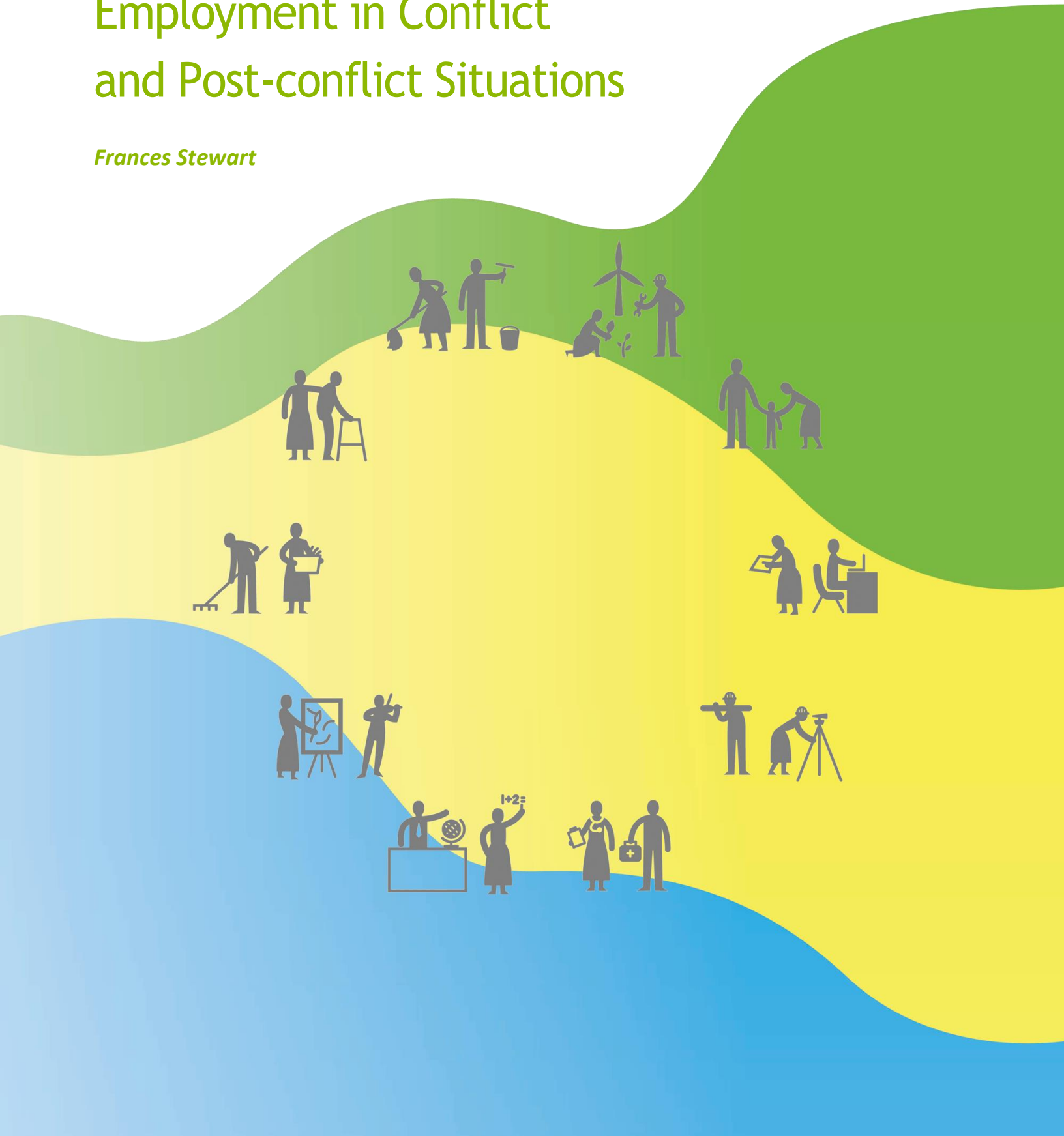




# Employment in Conflict and Post-conflict Situations

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## Introduction

There is a common view that unemployment is a critical factor leading to conflict; that employment is a casualty of conflict; and that therefore the creation of jobs should be a priority in post-conflict situations. This is in order to make the recurrence of conflict less likely as well as to generate and spread incomes and production. Consequently, many post-conflict settlements include provisions to promote employment.

