



INDIRA GANDHI NATIONAL OPEN UNIVERSITY SCHOOL OF  
CONTINUING EDUCATION

YOUTH LIVELIHOOD STRATEGIES AND ITS DETERMINANT FACTORS,  
THE CASE OF GUBALAFTO WOREDA, NORTH WOLLO, AMHARA  
REGIONAL STATE, ETHIOPIA

BY

TESHOME SISAY

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ADDIS ABABA, ETHIOPIA

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REGIONAL STATE, ETHIOPIA

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Masters of Art in Rural Development

By Teshome Sisay Mekonen

Advisor: Wondimagegne Chekol (PhD)

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Addis Ababa, Ethiopia

## DECLARATION

I hereby declare that the Dissertation entitled YOUTH LIVELIHOOD STRATEGIES AND ITS DETERMINANT FACTORS, THE CASE OF GUBALAFTO WOREDA, NORTH WOLLO, ETHIOPIA Submitted by me for the partial fulfillment of the M.A. in Rural development to Indira Gandhi National Open University, (IGNOU) New Delhi is my own original work and has not been submitted earlier to IGNOU or to any other institution for the fulfillment of for the requirement for any course of study. I also declare that no chapter of this manuscript in whole or in part is lifted and incorporated in this report from any earlier work done by me or others.

Place: Woldiya, Ethiopia

Signature-----

Date: May, 2016

Name: Teshome Sisay Mekonen

Enrolment No: ID1219714

Address: Addis Ababa, Ethiopia

**CERTIFICATE**

This is to certify that Mr. Teshome Sisay student of M.A. from Indira Gandhi National Open University, New Delhi was working under my supervision and guidance for his project work for the course MRDP-001.

His work entitled: YOUTH LIVELIHOOD STRATEGIES AND ITS DETERMINANT FACTORS, THE CASE OF GUBALAFTO WOREDA, NORTH WOLLO, ETHIOPIA, which he is submitting is his genuine and original Work.

Place:-----

Date:-----

Signature:-----

Name: Wondimagegne Chekol (PhD)

Address of supervisor: St. Mary's University Addis Ababa, Ethiopia

Tele: +251911380475

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## ACRONYMY

ACSI-----	Amhara Credit and Saving Institutions
CFW-----	Cash for Work
DFID-----	Department for international Development
ETB-----	Ethiopian Birr
FAO-----	Food and Agriculture organizations
FFW-----	Food for Work
GTP-----	Growth and Transformation Plan
IFAD-----	International fund for agricultural development
LA-----	Livelihood Approach
LEISA-----	Low External Input Agriculture
MASL-----	Meters above Sea Level
MOA-----	Ministry of Agriculture
MoLSA-----	Ministry of Labour and Social Affaires
MSE-----	Micro and Small Enterprise
PIF-----	Policy Investment Frame Work
PRA-----	Participatory Rural Appraisal
PSNP-----	Productive Safety net Program
SNNPP-----	Southern Nations Nationalities Peoples Party
SLF-----	Sustainable Livelihood Frame Work
SSA-----	Sub-Saharan Africa
TLU-----	Tropical Livestock Unit
TVET-----	Technical Vocational Education and Training
WB-----	World Bank
WOA-----	Woreda Office of Agriculture

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## **ABSTRACT**

*This study investigates the livelihood strategies of rural youths of Gubalafto Woreda of north Wollo zone of Amhara regional State in Ethiopia. The main objective of the study was to identify livelihood strategies of rural youths, to identify the determinant factors which affect rural youth livelihood strategies and to know major challenges and opportunities of youths in the study area of Gubalafto Woreda. The study employed mixed method of data collection and analysis (qualitative and quantitative). Focus group discussion, survey and youth house hold interview were carried out at community, district, and Kebel levels. The descriptive statics were used to identify the livelihood strategies of rural youths and youth livelihood assets. In this regard the major assets of youths are identified and assessed and model was used to identify the determinant factors of youth livelihood strategies in the study area.*

*Based on the descriptive analysis the major livelihood activities identified in the study area are agriculture, the combination of agriculture and off-farming, the combination of agriculture and non-farming and the combination of agriculture, off-farming and non-farming. In line with this 43% of youths mainly those living in Kolla-agro-ecological zones are using agriculture only, 16% of youths living in Dega and Woyina-Dega are using the combination of agriculture and off-farming, 28% of youths living in Dega and Woyina-Dega agro ecological zone are depending on the combinations of agriculture, and non-farming the remaining 12% uses the combination of agriculture, off-farming non farming activities.*

*The involvement of youths on non-farming activity was analyzed separately and 69% of youths told that they are engaging on non-farming activities. The major non-farming activities of rural youths in the study area are pity trading, daily laboring, remittances and migration. In line with this 45% of rural youths are generating income from daily laboring, 37.5% of them from pity trading and 11% from remittances.*

*The determinants of livelihood strategies of rural youths of the study area was analyzed with multinomial regression model and out of 16 independent variables 7 of them are significantly determinants of rural youth livelihood strategies. The dependent variables which are significant for the determinants of livelihood strategies are agroecology, marriage status of youths, youth total annual cash income, challenge of food gap, ownerships of youths of own house, farm tools and distances of nearest market.*

## **CHAPTER ONE**

### **1 INTRODUCTION**

#### **1 .1. Background of the Study**

CTA( 2010) found that the flow of low level of production and entrepreneurship as well as decreasing involvement of youth in agriculture to be resulted from low level of agriculture skills and limited access to financial resources. Rural Households worldwide engaged in a variety of non-farming activities to generate income (Meludu et al, 1999, World bank 2003). In Ethiopia agriculture is the primary means of rural household's livelihoods which contributes 45% of GDP, more than 80% of employment opportunities and over 90% of the foreign exchange earnings of the country (MOA, 2010). However, farming as a primary source of income has become failed to guarantee sufficient livelihood for most farming households in Sub-Saharan African countries (Babatunde, 2013). This is because the agricultural sector in Sub-Saharan African countries is highly characterized by decreasing farm size, low levels of output per farm, and high degree of subsistence farming (Jirstrom et al., 2011). The agricultural activities in rural Ethiopia is also dominated by smallholders, the majority cultivating less than 0.5Ha and producing mostly basic staples for the subsistence of their households. Furthermore, their agricultural activities are characterized by backward agricultural technologies, small fragmented land size, irregular rainfalls, increasing soil erosion, land degradation, aridity in some regions and high incidences of tropical diseases( Arega et al.,2013). In this cases in rural Ethiopia there are youths who are living independent of their family and their agriculture is characterized as of mentioned above.

SosinaBezu and Stein Holden, 2013 explained that Access to agricultural land is constitutional right in Ethiopia where it has also served a safety net in Ethiopia. But increasingly it has become difficult to fulfill this right for the young generation.

Sosina and stein (2013) explained that Ethiopia faces land scarcity in parts of high lands where population densities have become very high and farm sizes very small. As a result, land as safety net is eroding and landless emerging among the youth who are unable to stay on their parents land. The children there for either have to co- manage the land with their parents or leave the

farm. The institutional responses to the challenge include distribution of communal land to youth and voluntary resettlement.

Azeneand ChilotYirga (2014) explained that the majority of the youth in Ethiopia live in rural areas where farming has been traditionally the main livelihood of the people. As the state owns all land in Ethiopia, rural residents have been guaranteed access to land through a law that grants them a right to obtain agricultural land for free. However, it has become increasingly more difficult to fulfill this right for the young generation. Ethiopia currently faces severe land scarcity in parts of the highlands where population densities have become very high and farm sizes have become very small. As a result, land as a safety net is eroding and landlessness is emerging among the youth who are unable to stay on their parents' land.

(Adal 2000, Adal 2003, Rahmato 2004, Teklu and Lemi 2004) stated that land distribution was implemented in 1990. In much of the Amhara region, however, land was distributed following the Rural Land Administration Proclamation of 1997. After the land distribution of 1997 in Amhara region there was no land redistribution due to the fear of land fragmentation and low productivity of land. However after 1991 land distribution in areas of Amhara region like north Wollo , large number of people are emerged in which those who were young during land distribution now becomes above 42 years and even the age of the proclamation is 24 years. In this case there are large numbers of people including youths who are without land ownership. And even after the proclamation of land distribution of 1997 there are large numbers of youths that are without land ownership. In this case it is important to know how new generation and young people are living and what livelihood strategies are they employing in order to survive. Besides it is important to understand the opportunities and challenges of youths in fulfilling their livelihood so that policy makers can have evidence for designing of appropriate policies and strategies for the survival of the poor in particular and youths in general.

## **1 .2 Statement of the Problem**

Rural areas are the center of the economy of developing countries and contribute to the overall economic growth for creation of jobs and supply of food and raw materials for the growth of other sectors of the economy. It is known that rural areas are the most marginalized and characterized by poverty (Alemu, 2012). Hence poverty remains the predominantly the rural

phenomenon despite rapid urbanization observed in most developed and transition countries (IFAD, 2001).

In developing countries agriculture provides a base for a major share of employment and constitutes the main sources of livelihoods for a large portion of the population (Vargas-lundius and Lanly, 2007). However in Ethiopia it is before 25 years where land distribution was made youths have the access of land and now youths do not have land access.

Agriculture plays significant role for majority of the rural population's livelihood in developing countries. It has been the predominant activity for most rural households in sub-Saharan Africa which offers a strong option for stimulating growth, overcoming poverty and enhancing food security (World Bank, 2008) in this case in rural area there are large number of youths who are coming to agriculture sector to use as livelihood strategy the problem is it is more than 25 years where land was distributed to the rural people (Adal 2000, Adal 2003, Rahmato 2004, Teklu and Lemi 2004).

Khan (2003) explains the role of formal and informal institutions in livelihood strategies of the poor. Khan concluded that formal institutions both governmental and nongovernmental, neglect the poor. The poor are usually unaware of their rights to benefit from formal institutions and as such largely dependent on informal institutions for their livelihoods. In this case the researcher is highly interested to know the role of formal and informal institutions for the livelihood strategies of youths.

Based on USAID Comprehensive Youth and Work force Development Assessment Report in Rural Ethiopia, of June, 2012 rural youth in Ethiopia commonly face a number of challenges, including narrow skills sets, high levels of illiteracy, restricted access to land and other productive assets, and limited formal sector employment. While agriculture is clearly prioritized as the engine for overall economic development in Ethiopia, the sector is still characterized by small-scale farming with low levels of productivity, and most rural youth have poor prospects of working on their own land.

On top of this now a day's food security studies and researches are mainly focusing at household level however there are youths who are living by themselves which needs attention. With the intension of these the researcher is intended to know the livelihood strategies of youths and what

determines for their choices of livelihoods. Now a days different government institutions and non-government agencies are approaching youths to solve their problems. But there are little evidences on youth food security and livelihood strategies. Hence there is a need to investigate and document the food security and livelihood strategies, opportunities and challenges of rural youths so that there will be evidence for the development practitioners to work with rural youths in general.

### **1 .3.Objectives of the Study**

#### **1 .3.1 General Objective**

The overall objective of the research is to examine the livelihood strategies of rural youths and to analyse determinants of livelihoods strategies in the study area.

#### **1.3.2. Specific Objectives**

The specific objectives of the research are summarized as follows:

1. To asses livelihood strategies pursued by rural youth households in the study area,
2. To identify the determinant factors of rural youth livelihood strategies in the study area
3. To identify challenges of rural youths in attaining their livelihood strategies
4. Assess the youth households coping strategies in meeting their livelihood needs;

### **1 .4.Research Questions**

The overall aim of this study was to assess the livelihood strategies pursued by youths in rural Ethiopia in particular in rural areas of Gubalafto Woreda of north Wollo zone. Besides, the study focuses to identify challenges of youths in fulfilling their livelihood strategies. More specifically, the study sought to answer the following key questions:

1. What are the leading livelihood strategies pursued by rural youths in the study area?
2. What are the demographic, socio-economic and institutional factors that determine their choice of livelihood strategies?
3. What are the challenges and opportunities of rural youths in addressing their livelihoods
4. What are youth households copping strategies in meeting their livelihood strategies



5. What are the opportunities and challenges in the study area in view of current and future youths' livelihood goals?

### **1.5. Significance of the Study**

USAID Comprehensive Youth and work force development assessment report of June of USAID, 2012 approximately 20% the population of rural Ethiopia is youths between the age of 18 and 24.

North Wollo plan and Economy office of Amhara region (2015) states that 4.6 million people of the region are in the age category of 15-29 from this 359 382 youth exists in north Wollo and 40,175 of them are in Gubalafto Wored. In line with this evidence there are large number of youths in the country whereas the problem of youth is un touched in which it needs to know the way of living of this portion of the population. Besides apart from the standard definitions of youth, in north Wollo it is locally agreed that those portions of the population who are born after the land redistributions which was conducted in 1997 who are now above 40 years of age and those without land and other natural assets are considered as youth. This definition is given by local leaders and the communities of the area just to differentiate those people who have land and who have no land for farming.

Researching of rural livelihood in particular livelihood diversification in rural t areas is help full in designing of policies and strategies that promote resource effective livelihood diversification (Ellis, 1999). Therefore, the findings of this study will provide valuable information to researchers, policy makers and development institutions working in the area of designing and developing effective and sustainable rural youth livelihood strategies.

