those causes which are perculiar to only one single country with a tailored made solution. For example, we noted that one of the causes of unemployment in Nigeria is load shadding of electricity (Uddin, 2013), this cannot be applicable to other countries which don`t have power rationing. Other than the general causes of youth unemployment, the reseacher wants to investigate if there are also other causes perculiar only to the Zambian unemployment situation and the economic impact of these causes of youth unemployment on the Zambian economy.

Part of the literature reviewed, identified work experience as one of causes of youth unemployment, but the author did not take into consideration practical experience gained by young graduates through internship, voluntary work and practical skills gained from trade schools.

It was also noted during the literaturature review that unemployed people with high qualifications can easily go abroad and get employed there. However, most African workers in the developed western countries perform jobs that are way below their qualifications e.g an

African with a masters degree will be working as a general worker, cleaner or waitor due to strict labour laws of host country, social or racial segregation challenges etc.

2.7 Cconceptual Frame Work

The conceptual frame work is derived from the research topic by identifying the independent and dependent variables. The conceptual frame work forms the basis upon which the independent variables and dependant variables are generated after which the research objectives and the research questions will be extracted (M.Saunders,P.Lewis,A.Thornhill, 2016).Therefore, based upon the Keynesian theory of employment and Robert Solow `s growth model for the purposes of this research the dependant variables have been identified as follows:

(i)   Rapid population growth

(ii)   economic growth

(iii)   Total value of investments generated/attracted in the country by both Foreign Direct Investments and locally generated investments (or simply put capital formation)

(iv)   Increase in interest rates

And the independent variable is unemployment **rates**.

THE INDEPENDENT VARIABLES   THE DEPEPENTANT VARIABLE
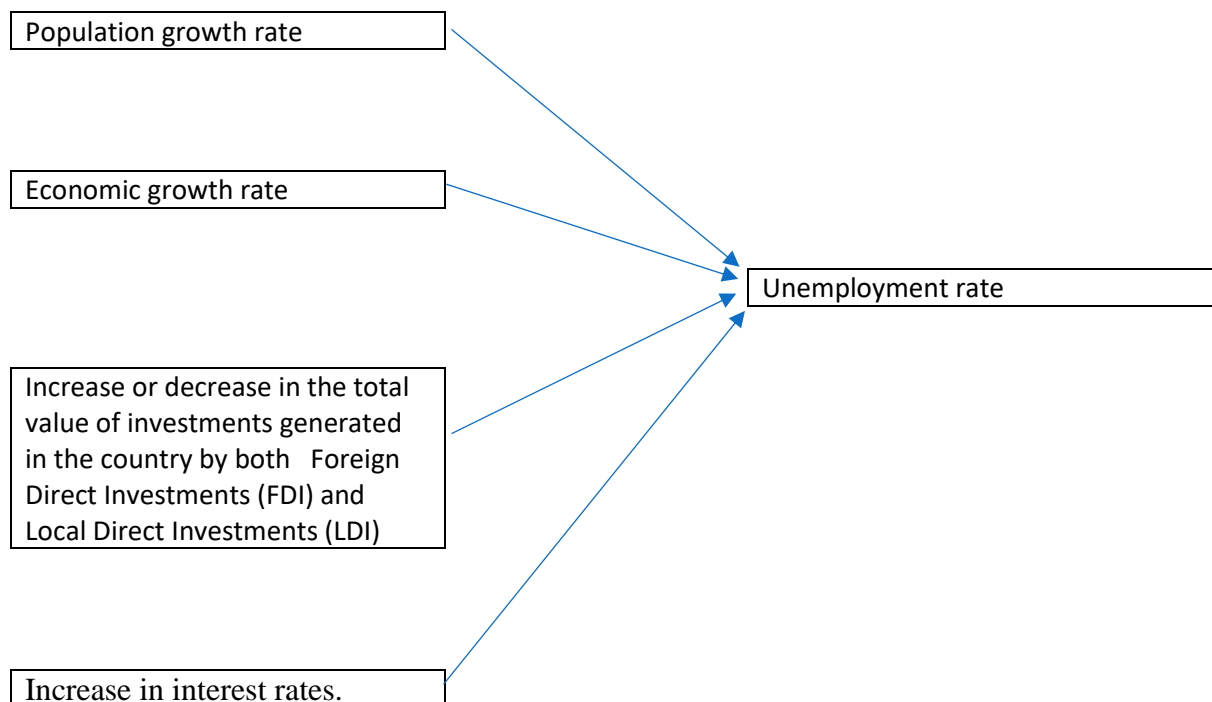
Figure 2: Conceptual Frame Work adopted from Solow`s growth model (2002)

RESEARCH QUESTION	INDEPENDENT VARIABLE	DEPENDANT VARIABLE
What is the impact of population growth rate on unemployment rate?	Unemployment rate	Population growth rate
What is the impact of economic growth rate on unemployment rate?	Unemployment rate	Gross Domestic product growth rate
What is the impact of total investments attracted or generate in the country via both FDI & LDI have on unemployment rate?	Unemployment rate	Total value of investments created in the country both through FDI and LDI
How does interest rates impact on unemployment?	Unemployment rate	Interest rates

Table 2

2.8 Chapter Summary

It has been noted from secondary data and other researches done that there are several causes of youth unepmloyement e.g economic decline ,inflation, low levels of investments and entreprenuership, population growth rate, interest rates etc that impact directly on economic performance and there are other causes of unemployment that have little or no impact on the enonomic growth but have direct and significant impact on social factors. It is from these social factors, that the effects of unemployment are usually hard felt by society and the youhs at large.

Thereafer, the chapter explained both in descriptive and diagramatic format, the conceptual framework, that in turn gave a breakdown of the dependant variables as being: population growth, economic growth, total value of investments in the country including both FDI and LDI and Interest rates and the independent variable was identified as the employment rate.

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction

This chapter gives a road map of the entire Research Methodology process that has been adopted, that is, the research methods, research procedures and processes, research approaches, the research strategies and techniques adopted, types of research method used, why these reaserch method types were chosen ,the justifications for choosing these methodes, what sampling methods will be adopted and why, how and where data will be collected, the reliability and validity of the data, findings, challenges encountered, any other ethical and accessibility issues that the researcher faced during the conduct of this research and finally chapter summary.

3.1 Research Onion

Saunders et`al (2012) developed a metaphorical concept popularly known as the `Research Onion` which is now widely used as a research guide tool by researchers as a guide or road map in research, in a methodical and logical order, step by step to enable the researcher to adhere to generally accepted research methods, techniques and the established standards.

The research onion as the name suggests, it is designed in a format of several oval circles indicating an outlay of sequences to be followed when conducting a research. An outer layer is the first step to undertake, which is `type of research philosophy` adopted. Thereafter, it goes to the next immediate inner layer, which is the `Research Approach, followed by the `Research Strategy` used, then followed by `the research choice`, next `time horizon and finally data collection techniques and procedures. For the purposes of this research the following is the research methodology used, with the aid of the research onion.

Research Onion

RESEARCH PHILOSOPHY IS POSITIVISIM

RESEARCH APPROACH IS DEDUCTION

RESEARCH STRATEGY IS SURVEY

TIME HORIZONE IS CROSS SECTIONAL

DATA WAS COLLECTED USING A STRUCTURED QUESTIONNAIRE AND DATA ANALYSIS USING EXCEL,GRAPHS,PIE CHARTS
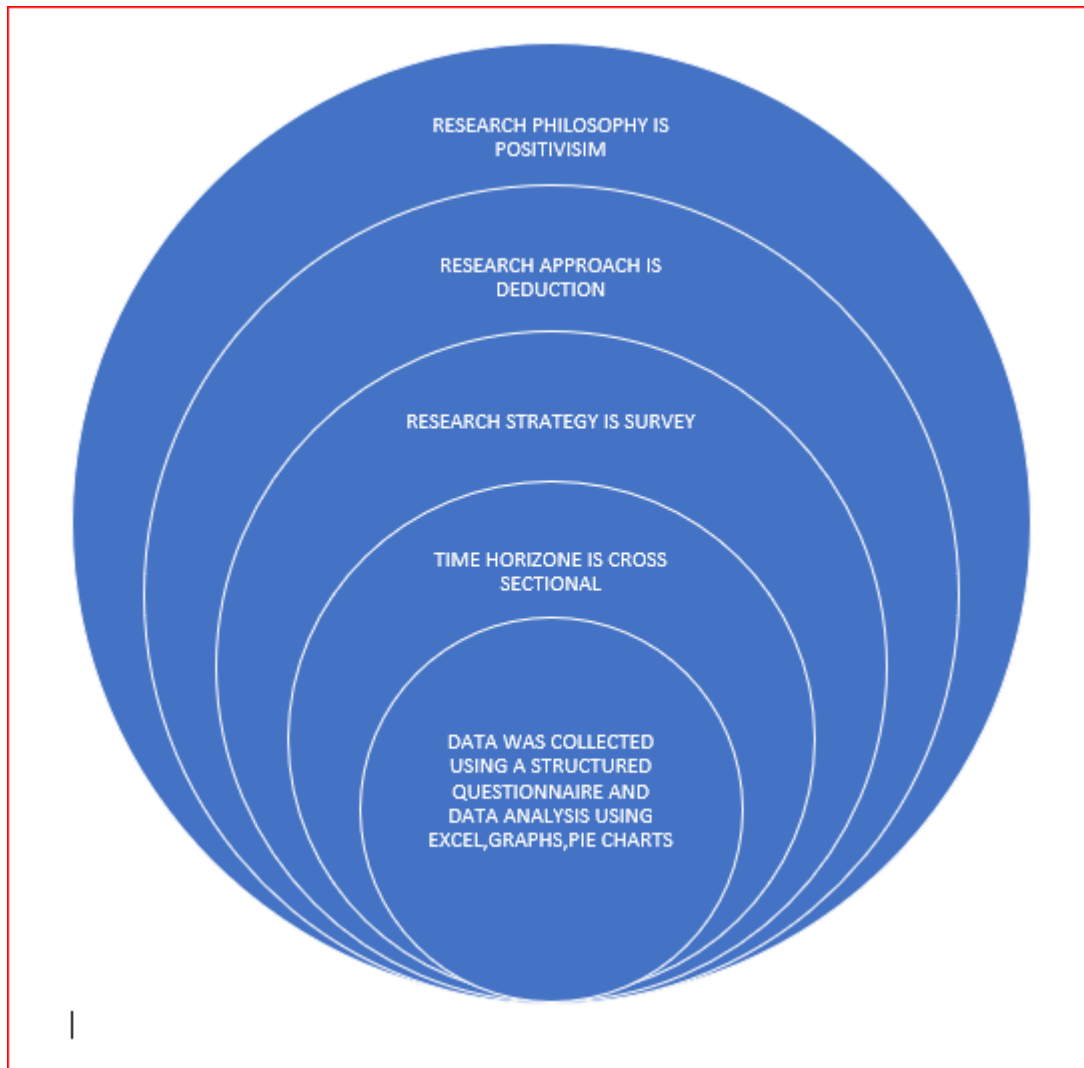
Figure 3

3.2 Research approach

A structured questionnaire was used in this research to collect primary data to enable ascertain the impact of youth unemployment on Zambia`s economic performance with the case study being Lusaka. This being a non-experimental research design, it enabled the researcher to identify two closely linked variables, that is, the dependent and independent variables. These two variables were identified and used in this research design, meaning there were no predications when analysing the data connections between the two unrelated variables and thereafter, data evaluation techniques were applied to determine the connections between the two variables and how they impact each other.

The research is on the impact of youth unemployment on the Zambian economy (case study of Lusaka) and the variables identified were quantitative in nature , that is, population growth, economic growth, capital formation, and interest rates as dependent variables and unemployment rate as an indepdent variable, making the research a quantitative or inductive research (J.Best & J. Khan 2014). To understand the context of the problem a sample was selected from the population.

The study, is about the impact of youth unemployment in Zambia and hence requring constructivisim orientation in order to answer questions pertaining to the current status of the subject of the study. In being constructive, primary data was collected by use of structured questionnaire from the identified sample of of the Lusaka population.This prompted respondents to provide relevant predfined answers based on their knowledge, experience and understanding of youth unemployment challenges and it`s impact on the Zambia Economic Performance. For the purposes of this study a population of 660,993 was identfied comprising of Lusaka`s youth labour force, based on the Zambia Statistical Agency (2022), from which a sample of 384 was selected using the probability sampling schedule. A digital structured questionnaire was designed and circulated to over 400 respondents.

3.2.1 Strategy justification

There were two strategies adopted, archival and survey research.

3.2.2 Archival Research (Secondary Data) – Archival research is research based on historical data. History is meaniningful past records of human achievement.This study has used historical information to comprehend the past and try to understand the present with due regard to past events and development (J.Best and J.Kahn , 2014). Archival data has also been used by this researcher to avoid ` reinventing the will` (J.Best and J.Kahn , 2014). Therefore, Part of this research is based on archival data, this is because some of the information is sourced from government entities`publications and annual reports such as labour survey reports, annual reports and other relevant publications etc.

3.2.3 Survey (Primary Data) – A survey is used when the research is on a chosen geographical area say Lusaka City in this case.This researcher chose this method of data collection because surveys are usually common and popular in most research projects as they enable the researcher to collect bulk data from a sizeable population in a highly economic way and data collection is often   by use of questionaires to a selected sample (M.Saunders,P.Lewis,A.Thornhill, 2016). Further, the data that is collected is standardised for

easy of comparison and analysis.Therefore, the researcher conducted a survey using probability sampling methods by selecting a sample from the population using probability sampling tables, in this research the sample was picked from Lusaka City (M.Saunders,P.Lewis,A.Thornhill, 2016).

3.2.4 Sampling Technique used – According to Zambia Statistical Agency (2022) labour survey report, the total national youth labour force in Zambia is 2,027,586 and 32.6% of this, which is 660,993 (2,027,586 * 32.6%) is for Lusaka Province only. Therefore, for the purposes of this research, the population of the youth labour force in Lusaka was taken as 660,993 based on ZSA (2022) labour survey report from which the sample was selected. A sample of 384 was selected from a total population of 660,993 using the probability sampling table method with 5% margin of error and 95% confidence level as shown in appendix 5 (M.Saunders,P.Lewis,A.Thornhill, 2016).

3.3 Research paradigm

Paradigm is the way of examining social phenomena from which particular understandings of these phenomenas can be obtained and explanations atttempted. The term paragdigm is mostly used in social sciences. (M.Saunders,P.Lewis,A.Thornhill, 2016).