There is some truth in each part of this argument, but each step is greatly oversimplified, and most existing policy prescriptions contribute very little to ‘solving’ the employment problem in post-conflict countries or to sustaining peace. This note will analyse each step of the argument. The first section will briefly review concepts of employment and unemployment in relation to developing country labour markets. The second section discusses the relationship between employment status and the likelihood of violent conflict. The third section reviews the evidence of how employment is affected by conflict, while the fourth section discusses post-conflict policies towards employment in light of the earlier analysis.

## What is employment and unemployment?

In each step of the above argument, there is an implicit idea of employment and unemployment derived from an advanced country model—in other words, that employment consists of waged and regular jobs, with contracts, in registered firms, and that unemployment refers to those who lack economic occupation and are actively seeking waged employment. This model broadly (though not entirely) reflects the main realities in developed countries. But in most developing countries, it is remote from reality. Waged, contractual employment in registered firms relates to a minority (in many cases a small minority) of the working population—those employed in the so-called ‘modern’ sector. Most people work in the informal sector (agricultural and non-agricultural) for themselves (self-employed) or for others in the sector, often in family enterprises. Open unemployment is a rare luxury in countries without unemployment insurance. This is not to say that everyone else is fully employed; many in the informal sector may work short hours, and would be available for employment if it was forthcoming.

Hence for analysis, we need to divide the working population into:

1. Those employed in a regular way in the formal sector, i.e., with ‘decent work’; and
2. Those in the informal sector:

- a. In flourishing enterprises, with links to the formal sector, earning reasonably good (and sometimes very good) incomes, or what has been described as the ‘modern’ informal sector (Ranis and Stewart 1999);
- b. Those scraping out a living in low-productivity work, often working for short hours, piecing together a living as best they can (defined sometimes as the traditional informal sector); and
- c. The openly unemployed, supported by insurance schemes and/or families.

## The relationship between employment status and conflict propensity

Youth unemployment is widely regarded as a threat to social stability. As one report put it, “(T)he current levels of unemployment among young men and women in West Africa are a ticking time bomb for the region and beyond” (UNOWA 2005, p. 5), while the World Bank’s *World Development Report* points to a large proportion of people out of work as a ‘key stress factor’ (World Bank 2011). In academic work, Urdal (2006) has suggested that ‘youth bulges’ are associated with a rising risk of civil war, supporting this with statistical evidence, arguing that this is related to youths’ lack of employment opportunities. Collier has argued that unemployment feeds into both grievance and greed as motives for joining a conflict, since unemployment constitutes a clear grievance while it lowers the opportunity cost of joining a rebellion and therefore the incentive to do so: “Thus, the more plentiful are employment opportunities relative to new job seekers, the more difficult is rebel recruitment” (Collier 2000, p. 4). A number of other studies conclude that joining armed groups (whether on the government or opposition sides) can be an attractive option in the absence of other opportunities (Justino 2010, Keen 1998, Walter 2004).

These arguments are frequently presented as being about youth *unemployment*, yet the logic of the arguments suggests that the underlying rationale for expecting a relationship between unemployment and conflict propensity should extend to those in marginal low-income/low-productivity activities, most of whom are not openly unemployed at all, but are in the ‘traditional’ portion of the informal sector. The youth bulge hypothesis is based on a purely statistical association between the proportion of a population who are young and conflict incidence, and says nothing directly about employment status. Collier, Keen and others explain such youth mobilization by the economic (and other) advantages of joining fighting forces, which include not only pay, but also often a license to loot (Keen 2001 and 2005) and an enhanced sense of purpose, agency, identity and social connections, and even a more exciting life (Wood 2003, Gutierrez Sanin 2004, Humphreys and

Weinstein 2004, Guichaoua 2007 and 2012, Moser 2009). These advantages apply as much or more to those scraping out a livelihood in marginal informal activities as to the openly unemployed. In Colombia and El Salvador, the rebels were largely drawn from the agricultural (employed or self-employed) population, and in the case of the FARC in Colombia, many were women (Wood 2003, Gutierrez Sanin 2004).