Researching of rural youth livelihood strategies help to develop locally appropriate, acceptable and feasible strategies to minimize the problem of livelihood insecurity based on the recommendations of the research. Notably, the finding of this study suggests possible mechanisms in reducing the food insecurity of rural youths of the study area.

The researcher strongly believes that understanding the livelihood strategies of the strategies to rural youths, as well as the potentials and constraints associated with youth livelihoods strategies will be a contribution to potent planning, monitoring and evaluation process of local

development programs and ultimately for a wider dissemination of the approach for similar programs elsewhere in other problem areas.

Besides, the outcome of the research will have a contribution to the existing knowledge of rural youths by showing opportunities, challenges and options of rural youths in perusing their food security. In this regard the study contributes in filling the gap in knowledge of rural youth livelihood strategies. Moreover, this research will demonstrate the importance of micro-level enquiry to properly understand how rural youths are living in drought prone areas like north Wollo particularly Gubalafto Woreda.

#### **1.6. Scope and Limitation of the Study**

This study has been conducted in Gubalafto Woreda of north Wollo zone of Amhara region Ethiopia. Due to time and budget limitations the research has been carried out in three Kebeles which includes all the agro-ecological zones of the area which traditionally includes Kolla for the hot areas, Woyina-Dega which has medium temperature and Dega for the cold areas.

Based on north Wollo and Gubalafto agricultural offices there are limited livelihood opportunities of rural youths in which land is the main livelihood opportunity for rural people in the study area but it is in 1984 E.C where land was distributed with the fear of land fragmentation. In this case it is more than 20 years where the land is distributed in which youths who were living with their parents are now more than 40 years of age and they are trying their choices with limited opportunities in the study area. As the result of this one of the major limitations of this study was delineating the age of youths. In the study area traditionally those people who are above 18 years of age and who have no farm land are considered as youth, besides in some literature the age of youths is between the age of 14 to 24, in others it is from 19 to 29 and in others it reaches up to 35 years of age. In this case age delineation was one of the challenging task for the study.

The other limitations of the study were: time constraint that hinders the researcher to make repeated and staged field survey because of distance of the study area from the researcher; some sampled households were not cooperative, transport problem to go to remote Kebeles and financial constraint faced to sample more number of household. The study mainly focuses the

livelihood strategies of rural youths and the determinant factors of rural youth's influencing livelihood diversification practices. The study examines selected alternative livelihoods that can help to enhance the livelihood opportunities of rural youths in terms of their contribution towards income generating and wellbeing and reducing poverty and vulnerability and the determinant factors of livelihood strategies.

### **1.7. Determinants of Livelihood Diversification**

Hussein and Nelson 1999, Ellis 2000 in their livelihood literature suggested that though exogenous trends and shocks play an important role in pushing rural people towards diversified livelihood strategy diversification choices are also firmly rooted in the microeconomic logic of farming households.

Different researchers such as (Dercon and Krishan 1996; Abdulai and Crole Rees 2001) mentioned that availability of key-assets (like that of savings, land, labor, education and/or access to market or employment opportunities, access to common property natural resources and other public goods) is a an evident requisite in making rural households and individuals more or less capable to diversify.

#### **The dependent variables of the research are:**

Y=0, AG Agriculture alone

Y=1, AG+OFF Agriculture and off farm combination

Y=2, AG+NF Agriculture and nonfarm combination

Y=3, AG+OFF+NF Agriculture, off farm and non-farm

Some of the possible variables of livelihood strategies are age, sex, education, marital status, family size, agroecology, livestock size, family size, access to credit, market distances, bank savings, access to communication materials, own land in hectare, accessibility to technology, and total cash income.

**Table 1: List of Independent variables that affect livelihood strategies of rural youths**

S/N	List of independent variables	Variable characteristics	Effect /Hypothesis of variables
1	Youth age	Continues	+
2	Youth Sex	Dummy	+
3	Educational status	Continues	+
4	Marital status of youth	Dummy	+
5	Youth family size	Continues	+
6	Agro ecology	Continues	+
7	Having own farm land	Dummy	+
8	Having own house	Dummy	+
9	Having farm tools	Dummy	+
11	Livestock Size	TLSU	+
11	Access To Credit	Dummy	+
12	Market distances	Dummy	+
13	Bank saving	Dummy	+
14	Having Mobile	Dummy	+
15	Own land in Hectare	Continues	+
16	Input utilization	Dummy	+
17	Total Cash income	Continues	+
18	Own skills for livelihood	Dummy	+
19	Facing food gap of youths	Dummy	+

## **1.8. Organization of the study**

This study is organized into five chapters which include introduction in which it justifies the study and it shows the objective of the study, methodology and significant of the study. The other section is literature review in which it sights outcomes related to the study and the results of the study was summarized and shown in detail. Finally the study shows conclusion of the study and possible recommendations for rural youth's livelihood strategies.

## **CHAPTER TWO**

### **2. LITERATURE REVIEW**

#### **2.1 Livelihood and Livelihood Strategies**

According to (Degefa 2005), a livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living. He stated that a livelihood is sustainable if it can cope with and recover from disaster and shocks, maintain or enhance its capabilities and assets and provide sustainable livelihood opportunities for the next generation, and which contributes net benefits to other livelihoods at the local and global levels and in short and long terms.

Livelihood strategies are strategies that peasants undertaken to maintain the viability and food security of their households in a sustainable fashion (Chambers 1989). Chambers and Conway (1992) define a livelihood system as comprising the capabilities, assets (including both material and social resources) and activities required for a means of living. The chosen combination of assets and activities, undertaken usually at the household level, is often referred to as the household's 'livelihood strategy'. A livelihood strategy encompasses not only activities that generate income but many other kinds of elements, including cultural and social choices (Ellis 2000).

Livelihoods approaches illustrate how, in different contexts, sustainable livelihoods can be achieved through access to a range of livelihood assets (e.g. natural, social, financial, physical and human capital) which, within the context of personal, institutional and environmental provisions and constraints, are combined in the pursuit of different livelihood strategies. Within

the sustainable livelihoods framework (Chambers and Conway 1992; Scoones 1998) context is framed within the ‘vulnerability context’ which includes issues of ‘seasonality’, ‘trends’ and ‘shocks’.

A livelihoods approach allows the examination of a plurality of dimensions of wellbeing whereby noneconomic dimensions such as social and human indicators are given equal emphasis to economic indicators. However, as Beall (2002, 73-74) has recently emphasized, livelihoods analysis should pay attention to gender and generation differences in determining individual household member’s access to various assets and capability to use those assets. Since the asset status and livelihood strategies of individual household members are subject to gendered differences wellbeing too becomes gendered.

Carney (1998) explains that “a livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base”. This interpretation of sustainability relates strongly to definitions that consider the ‘resilience’ of social-ecological systems.

A livelihood comprises the capabilities, assets (including both material and social resources) and activities utilized by a household for a means of living. A household livelihood is secure when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and productive asset base.

Livelihood strategies are often based on a set of assets available and accessible to households. These assets are both tangible (e.g, land, labour, credit, and livestock) and intangible (e.g., skills, knowledge, social networks). Through a combination and transformation of these assets, households are able to pursue different strategies that can, in principle, improve their household welfare (Integrating “Livelihoods” into Food Security and Vulnerability Analysis (Initial Guidance, ODAV (VAM) – WFP, Rome, and January 2005).

## **2.2. The Sustainable Livelihoods Framework**

Sustainable rural livelihoods are not solely dependent on income obtained from agricultural activities, but are often supplemented by non- and off-farm activities (Reardon, 1997; Ellis, 1998, 2000; Carswell, 2000).

Based on Sustainable Livelihood framework (SL), a livelihood is defined as ‘the activities, the assets, and the access that jointly determine the living gained by an individual or households’. Rural livelihood diversification is then defined as ‘the process by which households construct a diverse portfolio of activities and social support capabilities for survival and in order to improve their standard of living (Ellis, 1998; Ellis, forthcoming).

Sustainable Livelihoods Approach was developed by the UK Department for International Development (DFID), which provided a framework for studying livelihoods of the poor.

In the livelihood framework the key objective is to increase the sustainability of poor people’s livelihoods by strengthening their assets to respond to opportunities and risks, minimize vulnerability and maintaining, smoothing or improving wellbeing.

As an analytical framework, DFID’s Sustainable Livelihood Framework appears to be the most comprehensive, putting emphasis equally on vulnerability, livelihood assets, structures and processes, livelihood strategies and livelihood outcomes. In Chambers’ argument, an external and internal dimensions of vulnerability and indicate that no effective policy or program can be drafted without a sound understanding of the factors affecting “people’s asset status and the options that are open to them in pursuit of beneficial livelihood outcomes” (DFID, 1999). DFID’s guidance sheets stress the importance of achieving a good understanding of how structures (levels of government and private sector) and processes (laws, policies, culture and institutions) shape the vulnerability context and condition people’s access to assets (tangible and intangible) and claims.

This section will take up an in-depth look to the Sustainable Livelihoods Framework (SLF) on which this study hinges as constructive information to draw out key linkages in urban livelihood systems of youth households.

### **2.2.1 Assets**

The sustainable livelihoods approach proposes new thinking in terms of viewing people as having strengths or assets as conceptual remedy to traditional paradigms which view poor people as ‘deprived’ or ‘passive’. The proponents of the approach put forward that for more conceptual, empirical and practical understanding of livelihoods of poor people, it would be appropriate to

start with an analysis of strengths as opposed to an analysis of needs in order for spotting what opportunity they may offer or where limitation may lie (DFID 1999). Accordingly, though they may not have financial capital poor people may have vital material and non-material assets: the quality and quantity of labor (the knowledge, skills, physical and mental health), the social ties and networks, and other physical resources to draw and build their livelihoods.

The SL approaches is concerned first and foremost with seeking accurate and realistic understanding of how people combine and nurture assets or capital endowments and convert them into livelihood outcomes. Thus, the approach has identified five categories of assets (human, financial, social, physical, and natural) and presented them visually in the framework as a pentagon to bring to life the inter-relationships between the assets.

Ellis (1999) assets in SLF include a list of human capital (the education, skills and health of household members); physical capital (e.g. farm equipment or a sewing machine); social capital (the social networks and associations to which people belong); financial capital and its substitutes (savings, credit, cattle, etc.); and natural capital (the natural resource base).

#### **2.2.1.1. Human capital:**

The human capital represents the skills, knowledge, ability to labor and good health that together enable people to pursue different livelihood strategies and achieve their livelihood objectives. The human capital refers to the labor resources available to households, which have both quantitative and qualitative dimensions. The former refers to the number of household members and time available to engage in income-earning activities. Qualitative aspects refer the level of education and skills and the health status of household members.

#### **2.2.1.2. Social capital:**

The social resources (networks, membership of groups, relationships of trust and reciprocity, access to wider institutions of society) on which people draw in pursuits of livelihoods. ‘Social capital’ is defined as the norms and networks that enable people to act collectively. Several useful measures suggested by researchers are: membership of informal and formal associations and networks; interpersonal trust and changes over time; norms and values that facilitate exchanges, reduced transaction costs, reduced cost of information, the ability to trade in the



absence of contracts, and the encouragement of responsible citizenship; and the collective management of resources ( Woodcock and Narayan 2002).

#### **2.2.1.3. Natural capital:**

The natural resource stocks from which resource flows useful for livelihoods are derived, including land water, and other environmental resources, especially common pool resources. Natural capital is the term used for the natural resource stocks from which resource flows and services useful for livelihoods are derived. These refer to endowments with natural resources and institutional arrangements controlling access to common property resources. Natural assets are probably the most valuable asset in rural livelihood context. Although the question of land rights and tenure security are essential determinants of livelihood security, land is highly contested and politicized physical asset as well as political tool in some contexts.

#### **2.2.1.4. Physical capital:**

Physical or produced capital refers to basic infrastructure (transport, housing, water, energy, communication etc.) and production equipment and means which enable people to pursue their livelihoods. For our purpose, physical capital comprises the basic infrastructure and producer goods needed to support livelihoods. Infrastructure in our context may include affordable transport, access to health service (free or low cost), adequate water supply and sanitation, affordable energy, and access to communication.

#### **2.2.1.5. Financial capital:**

The financial resources available to people, (saving, credit, remittances, and pensions) which provide them with different livelihood outcomes (Rakodi and Lloyd-Jones 2002). Financial capital denotes the financial resources that people use to achieve their livelihood objectives. There are two main sources of financial capital: available stocks (savings, stocks) and regular inflows of money.

#### **2.2.2. Vulnerability Context**

Implicit within the vulnerability is the responsiveness and ability to mobilize resources to resist risks households face during such negative changes (Chambers and Conway 1992, Moser 1998). The main threat to livelihoods includes shocks, stresses, trends, and seasonality. Shocks refer to unpredictable, sudden, and traumatic impacts; stresses are predictable, continuous, cumulative pressures; trends are frequent changes in macroeconomic variables, population, and technology;

while seasonality refers to recurring changes of employment opportunities and prices (Chambers and Conway 1992, Moser 1998, Rakodi& Lloyd-Jones 2002).