The research phylosophy that has been adopted for the purposes of this research is positivisim, and explained further below:

3.4 Positivism – This philosophical approach was chosen because it prefers working with an observable social reality and that the final end product of such a research can be law like generations similar to those produced by the physical and natural science (M.Saunders,P.Lewis,A.Thornhill, 2016). Furthermore, positivsim, was chosen due to it`s characteristic to research, it enabled the researcher to undertake as far as possible, a value free way and this approach made the researcher, to be external to the process of collection of data because it was believed that there was little that could be done to change the substance of the data collected. Therefore, this researcher was independent of the research and neither was he affected by the subject of the research (M.Saunders,P.Lewis,A.Thornhill, 2016). And indeed this reseacher was very ethical, professional, objective and independent of the data collected with no emotions attached but simply interpreted and analysed the data as was presented and intended by the respondent.

3.5 Empirical Aspect of the Methodology

Emphirical evidence is the information obtained by means of observation and later documenting the findings of parterns revealed during the research. Empirical evidence forms part of the core scientific method applicable in most researches. (M.Saunders,P.Lewis,A.Thornhill, 2016). Empirical evidence collected by means of observations and surveys is refered to as primary data and data collected from books, journals, reports and other historical publications is known as secondary data.

This researcher collected quantitative data both primary and secondary data by use of structured questionnaire and archival publications respectively.

3.6 Time horizon

The time horizon chosen for the purposes of this research was cross sectional series.The period was of five months from topic brainstorming to finalisation of the study.

August 2023	Brain Storming of the topic or title to research on.
August 2023	Identification of the: research topic, the research problem, the dependant and independent variables.
September 2023	Submission and approval of the research topic.
September 2023	Preparation and drafting of the research proposal.
October 2023	Submission, defence and approval of the research proposal.
October 2023	Secondary Data Collection from government entities and other institutions.
October 2023	Commencing the drafting of the research report.
November,2023	Designing and distribution of the digital questionnaire via electronic emails and

	whats up groups on social media online platforms.
December,2023	Data collection, gathering, arranging, analysing, presenting and interpreting data collected.
December,2023	Finalising the research report

Table 3 Time Horizon

3.7 Research strategy

The study is `the impact of youth unemployment on the performance of the Zambian economy, with the case study being Lusaka. From the title it 'self the dependent variables and the independent variables were identified and assessed to be quantitative in nature. Therefore, this research was determined to be a quantitative research. The strategy was to determine the population of the total youth labour force of Lusaka by using the 2022 Labour Survey Report from the Zambia Statistical Agency. After determining the population of the youth labour force of Lusaka as being 660,993 a sample of 384 was selected from the population using the sampling probability schedule as a scientific tool to justify the method of sampling.

A structured questionnaire was carefully designed to include the variables in the questionnaire. This structured questionnaire, had closed questions to standardise the responses for easy analysis. The questionnaire was designed based on a five likert scale. The questionnaire was a digital questionnaire to enable the researcher to access a wider range of respondents electronically within a short period of time, at lowest cost possible and in order to get online immediate responses from participants. The questionnaire was distributed electronically using a link that was created for the purposes of this research only and distributed via electronic platforms such as emails and online social medias like, to several potential participants. Thereafter, data was collected, analysed and interpreted using excel, pie charts, graphs etc.

3.8 Sampling frame and sample size

According to Kumar (2011) a sampling frame is the identification of the elements of the population being studied. The list composed of all the elements of a study is called a sampling frame. And a sample is selected from the population, each member of the population is called an element. All elements must have an equal chance of being picked to avoid biasness

(M.Saunders,P.Lewis,A.Thornhill, 2016). According to Zambia Statistical Agency (2022) labour survey report, the total national youth labour force in Zambia is 2,027,586 and 32.6% of this, which is 660,993 (2,027,586 * 32.6%) is for Lusaka Province only.Therefore, for the purposes of this research, the population of the youth labour force in Lusaka was taken as 660,993 based on ZSA (2022) labour survey report from which the sample was selected.The sample of 384 was selected from a total population of 660,993 using the probability sampling table method with 5% margin of error and 95% confidence level as shown in table 4 below (M.Saunders,P.Lewis,A.Thornhill, 2016).

Required Sample Size[T]								
	Confidence = 95%				Confidence = 99%			
Population Size	Margin of Error				Margin of Error			
	5.0%	3.5%	2.5%	1.0%	5.0%	3.5%	2.5%	1.0%
10	10	10	10	10	10	10	10	10
20	19	20	20	20	19	20	20	20
30	28	29	29	30	29	29	30	30
50	44	47	48	50	47	48	49	50
75	63	69	72	74	67	71	73	75
100	80	89	94	99	87	93	96	99
150	108	126	137	148	122	135	142	149
200	132	160	177	196	154	174	186	198
250	152	190	215	244	182	211	229	246
300	169	217	251	291	207	246	270	295
400	196	265	318	384	250	309	348	391
500	217	306	377	475	285	365	421	485
600	234	340	432	565	315	416	490	579
700	248	370	481	653	341	462	554	672
800	260	396	526	739	363	503	615	763
1,000	278	440	606	906	399	575	727	943
1,200	291	474	674	1067	427	636	827	1119
1,500	306	515	759	1297	460	712	959	1376
2,000	322	563	869	1655	498	808	1141	1785
2,500	333	597	952	1984	524	879	1288	2173
3,500	346	641	1068	2565	558	977	1510	2890
5,000	357	678		3288	586	1066	1734	3842
7,500	365	710	1275	4211	610	1147	1960	5165
10,000	370	727	1332	4899	622	1193	2098	6239
25,000	378	760	1448	6939	646	1285	2399	9972
50,000	381	772	1491	8056	655	1318	2520	12455
75,000	382	776	1506	8514	658	1330	2563	13583
100,000	383	778	1513	8762	659	1336	2585	14227
250,000	384	782	1527	9248	662	1347	2626	15555
500,000	384	783	1532	9423	663	1350	2640	16055
1,000,000	384	783	1534	9512	663	1352	2647	16317
2,500,000	384	784	1536	9567	663	1353	2651	16478

Table 4 Probability Sampling Schedule: Source Saunders and others

3.9 Data collection

All the information that was collected by the researcher from different sources is known as data. And it is this data that during the research process is collected, gathered, arranged and evaluated based on the concerned variables in a systematic manner to provide answers to the research questions in order to arrive at the research conclusions, give recommendations and where possible, reference for future research (Simplilean, 2022).This reseacher collected both secondary and primary data.

Secondary data was collected from historical records such as books, articles, latest annual reports from various government institutions/ministries and publications from other non-government entities. An introductory letter for this research was obtained from ZCAS University to manage the anticipated access challenges that were encoutered in the process of collecting secondary data from the targeted relevant institutions.

Primary data was collected using an online or digital structured questionnaire and was sent out to potential respondents electronically via electronic emails and whatsup social media online platforms.The major source of information for this study was primary data. This type of data involved collecting raw unprocessed and unpublished data from the original source by use of a structured questionnaire.In reality, the research topic, the data it`self and the outcome are critical in influencing the tool and instrument selection.

3.10 Questionnaires – These were circulated and given to the selected respondents for data collection purposes, , in order to standardise the various responses for easy of data analysis and ease of comparison purposes the questionnaire consisted of closed questions (M.Saunders,P.Lewis,A.Thornhill, 2016).The questionnaire was based on a five likert scale. Ethical issues regarding data collection by use of quesionnaires were fully adhered to, such as clearly stating the purpose of the study, the rights of the respondents as regards confidentiality, and that it was clealy stated that it was purely a voluntary excise without duress.

3.11 Data processing and analysis

This researcher castoff a time series data processing analysis from 2020 to 2022 in Zambia regarding youth unemployment and it`s impact on the economy. The conceptual frame work was applied based on the popular neoclassical growth theory founded by Robert Slow which castoff with aim to ascertain the long run economic growth, estimating capital growth created

or generated, labour or demographic growth and growth in production which is considered as technological innovation or advancement.

The collected data through the use of a structured questionnaire was further analysed with the use of both descriptive and inferential statistics. This included the use of percentages, pie charts, graphs, excel and bar charts.

Excel was used for data comparison purposes, from one period to the other, say comparison of number of unemployed personel from one year to the other. Excel, had further, been helpful for trend analysis, for example, analysis of the trends in unemployment rates from 2020 to 2022 and in some rare cases even upto 2023 where 2023 where data was availed.

A Pie Chart is a pictorial circular graph divided into sections that each represent a proportion of the of the whole (J.K.Pinto, 2013). Pie charts in this research was utilised extensivly to enhance further data analysis and interpretaion.The segments of the pie charts were expressed in percentage format. Meaning for easy analysis each segment size is demarcated according to it`s percentage size in comparison to the whole pie chart, whose total is 100 % and each segment was shaded in a different colour for easy of clarity and comparison.

A graph is a diagram showing the relationship of mostly two varibles with one on the `x`axis and the other varibale on the `y`axis (S.Portny e`tal, 2008).

3.12 Reliability of research findings

Reliability is the ability of the research findings or research model to produce the same results if it were to be done and applied in other similar cirsumstances in order to reduce errors and biasness (Ruel,Wagner III & Gillespie 2016). In other words, research conclusions must be credible.

Reliability is also, deifined as the ability of the research instrument to produce similar results when used repeatedly under the same conditions because this reveals further, that the research instrument used is accurate, stable and predictable. The higher the reliability the higher the accuracy of the research instrument being used and vice versa (R.Kumar, 2011).

These research findings are highly reliable in that most of the archival data findings are based upon and generated from very reliable and authentic sources like the Zambia Statistical Agency (ZSA), Minsitry of Labour and Social Secuirty, Internation Labour Organisation (ILO), Mininstry of Commerce, Zambia Development Agency,Zambia Revenue Auothrity, Minsitry of Finance etc. And primary data was gotten first hand from the source without any

distortion and alteration, data was received and recorded just as it was received and as intended by the respondents (Ruel,Wagner & Gillespie 2016).

3.13 Validity of research findings

Validity is the ability to collect data using the research instruments as intended (Moura, Reis & Cordeira 2021). Further, validity ensures the true integrity of the data disseminated as intended by the respondent and reflecting a true and genuine perspective of the targeted population on the subject under investigation (Ruel, Wagner & Gillespie 2016).

The researcher made ensure that the data collected was processed and analysed without any distortion, amendments, biasness or emotions attached. Data was collected and gathered as was presented and intended by the respondents, this collected data was then arranged systematically and statistically for easy of analysis and interpretation.

In order to strictly and carefully guard the validity of the data, the researcher periodically consulted experts in research and data collection methods and upheld high ethical standards, core values, adhered to research ethical guidelines that guided the researcher throughout the research, furthermore, the researcher also exhibited high levels of honesty, integrity, objectivity and professionalism.

3.14 Generalisability of research findings

This also is sometimes referred to as external validity. The concern one may have in the design of his/her research is the extent to which his/her research results are generalisable, that is, if ones 'research findings can equally be applicable to other research settings i.e. other entities (M.Saunders,P.Lewis,A.Thornhill, 2016). Kayombo (2022) generalisability is the extent to which the outcomes of the research can be applied in a different set-up. This research was about investigating the impact of youth unemployment on the Zambian economy in Zambia, so most of the findings may not be unique to Zambia alone, as most developing countries face the same challenges and youth unemployment is usually a global challenge.

3.15 Ethical and access issues

3.15.1 Accessibility – The first level of access is physical access or entry.This refers to the challenges or easy of access to information and targeted respodents or interviewees and other appropriate sources (M.Saunders,P.Lewis,A.Thornhill, 2016). To get physical access was a challenge for several reasons.

This research did not progresse at the pace desired by the researcher due to mostly data collection delayed by the dependance on others for informatinon

(M.Saunders,P.Lewis,A.Thornhill, 2016). Most data from government institutions` publications and yearly reports was old data on their respective websites, therefore, the challenge was to have access to latest reports and publications of the recent past year i.e 2022 which were not ready for some institutions due to internal institutional challenges not preview to the reseacher and some of the other 2022 publications become ready just a few days before finalising the research and 2023 which was not due or ripe for yearly reports and publications as the year was still running by research period, however, some isolated insitutions managed to give out even data for 2023 and this data if any was used for trend comparative purposes.

Further, other challenges experienced when collecting data, were that, others demanded prior appointment before seeing them and time was a challenge.

A courteous, carefully drafted introductory letter was sought from ZCAS university and presented to potential information providers in order to explain in brief the purpose of the study, a copy is attached as appendix one (J.Best and J.Kahn , 2014). A headed letter introducing the researcher to potential respondents and information diseminators (addressed as to whom it may concern) was obtained from the ZCAS University stating that the researcher was a post graduate student studying an MBA programme and now engaged in doing a research on `on impact of youth unemployment on Zambia`s economy`. This helped in reducing or eliminating any unpleasant suspicions that would have caused the respondents to block the researcher from access to information.

This introductory letter was presented to all the institutions that the researcher walked in and some potential participants, the researcher courtersely explained the purpose of the visit and further, emphasised, that the data collected was not going to be used for any personal gain or for any malicious intentions but purely for research purposes and the names of the respondents would not be disclosed any where in the study. The researcher accepted respectively those who refused to participate in the structured questionaire.

3.15.2 Research Ethics

Research ethics refers to the appropriateness of the researcher`s behaviour with due regard to the rights of those who become the subject of the researcher`s work or are affected by it.These ethical issues emerge as the reseacher plans his/her research work, seeks for access to organisations & to individuals, analyse and report the data (M.Saunders,P.Lewis,A.Thornhill, 2016). Ethics is also defined as moral principles, norms or standards of behaviour that guide moral choices about how to conduct ourselves at all times and in relation to others. Research ethics therefore, begins with questions of how we generate and clarify our research topics,

design the research and gain access, collect data, process and store data, anaylse data and report our findings in writing in a moral and responsible way (M.Saunders,P.Lewis,A.Thornhill, 2016). Therefore, this reseacher made sure that this research was executed methodologically sound and morally defensive to everyone that was involved or affected by it.

3.16 Chapter Summary

Chapter 3 has well-articulated the research methodology adopted, right from planning stage to the research philosophies chosen, the research design, the research approaches, the population and how the sample was selected, the research strategies regarding data collection methods and analysis and giving reasons why these were preferred, the ethical issues experienced and finally the reliability and validity of the data. In other words, chapter 3 has unveiled a clear road map that guided the entire research.