The difference between ‘unemployment’ and underemployment and marginalization might seem pedantic, but it is not, as it has important policy implications. The idea that creating jobs will solve the problem is plausible if we are concerned only with the relatively small numbers of openly unemployed people, but when it comes to all those working, including in marginal activities, employment creation is likely to deal with only a fraction of the numbers, and a different approach is needed.

In civil wars, the state is normally involved, as instigator or defensively, as well as rebel groups, usually organized along ideological, ethnic, religious or regional lines. Organization and purpose (often quite formal, sometimes informal) distinguish civil wars from random acts of violence, while the size of the groups and their purpose, and the nature of their unifying identity, distinguish them from criminal gangs. Two features of civil wars are therefore critical: organization, which implies leadership, and the presence of identity differences among participants. In short, for civil war to occur, other features besides un- and underemployment need to be present, including motivated leaders and significant identity differences. While leaders can ‘create’ identity differences by emphasizing latent distinctions, some clear actual or latent differences are normally present, ready to be called on if there’s sufficient motive to do so (Cohen 1974, Horowitz 1985, Stewart 2008).

These features of civil war suggest that un- and underemployment are not likely to be *sufficient* to cause a conflict; such an employment situation is only likely to lead to conflict when combined with motivated leaders and potential lines of identity difference. This helps to explain the many societies with high levels of un- and underemployment that are nonetheless peaceful (for example, Malawi or Zambia in sub-Saharan Africa). Leaders of group mobilization may emerge where group leaders feel excluded from political power or are ideologically opposed to the prevalent powers. Support for mobilization from the population is more likely if their group is excluded from economic and social opportunities. Econometric and case study evidence has shown that while political or socioeconomic horizontal inequalities alone may raise the risk of conflict, the combination of political and socioeconomic horizontal inequalities is particularly lethal (Langer 2005, Guichaoua 2006, Stewart 2008, Cederman, Gleditsch et al. 2013). Moreover, mobilization is more likely if a group is not only generally marginalized, but also feels this is due to discrimination. The current situations with respect to Boko Haram in Nigeria and Al Shabab in Kenya illustrate this point. In

both cases, ideological/religious motives of leaders find support from the economic, political and cultural marginalization and discrimination against those they seek to mobilize.

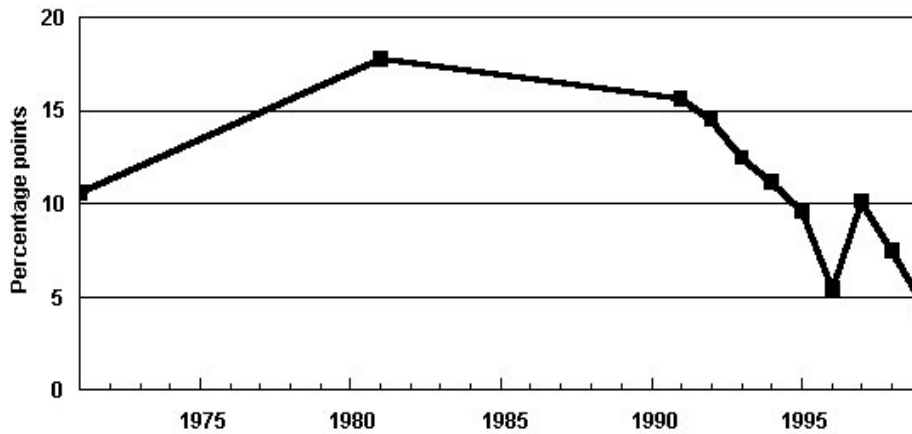
Before turning to some empirical evidence, I conclude on the basis of this reasoning that conflict is more likely where: There is marginalization (including both un- and underemployment), especially if some groups are deprived relative to others; leaders are motivated by political or ideological exclusion; and there are significant identity differences.