The vulnerability context is usually external and out of people's immediate control. People's ability to respond to external changes and resist or recover from the negative effects of the changing environment depends on the asset base and opportunities open to them (Rakodi& Lloyd-Jones 2002). Therefore, vulnerability is closely linked to asset base and capabilities; thus the weaker the asset base the higher the vulnerability and vice versa (Moser 1998, Rakodi& Lloyd-Jones 2002). In other words, the stronger the asset status over which people have control and the more the options open for them, the better the capacity to avoid or reduce vulnerability. Furthermore, the ability to cope and reduce vulnerability depends on private action composed of positive competence, the ability to perceive, predict and adopt and mobilize resources, exploit opportunities, and transform assets (Chambers and Conway 1992). Thus vulnerability depends on the stock of human capital available in order to make use of the other types of assets (Rakodi& Lloyd-Jones 2002).

### **2.2.3. Transforming Structures and Processes**

Transforming structures or organizations public and private formal and informal institutions and processes such as policies, norms, and laws are identified in the livelihoods framework as incentives or barriers that shape access, control and use of livelihood assets and influence livelihood systems (Rakodi& Lloyd-Jones 2002). They operate at household, local, national, as well as international arena, and in all spheres (DFID 1999). Processes are what influence or transform how organizations and individuals interact which embody power relations and have a significant impact on the access of the poor to all types of assets.

Processes also influence entitlements and may open incentives or constrain access thus influencing people's ability to manage their portfolio, take advantage of opportunities and cope with stresses and shocks (DFID 1999, Rakodi& Lloyd-Jones 2002). Moreover, processes such as markets and legal restrictions determine what livelihood opportunities and activities are available and influence access and the effective value as well as return of the assets (DFID 1999). Gender relations and social capital are also important elements closely twined to structures and processes (Rakodi& Lloyd- Jones 2002). In a nutshell, transforming processes and structures have direct

impact to the vulnerability context; can restrict people's choice of livelihood strategies thus having detrimental impact on livelihood outcomes (DFID 1999).

#### **2.2.4. Livelihood Strategies**

Thus livelihood strategies can be defined as activities people carry out and choices they make in order to achieve their livelihood goals (DFID 1999). People's livelihood strategies are dynamic thus change with the context of the external environment over which they have little control (Cahn 2002). 'Livelihood strategies are composed of activities that generate the means of household survival' (Ellis, 2000:40). Livelihood strategies change as the external environment over which people have little control changes. Economic Livelihood strategies refer to income earning strategies that seek to achieve economic goals (increased income/asset growth, etc) by engaging in income generating activities. Thus alternative livelihoods would include those economic activities that provide households with alternative income sources from their predominant means of livelihoods.

Livelihood strategies in rural setting are pronominally based on natural resource where agriculture and animal keeping are two broad categories. Carney (1998) lists these categories of livelihood strategies as natural resource based, non- natural resource based and migration, while Ellis (2000), in his framework, categorizes livelihood strategies as natural resource based activities or non -natural resource based activities and income sources (including remittances and other transfers).

Scoones (1998) identifies three types of rural livelihood strategies: agricultural intensification, livelihood diversification including both paid employment and rural enterprises, and migration (including income generation and remittances).

Understanding the dynamics and outcomes of people's livelihood strategies is important to trace back their impact on the resource and assets the household and the community call for (Rakodi& Lloyd-Jones 2002). In this study, the researcher will explore activity portfolios, how and why they change over time, by using a range of quantitative methods. What are the ways land-constrained youth households make (or not make) to secure income, what activities do these people pursue to compose their livelihoods and maintain or enhance their asset base.

#### **2.2.5. Livelihood Outcomes**

(Rakodi& Lloyd-Jones 2002) within the SLF, livelihood outcomes are identified as the end results or achievements of people's livelihood strategies, affected by the livelihood strategies that they adopt and the available opportunities. Positive outcomes of the livelihood strategies adopted by the poor should improve incomes, reduce vulnerability, increase well-being and be socially and environmentally sustainable.

On the other hand, the outcomes of livelihood strategies may be ineffective for example if long term consumption declines, assets are lost permanently, or if they are socially or environmentally unsustainable (Rakodi& Lloyd-Jones 2002).

### **2.3 Rural youth and its definitions**

Age and location are the two key defining characteristics of rural youth. Age definitions of youth vary quite considerably. The United Nations defines youth as all individuals aged between 15 and 24. The 2007 World Development Report, which focuses on the next generation, expands the definition of youth to include all young people aged between 12 and 24. Similar definitional variations exist with regard to location. Distinguishing between who is rural and urban is increasingly difficult, especially with the expansion of 'per-urban' areas where large proportions of the population rely on agricultural activities to meet their livelihood needs (Promoting Livelihood Opportunities For Rural Youth, Paul Bennell, February 2007).

Kevin Waldie in LEISA magazine 2004 defined youth as every culture or society has its own concepts of youth and he explained that it is determined by traditions, roles and status rather than physical age. Based on the above definition currently in north Wollo zone people are using accesses of land for the definition of youths in which those people who have no land regardless of their age are considered and defined as youths.

(World Bank, 2008) for landless youths with labor as the main asset of the poor, landless and near-landless households have to sell their labor in farm and nonfarm activities or leave rural areas. Making the rural labor market a more effective pathway out of poverty is thus a major policy challenge that remains poorly understood and sorely neglected in policy making.

Paul Bennell (February 2007) the global population of young people aged 12-24 is currently 1.3 billion. The youth population is projected to peak at 1.5 billion in 2035 and it will increase most

rapidly in Sub-Saharan Africa (SSA) and South East Asia (by 26 percent and 20 percent respectively between 2005 and 2035).

FAO estimates that around 55 percent of youth residing in rural areas, but this figure is as high as 70 percent in Sub Saharan Africa and South Asia. In Sub Saharan Africa, young people aged 15-24 comprise 36 percent of the entire labour force, 33 percent in the Near East and North Africa and 29 percent in South Asia.

## **2.4. Rural Youth and policy**

In Ethiopia, the current food security policies and “sustainable poverty reduction” strategies acknowledge the importance of non- and off-farm activities to ensure livelihoods security. However, the implementation of these intervention measures varies from place to place. Studies done in some parts of Ethiopia suggest different outcomes. Some perceive non- and off-farm activities as potential areas of growth that can link agriculture to the non- agricultural sector (Tegegne, 1995) while others treat them with reservation or consider them as mere survival strategies at best (Mulatu and Teferi, 1996).

To address these challenges, the Government of Ethiopia has instituted various strategies focusing on poverty alleviation for youth, with a particular focus on the equitable integration of women and girls into income-generating opportunities, micro and small enterprise development (MSE) and general investment promotion within the agricultural sector. The Micro and Small Enterprise Development Strategy was first formulated in 1997 and revised in 2010/11 with renewed interests and more ambitious targets on employment and number of entrepreneurs and transition to medium size level. The direct policy support includes access to markets, access to finance, access to industrial extension, access to training and technological support (Berihu Assefa, et al, 2014).

### **2.4.1. The National Employment Policy and Strategy of Ethiopia**

The 2009 national employment policy and strategy of Ethiopia<sup>i</sup> emphasizes the growing labor supply and limited employment-opportunity generation as the main causes for unemployment and underemployment. The document also acknowledges the need to guide and implement strategies to increase labour productivity, integrate women and youth and other vulnerable populations (i.e., HIV+ populations) in a coordinated manner.

#### **2.4.2. The Growth and Transformation Plan (GTP)**

The GTP of Ethiopia recognizes the importance of the agricultural and industrial sectors as major opportunities for economic and inclusive growth. Though the plan does not explicitly incorporate specific strategies regarding youth employment in rural areas, it recognizes the importance of the promotion of gender and youth empowerment as key factors for the country's economic and equitable development. For instance, the plans in GTP I (2010/11-2014/15) was to create three million new jobs in the MSE sector in the five years growth and transformation period.

In rural Ethiopia, public works are implemented in the form of food-for-work (FFW), and cash for-work (CFW) programs. As part of a major food security program popularly known as the Productive Safety Net Program (PSNP), public work programs already play an important role in employing the rural poor in building roads and other infrastructure during times of food shortages. About 5 million impoverished farmers were targeted public works such as afforestation, road construction, soil and water conservation activities.

#### **2.4.3. Ethiopia's Agricultural Sector Policy and Investment Framework (PIF)**

The PIF of Ethiopia identifies priority areas for investment that will result in increased incomes for those involved in the agricultural sector. Priority areas for investment include transitioning agricultural activities from subsistence farming to larger scale and more commercial farming practices through increased production and productivity, rural commercialization, natural resource and disaster risk management, and food security.

#### **2.4.4. National Technical Vocational Education and Training (TVET)**

Launched in 2000, the TVET program is aimed at encouraging and equipping youth (through a strong skills-based training program) to become self-employed is an important way to reduce youth unemployment. The TVET Strategy focuses on the relevance and quality of TVETs to develop the workforce based on labour market needs. To achieve this objective, the Ethiopian Government has identified a number of guiding principles including: (i) a demand-orientation; (ii) equal access and opportunity; (iii) pathways; (iv) flexibility; (v) life-long learning; (vi) gender sensitivity; (vii) contributing to the fight against HIV/AIDS; and (viii) contribution to environmental protection.

Though the number of technical and vocational schools has increased considerably in Ethiopia the outcome of the program is not fully documented. According to Guarcello and Rosati (2007) the impact of having participated in a training program appears to be very large.

## **2.5 Key Features of Rural Youth Livelihoods**

Bennell,(1999) explained that most rural youth are either employed (waged and self-employed) or ‘not in the labour force’. The issue, therefore, is not so much about unemployment, but serious under-employment in low productivity, predominantly household-based activities. Rural youth tend to be poorly educated, especially in comparison to urban youth. The extent of ‘urban bias’ in the provision of publicly funded education and training services is large in most low-income developing countries.

### **2.5.1. Income Diversification and Off-Farm/Non-Farm Development**

Ellis (2000), the term off-farm refers to income from wage or exchange labor on others’ farms. It includes labor payments in kind such as harvest share systems, income obtained from local environmental resources such as firewood, charcoal, house building materials, and wild plants. On the other hand, non-farm income refers to non- agricultural income sources and these include non-farm rural wage or salary employment, non-farm rural self-employment, rural income obtained from leasing land or property, urban-to-rural remittances arising from within national boundaries, and other urban transfers to rural households such as pension payments to retirees and international remittances arising from cross border and overseas migration (Gesese S. Kune and Ignatius Mberengwa 2012,Journal of Sustainable Development in Africa ).

Increased landlessness in rural areas and a very poor private sector to absorb the urban youth and rural migrants, employment in agriculture is the prime means of employment in rural Ethiopia where 84% of the total population resides and land is owned by the state. However, in most parts of Ethiopia land distribution was made before two decades. This excludes today’s youth as only those who attained majority in the early 1990s benefited from land distribution.

Reardon (1997) income diversification in rural Africa, off-farm and non-farm activities provide up to 30 to 50 per cent of the total rural household income , In Ethiopia, compared to other African countries, off-farm and non-farm activities contribute only in a limited way to the overall income of rural agricultural households as a recent study has shown.

The Ministry of Labour and Social Affairs (MoLSA,1996) 43.9 per cent for all five regions ( Amhara, Oromia, SNNPR, Tigray and Afar) are generating income from off-farm and non-farm activities and in Amhara region 54.2 per cent of income is generated from off-farm and non-farm activities. The higher percentage in the Amhara Region is presumably connected to the lower agricultural incomes of this region.

(MoLSA, 1996 ) conclude the share of agricultural wage employment and non-farm income in the country is only 10.2 per cent; in the case of the Amhara region, the share is slightly higher which is 11.3 per cent.

### **2.5.2. Off-farm activities (agricultural wage labour)**

This form of activity deals with agriculture (including livestock), but takes places outside the person's own farm. According to the MoLSA survey, only 15.4 per cent of the households in the five regions of Ethiopia (Amhara, Oromiya, Tigray, and SNNPP) included persons who in the year prior to 1997 involved in agricultural wage labour. In the Amhara Region, the percentage is slightly higher, 16.4 per cent (Federal Democratic Republic of Ethiopia 1997).

The category includes in the main two types of activities: local wage labour / sharecropping, and migratory labour. According to the MoLSA survey, local wage labour is the most common kind of wage labour. Thus, 80.5 per cent of the household selected in the five regions participating in agricultural wage labour indicated that they were working locally, whereas the remaining 18.5 per cent of household members migrated (or stayed outside their home more than one week) in order to search for wage labour.

In the Amhara Region, local wage labour was even more important, thus 87.3 per cent of the households involved in agricultural wage labour indicated that they were working locally . These sorts of wage labour do, however, play a minor role compared to the agricultural wage labour on smallholder farms. In the Amhara Region, smallholder farms are in 83.6 per cent of the cases the employer of the labourers compared to 6.7 per cent for government establishments and 2.5 per cent for NGOs.