CHAPTER 4: DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter presents the outcome of the study as well as a detailed discussion and interpretation of the research topic on assessing the impact of high youth unemployment on Zambia`s economic performance, with the case study being Lusaka. Further, data was gathered, presented, analysed and interpreted to confirm a link between the research problem and the research findings (M.Saunders,P.Lewis,A.Thornhill, 2016). The chapter is made up of four sections, the first part presents the demographic profiles of the respondents, then the second, third and fourth presents the findings based on each of the research objectives and finally a summary of the chapter based on the presented and analysed data.

4.2 Demographic Characteristics of the Respondents

A five Likert scale survey questionnaire was sent out and a total of 103 responses were received out of 400 questionnaires that were sent out reflecting a total response rate of 26% (Total Response Rate = Total no. of responses/Total no. in Sample less ineligible members) (M.Saunders,P.Lewis,A.Thornhill, 2016).This total response level is considered credible. The total overall responses were 103 of the participants, however, it was noted that although the overall total response level was 103, each question had it`s own response level varying from 100 to 103 respondents.

4.2.1 Gender

This research received 103 responses out of which 48 % of these were from females (49) and 52% from males (54). The results are on table 5 below displaying the total number of respondents.

Table 5, showing the gender of the respondents

GENDER	FREQUENCY	PERCENTAGE
FEMALE	49	48
MALE	54	52
TOTAL	**103**	**100**

 Source, Field Data 2023

Pie Chart reflecting the gender of the respondents
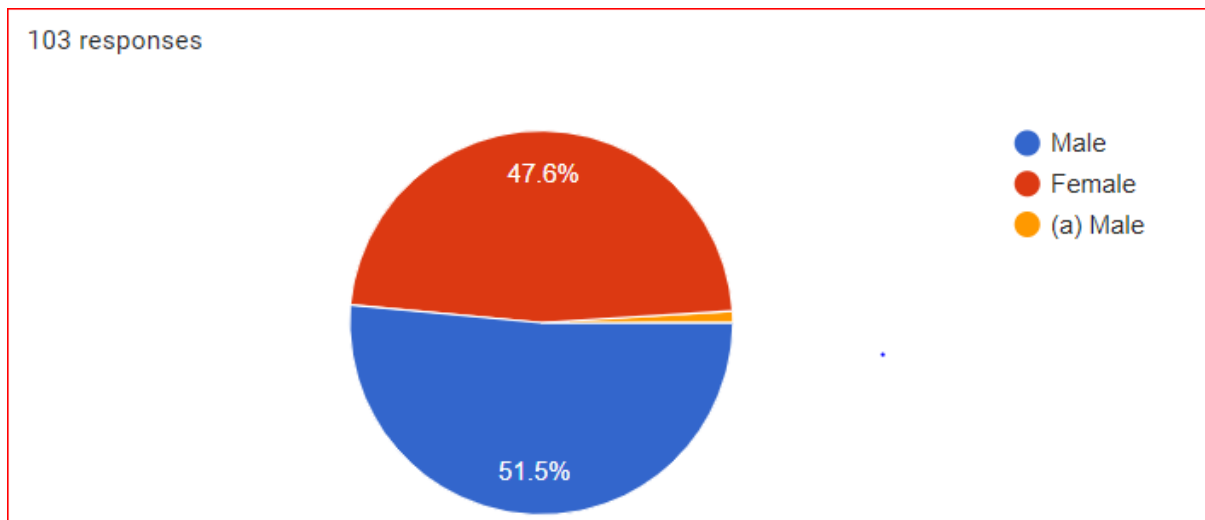
Figure 4- Source, Field Data 2023

4.2.2 Education levels of the respondents

According to Saunders e`tal (2012) a sample can be classified in order to determine eligibility, for the purpose of this study, the youths considered were those who had acquired a minimum of basic education, trade skills or higher qualifications, therefore, the study categorised the education levels of respondents according to their skills or qualifications as follows: those who indicated had secondary school leaving certificates were 01 (01%) , those that indicated had a

trades/skills/technician certificates were 11 (11%), those that indicated had a Diploma or Advanced Diploma were 10 (10%), those with Undergraduate Degree were 56 (54%) and finally those with a Post graduate Degree 25 (24) %. The majority of the respondents had the undergraduate degree comprising of 54% response levels, followed in second place by those with post graduate degree at 23%, followed in third place were those with certificates/ trades skill at 11% and those with diplomas were fourth in place at 10% and the least respondents were those with secondary school leaving certificate at 1 %.

Table 6 Showing the qualifications of the respondents

EDUCATION LEVEL	FREQUENCY	PERCENTAGE
Secondary School Certificate	01	01%
Certificate/Trade Skills	11	11%
Diploma/Advanced Diploma	10	10%
Undergraduate Degree	56	54%
Post Graduate Degree	25	24%
TOTAL	**103**	**100%**

Source: Field Data

Pie chart showing qualifications of the respondents
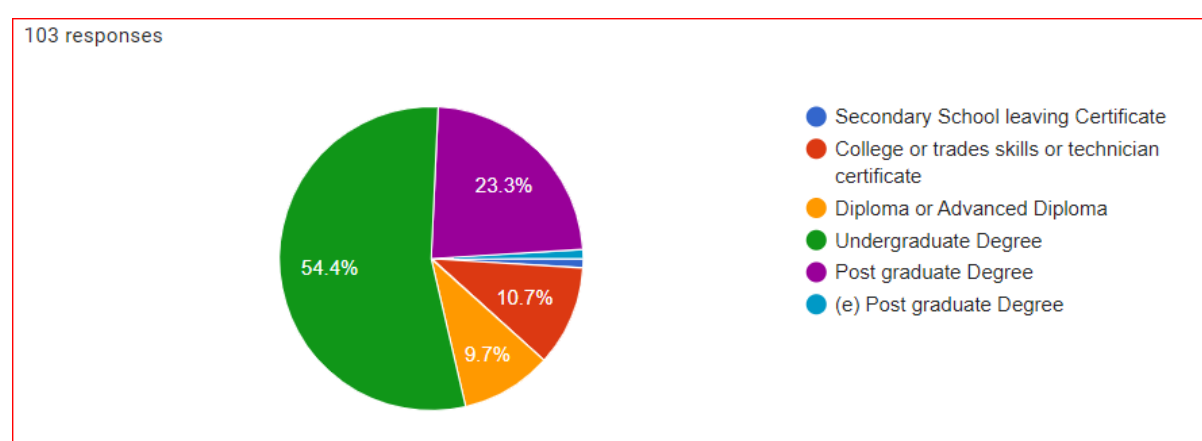
Figure 5, Source: Field Data

Analysis of the Findings

The researcher targeted respondents with qualification of at least a minimum of secondary school education or trade skills and above, as these types of participants were perceived to have a better understanding and discernment of the research topic, which makes their responses more credible. That's the whole reason a minimum qualification was put under the category of qualifications in order to determine eligibility (M.Saunders,P.Lewis,A.Thornhill, 2016).The majority of the respondents were either under graduates or post graduates comprising a combined total of 77%.

4.2.3 Age of the respondents

The age of the respondents was also put in 5 categorise, and the responses to this question were 102 in total and the responses were as follows: Those between 16 and 20 years was just one (1%), those indicated to be between 20 and 25 were 14 (14%), those indicated to be between 25 and 30 years old were 26 (26%), the majority were those that indicated to be between 30 and 35 these were 31 (30%) and finally those indicated to be above 35 years were 30 at 29%.

The results are shown on table 7 below:

Table 7 reflecting the age of the respondents

AGE	FREQUENCY	PERCENTAGE
Between 16 and 20	01	01
Between 20 and 25	14	14
Between 25 and 30	26	26
Between 30 and 35	31	30
Above 35 years old **TOTAL**	30 **102**	29 **100**

Source Field Data 2023

Pie chart reflecting the age of the respondents
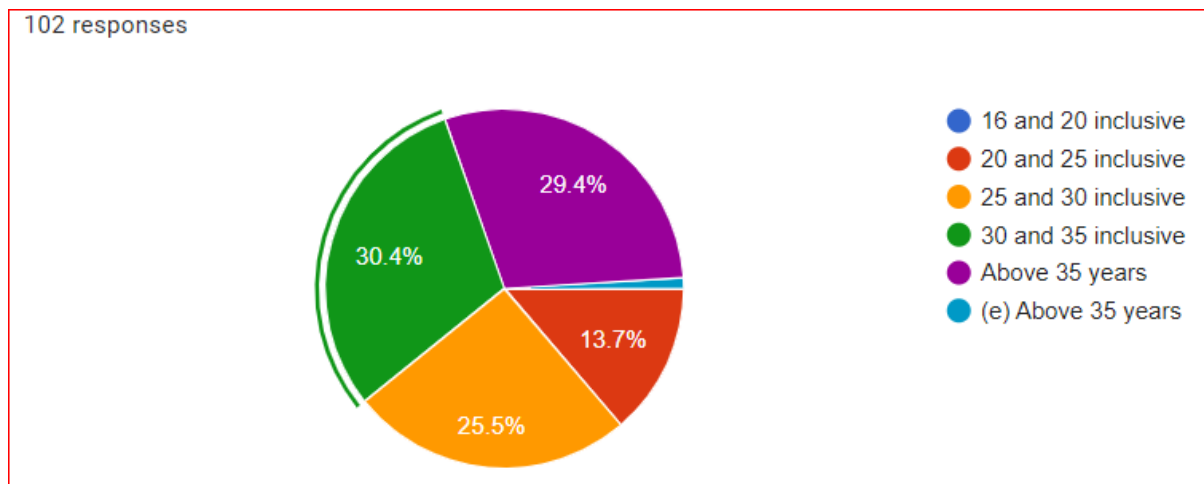
Figure 6, Source - Field Data

4.2.4 Employment status of the respondents

In order to ascertain how many of the respondents were in employment and out of employment for validity and reliability purposes, the study categorised the respondents as follows: those that indicated unemployed and actively looking for work 16 (16%), those unemployed and not actively looking for work 2 (2%), those who were self-employed 10 (10%), those that were employed in the informal sector and were still actively looking for work 14 (14%) and finally those that indicated to have been employed in the formal sector were the majority at 60 (58%). The findings are displayed on table 8 below:

Table 8. Employment status of the participants

EMPLOYMENT STATUS	FREQUENCY	PERCENTAGE
Unemployed & actively searching for work	16	16
Unemployed & not actively searching	02	02
Self employed	10	10
Employed in informal sector & still searching for work	14	14
Employed in the formal sector	60	58
TOTAL	102	100

Source: Field Data 2022

Employment status of the participants in Pie Chart format
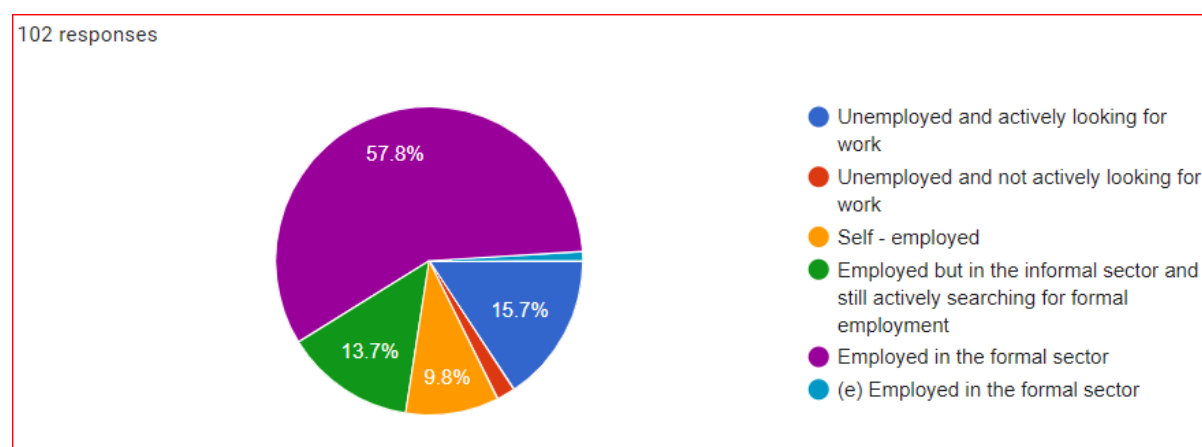
Figure 7, Source Field Data

Analysis of the Findings

The majority of the respodents were employed in the formal sector comprising 58% followed by those unemployed at 16% and in third palce were those in the informal sector at 14%.

4.2.5 Period of being unemployed prior to getting employed

The Keynesian theory states that prolonged periods of minimal demand could lead to prolonged unemployment (S.Jahan e.tal , 2014). The researcher was also interested to know on average how long it took for one to find work in Zambia and this question was posed to those who were working. The total responses to this question were 85 and the following were the findings: Those that indicated between 1 and 2 years were the majority at 45 (53%), followed by those that indicated between 2 to 3 years were 17 (20%), then those between 3 to 4 years were 5 (6%) and 4 to 5 years were 06 (07%) and finally those that indicated over 5 years were 12 (14%). The results are reflected in table 9 and pie chart below:

Table No. 9: How long it took prior to getting a job

JOBLESS PERIOD PRIOR TO GETTING A JOB	FREQUENCY	PERCENTAGE
Between 1 and 2 years	45	53
Between 2 and 3 years	17	20
Between 3 and 4 years	05	06
Between 4 and 5 years	06	07
Above 5 years	12	14
TOTAL	**85**	**100**

Source – Field Data

How long it took prior to getting a job
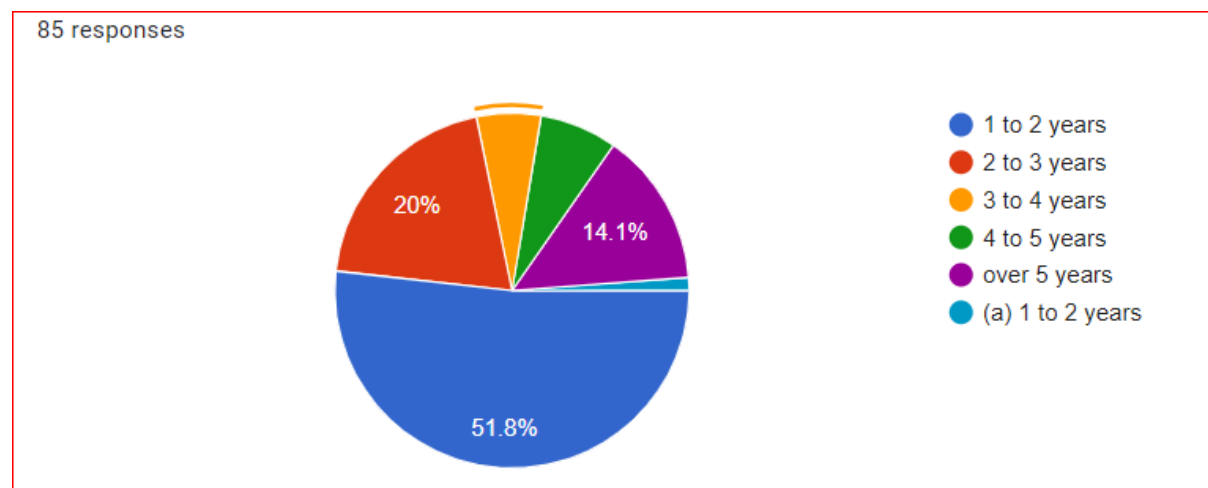
Figure 8. Source – Field Data

Analysis of the Findings

From the above it shows that on average it takes about one to three years to get a job in Zambia and for a few unfortunate ones it even exceeds to 5 years and above. The Keynesian theory defines unemployment as a prolonged event where there are more people available and willing to work at the same wage rates than the few available slots (S.Jahan e.tal , 2014).The prolonged unemployment period in Zambia is on average of 1 to 3 years.