## Empirical evidence on the connection between un- and underemployment and conflict

As Cramer (2010) points out, in a careful review of evidence, data on unemployment in conflict-prone countries is insufficient for any serious testing of the hypothesis of a connection between unemployment and conflict. He quotes (Sender, Christopher et al. 2005, p. 6) on how many countries in sub-Saharan Africa “have no reliable data on labour supply and we know practically nothing about labour demand and labour market dynamics in these countries.” There are even fewer data on youth unemployment, although data collection is improving. Where data are available, the relationship between trends in unemployment in the five years prior to violence is not consistent: Unemployment rose before violence in Algeria and Egypt, but fell in the former Yugoslav Republic of Macedonia and Thailand (Cramer 2010). Evidence available from Iraq and the Philippines shows no connection between unemployment and participation in violence (Berman and Shapiro 2009).

Case study evidence points to the complexity of the relationship. In Northern Ireland—where as part of an advanced country, unemployment may indeed be a good representation of labour market exclusion—studies found little or no connection between the aggregate level of unemployment and violence (Thompson 1989, White 1993). Examining relative unemployment rates across the two communities, however, shows a definite relationship between the extent of the *gap* in rates of unemployment between the communities and the extent of violence, suggesting that it is the horizontal inequality rather than the level of unemployment that is relevant. This is illustrated in the figure below. Unemployment among Catholics was 10 percent higher than among Protestants in 1970 when violence started and rose to a peak of an almost 18 percent gap by 1980. Anti-discriminatory policies initiated in the 1980s led to quite a sharp fall in the gap in the 1990s, and it was then that violence finally came to an end with the Good Friday Agreement of 1997. Honaker (2015) provides econometric evidence that during the ‘troubles’, as the ratio of unemployment between Catholics and Protestants rose, the number of civilians killed by Republicans also rose.

Figure 1. Community differential in unemployment rates—Men Catholic rate minus Protestant rate (percentage points)



Source: LFS, 1992-1999; Census of Population 1971, 1981, 1991

For Sierra Leone, Cramer (2010, p. 22) suggests that it was not *unemployment*, but the *nature of employment* that led youth to mobilize, where young men were bound by harsh contracts to work in agriculture. An in-depth study of urban youth in post-conflict Sierra Leone shows that none was openly unemployed—all were scraping together a living through a variety of low-income occupations (Enria 2015). Those recruited for (election-associated) violence had connections to powerful *sababus* who “recognised them and promised them future support” (ibid., p. 286). A youth who had been recruited recalled a senior politician saying: “(F)orm a taskforce for this party, I will take care of you. I will be responsible for you and you will fight this battle” (ibid.). Interestingly, it was not the most marginal who formed such a taskforce; they were too lowly to be ‘recognized’ by leaders. Higher status youth, though still part of the informal employment system, were recruited in this way, many of them ex-combatants who were known from the civil war era. The critical role of leaders—and connections with them—in determining who is mobilized is apparent from this account.

Analysis of recruits for the fighting in Sri Lanka shows that over three-quarters were youth aged 17-26, and that the vast majority were either unemployed, underemployed or in low-paying jobs (Obeyesekere 1974, cited in Cramer 2010). Indirect employment discrimination, requiring that government business should be conducted in Sinhalese instead of English, thereby disadvantaging Tamils, is widely believed to have been a major cause of the conflict (O’Sullivan 2001, Venugopal 2008).

An experimental study of the impact of randomly allocated unconditional cash grants for vocational training fees, tools and start-up costs for youth in Uganda, introduced in 2008, found that there were large economic gains, but “almost no impact on cohesion, aggression, peaceful collective action, or violent protest” (Blattman, Fiala et al. 2013, abstract).