### **2.5.2. Non-farm activities**

This form of activity takes place outside the agricultural sector, and includes the following activities: handicraft, petty trade, transport, small industry, services, and assorted non-farm

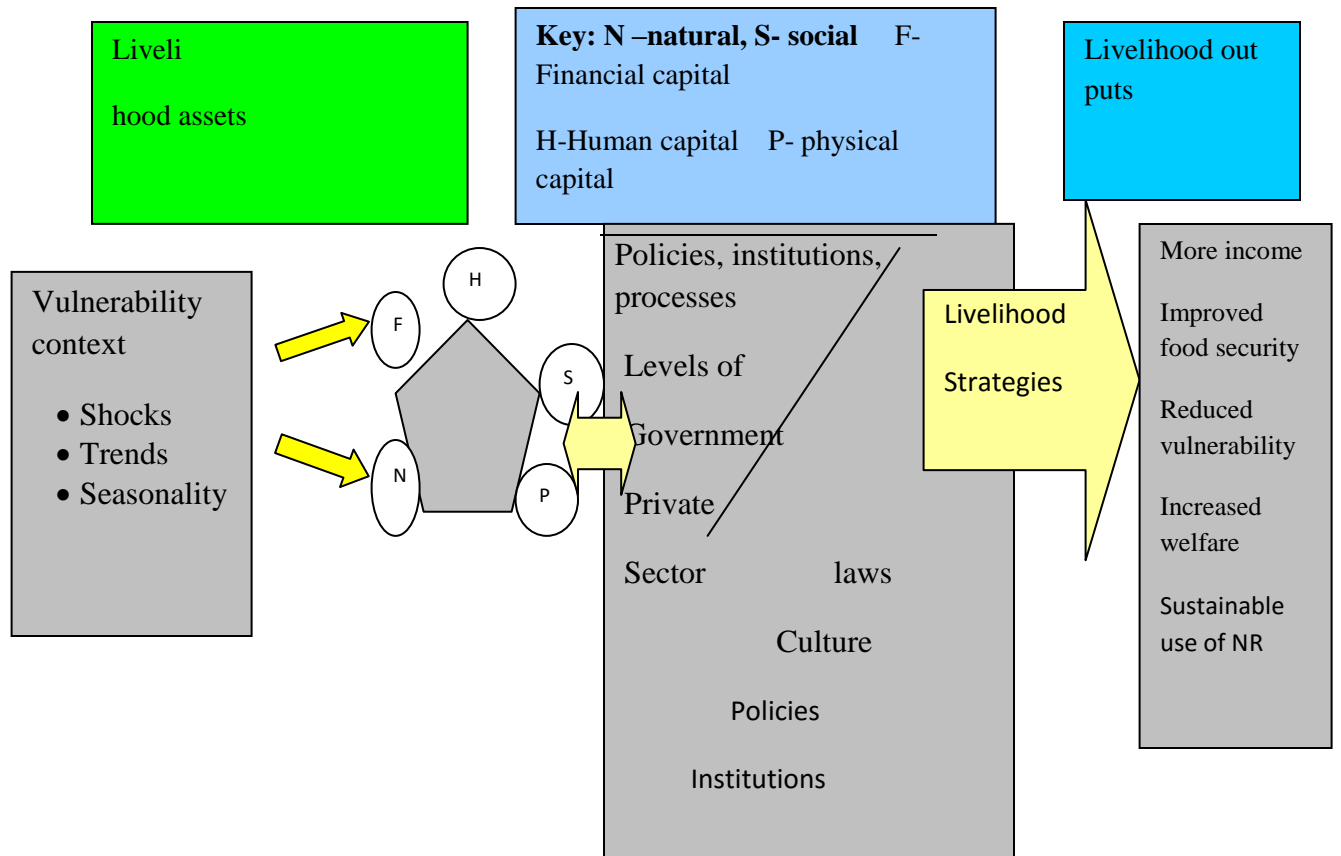


activities (collection of fuel wood, collection of water for payment, production and sale of charcoal, the collection and sale of timber, stones, etc.) (The Impact Study Group of the Joint Ethio-Danish Development Programme in North Wollo Copenhagen August 2004). Literature indicates in Africa, non-farm sources account for 40-45 % of average household income.

## **2.6. Conceptual Framework for Livelihood Strategy Analysis**

The livelihoods framework provides a comprehensive, and complex, approach to understanding how people make a living. It can be used as a loose guide to a range of issues which are important for livelihoods or it can be rigorously investigated in all its aspects (Kanji *et al*, 2005). Livelihood Approaches (LA) emphasizes understanding of the context within which people live, the assets available for them, livelihood strategies they follow in the face of existing policies and institutions, and livelihood outcomes they intend to achieve (DFID, 2000).

The key question to be addressed in any analysis of livelihood is given a particular context (of policy setting, politics, history, agro ecology and socio-economic conditions), what combination of livelihood resources (different types of 'capital') result in the ability to follow what combination of livelihood strategies (agricultural intensification/ intensification, livelihood diversification and migration) with what outcomes? (Scoones, 1998).



Source: Adapted from DFID, 2000.

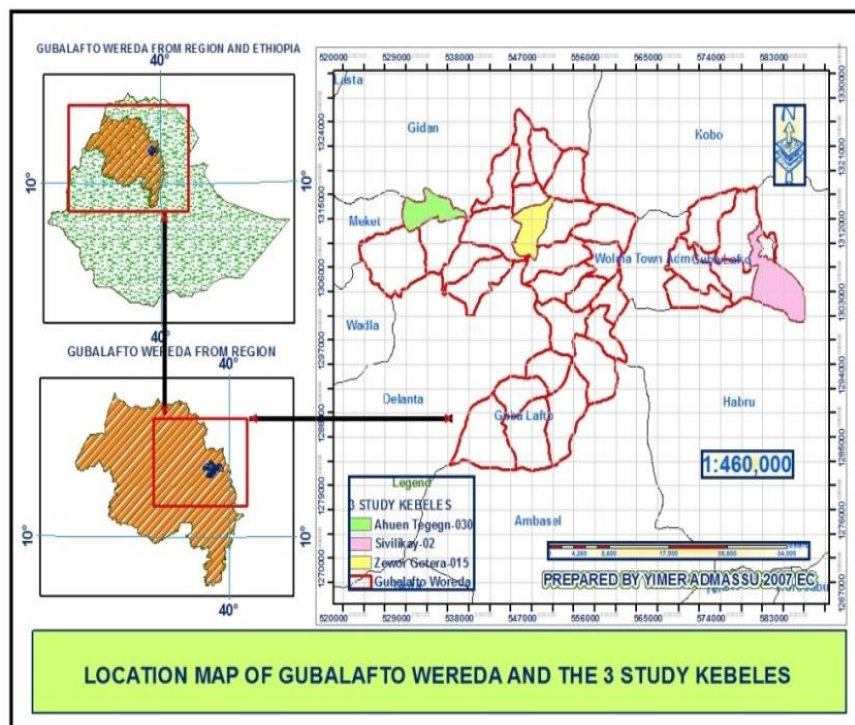
**Figure 1: Sustainable livelihood frame work**

## CHAPTER THREE

### 3. RESEARCH METHODOLOGY

#### 3.1 Description of The Study Area

Gubalafto Woreda is located in north east of Ethiopia which is 520 Km from Addis Ababa and 420Km from Bahrdar which is the capital city of Amhara regional state. Gubalfto is one of the nine Woredasin North Wollo and lies between 110 36' and 110 58' North latitude and 390 12'' to 390 50'' East longitude. It is bounded by Raya-Kobo District in the north, Habru Woreda in the south and southeast, Gidan in the northwest and Meket in the west (Figure 2). The administrative town of Gubalafto Woreda, Woldeya, is also the administrative town of North Wollo. The Woredais divided into 34 kebeles of which 3 of them is included in this research. The Woreda has an estimated total population of 161,691 people, of which about 51% are male and 49% are female (Gubalafto Woreda Office of Agriculture, 2014).



Source: own data with GPS

Figure 2: Location of Gubalafto Woreda and location of study Kebeles

The agro-ecological zones range from extremely cold (Dega) which lies above 2500 meters above sea level (masl) and receives more than 2500 millimeters (mm), to temperate (woyina-dega) which lies within 1501-2500 masl and receives 1501-2500 mm to hot lowland (Kolla) region which is within 500-1500 masl and receives 500-1,500 mm of rainfall (Gubalafto Woreda office of Agriculture, 2014).

## **3.2 Materials and methods**

### **3.2.1 Universe of the study**

The study is conducted in Gubalafto Woreda which is located in north Wollo zone of Amhara regional state located 520KM from Addis Ababa north east of the country. The Woreda is one of the drought prone area in which there is recurrent drought. According to Gubalafto Woreda Office of Agriculture, (2014) the Woreda is divided into 34 kebeles of which 3 of them is included in this research. The Woreda has an estimated total population of 161,691 people, of which about 51% are male and 49% are female and 25% are youths.

### **3.2.2 Sample Size and Sampling Techniques**

This study was employed with multi-stage sampling technique in which both purposive and random sampling was used. In the first stage Gubalafto Woreda is selected purposely to represent the three agro ecological zone of Kolla, Dega and Woyina-Dega of north Wollo. In the second stage the 34 Kebeles of Gubalafto Woreda was clustered with agro ecological zones of Dega, Woyina-Dega and Kolla. From the clustered Kebeles with agro ecological zone 3 Kebeles was selected randomly from Dega, Kolla and Woyina-Dega clusters. The selected Kebeles was Hara-Siblkay from Kolla agro-ecological zone, Zewer-Gotera from Woyina-Dega agro-ecological zone and Ahun-Tegegn from Dega-agroecological zones.

Finally a list of youths of each Kebele was prepared and samples of youths for this research were selected with systematic random sampling technique.

To determine the minimum number of sample enumeration areas and youth households needed to be able to identify impacts of the food security programs. A number of food security survey sample size are based on power calculations. The 2006 and 2008 Ethiopian Food Security Surveys used 22 to 30 households per kebele. Gilligan et al. (2007) give extended description of the baseline sample and the survey instruments and according to the authors, taking 20-30 households per enumeration area or kebele is suffice to estimate study variables. Based on the literature mentioned above, a total of 120 youth respondents was selected from 3 kebeles which is 40 youths from each kebele.

### **Inclusion Criteria**

- Youths who are living in rural area was included.
- Besides the age of youths should be between 18-35 years, they can be married, single, windowed or divorced and they could be literate or illiterate.

### **Exclusion criteria**

- Youths of urban areas will not be included
- Youths below, 18 years of old and above 35 years, was not included in this study.

## **3.2.3 Types and methods of data collection**

### **3.2.3.1 Types of data and data sources**

Primary data on youth household socioeconomic characteristics, youth household capital which includes human capital, natural capital, physical capital, social capital and financial capital were collected from sample youths using structured interview. Besides the livelihood strategies and determinants of youth livelihood strategies were collected with questionnaire developed for this purpose.

### **3.2.3.2. Methods of Data Collection**

For the collection of data detailed questionnaire on youth livelihood strategies and youth livelihood assets was prepared and with the support of the questionnaire surveys was conducted and quantitative data was collected.

Frank Ellis recommends Smaller-scale sample surveys relating to particular communities or regional populations are of rather more use. He also advocates various different PRA methods (key informants, semi-structured interviews, focus group discussions, Venn diagrams, etc.). Based on Frank Ellis recommendation Key-informant interview was facilitated with youth families, elders and youth leaders to know the history of the research area in relation to the trends of rural youth livelihoods.

### **3.3 Methods of Data Analysis**

The study has employed both qualitative and quantitative research methods. The data collected quantitatively was entered to excel sheet. In addition the questionnaire was coded and entered to excel sheet and exported to SPSS software and analyzed.

#### **3.3.1. Data quality management**

Data collection was carried out by data collectors who have knowledge and experience of working with rural community. The researcher provided two days training for data collectors on data collection methods and discussion was made on questioners developed for data collection.

The questionnaire was properly designed and pre-tested. Supervisors will follow and over-see interviewers. They review the completed questionnaire and ensure its completeness. The questionnaire was properly coded and double entered by two data encoder. Double data entry was conducted, checked for its consistency and cleaned. Prior to actual survey, pre-test on non-sample respondents was conducted under the supervision of the researcher and necessary modifications were made on the basis of the results obtained. The data was collected from August to October of 2015.

#### **3.3.2 Data analysis**

Descriptive techniques were employed to analyses the data collected. Descriptive analytical tools such as the frequency distribution, percentages, mean, mode, standard deviation and standard error were used to analyses the socio – economic and demographic characteristics of the households in the study area. The livelihood activities engaged by the households were determined by ensuring that each member of the household supply information on the type of activities during the 2014/2015 farming season and income generated. The descriptive data

analysis was conducted using Statistical Package for Social Sciences (SPSS) version 22 and Microsoft office excel spread sheet were used.

### **3.3.3. Econometric model**

Dependent variable with more than two alternatives in which youths will choose (i.e. unordered qualitative or polychromous variables), multi nominal logit or multi nominal probit regression model can be used. In this study, a multi nominal logit model specification was employed to analyze factors influencing youths chooses of livelihood strategies in the context of multiple chooses.