4.2.6 If not employed, duration of being unemployed so far, as at the time of the survey

If not employed the researcher also wanted to know the average duration of not being in employment by those unemployed, a total of 34 responses were received. Those that indicated between 1 and 2 years were the majority with 12 (35%), between 2 and 3 years were 3 (9%), between 3 and 4 years were 6 (17%), between 4 and 5 years were 4 (12%) and over 5 years were 9 (26%). The results are shown on table 10 below:

Table 10: How long the participants have been unemployed as at survey time

PERIOD OF BEING UNEMPLOYED	FREQUENCY	PERCENTAGE
Between 1 and 2 years	12	35
Between 1 and 2 years	03	09
Between 1 and 2 years	06	18
Between 1 and 2 years	04	12
Over 5 years	09	26
TOTAL	**34**	**100**

Source Field Data

How long the participants have been unemployed as at survey time
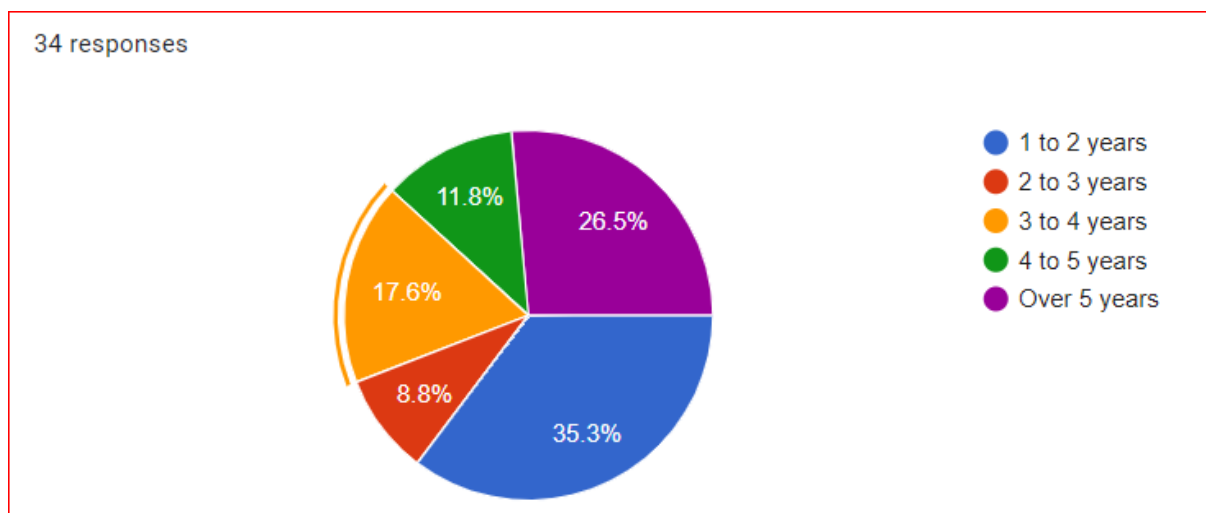
Figure 9: Source Field Data

Analysis of the Findings

From the above most of the people have been unemployed under three years. This is in agreement with table 15 where the majority of the people were employed within three years of

their job search. According to Keynesian theory the average extended period of being unemployed in Zambia is 3 years.

4.2.7 The Adequacy of Qualifications

One of the core causes of unemployment especially for the youths has been lack of human capability in terms of education, knowledge, skills, health and freedom UNDP (2012). According to Altman et al (2014) the level of education is one of the major contributing factors to levels of unemployment. Therefore, the study was interested to know if the respondents had adequate qualifications for the job they were seeking for, or currently possessing. The total respondents to this question were 101 in total. The largest number were those that indicated that they strongly agreed to possessing adequate qualifications 58 (58%), followed in the second place by those who indicated that they agree to possessing adequate qualifications, these were 34 (34%), those who opted to be neutral were 6 (6%), those who disagreed to possessing adequate qualifications were 2 (2%) and those who indicated that they strongly disagreed to possessing adequate qualifications were 1 (1%). The results have been illustrated in 11 below:

Table 11: The adequacy of the respondent's qualifications

ADEQUACY OF QUALIFICATIONS HELD BY JOB SEEKERS/JOB HOLDERS	FREQUENCY	PERCENTAGE
Strongly Agree	58	58
Agree	34	34
Neutral	06	06
Disagree	02	02
Strongly Agree	01	01
TOTAL	**101**	**100**

Source – Field Data

The adequacy of the respondent's qualifications
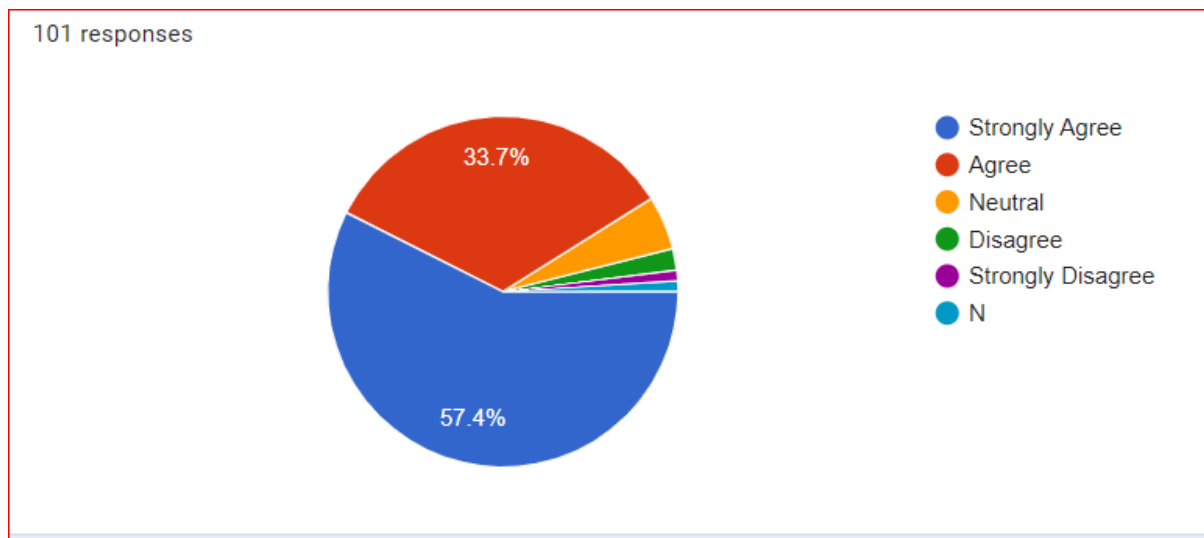
Figure 10: Source Field Data

Analysis of the Findings

From the above and for the purposes of this study, it shows that the majority of the participants affirmed to possessing adequate qualifications, this reduces to a great extent, the level of education, as one of the causes of youth unemployment in this study as stated by Altman et al (2014).

4.3 IMPACT OF YOUTH UNEMPLOYMENT ON THE PERFORMANCE OF ZAMBIAN ECONOMY

This second part of the survey questionnaire involved obtaining data pertaining to the impact of youth unemployment on Zambia`s economic performance from the respondents. This section is the corner stone of this study.

4.3.1 Impact of national wealth generation (capital formation) on youth unemployment rate.

During a study of youth unemployment in Central and Eastern Europe it was noted that when the stability of the economy begins to deteriorate , the unemployment challenge resurfaces and it`s immediate impact is usually on young people who are first to be laid off because they are so vulnerable and lack experience (L.Erdal and I.Gocer, 2015).

The study gathered data from participants on the impact of total national wealth generation (in form of both FDI and LDI) on youth unemployment. The responses were as follows: those that had indicated that there is a very strong impact, were 33 (32%), those that indicated strong impact, were the majority 44 (43%), those indicated neutral were 16 (16%), those that stated that there is no impact at all were 4 (4%) and finally those that stated very weak impact were 5 (5%) as shown on the table below:

Table 12: Impact of National Wealth generated in the country (both via FDI & LDI)

IMPACT OF NATIONAL WEALTH GENERATED (FDI & LDI) ON YOUTH UNEMPLOYMENT	FREQUENCY	PERCENTAGE
Very Strong Impact	33	32
Strong Impact	44	43
Neutral	16	16
No Impact at all	04	4
Very Weak Impact	05	5
TOTAL	**102**	**100**

Source Field Data

Impact of National Wealth generated in the country (both via FDI & LDI).
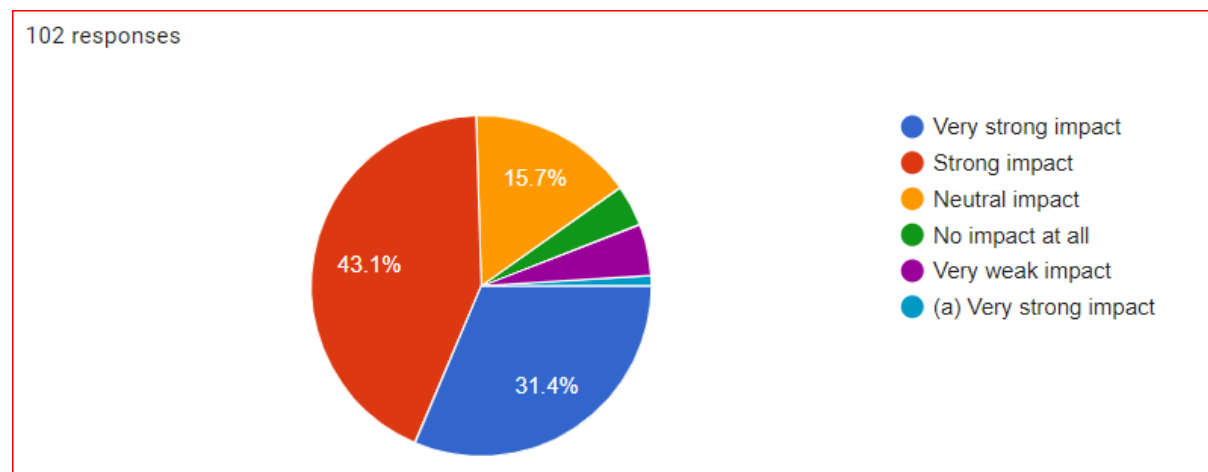
Fig**ure 11: Source Field Data**

Analysis of the findings

The responses illustrated in table 20 and figure 21 above shows that there is a great impact (77%) of the value of total national wealth generated in the country through FDI and LDI on youth unemployment (L.Erdal and I.Gocer, 2015). Higher generation or accumulation of national wealth reduces youth unemployment and minimal or non-generation of national wealth breeds youth unemployment. According to ZRA Commissioner General`s 2023 year-end report, Zambia recorded a declined growth of 6.2% in 2021, GDP of 5.2% in 2022 and 4.3% in 2023 and also declining copper production output, falling copper prices, the closure of KCM and Mopani Copper mines, meaning there has been negative or declining economic growth for the past 3 years creating diminishing national wealth and consequently leading to high youth unemployment due to reduced levels of economic activities in the country.

A study in Kenya about university gradutae unemployment challenges revealed that, economic growth on the other hand does bring about job creation and job opportunities and thereby elevating the living standards of people, because of increased investments and increased level of economic activities which subsquently increases the demand for goods and services and the opposite is equally so true, economic deterioration reduces the level of total national economic activities which subsequently leads to reduced job opportunities (Ali, 2018).

4.3.2 Impact of high interest rates or high cost of capital borrowing on youth unemployment

The study further, collected data regarding the impact of high interest rates or high cost of borrowing on youth unemployment. There were 103 responses were as follows: those that indicated that there is a very strong impact were 59 (57%), those indicated there is a strong impact were 38 (37%), those of neutral stand were 3 (3%), those that indicated that there was no any impact at all were 2(2%) and finally those that had indicated that there is a very weak impact was just 1(1%). Results are reflected in table 13 below.