In summary, what evidence there is does not show a connection between unemployment and conflict. There is some evidence that discrimination in employment motivates people, and that recruitment is from the marginalized working poor as much as the unemployed, although not necessarily from the most marginalized. As Enria (2015, p. 313) concludes in the case of Sierra Leone, “(E)xclusionary labour markets play a role in patterns of violent mobilization.” But in every case, while marginalization and discrimination provide a potential pool of recruits for violence, actual mobilization depends on leaders being motivated, and this has little to do with the employment situation.

## What happens to employment during conflict?

Conflicts and conflict economies vary. It is difficult to ascertain the economic consequences of conflict for two reasons: First, data are scarce and unreliable; and second, the counterfactual, or what would have happened in the absence of war, is not known. It is also necessary to differentiate between international and internal wars (Stewart 2001). Recent research has primarily concerned internal wars. Several approaches have been taken to deal with the counterfactual problem—including cross-country regressions, paired comparisons and modelling (Collier 1999, Imai and Weinstein 2000, Stewart 2001). All point to an aggregate reduction in gross domestic product (GDP) associated with conflict, but with considerable variations across countries depending on the geographic scope of the conflict and its duration (Lindgren 2005). The studies also reveal a negative impact on private investment and exports. Conflict countries show a rising share of GDP and public expenditure on official military expenditure relative to non-conflict ones. This share would be increased if one added the unofficial expenditure of rebels.

There is no comparable information about employment or unemployment, partly due to lack of data. These macro-changes are suggestive, however, of what is likely to have happened: Where GDP and investment are adversely affected, formal sector employment will fall, offset to some extent by a rise in military personnel on both sides. In the context of conflict, open unemployment may become an even less feasible option. As Cramer (2010, p. 8) states: “Warfare pitches many people into a desperate search for wage-employment.” Case study evidence suggests that the urban informal sector expands, as many flee to towns and take a creative approach to earning some sort of living. This is well illustrated by (Chingono 2001) for Mozambique. A large expansion of the informal sector occurred in Maputo, with both war-related and non-war-related activities, some stimulated by limits on imports, some by the new markets resulting from urban expansion.

Duffield and Keen have pointed to the many opportunities thrown up by conflict, many illegal, such as smuggling, and trading in drugs and arms (Keen 1998, Duffield 2001). In Afghanistan in the



1990s, poppy growing and smuggling accounted for a very large proportion of national income and livelihoods, much of it recurring in the 2000s (Marsden and Samman 2001, Goodhand, Dennys et al. 2012). Acute marginalization and poverty are especially likely in areas directly affected by war, such as the Maputo triangle in Uganda in the mid-1980s and subsequently northern Uganda as a result of the activities of Joseph Kony and his followers (Matovu and Stewart 2001, Nannyonjo 2005, Langer and Stewart 2011). Similarly, marginalization of the north-east of Sri Lanka increased during the conflict there (Venugopal 2008).

An investigation of nine countries with data on battle deaths and unemployment rates (Cramer 2010) shows little relationship between conflict and unemployment rates. Rates peaked at the height of battle deaths in Algeria, and arguably in Peru and the Philippines, but in Colombia, unemployment fell while battle deaths rose, while in Turkey, battle deaths fell while unemployment rose. In the other countries, no relationship could be detected.

In sum, while civil wars destroy formal sector jobs, they create new opportunities, legal and illegal, mostly generating very low incomes, but there are some opportunities for enrichment. Open unemployment does not seem to be systematically affected, but some groups face increased marginalization and impoverishment. Post-conflict policies need to respond to this situation, which is compounded by three factors: first, the additions to the labour market caused by the demobilization of both sides; second, returned refugees seeking livelihood opportunities; and third, the loss or diminution of war-related opportunities, such as looting or smuggling.