The dependent variable in this study was the selection of different livelihood strategies by youth households that it was identified by categorizing the sample youths in to livelihood strategy groups based on their choose. Therefore, the polytomous dependent variable for multi nominal logit was hypothesized to have the following values:

**Table 2: Definitions of Dependent variables, Independent variables and unit of measurement of livelihood strategies if the choices of youth HH lies.**

#### **Dependent variables**

Y=0, AG Agriculture alone

Y=1, AG+OFF Agriculture and off farm combination

Y=2, AG+NF Agriculture and nonfarm combination

Y=3, AG+OFF+NF Agriculture, off farm and non-farm

#### **Independent variables**

Age: Age of youth Households in years

Sex: Sex of youth households head (1=Male 2=Female)

Agro ecology: Agro ecology of the youth household (1=Dega (high land), 2=Woyina-Dega (mid land), 3=Kolla (low land))

Educational status: Educationstatusof youths (0=Not joining school, 1=Joining school)

Marital status: Marital status of youth household (1=Single, 2=Married, 3=Divorced, 4=Widowed)

Having own house: Having own house (0=No, 1=Yes)

Having farm tools: Having farm tools (0=No, 1=Yes)

Distance to Market: Distance to market in Kilometer

Bank Savings: Bank savings (0=no, 1=Yes)

Having mobile: Having Mobile (0=No, 1=Yes)

Having radio: Having radio (0=No, 1=Yes)

Land size: Land size owned by the youth Household in Hectares

Own skills: Own skills for livelihood (0=No, 1=Yes)

Facing food shortage: Facing food gap of youths ( 0=No, 1=Yes )

Here the variable relationship can be explained as follows  $U_{ij} = Z_{ij}\beta + \epsilon_{ij}$  ..... (1)

If the respondent makes choice j in particular, then we assume that  $U_{ij}$  is the maximum among the j utilities. So the statistical model is derived by the probability that choice j is made, which is:

$\text{Prob}(U_{ij} > U_{ik})$  for all other  $K \neq j$  ..... (2)

Where,  $U_{ij}$  is the utility to the  $i^{\text{th}}$  respondent from livelihood strategy j  $U_{ik}$  the utility to the  $i^{\text{th}}$  respondent from livelihood strategy k

If the household maximizes its utility defined over income realizations, then the household's choice is simply an optimal allocation of its asset endowment to choose livelihood that maximizes its utility (Brown et al., 2006). Thus, the  $i^{\text{th}}$  household's decision can, therefore, be modeled as maximizing the expected utility by choosing the  $j^{\text{th}}$  livelihood strategy among J discrete livelihood strategies, i.e. ....(3)

In general, for an outcome variable with J categories, let the  $j^{\text{th}}$  livelihood strategy that the  $i^{\text{th}}$  household chooses to maximize its utility could take the value 1 if the  $i^{\text{th}}$  household choose  $j^{\text{th}}$  livelihood strategy and 0 otherwise. The probability that a household with characteristics x chooses livelihood strategy j,  $P_{ij}$  is modeled as:  $J=0... 3$ ..... (4)

With the requirement that for any I Where:  $P_{ij}$ = probability representing the  $i^{\text{th}}$  respondent's chance of falling into category j  $X$  = Predictors of response probabilities Covariate effects specific to  $j^{\text{th}}$  response category with the first category as the reference.

Appropriate normalization that removes an indeterminacy in the model is to assume that (this arise because probabilities sum to 1, so only J parameter vectors are needed to determine the J +



1 probabilities), (Greene, 2003) so that, implying that the generalized equation (4) above is equivalent to for  $j = 0, 2 \dots J$  and..... (5)

Where:  $y = A$  polychromous outcome variable with categories coded from  $0 \dots J$ . Note: The probability of  $P_{i1}$  is derived from the constraint that the  $J$  probabilities sum to 1. That is, Similar to multi nominal logit model it implies that we can compute  $J$  log-odds ratios which are specified as; ..... (6)

## **CHAPTER FOUR**

### **4. RESULT AND DISCUSSION**

#### **4.1. Demographic and Socio-Economic Characteristics of the Respondents**

##### **4.1.1. Respondents Sex, Age and Marital Characteristics of respondents**

In this section effort has been made to discuss about the demographic and socio-economic characteristics of the sample respondents. The main characteristics focused here are sex, age, and marital status of the sample youth households. In line with this 86.7% of the respondents are male youth households and 13.3% of the respondents are female youths.

The other independent analyzed is age of respondents. In this case respondents are youths and the age category ranges from 18 to 35 years. Based on the below table 29% of the respondents are below 24 years of age, 65% of respondents are between 25 to 29 years of age and the remaining 6% are 30 to 35 years of age. It is therefore concerning the age of respondents majority of them are between the age group of 25 to 29 which is under the definition of youths.

**Table 3: Respondents age, marital status and family size in relation to agroecology of the study area**

Respondents		Agro ecology			Total respondents	Percentage
		Dega	Woyina Dega	Kolla		
Sex	male	35	29	40	104	86.67%
	female	5	11	0	16	13.33%
	Total	40	40	40	120	100%
Age	less than 24 age	8	15	12	35	29.17%
	25 to 29 age	29	21	28	78	65.00%
	30 to 35 age	3	4	0	7	5.83%
	Total	40	40	120	120	100%
Marital status	Single	13	12	1	26	21.67%
	married	23	28	36	87	72.50%
	Divorced	4	0	3	7	5.83%
	Total	40	40	40	120	100%
Household Size	With 1 family member	12	11	4	27	22.50%
	Youth HH with 2 families	11	14	14	39	32.50%
	Youth HH with 3 families	17	11	17	45	37.50%
	Youth HH with 4 families	0	4	5	9	7.50%
Total		40	40	40	120	

Source: own survey

Concerning the marital status 72% of respondents are married, 22% of respondents are single and the remaining 6% is divorced. Having marriage is one the determinant factor in which youths started their own of life and generating income from different sources. As stated above 72 percent of the respondents are married in which in one way or another they have their own livelihood strategies. Besides as majority of youths have no their own land their alternative livelihood strategy is diversification rather depending on farming only.

The family size of youth households is analyzed and 22.5% of youths are living alone, 32.5% of youths have 2 families which means they are married, 37.5% have 3 family members which means they have one children and 7.5% of them have 4 family members which means they have two children.

#### 4.1.2. Youth Education Status and Level

Education is one of the major strategies to make youths reliant by themselves. In line with this the government is highly recognized and expanded education from primary to university level in

all parts of Ethiopia from urban to rural. However in this research 35% of youth respondent told that they are not joining any education, the problem is very serious in Kollakebeles of the research area in which out of 40 respondents 30 respondents (75% of KollaKebele) are not joining any education. Relatively in Dega and Woyina-DegaKebeles out of 80 respondents 68 of them are joining and attending education from primary to high school(Table4).

**Table 4: Educational level and educational status of rural youth in the study area**

Educational status	Respondents education	Agro ecology			Total	Percent
		Dega	Woyina-Dega	Kolla		
Education status of youths	are not joining any education	5	7	30	42	35%
	Going to school for education	35	33	10	78	65%
Total		40	40	40	120	100%
Level of education of youths	not educated	5	7	30	42	35%
	Grade 1 to grade 4	4	3	3	10	8%
	Grade 5 to grade 8	27	14	5	46	38%
	Grade 9 to grade 10	3	16	2	21	18%
	Grade 11 to Grade 12	1	0	0	1	1%
Total		40	40	40	40	120

**Source: own survey**

The level of education of youths relatively is higher in Dega and Woyina-Dega areas in which 27 youths out of 40 youths are joining primary education and in Woyina-DegaKebls 14 out of 40 youths are joining primary education (grade 5 to grade 8) as compared to 5 youths in KollaKebele of GubalaftoWoreda. Generally even though the government of Ethiopia is expanding education the participation of youths in education is very limited. Among money reasons the major reason why youth are not joining education are majority of youths are busy in supporting families in different house responsibilities and some of them told that the capacity of the family is very low to make youths attending school.

## 4.2 Youth Livelihood Resources Possession

In this study youth livelihood resources are labeled as capitals. Capitals are of different types, and categorized into different categories these are: Human capital, Social Capital, Natural Capital, Financial Capital and Physical Capital. IFAD classify capital into more than that, by adding other capitals, for instance, includes: Personal capital to those capitals mentioned above. This study uses the IFAD'S categories to explain the availability and the ownership of the livelihood resources in the study area.

### 4.2.1 Youths physical Capital

Physical capital includes hard infrastructure (e.g. roads, telecommunications, power, and water supply) as well as production equipment and buildings that are most likely individually owned (Ann Gordon and Cathrine Craig, 2001). Infrastructure is the most important physical capital for household livelihood sustainability. It includes roads, market, agricultural inputs, distance from town and public services.

In the study area 58% of respondents have their own house in which they are living independent of their family. Whereas it is only 29% of youths had their own farm tools. Farm tools are one of the important implement to make their own agricultural practices but only 29% of youths had their own farm tools and implements. Having mobile and radio is very important to access communications to get information for the diversification of livelihoods and livelihood strategies. In line with this 80% of youths have mobiles in which they can communicate people in different parts of the country to access different sources of livelihood strategies where as 34% of respondents have radio and they can access information from radios which support them to have information on day to day situation of the country (Table5).

**Table 5: Asset ownership of rural youths in the study area**

<b>Assets of youth</b>	<b>Status</b>	<b>Frequency</b>	<b>Percent</b>
Having own house	No	50	41.7%
	Yes	70	58.3%
	Total	120	100%
Having farm tools	No	85	70.8%
	Yes	35	29.2%
	Total	120	100%
Having radio	No	79	65.8%
	Yes	41	34.2%

	Total	120	100%
Having mobile	No	23	19.2%
	Yes	97	80.8%
	Total	120	100%

Source: own survey

The other physical capital analyzed was youth access to market, health extension services, medical services, mill services, shopping facilities and access to tea houses. In line with this 100% of respondents in the study area told that they had access to physical capital

**Table 6: The status of youth access to physical capital in the study area**

Description of physical capital	Status	Frequency	Percent
Market facility	yes	120	100%
Health extension services	yes	120	100%
Medical services	yes	120	100%
Mill services	yes	120	100%
Shopping facility	yes	120	100%
Access to tea houses	yes	120	100%

Source: own survey

#### **4.2.2. Youths Natural Capital in the Study area**

##### **4.2.2.1. Youth ownerships of land from different sources for farming**

The majority of youths in Ethiopia live in rural areas where farming is still the main livelihood option of the people. However it has been long where Ethiopia has been. Gebiru, (2013) indicated that issues like access to land, land transfer rights and other tenure security issues have long been problems and points of serious controversy in Ethiopia. Thus, answering the question that whether problems related to access to land and tenure security are drivers of youth unemployment and outmigration would have great policy relevance. Based on this research youths farm land sources are own farm land, land from inheritance, land from local leaders, land with share cropping and farming with co-farming of families. Accordingly it is 30% of the respondents ( N=36) who own their own farm land, 26% of the respondents (N=32) are accessing land through inheritance which means youths getting after the death of their families (

father and mothers), 15.8% of the contacted youths ( N=19) told that Kebele leaders provided farm land when some elders die and if they do not have family who inherited the farm land, 19% of youths ( N=23 ) told that they are getting farm land through share cropping and they are getting farm land from Kebele leaders and 21.7% of them ( N=26) told that they are farming with their family to share the harvest. The detail for youth’s farm land sources is summarized with table 7.

**Table 7: Youth farm land sources in the study area**

Sources of data own survey

Land sources of Youths	Responses	Frequency	Percent
Own Farm land	No	84	70%
	Yes	36	30%
	Total	120	100%
Accessing land with inheritance	No	88	73.3%
	Yes	32	26.7%
	Total	120	100%
Accessing land from local leaders	No	101	84.2%
	Yes	19	15.8%
	Total	120	100%
Accessing land with share cropping	No	97	80.8%
	Yes	23	19.2%
	Total	120	100%
Accessing land from family with co-farming	No	94	78.3%
	Yes	26	21.7%
	Total	120	100%

Source: own survey

In this research 30% of the interviewed youths have their own farm land. The average land size of youths is 0.2146Ha which is much below the average land holding of households of the area of 1.03 Ha which was confirmed by Anteneh, etal, (2000). Adal (2000), Adal (2003), Rahmato (2004) and Teklu and Lemi (2004) which sates land distribution was implemented in 1990 and there was no land distribution after the land proclamation of the Rural Land Administration Proclamation of 1997 that is why the current land holding size of youths is very minimal.

In this reach it is concluded that youths are getting land from different sources. Based on the findings of this research 26.7% of youths are accessing land through inheritance, 15.8% of youths are getting land from the local leaders whenever elders who have no inheritors are died , 19.2% of youths are accessing land through share cropping and 21.7% of youths are farming with their parents to share the produce.

As shown in the table8 50.8% of youths do not have farm land in which they are expected to generate their livelihood by share cropping or using other livelihood strategies other than farming. Based on the finding of this research 45.8% of youths have less than 1Ha of land it is 3.4% of youths who have 1 to 1.25Ha of land. The average land holding of youth in the study area is 0.214Ha.

**Table 8: Land holding size of youths in the study area**

<b>Youth land holding in Hectare</b>	<b>Frequency</b>	<b>Percent</b>
Youth with no land ( 0 Ha)	61	50.8
Youths with 0.13 to 0.75 Ha of land	55	45.8
Youths with 1 to 1.25 Ha of land	4	3.4
Total	120	100.0
Youth average land holding(Mean)		0.2146
Youth Minimum land holding		0.00
Youth maximum land holding		1.25

**Source from own survey**

#### 4.2.2.2 Major Crops Grown by Youth in Different Agro-ecological Zones of the Study Area

As shown in the following table the major crops grown by youths in the study area are Teff, sorghum, Maize, barley, pulses and wheat. In Kolla and Woyina-Deg areas Teff, sorghum and Maize are the major crops grown in which Teff is considered as a cash crop and in Dega areas pulse, barley and wheat are the major crops grown and pulses are as a cash crop and wheat and barley are used for family consumption and if they have extra they used for generating cash however youth in the study area 100% of youths do not use sell of crops as sources of cash income.