Table 13: Impact of high interest rates on youth unemployment

IMPACT OF HIGH INTEREST RATES ON YOUTH UNEMPLOYMENT	FREQUENCY	PERCENTAGE
Very Strong Impact	59	57
Strong Impact	38	37
Neutral	03	03
No Impact at all	02	02
Very Weak Impact	01	01
TOTAL	**103**	**100**

Source – Field Data

Impact of high interest rates on youth unemployment
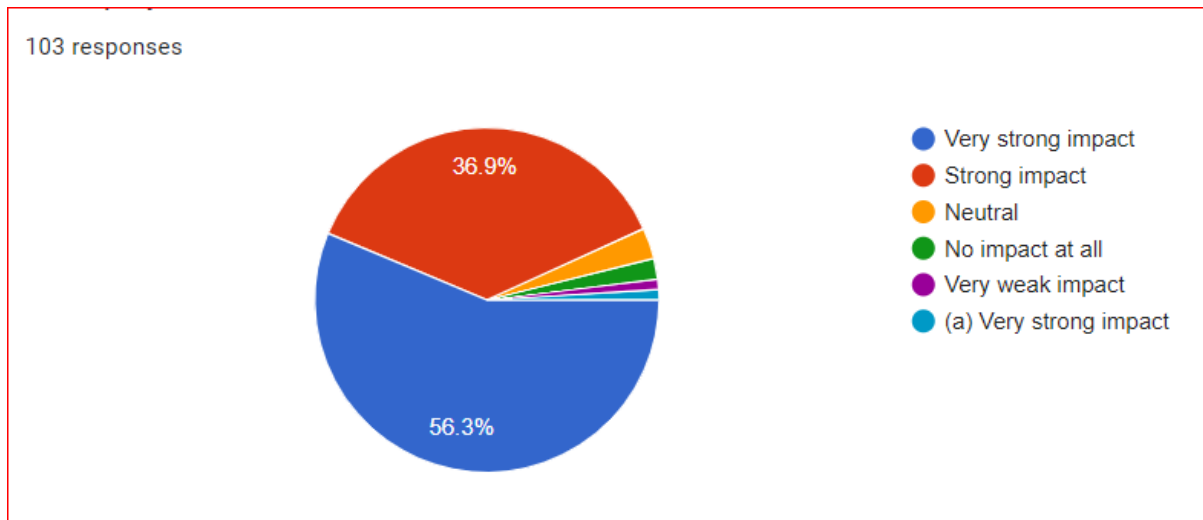
Figure 12: Source - Field Data

Analysis of the findings

The findings above, shows that 97% of the respondents indicated that there is a strong to very strong impact of high interest rates on youth unemployment. This is because high cost of borrowing discourages entrepreneurs from borrowing for fear of failure to pay back the loan due to high interest rates and the risk of losing any property that was put up as collateral. Further, most youths do not even have assets they can use as collateral, as demanded by most lenders because that's a common way to secure the lenders` funds (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

4.3.3 Impact of rapid population growth on youth unemployment

The study also collected data from respondents whether rapid population growth contributes to increase in youth unemployment. The responses were 103 as follows: those that indicated strongly agree were 41 (40%), those that indicated agree were 32 (31%), those who decided to be neutral were 12 (11%), those who disagreed were 13 (13%) and finally those who strongly disagreed were the least and were 5 (5%). Table 14 below summarises the results:

Table 14: Impact of population growth on youth unemployment

Rapid Population growth contributes to high youth unemployment	Frequency	Percentage
Strongly Agree	41	40
Agree	32	31
Neutral	12	11
Disagree	13	13
Strongly Disagree	05	05
TOTAL	**103**	**100**

Source – Field Data

Impact of population growth on youth unemployment
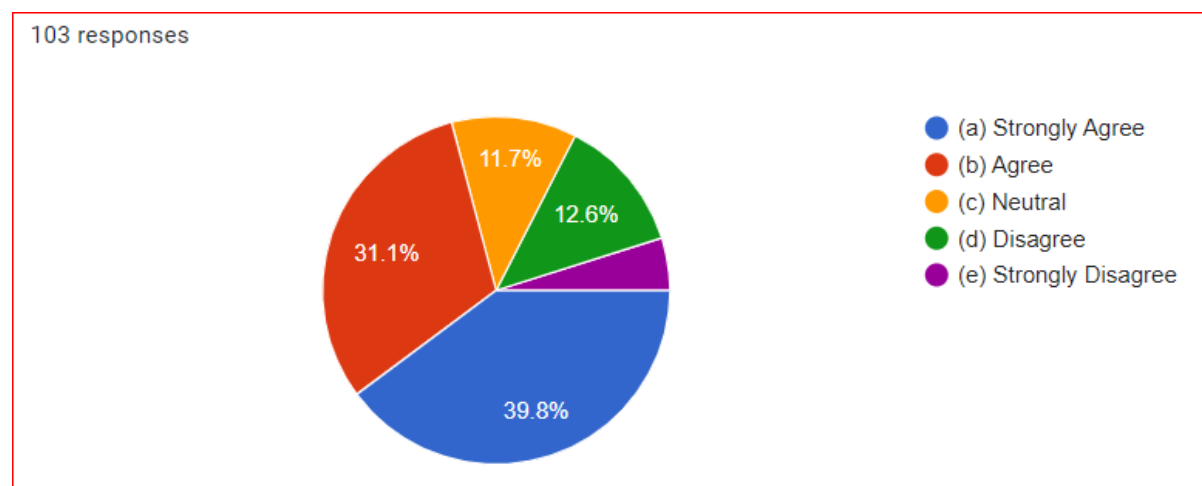
Figure 13: Source – Field Data

Analysis of the findings

A total of 71% (40 = Strongly Agreed & 31% Agreed) of the respondents agreed that rapid population growth has contributed to high youth unemployment levels. Zambia`s population has actually almost doubled for the past decade from 10 Million people in 2010 to almost 20

million people in 2023 (Zambia Statistics Agency, 2022). When population growth is way faster than economic growth it breeds unemployment (S.Jahan e.tal , 2014).

4.3.4 The impact of high youth unemployment on Zambia`s economic performance

The core of this study was to find out if high youth unemployment does impact negatively on Zambia's economic performance. After obtaining data from 102 participants, the following were their responses: Those that strongly agreed comprised of the majority and were 71 (70%), those that just agreed were 27(27%), the neutral ones were 3 (3%) and non-indicated neither disagree nor strongly disagree. This is further reflected on table 15 below:

Table 15: The impact of youth unemployment on Zambia`s economic performance

Does high youth unemployment impact negatively on the economy	Frequency	Percentage
Strongly Agree	72	70
Agree	27	27
Neutral	03	03
Disagree	00	00
Strongly Agree	00	00
Total	102	100

Source – Field Data

The impact of youth unemployment on Zambia`s economic performance
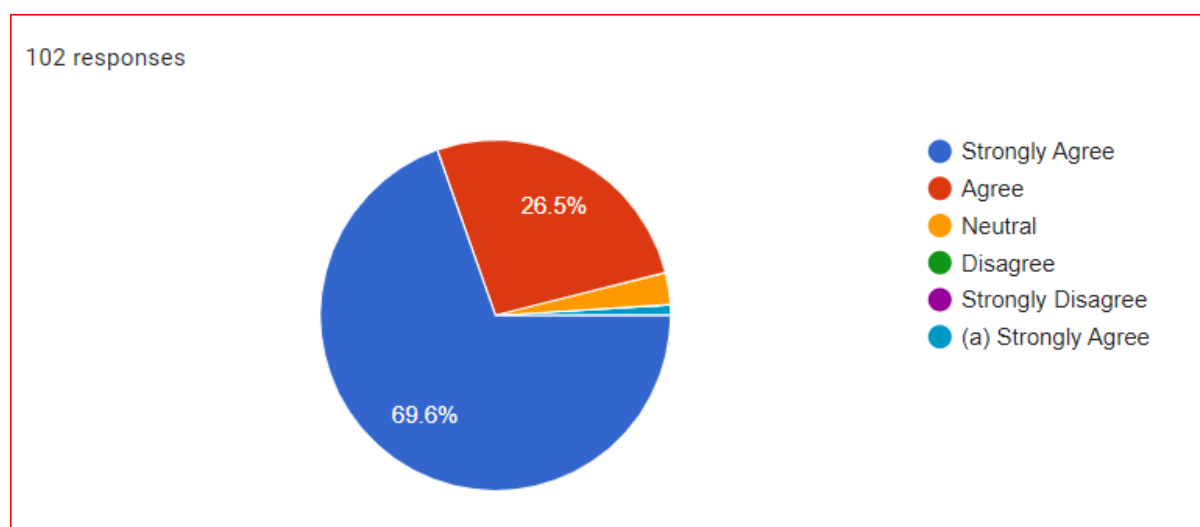
Figure 14: Source – Field Dat

Analysis of the findings

A total of 97% (70% = Strongly Agreed, 27 % = Agreed) of the respondent's indications ranged from agreed to strongly agree to the research topic that high youth unemployment does impact negatively on Zambia`s economic performance. This field data collected does show that indeed high youth unemployment does impact negatively on economic performance.

One of the negative impacts of high youth unemployment on economic performance, is the opportunity foregone by government and the nation at large because of losing out on viable economic contribution from these young energetic, innovative and potentially economically vibrant unemployment youths with great potential and also tax revenue foregone in form of PAYE (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020). Further, persistent unemployment sends some unemployed youths into frustration and they resort to drug abuse, crime, political violence, depression etc, all these vices impact negatively on the economy (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

4.3.5 Impact of poor economic growth on youth unemployment

This study, also sort to find out, if at all, poor economic growth contributes to high youth unemployment .They were a total of 101 respondents to this question and the following were their responses: Those who strongly agreed were the majority 64 (63%), then followed by those who agreed were 32 (32%), those opted to be neutral were 4(4%), those who disagreed were

only 1(1%), and those who strongly disagreed were zero (0%). Table 16 below summarises the above.

Table 16: The impact of poor economic growth on youth unemployment

Does poor economic growth impact negatively on youth unemployment	Frequency	Percentage
Strongly Agree	64	63
Agree	32	32
Neutral	04	04
Disagree	01	01
Strongly disagree	00	00
	101	100

Source – Field Data

The impact of poor economic growth on youth unemployment
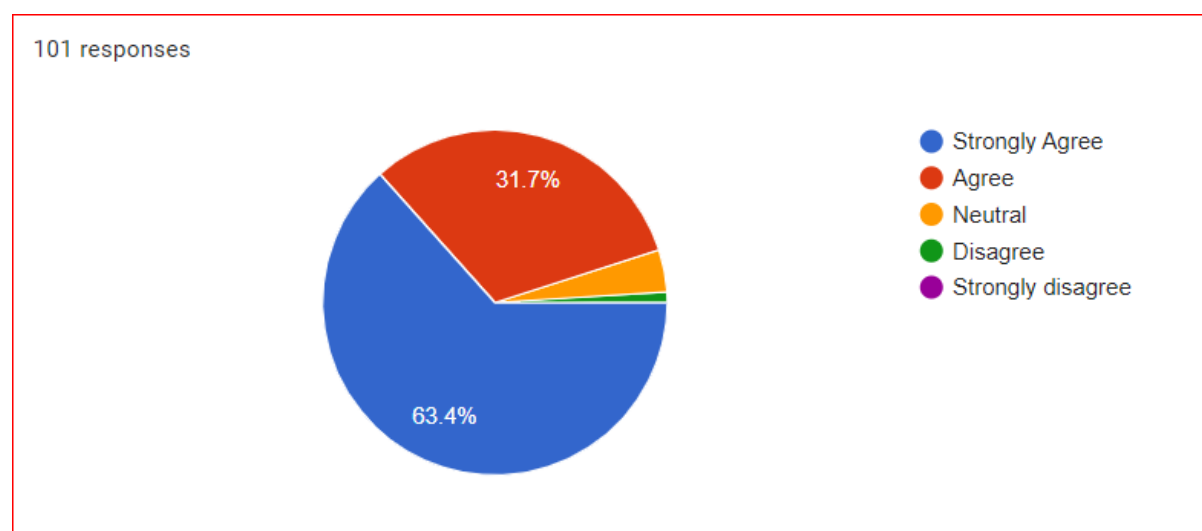
Figure 15: Source – Field Data

Analysis of the Findings

According to Keynesian theory, economic depression breeds unemployment, several firms cut down production, others even shut down completely, reducing further, the demand for labour and thereby, increasing unemployment (S.Jahan e.tal , 2014). Zambia experienced negative economic and social impact caused by Covid-19 pandemic, Ukraine/Russia war, decline in copper production, decline in copper prices, power rationing due to drought, the closure and shut down of two major mines, Konkola Copper Mines (KCM) and Mopani Copper mines. Primary data collected revealed that 95% (63% = Strongly Agreed & 32% = Agreed) of the participants agreed that poor economic growth does lead to high youth unemployment, this is in conformity with the Keynesian theory. Zambia`s economic performance is reflected in table 17 below:

Table 17. Macro – Economic Indicators from 2021 to 2023.Source Zambia Revenue Authority (ZRA)

NO.	VARIABLE	2021	2022	2023 (Dec)
1	Average K/U$ Exchange Rate	20.0	16.9	25
2	Real GDP Growth	6.2%	5.2%	4.3%
3	Average Monthly Copper prices ($/MT)	9,228.2	8,813.0	8,490.20
4	Average monthly copper production (MT)	66,978.8	63,629.2	58,151.9
5	Crude Oil per Barrel ($)	U$68.8	U$91.7	U$80.9

From the above table 17, almost all the basic economic fundamentals were in decline from 2021 to 2023, clearly showing poor economic performance of the Zambian economy during the period under review. The exchange rate of the kwacha to the dollar shows that the kwacha lost value from K16 to US$1 in 2022 to K20.2/ US$1, kwacha continued to depreciate reflecting a major loss in value of K8.1 in 2023. Further, economic growth (GDP) equally declined from 6.2% in 2021 to 4.3% in 2023, reflecting a negative growth rate of -1.9%. This poor economic performance is attributed to the world economic shocks and reduced global trade caused by covid-19 coupled with the fall of copper prices from US$9,228.2 per metric tonne in 2021 to US$8,490.20 per MT in 2023, showing a fall of US$738 in copper prices.

Zambia `s major dependence is on copper, therefore, a fall in copper prices usually has a direct impact on Zambia`s economic performance, worst still the fall in copper production from 66,978.80 MT in 2021 to 58,151.90 MT in 2023, reflecting a fall of 8,856.9 MT. All the above poor performance of the fundamental economic variables significantly impacted Zambia`s economic performance negatively and consequently this impacted on youth unemployment from 2021 to 2023.

4.3.6 Current status of youth unemployment

The researcher further obtained data from participants on their perceived status of youth unemployment in Zambia. Collected data from 103 participants revealed the following: Those that indicated that youth unemployment is very high were the majority 71 (69%), followed in the second place by those that stated that it is high 27 (26%), in the third palace were those

that indicated moderate/ average 3(3%) and in the fourth place were those that had indicated neutral 1 (1) and those that showed that it is very minimal , these were both at 1 (1%).