## Employment policies in a post-conflict setting

Post-conflict policies generally have three aims: reconstruction of the economy, reintegration of those who fought and the displaced, and addressing the root causes of the conflict. It has long been recognized that employment has a bearing on all three. For example, a report by the International Labour Organization in 1919 (cited in Date-Bah 2003, p. 2) “acknowledged that employment creation was critical for building sustainable peace.” Similar statements are made in more recent reports: “In post-conflict situations, employment is vital to short-term stability, reintegration, economic growth and sustainable peace” (United Nations 2009, para 1.A). A report for the United States Agency for International Development (USAID) stated that “Job creation projects are among the most effective means of stabilizing communities and keeping the peace, immediately after conflict” (Beasley 2006).

While the analysis in this paper suggests that employment is highly relevant to sustaining peace, I conclude that it is not a simple matter of creating jobs, but as much or more concerns: first, the distribution of formal sector jobs by group, such that horizontal inequalities in job distribution do

not form a major source of grievance,<sup>1</sup> and second, the wider opportunities available to youth, especially in urban areas, which includes conditions for livelihoods in the informal sector and in agriculture. Simply supporting job creation, without consideration for the distribution of jobs across groups and without improving informal sector livelihoods, is likely to do little for peacebuilding.

In practice, post-conflict efforts for the most part appear to be separately aimed at each of the three objectives noted above. Reconstruction efforts rarely explicitly consider employment implications, but are largely influenced by the extent and nature of war damage and the availability of resources (typically heavily dependent on foreign aid). Specific programmes for the reintegration of the displaced and fighters are frequently undertaken, and designed and financed independently of general reconstruction efforts (see, for example, USAID 1994, Dolan and Schafer 1997, Simon 2003). Policies towards employment generally constitute a further distinct aspect of post-conflict policies.

A review of employment policies in five post-conflict countries showed that each recognized the importance of the employment issue and introduced policies to deal with it. The policies mostly focused purely on formal sector employment, and ‘supply-side’ policies dominated rather than direct employment creation. In most cases, the policies ignored the issue of horizontal inequalities in employment. The one exception was the case of Nepal, where policies extended beyond the formal sector, and horizontal inequalities were explicitly acknowledged and incorporated (Stewart 2012). The five countries included three—Nepal, Sierra Leone and Uganda—where formal sector employment accounted for only a small proportion of the workforce, and where agriculture and urban informal activities predominate. In two countries—Bosnia and Herzegovina, and Kosovo<sup>2</sup>—where the advanced country model applies much better, with a larger formal sector, unemployment rates are more meaningful in terms of representing youth on the margins.

In Sierra Leone, lack of employment and security among young males has been argued to have been a major element in causing and/or prolonging the conflict (Keen 2005, Riddell 2005). According to an International Crisis Group (ICG) report, “An ever growing army of unemployed, socially alienated youth is a perennial threat to security” (ICG 2008), and the All People’s Congress Election manifesto called youth unemployment a ‘time bomb’ (ibid, p. 5). There are no reliable data for youth unemployment, although the government frequently cites a rate of 60 percent. Yet the analysis of Enria (2015) shows that it is not open unemployment but low-productivity informal

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<sup>1</sup> As the United Nations notes: “Ethnic, religious and regional tensions can be aggravated if UN programs appear to favour one group or region” (United Nations 2009, para 17).

<sup>2</sup> Under UN Security Council resolution 1244.

activities that form the real employment problem. Eighty percent of youth who are employed are estimated to receive a wage below the \$2 a day poverty rate (National Youth Commission 2012).

Policies introduced to address the employment issue, post-conflict, include: implementation of sound economic policies; private sector development; and capacity-building and training for unemployed youth as well as measures linking them to job opportunities (World Bank 2005). Horizontal inequalities were not considered.

Evaluations suggest that employment policies in Sierra Leone have had only limited effect (Peeters, Cunningham et al. 2009, pp. 97-98): “Many of the basic education and vocational training programs implemented by donors and international agencies resulted in few direct and visible impacts on employment of young people” (ibid., p. 99). Similarly, evaluations of the Demobilization, Development and Reconstruction scheme for reintegrating ex-combatants found that few of the 55,000 who were given advice found jobs, and their skills soon evaporated, while many entrepreneurial initiatives failed to secure finance (Hansen, Nenon et al. 2002).