**Table 9: Major crops grown in the study area by youths**

Crop type		Agro ecology			Total	Percent
		Dega	Woyina-Dega	Kolla		
Teff	No	40	22	3	65	54%
	yes	0	18	37	55	46%
Total		40	40	40	120	100%
Sorghum	No	40	21	3	64	53%
	yes	0	19	37	56	47%
Total		40	40	40	120	100%
Maize	No	40	23	40	103	86%
	yes	0	17	0	17	14%
Total		40	40	40	120	100%
Barely	No	9	40	40	89	74%
	yes	31	0	0	31	26%
Total		40	40	40	120	100%
Wheat	No	39	24	40	103	86%
	yes	1	16	0	17	14%
Total		40	40	40	120	100%

Source: own survey

In the study area of Woyina-Dega areas Teff and sorghum grows in major proportion which is 46% and 47% respectively grown in Kolla and Woyin-Dega areas. Barley and wheat are the major crops grown in Dega and Woyin-Dega areas but barely is preferred in Dega areas in which the agroecology supports the growth of barely where as in Woyina-Dega areas youths prefer, 17 % ( N=40) wheatthan barely, 0% (N=40).



#### 4.2.2.3. Youths and Their Status of Livestock production

As shown in table 10 youths in the study area are engaging with their own livestock and by having livestock from the better of people with share cropping as that of share cropping. In this case 41.8% of youths have their own livestock. The average ownership of livestock was 1.0439 TLU which is similar to owning of 2 sheep or 1 cow plus 3 chickens. In this case the current status of livestock ownership of youths in the study area was very insignificant to take as one of the livelihood strategies or income sources. However in order to diversify the income sources youths in the study area are using share livestock as that of share cropping which means youths who are taking share livestock have a stake to share the off-springs and livestock by-products like butter and milk. However enough owning of livestock with share livestock was one of the strategy for livestock ownership. The proportions of youths who are using share livestock production is very small it was only 10.8% of the study populations were. The major reason for they are not engaging in livestock production in general was they have no land for livestock feed production and they have no money to start livestock production.

**Table 10: Youth livestock production system in the study area**

Sources of livestock production	Status	Frequency	Percent
Own livestock production participation	No	70	58.3
	Yes	50	41.7
	Total	120	100.0
Share livestock production	No	107	89.2
	Yes	13	10.8
	Total	120	100.0
Average own livestock in TLU	1.0493		
Maximum livestock ownership in TLU	7.97		

**Source: Own survey**

#### 4.3. Human Capital

Ellis, ( 1999) confirmed that the human capital represents the skills, knowledge, ability to labor and good health that together enable people to pursue different livelihood strategies and achieve their livelihood objectives. The human capital refers to the labor resources available to households, which have both quantitative and qualitative dimensions. In line with these in the study area 65% of youths were joining school. In this regard it is 19% of youths of the study area were grade 9 to 12, this is the level where rural youths can get capacity to engage to different livelihood strategies. As shown in table 4 the level of education is better in Dega and Woyina-

Dega areas than Kolla area. In Kolla area the attitude to education is very low in which from 40 youths 30 were out of school.

**Table 11: Skills of youths in the study area**

Skills of youths		Frequency	Percent (%)
Skills for livelihood	No	96	80%
	Yes	24	20%
	Total	120	100%
Skills on carpentry	No	116	96%
	Yes	4	3.3%
	Total	120	100%
Skills on Masonry	No	104	86.7%
	Yes	16	13.3%
	Total	120	100%
Skills on barberry	No	114	95%
	Yes	6	5%
	Total	120	100%

Source: own survey

As shown in table11 in the study area 24% of youths have skills for their livelihoods. In this regard the skills that youths have are carpentry, masonry and barberry. Based on this 3.3 % (N=4) youths have skills on Carpentry, 13.3 % ( N=16) on masonry and 5 % ( N=6) of them had skills on barberry. The study shows that there is huge gap of skills of youths in which having skills for livelihood strategy is one of the major potential,however, in the study areait shows that youths have limited and low proportion of skills. Hence, there is a need to improve the capacity of youths in different skills so that they can use for the diversification of livelihood strategies.

#### **4.4. Financial Capital**

##### **4.4.1 The Sstatus of Youth Saving**

Financial resources available to people, (saving, credit, remittances, and pensions) which provide them with different livelihood outcomes (Rakodi and Lloyd-Jones 2002). World development report in (2008: 143) explained that ; financial services are delivered to rural populations by organizations that exist along a continuum from informal to formal, formal financial institutions are licensed and supervised by a central authority. In the study area the main

indicator for financial capital werethe status of saving and purposes of saving money. Based on this the status of saving money is very much dependent on agroecology in which youths who are living in Dega and Woyina –Dega areas were very much involved in saving. Accordingly, 100% and 92% of respondents who are residences of Dega and Woyina-Dega respectively involved in saving. Saving in Kolla areas were at zero percent. The major reason for not involved in saving was mainly religious related in which youths in Kolla area are mainly Muslims and their religion is not supporting savings which is very damaging for youths. Inthe study area 67% of (N=80) youths having savings. The problem was all 40 youths who are living in Kola agroecology are not involved in saving which is very critical in which saving, contributes for the improvements of financial capital of youth.

**Table 12: The status of savings of youths versus agro ecological zones**

The status of savings		Agro ecology			Total	Participants of Saving in %
		Dega	Woyina Dega	Kolla		
The status of saving	Do not have savings	0	3	37	40	33%
	Have savings	40	37	3	80	67%
Total		40	40	40	120	100%

Source: own survey

As shown intable12 the average annual saving of rural youths in Gubalafto Woreda was ETB of 3122with a maximum annual saving of ETB 20,000 birr and minimum saving is 0.

**Table 13: Saved money by rural youths in the study area**

Measurements	Saving status in birr
Mean	3121.67
Std. Deviation	4107.468
Minimum	0
Maximum	20000

Source: own survey

Most of youths who had saving were using the money for livestock production and pity-trading were the major purposes of saving of rural youths. In this case 35% (N=42) of them are saving money for livestock production, 15.8% (N=19) of them are saving money for agricultural inputs like fertilizer and improved seed purchase and 32%, N= (38) of rural youths in Gubalafto Woreda are saving for pity-trading.

**Table 14: Purpose of saving of youths in the study area**

<b>Purpose of saving</b>		<b>Frequency</b>	<b>Percent</b>
Saving for Livestock production	No	78	65.0
	Yes	42	35.0
	Total	120	100.0
Saving for Input purchase	No	101	84.2
	Yes	19	15.8
	Total	120	100.0
Saving for pity trading	No	82	68.3
	Yes	38	31.7
	Total	120	100.0

Source: own survey

#### 4.4.2 Accesses of youths for credit and credit institutions

In the study area youths were getting credit access from 2 major sources own family and Amhara Credit and Loan associations (ACCI). Based on this 51% (N=61) of youths are generating loan from ACCI and 38% (N=46) of youths are getting credit from own families.

**Table 15: Sources of loan**

<b>Sources of loan</b>		<b>Frequency</b>	<b>Percent</b>
From family	No	74	61.7
	Yes	46	38.3
	Total	120	100.0
From ACCI	No	59	49.2
	Yes	61	50.8
	Total	120	100.0

Source: own survey

In the study area ACCI was the main sources of credit institutions. ACCI has its own modalities to access youths credit services among those having collateral is the major once. As shown in table 16, 17.5% of youths were using their own land for collateral, 47% of youths told that they are using family assets as a collateral and 15% of youths told that they were used own home for collateral. As mentioned earlier the major proportions of youths were using family assets to get credits from credit institution. However if the family of youths do not have assets they do not have access for credit; hence; it is necessary to design appropriate credit modalities for youths so that they can have access of financial institutions.

**Table 16: Collaterals used by youths for the access of credit by youths**

<b>Sources of collateral for credit aces</b>		<b>Frequency</b>	<b>Percent</b>
Land is used for collateral	No	99	82.5
	Yes	21	17.5
	Total	120	100.0
Family asset for collateral	No	64	53.3
	Yes	56	46.7
	Total	120	100.0
Own home for collateral	No	102	85.0
	Yes	18	15.0
	Total	120	100.0

Source: own survey

#### 4.5 Social Capital

Member ship to Iddir, Iqub, religious associations, self-help groups and support of relatives were the most important social assets in the study area. With regard to this 95% of interviewed youths confirmed that they have got support from relatives. The support generated is mainly support of oxen for farming, seed support, getting farm land for share cropping, and getting farm for share livestock production and sometimes they are also getting food for the family consumption. Key informant interview also told that youths are getting support from relatives of rural areas. Based on the responses of key-informant interviews some rural youths had support from relative who are living in urban areas.

**Table 17: The level of support of youths by relatives in the study area**

<b>Youth support</b>		<b>Frequency</b>	<b>Percent</b>
<b>Support of relatives</b>	No support	6	5.0
	Have support	114	95.0
	Total	120	100.0

Source: own survey

With relation to Idir, Iqub and rural saving groups 59% of youths told that they are members of Idir in the village and they are getting services like supports during funerals, economic support whenever they face problems. Besides 67% of youths are a member of Equbs and apart from economic benefits they generate social supports from Equb members in the village. In the study

area 30% of youths are members of village saving and loan groups in which it create an opportunity to strengthen their financial assets.

**Table 18: Participation of youths in social institutions**

Types of social services		Frequency	Percent
Youths participation in Idir	No	61	50.8
	Yes	59	49.2
	Total	120	100.0
Youths participation in Iqub	No	53	44.2
	Yes	67	55.8
	Total	120	100.0
Youths participation in Saving groups	No	83	69.2
	Yes	36	30.0
	Total	120	100.0

Source: own survey

#### **4.6 Major Challenges of Youths in Rural Areas of Gubalafto Woreda**

In the study area challenges of rural youths in fulfilling livelihood strategies was analyzed. In this case shortage of land and youth employment opportunities in rural areas was among the major livelihood challenges. Among the study participants of youths N= 96, (80%) of them told that they have shortage of land and N= 61, (51%) of them told that they face employment opportunities in rural to full fill their livelihood strategies. Regardless of shortage of land and employment opportunity skills and credit access was the issues raised by the researcher;but most of them didn't consider as a problem. This is may be because of youths are thinking that the opportunities which need skills are very limited and it is only 12(10%) who consider low skill as a challenge for their livelihoods.

**Table 19: Youth livelihood Challenges in the study area**

Livelihood challenges		Frequency	Percent
Shortage of land	Not	24	20.0
	Yes	96	80.0
	Total	120	100.0
Employment opportunity	Not	59	49.2
	Yes	61	50.8
	Total	120	100.0
Low skills	Not	108	90.0
	Yes	12	10.0
	Total	120	100.0
Credit Access	Not	110	91.7
	Yes	10	8.3
	Total	120	100.0

Source: own survey

#### 4.7 The Status of Food gap of Rural Youths and Their Copping Mechanism

In the study area one of the challenges of rural youths was shortage of food. In this regard among the study participants 81 of them which are 67% of rural youths told that they are facing shortage of food for 3 to 12 months. The period and time of food gap of youths in different agro ecology is different in which youths in Dega and Kolla have high proportion of food gap than youths in Woyina-Dega which is 39 in Dega, 2 in Woyina-Dega and 40 in Kolla. The main reason of youths in Woyina-Dega are not susceptible for shortage of food was the agroecology supports them to diversify their production in which agroecology is one of the determinantfactor for the diversification of livelihood strategies.

**Table 20: Youths food gap status in the study area**

Food gaps	Agro ecology			Total	Percent
	Dega	WoyinaDega	Kolla		
No	1	38	0	39	32.5%
Yes	39	2	40	81	67.5%
3 months	16	0	4	20	16.7%
6 months	21	1	22	44	36.7%
9 months	2	0	12	14	11.7%
12 months	0	1	2	3	2.5%

Source: own survey

Based on table 20 large proportion of youths in rural Gubalafto have food gaps for 6 months which is 36% of the respondents, 16% have food gaps for 3 months , 12% of youths in the study area have food gaps for 9 months and there are youths who had food gaps for 12 months which is 3% of the respondents. Those youths who had food gaps for 12 months are entirely dependent on different coping mechanisms which is summarized in table 21 or they are completely dependent on their family for their entirely and livelihoods.

To mitigate food gaps youths in the study area uses different coping mechanism. Among the major coping strategies in which youth uses were accessing credits from formal and informal institutions for the purchase of food items, reducing consumptions, seeking support from relatives, migration and generating income outside their villages and relief aid were the major coping mechanisms employed by youths. In the study area the major coping strategies were food aid which was 54 % (N=65), use of credit which was 32.5% (N=39), getting support from relatives which is 30% (N=36), reducing consumption which is 27% (N=33) and labor migration 17% (N=21).