Table 18: Current status of youth unemployment

CURRENT PERCEIVED YOUTH UNEMPLOYMENT LEVELS IN ZAMBIA	FREQUENCY	PERCENTAGE
Very High	71	69
High	27	26
Neutral	01	01
Moderate / Average	03	03
Very Minimal	01	01
TOTAL	**103**	**100**

Source – Field Data

Status of youth unemployment
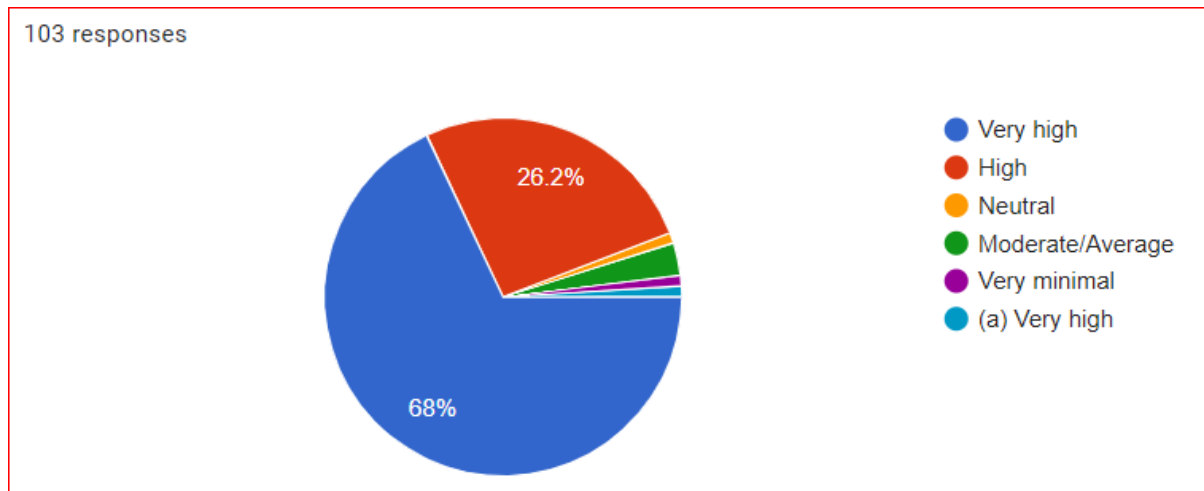
Figure 16: Source – Field Data

Analysis of the findings

From the above findings 85% of the respondents revealed that youth unemployment in Zambia ranges from high to very high, this affirms the research problem of this study. This revelation shows that there is a huge problem of high youth unemployment in this country. Therefore, this research is justified to be undertaken and assist in terms of it`s findings and recommendations.

4.3.7 The adequacy of government `s economic policies to curb youth unemployment

Data was further obtained regarding whether government policies and actions were adequate to curb youth unemployment. There were 102 responses, those that strongly agreed, were the least only 1 (1%), those that agreed were 18 (18%), those opted to be neutral were 32 (31%), those who disagreed were the majority 40 (39%) and finally those who strongly disagreed were 11 (11%).

Findings:

Table 19   Adequacy of state intervention to curb youth unemployment

Is the state doing enough to curb youth unemployment?	Frequency	Percentage
Strongly Agree	01	01
Agree	18	18
Neutral	32	31
Disagree	40	39
Strongly Disagree	11	11
Total	**102**	**100**

source – Field Data

Is government doing enough to curb youth unemployment
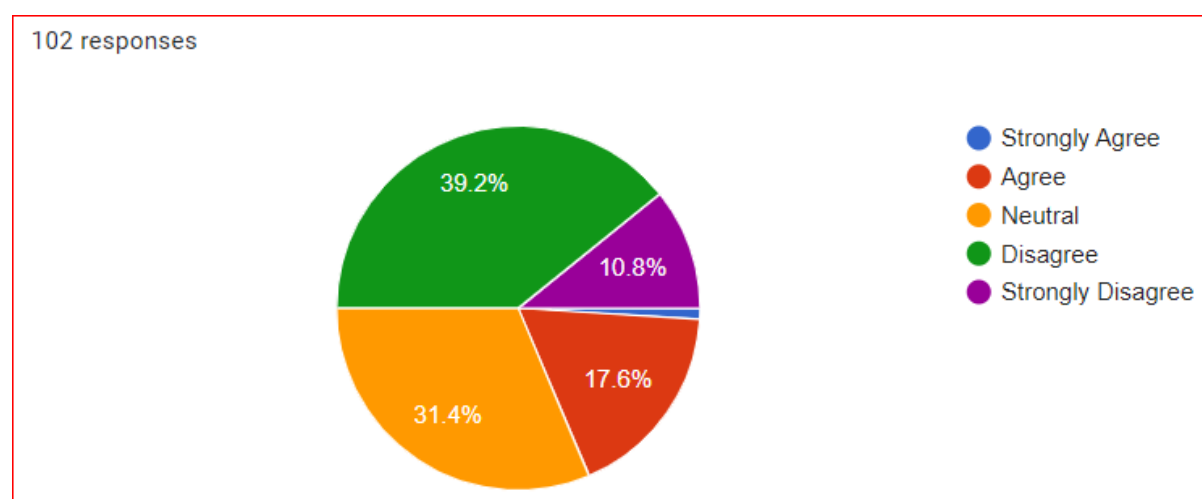
Figure 17, Source – Field Data.

Analysis of the findings

Respondents totalling to 50% think that government is not doing enough to address high youth unemployment, 31% opted not give an opinion on this issue, while 19% agreed that the state is putting measures to adequately address youth unemployment. This shows that half the people, are dissatisfied with the adequacy of the measures being implemented by the government.

Prolonged long periods of unemployment and suffering, coupled with persistent poor economic performance has made any positive strides made by government to fail to trickle down to the people and the benefits are not felt by the general populace (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

4.3.8 The impact of total investments generated in the country via FDI and LDI on youth unemployment

The study also wanted to know the impact of total investments generated in the country through FDI and LDI on youth unemployment. A total of 101 responses were received and were as follows: Those that indicated there is a very strong impact were 25 (25%), those that indicated strong impact were 28 (28%), those opted to be neutral were 34 (33%), those who indicated that there is no impact at all were 9 (9%) and those who thought that there was very little/weak impact were 5 (5%).

Findings

Table 20, Impact of national wealth generated via FDI & LDI on youth unemployment.

IMPACT OF FDI AND LDI YOUTH UNEMPLOYMENT	FREQUENCY	PERCENTAGE
Very strong impact	25	25
Strong impact	28	28
Neutral	34	33
No impact at all	09	09
Very weak impact	05	05
TOTAL	**101**	**100**

Source – Field Data

Impact of national wealth generated via FDI & LDI on youth unemployment.
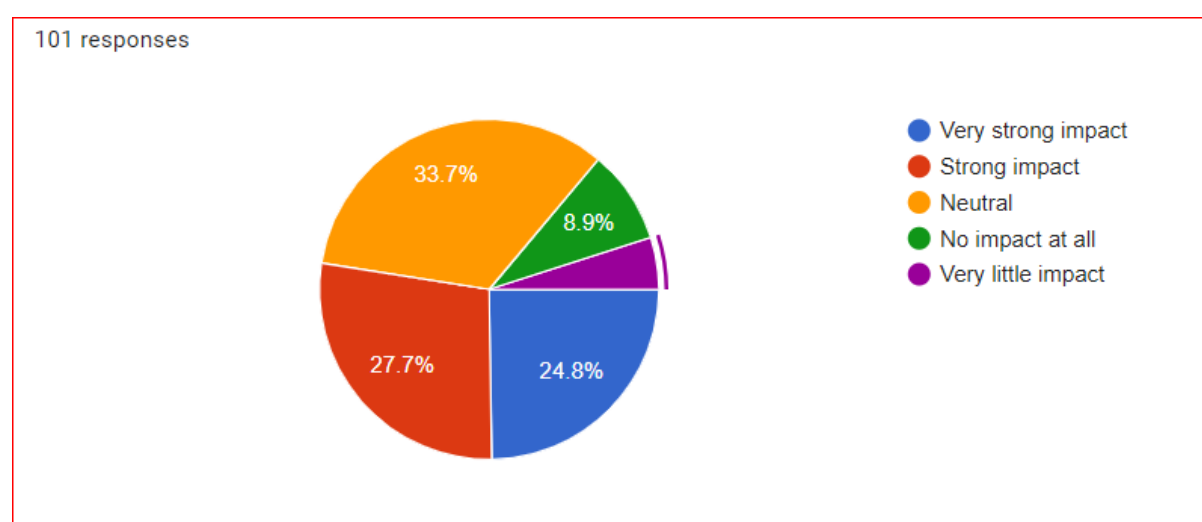
Figure 18, Source – Field Data

Analysis of the findings

A majority of 53% of the respondents indicated that there is a strong to a very strong impact of national wealth generation through FDI and LDI on youth unemployment. An increase in investments either through FDI or LDI or both leads to increased level of national economic activity that consequently creates jobs and reduce youth unemployment and the vice versa is also true (S.Jahan e.tal , 2014). However, Zambia`s economic growth has been declining from 2021 to 2023. In 2021 GDP was 6.2%, it reduced to 5.2% in 2022 and further declined to 4.3% in 2023 (Zambia Revenue Authority, 2023). This reveals diminishing economic activity and reduced national wealth. This subsequently has led to increase in youth unemployment.

4.3.9 Easy of Access to Capital

Data was also collected to get an understanding on how easy it is to access capital from both private and state financial providers, from a Likert scale of 1 to 5, with one being the easiest and 5 being the hardest. And the majority indicated the scale of 5, the hardest and these were 51 (50%), followed by 24 (23%) at the scale of 4, in third position was the scale of 3 and these were 13 (13%), then this was followed by 8 (8%) at the scale of 2 and the least were at the easiest access to capital at the scale of one 6 (6%).

Table 21, Easy of access to capital

EASY OF ACCESS TO CAPITAL FROM THE SCALE OF 1 TO 5 WITH 1 BEING EASIEST AND 5 HARDEST	FREQUENCY	PERCENTAGE
5	51	50
4	24	23
3	13	13
2	08	08
1	06	06
TOTAL	**102**	**100**

Source, Field Data

Ease of access to capital
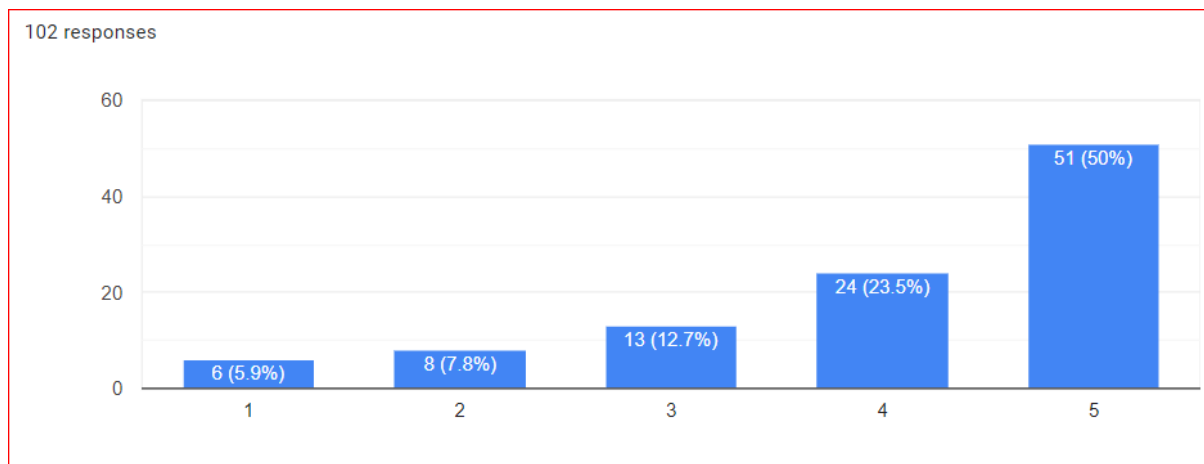
Figure 19, Source, Field Data

Analysis of the findings

A majority of 75% indicated that it is hard to very hard to access capital in Zambia. Not only is it very hard but also very expensive, beyond the affordability of many according to the findings shown on table 21 (impact of high interest rates). Interest rates are way too high for most youths. And most lenders demand security in form of assets as collateral which most youths don`t have, cause most of them are just fresh graduates from universities and colleges (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

4.4 Validity of the Study

Validity and reliability are the two most vital and fundamental features in the assessment of any measurement instrument or tool for a good research. Validity regards what an instrument measures and how well it does so (M.Haradhan, 2017). Validity exhibits, how qualitative scientific research can be tested to show how well it reflects, that the intentions of the study have accurately measured what it is set out to do (The Association for Quality Research,2021). The study asked the respondents whether high youth unemployment does impact negatively on economic growth and the responses were as follows from 102 participants: Those that strongly agreed comprised of the majority and were 71 (70%), those that just agreed were 27(27%), the neutral ones were 3 (3%) and non-indicated neither disagree nor strongly disagree. This is further reflected on table 26 below:

72

The extent to which Respondents agreed, that high youth unemployment does impact negatively on economic growth. Table 38: Source – Field Data

Table 22

HIGH YOUTH UNEMPLOYMENT `S IMPACT ON ECONOMIC GROWTH		FIVE POINT SCALE IN %				
		1	2	3	4	5
1	Decline in national wealth generation (FDI & LDI) has led to increase in youth unemployment	32	43	16	05	04
2	High interest rates have escalated youth unemployment	57	37	03	01	02
3	Rapid population growth has contributed to high youth unemployment	40	31	11	13	05
4	High youth unemployment has impacted negatively on economic growth	70	27	03	00	00
5	Poor economic growth has led to high youth unemployment	63	32	04	01	00

Source, Field Data

KEY

1= Strongly Agree, 2 = Agree, 3 = Neutral or No Opinion, 4 = Disagree, 5 = Strongly Disagree

Data Analysis of the findings

Table 38 above reveals that 32% strongly agreed and 43 % agreed(forming a total majority of 75%) to the statement that the decline in national wealth generation in terms of FDI and LDI has led to increase in youth unemployment. FDI as percentage of GDP in 2021 was negative 1.6 and in 2022 was zero (Bank Of Zambia, 2023).This decline in investmets in the period under review is more attributed to the spread of covid-19 which caused world wide economic disruptions and economic lock downs and reduced international trade between 2020 and 2022 (Zambia Statistics Agency, 2021).The tourism industry, the airline industry and the entertainment industry were the first hard hit industries. Most compnies in these sectors closed

down operations, others down scaled operations siginificantly. Many others even long after covid`- 19 are still struggling to get to their full economic strength even today.

High interest rates and high cost of borrowing has also fuelled up high youth unemployment. 57% of the participants `strongly agreed` and 37% also `agreed` bringing the total of agreeing respondents to 94%. Interest rates have increased tremendously in Zambia from as low as 16% in 2012 to as high as 25% to 40% in 2023.This means that if your business is wholly financed by borrowing at 25 to 40% interest, most of the profits made will just be for the lender and leaving little or nothing for the entrepreneur to survive on or to grow the business. Further, these lending institutions usually ask for collateral prior to financing which the majority of our youths don`t have as they are just starting their economic journey (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

A total of 71% (40 = Strongly Agreed & 31% Agreed) of the respondents agreed that rapid population growth has contributed to high youth unemployment levels. Zambia's population has actually almost doubled for the past decade from 10 Million people in 2010 to almost 20 million people in 2023 (Zambia Statistics Agency, 2022). When population growth is way faster than economic growth it breeds unemployment (S.Jahan e.tal , 2014).Two decades ago Zambia had only two universities (UNZA & CBU) and therefore was producing very limited number of graduates, however, according to Higher Education Authority (2023) Zambia now has well over 108 private higher education institutions and 15 public higher education institutions ,making a total of 123 registered higher education institutions with the Higher Education Authority as at 31st December 2023. This means that a lot of graduates are being offloaded on the market every year, at the rate higher than the rate at which new jobs slots are being created, further, worsening the unemployment situation.