In Uganda, there have been few explicit employment policies in the two post-conflict eras (the period after the national conflict of the mid-1980s, and the period post-2006 when the northern conflict ended). In the first period, two sets of (contradictory) policies had a major impact on formal employment. On the one hand, a large expansion of the Army successfully integrated soldiers from both sides of the conflict and included recruitment from the population generally and inclusively up to 1993. This, although opposed by donors, probably helped to consolidate the peace. Demobilization and reintegration only began in 1993 with a strong focus on agricultural activities (through training and credit), and this programme has been evaluated as broadly successful (Kreimer, Collier et al. 2000), though it should be noted that the evaluation was conducted by the institution responsible for the programme. On the other hand, from 1992, civil service reform led to a 50 percent reduction in government employment, which accounted for a large proportion of total formal sector employment.

As far as the more recent conflict in northern Uganda is concerned, it is not employment as such but all aspects of development—social and economic infrastructure and the development of agriculture—which are most relevant both for reconstruction and the reduction of horizontal inequalities, and marginalization in an impoverished region. Government Peace, Recovery and Development Plans (PRDP I and II) focus primarily on infrastructural development and security. While there have been significant improvements in infrastructure, the mid-term review of the first PRDP found that, “Interventions have been weak. Conflict drivers, such as land, youth unemployment, and inadequate reintegration of ex-combatants have not been adequately addressed” (quoted by Bertasi 2013, p. 68). It has also been argued that there was an excessive emphasis on security and central government control, rather than local justice and empowerment (ibid.). Moreover, misappropriation of funds for reconstruction, mainly by the central Government, was

such that donors suspended aid in 2012. Poverty did fall in northern Uganda after 2006, but not as fast as in the rest of the country, so that the relative deprivation of the north widened.

In sum, youth underemployment represents a potential source of mobilization in Uganda as a whole, which might be exploited if the political situation deteriorates and opposing leaders start to mobilize. For northern Uganda, continued political as well as economic marginalization makes the risk of recurrence of conflict considerable.

While employment programmes as such could not make substantial inroads into the massive amount of low-productivity work and underemployment in either Sierra Leone or Uganda—and certainly have not to date—they do seem more relevant to the more developed economies of Bosnia and Herzegovina, and Kosovo. In Kosovo, in 2006, some seven years after the end of the conflict, overall unemployment was 44.6 percent, while unemployment among youth aged 15-24 was 76 percent, and 4 out of 10 unemployed youth had been unemployed for more than a year (World Bank 2008).<sup>3</sup> By 2012, the unemployment rate was still 35 percent and youth unemployment was 53 percent. Moreover, the labour force participation rate was very low at 46 percent (World Bank 2008). In Kosovo there is also evidence of ethnic imbalance in employment, with Serbs and minority groups (Roma, Ashkali and Egyptians) especially disadvantaged. A major programme directed at the employment problem, Kosovo Youth Employment Action, focused its efforts on training programmes. Coverage was low, and there was weak demand for the skills imparted. Finance for new start-ups worked better, but with high cost per head and very limited coverage. Public works programmes were most cost-effective, but only extended to a small minority (World Bank 2008).

The Bosnia and Herzegovina story is very similar. Conflict there ended in 1995, and the employment question was immediately recognized as paramount: “(R)ecovery will take time and it is feared that if jobs are not created during this period, there will be widespread social unrest that could jeopardize the peace process” (WorldBank 1996, p. 12). Unemployment at the end of the conflict was estimated at 64 percent. Policies adopted included an Emergency Public Works and Employment Programme generating about 8,300 jobs, no match for the estimated 450,000 demobilized people; microcredit support; and help in training and job searches. Meanwhile, privatization reduced employment. Hence open unemployment remained high, especially among youth. In 2014, almost 20 years after the conflict ended, the overall unemployment rate was 44 percent. Both regional imbalances and discrimination within regions suggest significant horizontal inequalities in employment that were not being addressed by policy (Stewart 2012).