**Table 21: Coping strategies of youths in the study area**

<b>Coping strategies</b>		<b>Frequency</b>	<b>Percent</b>
Credit	Yes	39	32.5
Reducing consumption	Yes	33	27.5
Support of relatives	Yes	36	30.0
Labor migration	Yes	21	17.5
Relief	Yes	65	54.2

Source: own survey

#### **4.8 Cash Income Sources and Expenditure Sources of Rural youths in The Study Area**

##### **4.8.1 Cash Income Sources**

As shown in table 22 the major sources of cash identified in the study area was sell of crops, sell of animals, sell of animal products, participating in daily labor, sell of fuel wood, participating in pity trading, formal employment, sources from remittances which is relative from towns and migrants who are living in Arab countries, food for work activities, cash sources from PSNP and cash sources from food aid.



As shown in table 22 below cash income sources of sell of animals, sell of animal products, daily labor, sell of fuel wood, pity trading and cash sources from remittances have larger proportion than the other cash income sources.

**Table 22: Youths annual cash income sources**

Sources of cash income		Agro ecology			Total	Percent (%)
		Dega	Woyina Dega	Kolla		
Sell of crops	Yes	3	1	7	11	9
Sell of animals	Yes	31	3	7	41	34
Sell of animal products	Yes	30	2	0	32	27
Daily labor	Yes	33	22	1	56	47
Sell of fuel wood	Yes	1	26	0	27	23
Pity trading	Yes	28	24	0	52	43
Formal employment	Yes	1	9	2	12	10
Remittances	Yes	1	8	25	34	28
Food for work	Yes	6	3	0	9	8
PSNP	Yes	5	10	11	26	22
Food aid	Yes	31	6	15	52	43

**Source: own survey**

Youth cash income sources in Dega agro ecology was maximum (N=31) from sell of animals (N=30) from sell of animal products, (N=33) from daily labor and (N=31) from food aid. In Woyina-Dega agro-ecological zone the major cash sources were daily labor (N=22), sell of fuel wood (N=26) and pity- trading (N=24). In Kola agro-ecological zone remittances (N=25) is the major sources of cash income. In line with this in Gubalافتo Woreda livestock production, daily

labor and pity-trading were the major sources of cash income which can be considered as the major livelihood strategies of youths. In Woyina-Dega areas daily labor, sell of fuel wood and pity-trading are the major sources of cash income and the researcher conclude that these are the major livelihood strategies of rural youths. In Kolla agro-ecological zone the income sources of rural youths are very limited in which most of them generated cash from remittances that are living in Arab countries.

As shown in table 23 youth cash income is categorized and 14% ( N=17) of youths had annual income of 0 to 1000 birr, 16% ( N=19) of youths have annual cash income of 1001 to 5000 birr, 22 % ( N=27) of youths had annual cash income of 5001 to 10000, 35% (N=42) of them have annual cash income of 10001 to 20000 and 13% (N=15) of youths had annual cash income sources of above 20000 annually.

**Table 23: Average cash income of youths in the study area**

Youth cash income		Frequency	Percent
income category	0 to 1000	17	14.2
	1001 to 5000	19	15.8
	5001 to 10000	27	22.5
	10001 to 20000	42	35.0
	above 20000	15	12.5
	Total	120	100.0

**Source: own survey**

As indicated in table24youths in the study area had an average annual cash income of 11274 (N=120), with maximum cash income of 110000 ETB. In the study area rural youths generate average income from daily labor which is ETB of 3020 (N=120) and maximum cash income was from daily labor which is 65000 birr per annum, this shows that daily laboring is considered as one of the major livelihood strategies of rural youths in the study area.

**Table 24: Youth total cash income sources in the study area**

<b>Income sources</b>	<b>N</b>	<b>Mean</b>	<b>Minimum</b>	<b>Maximum</b>
Cash income from sale of crops	120	113.3	0	2500
Cash income from sale of animals	120	1159.6	0	11000
Cash income from sale of animal products	120	387.1	0	5000
Cash income from daily labor	120	3020	0	65000
Cash income from sale of fuel wood	120	1567.6	0	17360
Cash income from pity trading	120	2377.5	0	45000
Cash income from formal employment	119	415.1	0	8000
Cash income from remittances	120	981.7	0	10000
Cash income from food for work	120	132.5	0	4000
Cash income from PSNP	120	428.1	0	8500
Cash income from food aid	120	695.5	0	4000
Mean of Total cash income	120	11274.5	0	110000

**Source:** own survey

Generally in the study area cash income from sale of animals, daily labor, sell of fuel wood, pity trading and cash income from remittances were relatively better with average income from each source birr are 1159, 3020, 1567, 2377 and 981 respectively in which the detail is shown in table 24.

**Table 25: Youths expenses in the study area**

<b>Types of expenses</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Minimum</b>	<b>Maximum</b>
Expenses of school fee	17.1667	38.34131	0.00	150.00
Expenses of Medical	278.4167	398.52458	0.00	2500.00
Expenses of clothing	1476.5000	1129.67285	0.00	5000.00
Expenses of Transport	261.7917	215.88278	0.00	700.00
Expenses of fire wood	233.9167	525.13191	0.00	2500.00
Expenses of kerosene	58.0833	97.53513	0.00	500.00
Expenses of Marriage	149.2500	238.53250	0.00	1000.00
Expenses of Funeral	43.6667	148.40855	0.00	1500.00
Expenses of House items	492.2083	841.01999	0.00	4500.00

Expenses of jewelry for wife	148.1250	664.60769	0.00	6000.00
Expenses for Taxation	49.8000	105.94359	0.00	1000.00
Expenses of food grain purchase	1468.4167	1409.88035	0.00	6000.00
Expenses of salt	124.4167	245.81128	0.00	2400.00
Expenses of paper	453.3333	336.62520	0.00	2500.00
<b>Total expenditure</b>	<b>5221.9917</b>	<b>3801.07052</b>	<b>0.00</b>	<b>17450.00</b>

Source: own survey

As shown in table 25 the major expenses of rural youths in the study area are expenses of school fee, medical expenses, expenses for clothing, expenses for transport, expenses for fuel, fire wood, traditional practices like marriage and funeral, expenses for jewelry, expenses for tax , expenses for food grain purchase, expenses for salt and paper. Totally in rural Gubalafto youths have an average expense of 5221 birr and youths expends maximum on food grain purchase which is an average of 1468 birr annually this shows that youths are very much dependent on non-agricultural activities for their livelihood in which they cost maximum for the purchase of agricultural products. Rural youths minimum expenses was school fee which is an average of 17 birr annually which means either they are terminating or completing their education or they have children which are not ready for schooling or the school of the study area is minimum. As compared to other expenses transport expense is also significant in which it shows that they are moving from places to place to pursue their livelihood strategy on daily laboring which is true for youths who are living in Dega agro-ecological zone which discussed earlier.

#### **4.9. Youth Livelihood Activities**

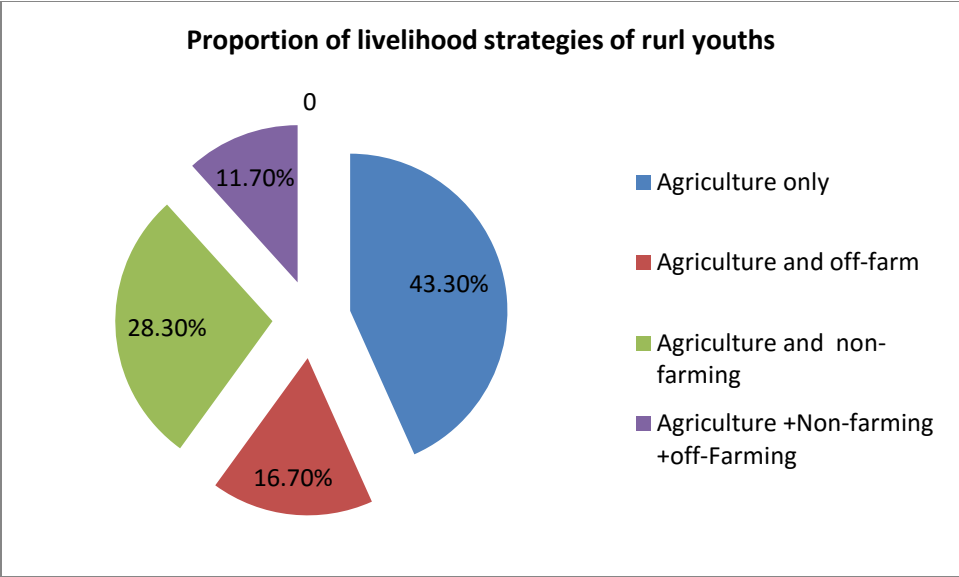
Chambers (1989); state that Livelihood strategies are strategies that peasants undertaken to maintain the viability and food security of their households in a sustainable fashion. Chambers and Conway (1992) define a livelihood system as comprising the capabilities, assets (including both material and social resources) and activities required for a means of living. The chosen combination of assets and activities, undertaken usually at the household level, is often referred to as the household's 'livelihood strategy'. A livelihood strategy encompasses not only activities that generate income but many other kinds of elements, including cultural and social choices Ellis (2000).

In the study are the major livelihood activities identified were agriculture only, the combination of agriculture and off-farming, agriculture and non-farming and the combination of agriculture, off-farming, and non-farming. With regard to livelihood strategies of youth 43.3% of youths told that they are depending on agriculture in all respondents of Kolla area are depending on agriculture only. Besides 16.7(N=20) told that they are pursuing their livelihood with the combinations of agriculture and off-farming activities in this case respondents of Dega and Woyina-Dega youths use this combination. Besides there were youths who are using the combination of agriculture and non-farming in this case also 28.35% (N=34) of youths living in Dega and Woyina-Dega are using this combination. Youths who use the combination of agriculture, non-farming and off-farming are very limited which is 11.7% of the respondents.

**Table 26: Livelihood strategies of rural youths analyzed with descriptive statics cross reference with agroecology**

Livelihood strategy	Agro ecology							
	Dega	Proportion	WoyinaDega	Proportion	Kolla	Proportion	Total	Proportion
Agriculture only	1	2.5%	11	27.5%	40	100%	52	43.30%
Agriculture and off-farm	12	30.0%	8	20.0%	0	0%	20	16.70%
Agriculture and non-farming	19	47.5%	15	37.5%	0	0%	34	28.30%
Agriculture +Non-farming +off-Farming	8	20.0%	6	15.0%	0	0%	14	11.70%
Total	40	100.0%	40	100.0%	40	100%	120	100.00%

Source: own survey



**Figure 3: Youth livelihood strategies in the study area**

**Source: own survey**

In this research the level of participation of youths on non-farming activity was measured and 69 % ( N=83) told that they are engaging on non-farming activity. In this regard the research identified pity trading, remittance; daily laboring and migration were the major non-farming activities in the study area. The participations of youths in the identified non-farming activity was measured and 37.5% (N=45) are participating on pity-trading, 45% on daily laboring, 11% on remittances and 48% on migration. The level of participation on non-farming activity was different in different agro-ecological zones in which it is higher Dega and Woyin-Dega agro-ecological zones. In this case when we see the level of participation of pity trading above 50% of respondents in Dega and Woyina-Dega agro-ecological zone whereas; youths in Kolla agro-ecological zone none of the respondents were participating which is the same in daily laboring.

**Table 27: Youths participation in non- farming activities**

Participation on non-farming activities		Agro ecology			Total	
		Dega	WoyinaDega	Kolla		
Status of participations	Not	0	6	31	37	31%
	Yes	40	34	9	83	69%
Total		40	40	40	120	
Participation of pity trading	Not	18	17	40	75	62.5%
	Yes	22	23	0	45	37.5%
Total		40	40	40	120	
Participation of daily laboring	Not	10	16	40	66	55%
	Yes	30	24	0	54	45%
Total		40	40	40	120	
Participation on remittances	Not	39	36	32	107	89%
	Yes	1	4	8	13	11%
Total		40	40	40	120	
Participation on migration	Not	17	33	12	62	52%
	yes	23	7	28	58	48%
Total		40	40	40	120	

Source: own survey

#### 4.10. Factors or determinants of youth Livelihoods Diversification

##### 4.10.1. Econometric Analysis of Determinants of Livelihoods strategies

Multinomial Logistic Regression Model was used to identify determinants of livelihood strategies. The model was selected based on the justification illustrated earlier. Therefore, in this section, procedures followed to select independent variables (continuous and dummy) and results of logistic regression analysis conducted to identify determinants of livelihood strategy choice by rural youth households is presented.