The core of this study was to assess whether high youth unemployment really does impact negatively on Zambia`s economic performance. A total of 97% (70% = Strongly Agreed, 27 % = Agreed) respondents agreed to this. This field data collected without biasness does show that indeed high youth unemployment does impact negatively on economic performance. One of the negative impacts of high youth unemployment on economic performance, is the opportunity foregone by government and the nation at large because of losing out on viable economic contribution from these energetic and economically vibrant unemployment youths with great potential and also tax revenue foregone in form of PAYE (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020). Further, persistent unemployment sends some unemployed

youths into frustration and they resort to drug abuse, crime, political violence, depression etc, all these vices impact negatively on the economy (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).95% (63% = Strongly Agreed & 32% = Agreed) of the participants agreed that poor economic growth has led to high youth unemployment. Zambia's economic performance is reflected in table 40 below

Table 23. Macro – Economic Indicators from 2021 to 2023. Source Zambia Revenue Authority (ZRA)

NO.	VARIABLE	2021	2022	2023 (Dec)
1	Average K/U$ Exchange Rate	20.0	16.9	25
2	Real GDP Growth	6.2%	5.2%	4.3%
3	Average Monthly Copper prices ($/MT)	9,228.2	8,813.0	8,490.20
4	Average monthly copper production (MT)	66,978.8	63,629.2	58,151.9
5	Crude Oil per Barrel ($)	U$68.8	U$91.7	U$80.9

From the above table 23, almost all the basic economic fundamentals were in decline from 2021 to 2023, clearly showing poor economic performance of the Zambian economy during the period under review. The exchange rate of the kwacha to the dollar shows that the kwacha lost value from K16.9 to US$1 in 2022 to K25/ US$1 in January 2023 reflecting a major loss in value of K8.1 in 2023. Further, the economic growth (GDP) equally declined from 6.2% in 2021 to 4.3% in 2023, reflecting a negative growth rate of -1.9%. This poor economic performance was attributed to the world economic shocks and reduced global trade caused by covid-19 coupled with the fall in copper prices from US$9,228.2 per metric tonne in 2021 to US$8,490.20 per MT in 2023, reflecting a fall of US$738 in copper prices. Zambia `s major dependence is on copper, therefore, a fall in copper prices usually has a direct impact on Zambia`s economic performance, worst still the fall in copper production from 66,978.80 MT in 2021 to 58,151.90 MT in 2023, reflecting a fall of 8,856.9 MT. All the above poor performance of the fundamental economic variables significantly impacted Zambia`s economic performance negatively and consequently this impacted on youth unemployment from 2021 to 2023.

4.5 Reliability of the study

Reliability in research is basically the repeatability or replicability of the research findings. Meaning that when a research is conducted by a researcher under certain conditions and thereafter, another independent similar study is conducted for the second time under the same conditions and this second study done, produces the same results, then the data is deemed reliable (H.Mohajan, 2017).Whilst validity concerns what an instrument measures and how well it does so reliability on the other hand, is concerned with the faith or trust that one can place on the data obtained from the use of an instrument, that is, the extent to which any measuring tool controls for random error. To ensure that reliability was adhered to throughout the study, this researcher used approved scientific and statistical methods to collect the data and, therefore, any similar study conducted for the period under review will in no doubt yield the same results to a great extent.

4.6 Chapter Summary

Chapter 4 presented the findings and discussion on the study topic assessing the impact of youth unemployment on Zambia`s economic performance. This research did find out that indeed high youth unemployment does impact negatively on economic performance as attested by most of the respondents totalling to 97% and the impact caused by several opportunities foregone by not employing the young people. The study also established that the total level of national wealth generated in the country via FDI and LDI does have a direct impact on youth unemployment, the higher the level of investments in the country, the more jobs are created and reduces youth unemployment rate and the reverse is also true. A total of 75 % of the respondents affirmed to this. High interest rates or high cost of borrowing discourages investments and breeds unemployment as confirmed by 94% of the participants, this coupled with hard access to capital increases the impact on youth unemployment.

Further, the study established that rapid increase in population does contribute to increase in youth unemployment rate, more especially, if the population growth rate is far higher than the economic growth rate. A total of 63% of the respondents agreed that poor economic performance does contribute to youth unemployment, the impact on youth unemployment is usually severe if there is persistent poor economic performance. Zambia's economic performance has been declining persistently from 6.2% GDP in 2021 to 4.3% in 2023.

CHAPTER 5, DISCUSSION OF THE FINDINGS & RECOMMENDATION

5.1 Introduction

This study is aimed at assessing the impact of youth unemployment rate on Zambia`s economic performance. The purpose was to gain an understanding whether youth unemployment does affect economic performance, if so how. The study was based on quantitative research. This chapter will give: a summary of the research objectives, practical findings, brief discussion of the findings, recommendations and finally give a conclusion.

5.2 Research Objectives

    (i)   To establish the impact of population growth on youth unemployment rate.

    (ii)   To establish the impact of growth in Gross Domestic Product (GDP) on youth unemployment rate.

    (iii)   To determine the impact of increase or decrease of the total investments generated or attracted in the country from both Foreign Direct Investments (FDI) and Local Direct Investments (LDI) on youth unemployment rate.

    (iv)   To determine the impact of increase in interest rates on youth unemployment rate.

5.3 Practical Implications of Findings/ Recommendations

5.3.1 Stagnant or Diminishing National Wealth

The study has revealed that Zambia`s total national investments has been declining as evidenced by the GDP trend analysis from 6.2% in 2021 reduced to 5.2% in 2022 and a further decline to 4.3% in 2023, this has seriously impacted on youth unemployment, this was worsened by the closure Konkola Copper Mines (KCM) and the closure of Mopani Copper mines. On the other hand, according to ZDA (2022) it recorded projected investments amounting to USD 8.61 billion from 359 registered projects in 2022 in comparison to USD3.33 billion recorded in 2021 from 255 projects representing a total increase of 158.56 percent. This created 75,320 jobs in the year 2022 as compared to 24,585 jobs that were created in 2021.However, these positive strides had little positive impact on the general population due to overall national poor economic performance. The Zambian government need to seriously consider creating a health and attractive economic environment for both FDI and LDI to generate national wealth and national capital formation to be able to encourage both foreign and local investors to invest into the various sectors of Zambia`s economy.

It is also worth noting that, poor economic performance from 2020 to 2023 have been attributed to a number of challenges, key among them was the persistent uncertainty of the

Covid-19 pandemic that adversely affected investment and trade flows, fiscal & monetary challenges and the political uncertainty in the run-up to the General Elections of August 2021, the Russis/Ukrian War, partial drought etc (Zambia Development Agency, 2022).

5.3.2 Interest Rates & Cost of Borrowing

It has been noted that bank interest rates are way too high for most individuals and small enterprises to borrow for investments. The bank interest rates in Zambia are ranging from 20% to as high as 40% per annum between 2021 and 2023. Most banks give these rates at floating rates, subject to terms and conditions, i.e. if the BOZ increases the base rate and/or inflation rises by a certain percentage, then either the interest payable monthly increases or the duration of the loan increases, putting the borrower in a more predicament situation. Shylocks and the some of the mushrooming private micro finance entities are charging these same rates monthly and at compounded interest rates. Further, these lending institutions demand collateral which most youths don`t have and therefore, youths are further, deprived of an opportunity for entrepreneurship and subsequently creating youth unemployment.

Floating interest rates only works to the benefit of the borrower when the economy is improving and growing, however, as stated above Zambia`s economic performance has been poor and in decline from 2021 to 2023.The Zambian government have tried to come up with their own lending entities at lower interest rates like the CEEC but many have failed to access these funds due to very high demand and others citing corruption as one of the reasons (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020).

5.3.3 Impact of youth unemployment on economic performance

The study has shown that there is a significant impact of youth unemployment on economic performance. These impacts are because of opportunities foregone in revenue in form of taxes such as PAYE, Turnover Tax, Income etc. Also, opportunity foregone in not bringing on board young intelligent, creative, and innovative minds. Further, more, the side effects of persistent youth unemployment that breeds frustrations, crime, political violence, depression etc, all these bad vices do impact on economic performance.

5.3.4 Impact of Rapid Population & Poor economic growth

Zambia`s population has almost doubled for the past decade, from 10 million people in 2010 to almost 20 million people in 2023..It is evident that Zambia`s population growth rate has by far surpassed economic growth rate, creating more pressure on youth unemployment. If economic growth rate is minimal and far less compared to population growth rate the positive

economic benefits are usually not felt by the general population. Poor economic growth is an indicator of declining economic activities, disinvestments, not attracting new huge investments etc, this increases youth unemployment, government has to put in place measures that ensures positive economic growth rate at all times, to attract investments and increase the level of economic activities to create jobs.

5.3.5 Current Youth unemployment status and government interventions & policies to reduce youth unemployment.

Over 95% of the respondents indicated that there is high youth unemployment in Zambia. Further, over 50% of the participants think that government is not doing enough to reduce youth unemployment, while a significant 31% opted to be neutral.

5.3.6 Recommendations

Government will have to seriously consider creating an attractive economic environment that will attract investments especially in the labour-intensive sectors like the manufacturing industry, agriculture sector, mining industry etc to swallow a huge number of unemployed youths. Accelerate investments in the newly constructed Multi Facility Economic Zones/ Industrial Parks and create more of such. One way to attract investments in the manufacturing sector is to remove import duty taxes on manufacturing plants imported into the country and to remove import taxes on tractors, combine harvesters and other farming implements & equipment to boost investments in the Argo industry.

Investing heavily in the following: Research & Development on how to add value to our minerals, Technology, Manufacturing (value addition), Mechanised Agriculture, is the only get way to massive modernisation and great industrialisation any other way will just prolong poverty and suffering of the masses because the alternative only benefits a few and mostly, the ruling elite. **No country in the world has ever developed by exporting raw materials** and in addition produces little or no finished goods for exports. Zambia needs to swiftly move from being a consumption and import economy to a more productive and exporting economy of finished products and not export of raw materials.

Government must also seriously consider lowering the cost of borrowing which is one of the major hindrances to many entrepreneurs both existing and potential entrants. Government must work hard to avoid negative economic growth like has been from 2020 to 2023, because negative economic growth has significant impact on youth unemployment. Like the wise adage `it's an wise to keep doing the same thing repeatedly but expecting different results from the

usual` end of quote. Zambia has been exporting massive quantities of it`s minerals in raw form for over 60 years and there has been little or no benefits, most of it`s citizens are still wallowing in poverty. Zambia needs to invest in research, development and technology on how to process it`s minerals into finished products. Finished products by far fetch a higher price on the international market than raw materials.

5.3.6 Limitations of the study and directions for future research

Like several other studies, this research had it`s own challenges one of them being that about 400 online survey questionnaires were sent electronically but only 103 responses were received. They were some who didn't respond because they claim that they didn't have bundles, others had no internet access and others still demanded for an incentive for them to participate (especially the unemployed youths), others claimed that they were too busy to participate, others declined because they thought it was political.

Further, limiting factors were that some government institutions had not published latest data and information at the time of data collection with regard to both physical publications and electronic data on their websites, when you access their websites, there was still old data. Worse still some government institutions` websites had no information at all, not even old data and some websites couldn't even open. Some searching website searching tools, just stopped opening and others were demanding payments to access the books or journal articles.

Another limiting factor is that some people are reluctant to replace full reliance on data from government entities because they suspect that state entities may manipulate data so that they portray a favourable picture to appease the politicians.

Data on the same issue collected from different government institutions would give varying figures and therefore, it was a challenge sometimes to know which data to use and which one was more reliable, for example, below is the table showing data collected from different government entities about real GDP growth.

Table 24

STATE ENTITY	ISSUE	2021	2022	2023
BOZ	Real GDP	3.6	4.7	
ZDA	Real GDP	3.3	3.2	
ZRA	Real GDP	6.2	5.2	4.3
MOF	Real GDP	4.6	4.7	

5.8 Chapter Summary

Chapter five has discussed the findings in chapter 4 into a more elaborate manner in order to give a clear picture and understanding of the findings. Chapter 5 has clearly discussed each problem that is caused by the impact of youth unemployment on Zambia`s economic performance and set out the recommended solutions.

6.0 CONCLUSION

It has been noted without doubt that youth unemployment is a global challenge and no country can claim that it has completely eradicated youth unemployment. However, the rates of youth unemployment differ from one country to the other, and other studies have shown that advanced & developed countries have lower rates of youth unemployment, followed by the brics nations in second place and it is usually high in developing countries like Zambia. This study has also revealed that actually there is a negative impact of high youth unemployment on the economy, such as : opportunity foregone by government in form of taxes, innovation forgone from young creative minds, productive energy forgone , investments forgone due to high cost of borrowing (F.Mukosa, A Sakyi, M Katebe and B.Mweemba, 2020). This is the whole reason governments worldwide, Zambia included are constantly fighting to curb youth unemployment.

Zambia`s youth unemployment has been noted to be very high and requiring urgent government interventions in form of creating a viable economic environment to attract investments especially in labour intensive industries such as mining, manufacturing, agriculture etc. Furthermore, the government need to reduce the cost of borrowing and the cost

of doing business in Zambia, the high cost of borrowing hinders entrepreneurship from excelling.

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APPENDICES

Appendix 1 ZCAS University Introductory Letter

25th September, 2023.

TO WHOM IT MAY CONCERN

RE: RESEARCH INTRODUCTORY LETTER FOR MR. HAPPY ZONDANI KAIRA (B09092)

This serves to confirm that **Mr. Happy Zondani Kaira** of student number B09092 is a Bona fide student at ZCAS University. He is enrolled on **Master of Business Administration Programme.**

Mr. Happy Zondani Kaira is currently working on his Dissertation and your organization has been chosen as the main organization for reference and research activities. The title of his research is: *"AN INVESTIGATION OF THE CAUSES OF HIGH UNEMPLOYMENT RATES IN ZAMBIA."*

Kindly assist him with any information that maybe relevant to him in this regard. The information gathered will be purely used for academic purposes.