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<sup>3</sup> Again, this data may include some in informal employment.

In summary, although the prescription of giving priority to tackling unemployment in post-conflict situations is, in principle, more relevant to countries where formal sector employment is dominant, the policies adopted in these two post-conflict countries did little to solve the problem of unemployment. Basically this was because the policies were mainly directed towards improving *supply* by training etc., and did little for *demand*, apart from the public works programmes, which were grossly inadequate in relation to the size of the problem. Other reforms—privatization and increased competition—reduced employment, while macroeconomic policies were insufficiently expansionary to achieve a sustained expansion in employment. As the World Bank noted, “(E)mployment services and training are programs of limited use in a labor market as slack as Kosovo’s is currently” (World Bank 2008, p. viii). The policies did not address the issue of horizontal inequalities.

## Nepal: a good example?

Like Sierra Leone and Uganda, in Nepal the formal sector accounts for only a fraction of the labour force. There is widespread agreement that Nepal’s 10-year civil war, which ended in 2006, was rooted in inequalities. For example, a report of the UK Department for International Development (DFID) notes that “group inequality based on caste, gender, ethnicity and geography has been a critical factor in Nepal’s conflict,” while several studies provide econometric evidence of the relation between spatial inequalities and the incidence of conflict in Nepal (Murshed and Gates 2005, Do and Iyer 2006, DFID 2007).

Employment policies adopted in the reconstruction period were directed at creating employment directly through public works, and improving rural non-agricultural opportunities via infrastructure, credit and technology projects. To address some inequalities, policies were targeted to more deprived regions and groups. For example, the government introduced an employment scheme guaranteeing 100 days of employment per household per year for the districts worst affected by the conflict, which was extended by the World Bank to 24 mountain districts. Other programmes provided support for village infrastructure, income-generating projects aimed at poor and excluded people, and extensive labour-intensive construction projects (Brown 2012, Stewart 2012). Due to these and other policies, there was some narrowing in the gaps in Human Development Index values across subnational units between 2006 and 2011, although caste and ethnic inequalities remained severe (Government of Nepal and UNDP 2014).

## Conclusions on post-conflict employment policies

Employment policies in a post-conflict situation must start by analysing the actual employment situation and not assume that because youth are often mobilized for conflict and frequently show high rates of un- or underemployment, the ‘solution’ is to expand formal employment. In reality, in many countries, the marginalization that can be a potential source of conflict is found not in open unemployment, but in low productivity and poorly recognized work in informal settings.

In such a context, current policies towards employment are misconceived for three reasons:

1. They are based on the presumption that an expansion of formal employment will provide the answer.
2. In relation to formal sector employment, they put prime emphasis on ‘supply’ measures, whereas the major problem is inadequate demand by employers.
3. They ignore horizontal inequalities in employment.

Even in economies where the formal sector dominates, such as in Bosnia and Herzegovina and Kosovo, so that the first of these reasons may not apply, policies adopted have proved totally inadequate by failing on the second and third issues.

Where the formal sector accounts for only a small proportion of total employment, attention needs to be given to the informal sector, in terms of upgrading technology, opportunities and recognition. In practice, the opposite attitude is often apparent. For example, in Sierra Leone, bike riders, who made an income by providing transport services, were banned from large parts of Freetown, thereby greatly reducing opportunities, exhibiting a lack of respect and recognition for the occupation, and increasing the bike riders sense of exclusion (Enria 2015).

Introducing policies to reduce the risk of conflict, while highly desirable in post-conflict countries, given the high rate of conflict recurrence (Collier, Hoeffler et al. 2006, Suhrke and Samset 2007), is also difficult to achieve. The analysis here suggests that two features are critical with respect to employment: first, improving the productivity and status of youth working in the informal sector; and second, reducing inequalities in employment status between groups, especially in the more privileged parts of the employment hierarchy.

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