Should you need more information about the student, please do not hesitate to get in touch with undersigned on the numbers below.

Yours faithfully,
ZCAS University

Jonathan Mukula

DEPUTY REGISTRAR – ACADEMIC

ZCAS UNIVERSITY
2 5 SEP 2023

Appendix 2 Letter to ZSA requesting for 2022 Labour Survey Report

P.O. Box 51002RW

Lusaka.

29.09.2023

The Statistician General

Zambia Statistics Agency

P.O.BOX 31908

Lusaka

Dear Sir/Madam,

REF: REQUEST FOR 2022 LABOUR SURVEY REPORT

Am kindly requesting for the 2022 Labour Survey Report, either a hard copy or soft copy. My name is Happy Kaira pursuing an MBA in Business Administration with ZCAS university and currently conducting a research on the causes leading to a rise in unemployment levels. I have also attached a copy of the introductory letter for easy of reference from ZCAS University. I have been checking on the website, but the latest Labour Survey Report uploaded is for 2021.

Your assistance in this regard will be highly appreciated.

Yours faithfully

Happy Kaira

hannykaira@hotmail.com

REPUBLIC OF ZAMBIA
ZAMBIA STATISTICS AGENCY

2 9 SEP 2023

Appendix 3 ZRA Commissioner General 2023 year-end report – Extract

ZAMBIA
REVENUE
AUTHORITY

My Tax
Your Tax
Our Destiny

COMMISSIONER GENERALS' 2023
END OF YEAR STATEMENT

31st DECEMBER, 2023
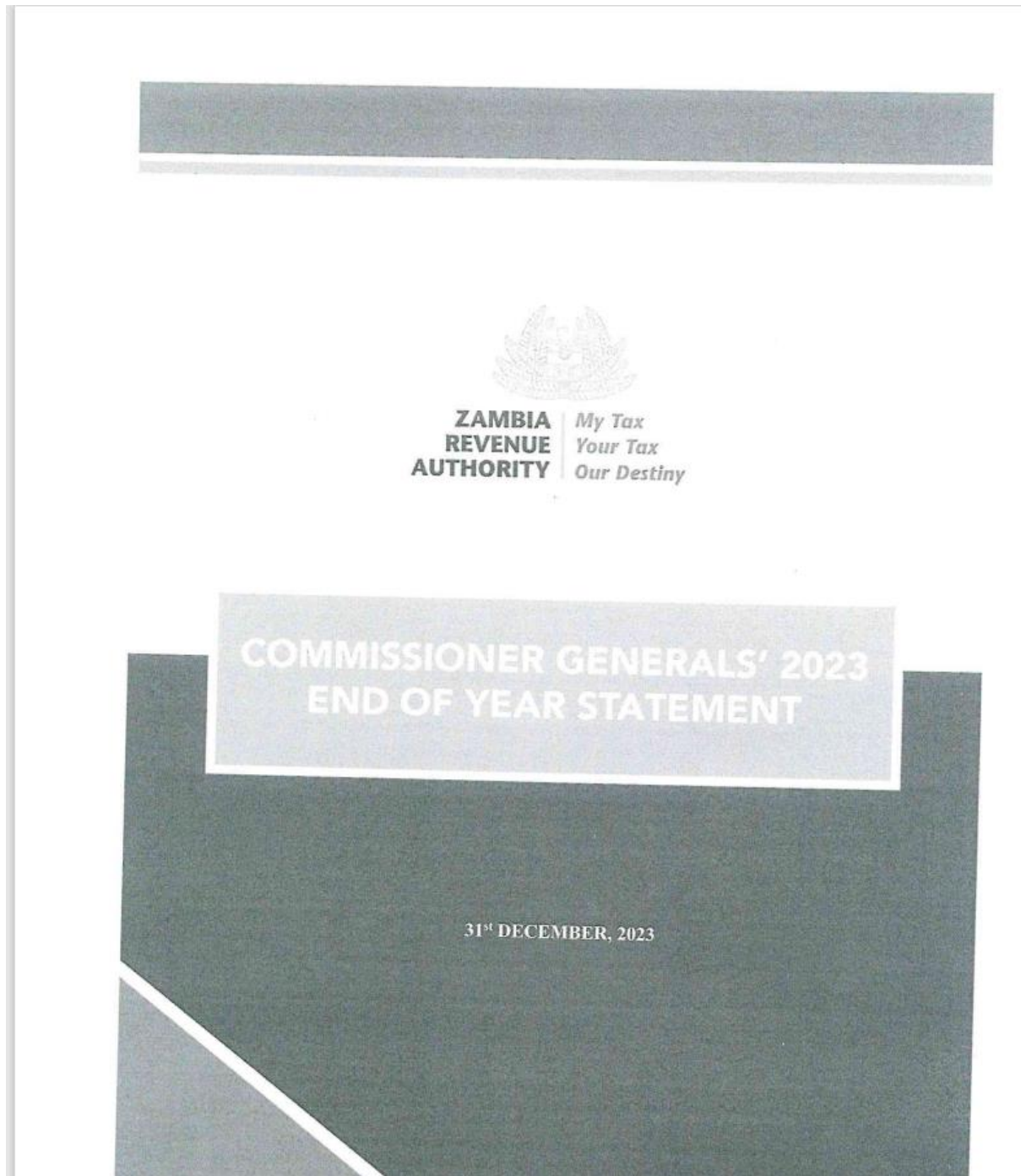
1. Introduction.

I would like to extend my warmest wishes to you dear colleagues for a happy new year filled with good health, joy, and fulfillment. Let me take this opportunity to give an update of our revenue and operational performance in 2023 focusing on the strategies implemented, and the milestones reached in line with the 2022 – 2024 Corporate Strategic Plan. I will also highlight our corporate social responsibility initiatives in 2023 before outlining expectations for 2024.

2. Macroeconomic Performance

In 2021 at the peak of the COVID pandemic, consumer inflation surged to 22.1 percent, but contracted to 11.1 percent in 2022 and stabilized at 10.9 percent in 2023. The outlook for 2024 is optimistic, projecting an inflation rate within the planned range of 6-8 percent. In the foreign exchange market, the exchange rate appreciated from K20.0 per US Dollar in 2021 to K16.9 per US Dollar in 2022 but depreciated to K20.2 per US Dollar in 2023. The national budget assumptions project an appreciation for 2024, with an expected average exchange rate of K18.6 per US Dollar.

Similar fluctuations were observed in the commodities market, with average monthly copper prices declining from US$9,228.2 per metric tonne in 2021 to US$8,482.1 per metric tonne in 2023. Copper production followed a similar pattern, decreasing from 66,978.8 metric tonnes in 2021 to 58,121.9 metric tonnes per month in 2023. However, production is expected to increase to 66,416.2 metric tonnes per month in 2024 (see Table 1).

Table 1: Key Macro-economic Indicators from 2021 to 2024

#	Variable	2021	2022	2023 (Jan – Nov)	2024 (Projected)
1	CPI inflation (annual average Inflation)	22.1%	11.1%	10.9%	6-8%
2	Average K/US $ Exchange Rate	20.0	16.9	20.2	18.6[1]
3	Real GDP Growth	6.2%	5.2%	4.3%	4.7%
4	Nominal GDP, K' Millions	423,624.8	463,893.8	559,297.7	636,972.0
5	Average monthly copper prices ($/ MT)	9,228.2	8,813.0	8,490.2	8.300.0
6	Average monthly copper production (MT)	66,978.8	63,629.2	58,121.9	66,416.2
7	Crude oil per barrel ($)	US68.8	US91.7	US80.9	US83.0

Source: Ministry of Finance and National Planning and ZamStats

3. GDP Growth Dynamics by Sector, 2021-2023

The Zambian economy is set for growth, with anticipated expansions of 4.3 percent in 2023 and 4.7 percent in 2024. In 2023, the primary drivers were Mining and Quarrying, Wholesale and Retail Trade, followed by Financial and Insurance activities, Information and Communication, Construction, and Manufacturing. In 2024, Mining and Quarrying, along with Agriculture, Forestry, and Fishing, are expected to lead growth, surpassing 13.0 percent. Professional, Scientific, and technical services will also play a significant role with a growth rate of 7.2 percent. However, Accommodation and Food Services, as well as Information and Communication, are projected to stagnate. In response to these growth dynamics, the Authority will align its revenue mobilisation strategies to growth sectors (see Table 2).

Appendix 4 Structured Questionnaire

SURVEY QUESTIONAIRE ON THE IMPACT OF YOUTH UNEMPLOYMENT ON THE ZAMBIAN ECONOMY

Dear Respondent

I`am an MBA Student at ZCAS University and currently conducting a Research on the `impact of youth unemployment on the performance of the Zambian Economy`. This survey questionnaire, therefore, is to enable me finalise my dissertation as a university requirement to complete my MBA in Business Administration. Kindly note that the data collected is purely for academic purposes and will be treated in strict confidence and you don`t have to type in your name anywhere. Your participation is so valuable for this study. There are no more than 20 short questions with multiple choice and will take you only less than 10 minutes to complete. Many thanks in advance for your participation.

SECTION A DEMOGRAPHIC DATA

1. What is your gender?

   Mark only one oval.

   ◯ Male

   ◯ Female

2. What is your age, is it between?

   Mark only one oval.

   ◯ 16 and 20 inclusive

   ◯ 20 and 25 inclusive

   ◯ 25 and 30 inclusive

   ◯ 30 and 35 inclusive

   ◯ Above 35 years

3.   What is your highest qualification attained?

Mark only one oval.

- ◯ Secondary School leaving Certificate
- ◯ College or trades skills or technician certificate
- ◯ Diploma or Advanced Diploma
- ◯ Undergraduate Degree
- ◯ Post graduate Degree

4.   What is your employment status?

Mark only one oval.

- ◯ Unemployed and actively looking for work
- ◯ Unemployed and not actively looking for work
- ◯ Self - employed
- ◯ Employed but in the informal sector and still actively searching for formal employment
- ◯ Employed in the formal sector

5.   If you are employed, how long did it take you to get employed?

Mark only one oval.

- ◯ 1 to 2 years
- ◯ 2 to 3 years
- ◯ 3 to 4 years
- ◯ 4 to 5 years
- ◯ over 5 years

6. If you not employed, how long have you been unemployed?

Mark only one oval.

- 1 to 2 years
- 2 to 3 years
- 3 to 4 years
- 4 to 5 years
- Over 5 years

7. Do you think you posses enough qualifications for the job you are looking for or currently holding?

Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

SECTION B - IMPACT OF YOUTH UNEMPLOYMENT ON THE ZAMBIAN ECONOMY?

8. What impact has total national wealth generation (Capital formation) have on youth unemployment rate ?

    Mark only one oval.

    ◯ Very strong impact

    ◯ Strong impact

    ◯ Neutral impact

    ◯ No impact at all

    ◯ Very weak impact

9. What is the impact of high interest rates or high cost of capital borrowing on youth unemployment?

    Mark only one oval.

    ◯ Very strong impact

    ◯ Strong impact

    ◯ Neutral

    ◯ No impact at all

    ◯ Very weak impact

10. Does population growth contribute to increase in youth unemployment rates?

    Mark only one oval.

    ◯ (a) Strongly Agree

    ◯ (b) Agree

    ◯ (c) Neutral

    ◯ (d) Disagree

    ◯ (e) Strongly Disagree

11. Does high youth unemployment impact negatively on economic growth?

Mark only one oval.

- ◯ Strongly Agree
- ◯ Agree
- ◯ Neutral
- ◯ Disagree
- ◯ Strongly Disagree

12. Do you think poor economic growth contributes to youth unemployment?

Mark only one oval.

- ◯ Strongly Agree
- ◯ Agree
- ◯ Neutral
- ◯ Disagree
- ◯ Strongly disagree

13. In your own understanding, what s the current status of youth unemployment?

Mark only one oval.

- ◯ Very high
- ◯ High
- ◯ Neutral
- ◯ Moderate/Average
- ◯ Very minimal

14. Do you think government is implementing enough economic policies to curb youth unemployment?

Mark only one oval.

- ◯ Strongly Agree
- ◯ Agree
- ◯ Neutral
- ◯ Disagree
- ◯ Strongly Disagree

15. What do you think is the impact on youth unemployment of total investments generated in the country through Foreign direct Investments (FDI) and Local Direct Investments (LDI) ?

Mark only one oval.

- ◯ Very strong impact
- ◯ Strong impact
- ◯ Neutral
- ◯ No impact at all
- ◯ Very little impact

16. How easy is it to access capital from established lending entities from both private and government organisation, from the scale of one to five, with one being the easiest and 5 the hardest.

Mark only one oval.

	1	2	3	4	5
	◯	◯	◯	◯	◯

Appendix 5

Required Sample Size[†]								
	Confidence = 95%				Confidence = 99%			
Population Size	Margin of Error				Margin of Error			
	5.0%	3.5%	2.5%	1.0%	5.0%	3.5%	2.5%	1.0%
10	10	10	10	10	10	10	10	10
20	19	20	20	20	19	20	20	20
30	28	29	29	30	29	29	30	30
50	44	47	48	50	47	48	49	50
75	63	69	72	74	67	71	73	75
100	80	89	94	99	87	93	96	99
150	108	126	137	148	122	135	142	149
200	132	160	177	196	154	174	186	198
250	152	190	215	244	182	211	229	246
300	169	217	251	291	207	246	270	295
400	196	265	318	384	250	309	348	391
500	217	306	377	475	285	365	421	485
600	234	340	432	565	315	416	490	579
700	248	370	481	653	341	462	554	672
800	260	396	526	739	363	503	615	763
1,000	278	440	606	906	399	575	727	943
1,200	291	474	674	1067	427	636	827	1119
1,500	306	515	759	1297	460	712	959	1376
2,000	322	563	869	1655	498	808	1141	1785
2,500	333	597	952	1984	524	879	1288	2173
3,500	346	641	1068	2565	558	977	1510	2890
5,000	357	678		3288	586	1066	1734	3842
7,500	365	710	1275	4211	610	1147	1960	5165
10,000	370	727	1332	4899	622	1193	2098	6239
25,000	378	760	1448	6939	646	1285	2399	9972
50,000	381	772	1491	8056	655	1318	2520	12455
75,000	382	776	1506	8514	658	1330	2563	13583
100,000	383	778	1513	8762	659	1336	2585	14227
250,000	384	782	1527	9248	662	1347	2626	15555
500,000	384	783	1532	9423	663	1350	2640	16055
1,000,000	384	783	1534	9512	663	1352	2647	16317
2,500,000	384	784	1536	9567	663	1353	2651	16478

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