**Table 28: Definition of variables used for the models**

Dependentvariable	Variables definitionandunitofmeasurement
Livelihood strategies	if the choice of the HH lies in
Y=0, AG	Agriculture alone
Y=1, AG+OFF	Agriculture and off- farm combination
Y=2, AG+NF	Agriculture and non- farm combination
Y=3, AG+OFF+NF	Agriculture, off farm and non-farm
Independentvariables	
AGE	Age of youth Household Head in years
SEX	Sexof youth HouseholdHead (1=Male 2=Female)
AGROECO	Agro ecology of the youth household reesidencese (1=Dega (high land), 2=Woyina-Dega (mid land), 3=Kolla (low land))
EDUCATS	Educationstatusof youth HouseholdHead (0=Not joining school, 1=Joining school)
MARITALS	Marital status of youth household head (1=Single, 2=Married, 3=Divorced, 4=Widowed)
HAVINGOWH	Having own house (0=No, 1=Yes)
HAVINGFT	Having farm tools (0=No, 1=Yes)
DISTANCETM	Distance to market in Kilometer
BANKSAV	Bank savings (0=no, 1=Yes)
HAVINGM	Having Mobile (0=No, 1=Yes)
HAVINGR	Having radio (0=No, 1=Yes)
OwnLA	Own land size owned by the youth Household in Hectares



OWNSKIFLIVEL Own skills for livelihood (0=No, 1=Yes)

TotalCashIncome Total cash income

FACINGOFFFOODGA Facing food gap of youths (0=No, 1=yes)

**Table 29: Estimate of variables of youth livelihood strategies of agriculture only, agriculture and off-farming, agriculture and non-farming and agriculture, off-farming and non-farming respectively**

Livelihood strategies	Variables	B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
Agriculture only	Intercept	-20.14	10.81	3.47	1	.063			
	TotalCashIncome	-0.06	1.20	0.00	1	0.96**	.95	.09	10.02
	[AgroE]	-2.75	120.31	0.00	1	0.99***	.06	.00	16382482.00
	[Sex]	-3.41	3.10	1.21	1	.271	.03	.00	14.34
	[Marital]	0.46	5.02	0.01	1	0.93*	1.58	.00	29856.87
	[EducationaalStatus]	-0.60	1.62	0.14	1	.712	.55	.02	13.06
	[HavingownHouse]	-0.22	1.77	0.02	1	0.90*	.80	.03	25.44
	[Havingfarmtools]	-0.97	1.81	0.29	1	.589	.38	.01	13.02
	[DistancToMarke]	-4.15	3.80	1.19	1	.275	.02	.00	27.24
	[BankSaving]	-2.38	3.14	0.57	1	.449	.09	.00	43.67
	[HavingRadio]	-0.74	2.62	0.08	1	.777	.48	.00	80.63
	[HavingMobile]	0.99	1.87	0.28	1	.598	2.68	.07	105.10
	[OwnLA]	-1.04	2.30	0.20	1	.652	.35	.00	32.18
	[Ownskillsforlivelihood]	-2.91	3.27	0.79	1	.374	.05	.00	33.02
	[Facingofffoodgap]	-0.48	120.33	0.00	1	0.99***	.62	.00	164888691.00

\*\*\*, \*\*, \* Significant at <1%, 5% and 10% probability level respectively.

Source: own survey

Livelihood strategies	Variables	B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
Agriculture and off arm	Intercept	32301.42	10.64	9208432	1	0.000			
	TotalCashIncome	-0.43	1.28	0.11	1	.735	.65	.05	8.01
	[AgroE]	10.77	55.88	0.04	1	0.90*	47554	.00	17464210.00
	[Sex]	-2.67	3.22	0.68	1	.408	.07	.00	38.50
	[Marital]	1.55	4.94	0.10	1	.753	4.72	.00	75505.60
	[EducationaalStatus]	-0.86	1.86	0.21	1	.646	.43	.01	16.28
	[HavingownHouse]	-1.50	1.96	0.59	1	.442	.22	.00	10.29
	[Havingfarmtools]	0.02	1.96	0.00	1	0.99***	1.02	.02	47.93
	[DistancToMarke]	3.74	3.92	0.91	1	.339	.02	.00	51.17
	[BankSaving]	-1.72	3.05	0.32	1	.572	.18	.00	70.70
	[HavingRadio]	-2.24	2.62	0.73	1	.393	.11	.00	18.16
	[HavingMobile]	0.92	2.28	0.16	1	.688	2.50	.03	218.78
	[OwnLA]	-2.07	2.45	0.72	1	.398	.13	.00	15.35
	[Ownskillsforlivelihood]	-3.77	3.31	1.29	1	.255	.02	.00	15.27
	[Facingoffoodgap]	-11.72	55.93	0.04	1	.834	.00	.00	332123277.00

\*\*\*, \*\*, \* Significant at <1%, 5% and 10% probability level respectively.

Source: own survey

Livelihood strategies	Variables	B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
Agriculture and non-farming	Intercept	-22.02	10.40	4.48	1	.034			
	TotalCashIncome	-0.01	1.25	0.00	1	0.99***	.99	.08	11.50
	[AgroE]	0.42	68.86	0.00	1	0.99***	1.52	.00	62791925.00
	[Sex]	-4.80	3.13	2.34	1	.126	.01	.00	3.85
	[Marital]	0.76	4.94	0.02	1	0.90*	2.13	.00	33943.77
	[EducationaalStatus]	-1.10	1.69	0.93*	1	.514	.33	.01	9.09
	[HavingownHouse]	1.11	1.81	0.37	1	.541	3.03	.09	105.83
	[Havingfarmtools]	-0.26	1.94	0.02	1	0.90*	.77	.02	34.50
	[DistancToMarke]	-4.90	3.88	1.59	1	.91*	.01	.00	15.09
	[BankSaving]	-2.18	3.08	0.50	1	.479	.11	.00	47.09
	[HavingRadio]	-1.14	2.56	0.20	1	.657	.32	.00	48.72
	[HavingMobile]	1.03	2.09	0.24	1	.624	2.79	.05	169.23
	[OwnLA]	-0.86	2.43	0.13	1	.722	.42	.00	49.58

	[Ownskilsforlivelihood]	-2.06	3.24	0.40	1	.526	.13	.00	73.44
	[Facingofffoodgap]	-1.17	68.87	0.00	1	0.99***	.31	.00	1289062.00

Livelihood strategies	Variables	B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
Agriculture+ Non-farming+ off-Farming	Intercept	-32.55	11.16	8.50	1	.004			
	TotalCashIncome	0.97	1.34	0.52	1	.471	2.64	.19	36.68
	[AgroE]	-6.42	1204.89	0.00	1	0.99***	.00	.00	. <sup>c</sup>
	[Sex]	-1.98	3.47	0.33	1	.568	.14	.00	123.63
	[Marital]	1.76	5.60	0.10	1	.754	5.79	.00	340033.58
	[EducationaalStatus]	-0.88	1.84	0.23	1	.631	.41	.01	15.11
	[HavingownHouse]	0.90	1.85	0.24	1	.627	2.47	.07	93.40
	[Havingfarmtools]	-0.76	2.01	0.14	1	.705	.47	.01	23.96
	[DistancToMarke]	4.40	3.92	1.27	1	.96**	.01	.00	26.30
	[BankSaving]	-2.82	3.26	0.75	1	.388	.06	.00	35.78
	[HavingRadio]	-0.31	2.63	0.01	1	0.610	.73	.00	126.58
	[HavingMobile]	0.68	2.42	0.08	1	.777	1.98	.02	225.58
	[Ownskilsforlivelihood]	-4.22	3.27	1.66	1	.197	.01	.00	8.97
	[Facingofffoodgap]	3.38	1204.89	0.00	1	0.99***	29.37	.00	. <sup>c</sup>

\*\*\*, \*\*, \* Significant at <1%, 5% and 10% probability level respectively..

Source: own survey

#### 4.10.2. Interpretation of Econometric Model Results

**Youth Cash Total Income (TotalCashIncome):** As expected on hypothesis, youth income has significant ( $p < 0.05$  and  $p < 0.1$ ) and positive correlation with household livelihood diversification choosing agriculture alone and agriculture and non-farm activities respectively. The results of this econometric model analysis suggest that households have more income tend to follow only agricultural (animal raising and crop farm) rather than diversifying from agriculture since they draw incentives of their farming productivity. This implies the chances of choosing agriculture in the context of having income from their regular activities decrease the probability of diversifying to off-farm and non-farm activities by 6.0 percent and 1.0 percent respectively. This supports the view that on-farm and non-farm activities compete over the limited youth household resources. It also implies that those youth households who expect secured agricultural income stay on agriculture and lower off-farm intensity. The implication is that youth just switch away from off-

farm activities when the agricultural activity is promising; and hence, this supports the necessity argument as opposed to the choice argument. Households consider off-farm activities as a last resort income source if farm production fails.

**Agro-ecology (AgroE):** As expected, this variable has a positive and significant ( $P < 0.10$ ) correlation with the likelihood of choosing agriculture plus off-farm livelihood strategy. This means the tendency that the youth households diversify livelihoods into agriculture plus off farm increase as we go from high lands to low lands. Hence, the probability of diversifying into agriculture plus off farm increased by 107 percent for lowland households by keeping others constant. And the youth household choose agriculture alone or agriculture plus non farm significant ( $P < 0.01$ ) but negative for agriculture alone and positive for agriculture plus non-farm livelihood strategies. Thus, the probability of youth diversifying from agriculture alone to off-farm, non-farm or combination of all livelihood strategies will be decreased by 27.5 percent by keeping other variables constant. While the probability youth diversify from agriculture alone livelihood to agriculture plus non-farm activities will increase by 42 percent. The result is in line with that of Jansen *et al.*, (2004). This might be due to differences in the quality and size of land, the amount and distribution of rainfall, population densities and population practice that influence between highlands and lowland. For instance, climatically the latter is warmer than the former and in low the population density is lower where youths can access farm land in which youths of high and mid land areas investigate additional options than relying on agriculture only. On top of these in this research it was found that youths in mid land and high land have better access for credit institutions than low land areas and youths of high land and mid land have a better access for education in which youths of mid and high land have an opportunity of increasing their financial and human capital which supports for the diversification of their livelihood strategies other than agriculture.

**Youth marriage status (Marital):** The Youth marriage status influenced the decision of livelihood diversification participation. According to the model analysis, the youth household, marriage status positively affect the participation on agriculture alone and non-farm livelihood activities significantly ( $< 10\%$ ). Keeping other factors constant; married household increases by 46 percent engaging on agriculture alone and 76 percent for agriculture and non-farm livelihood activities for married youth. This is because of married youth having additional human resource

that can help to increase agricultural productivity and participated on different livelihood activities and also there is pushing factors (having of children) of family responsible to diversify livelihood activities.

**Youth Household facing food gaps (Facingoffoodgaps):** food secured household may not accept livelihood diversification as coping mechanism for household insurance. Thus econometric model analysis also showed that household being food secured is found to have a significant ( $p < 0.05$ ) negative impact on the likelihood of livelihood diversification. This show that household livelihood diversification directly related with household food security status. If the household is not food secured, it leads to accept livelihood diversification. Keeping the influence of other factors constant, household food secured has decreases involvement of agriculture, non-farm and off-farm activities participation by 57.4 percent, 34.6 percent and 62.2 percent respectively.

**Youth having own house (Havingownhouse):-**The youth having own house has a significant ( $P < 0.01$ ) and negative correlation with the likelihood of choosing agriculture alone. The results of this study suggest that youth with own house tend to choose agricultural plus other activities to diversify from agriculture since they should participate to increase household income. This implies the chances of choosing agriculture alone in the context of having own house decreases the probability of diversifying to off farm and non-farm activities by 22 percenton fixing other constant. On the other hand the probability of diversifying livelihoods decreases by 22 percent by having own house as youth with more stabled to stay on farm and stimulates farming. This supports the view that off-farm and on-farm activities compete over the limited household resources. It also implies that those households who expect secured agricultural income stay on farm and lower off-farm intensity.

**Youth having farm tools (HavingFarmTools):**According to Galab et al; (2002) culturallydefined gender roles, social mobility limitations and differential ownership ofaccess to assets affect livelihood diversification. Contrary to expectation, having of farm tools was found to be negative and significantly affect the rural households' decision to choose agriculture plus non-farm livelihood strategy at ( $P < 10\%$ ) level of significance and decreases by 26 percent by fixing other variables constant. The probable reason for this is that due to improvement of productivity of farm through farm tools use the farmer youth might affect go for non-farm

activities. Having farm tools was positively and significantly affects at ( $P < 1\%$ ) significant level of the youth decision to participate on agriculture plus off-farm activities by 2.0 percent of participating from agriculture alone to agriculture plus off-farm activities. This suggests that those who are better-off can afford to buy farm tools as farm input and those who are poor may not. As a result, those who use farm tools may produce more per unit area than non-users and can have access to large quantity of food and diversify income sources for accumulation.

**Distance from nearest market (DistanceToMarket):**

Distance from market center usually affects the livelihood strategies employed by rural households. Households near to market centers tend to have easier market access to dispose their production. The distance to market places increases the agriculture group disincentives to go out of their area for selling of their agricultural produce Berhanu (2007). In this study it was found that the variable has positive rewards for household's livelihood strategy diversification. The econometric analysis indicated that keeping that the influence of other factors constant, the youth choice decision to participate in agriculture plus off-farm activities increases by about 37.4 percent at less than 10 percent probability level and increases the participation of youth in to combination of agriculture, off-farm and non-farm activities by 44 percent. This implies nearness to market center motivate youth to engage in agriculture plus nonfarm plus off-farm. This result is in line with the findings of Berhanu (2007) and Tatek (2012).

## **CHAPTER EIVE**

### **5. CONCLUSION AND RECOMMENDATIONS**

#### **5. 1. Conclusion**

In rural areas it is simple that agriculture is the dominant economic activity and the primary sources of income. In this study it is concluded that the major economic activities and the major livelihood strategy of youths is agriculture. In this regard 43% of the study participants told that their livelihood strategy is agriculture. In line with those proportions of youths who are using agriculture as major sources of livelihood are residences of Kolla.

Nevertheless the average land holding of youths in the study area is 0.21Ha which is below the average household land holding size of 1.03 Ha of the study area. In this regard as shown earlier the land holding size of youth is very minimal which is below average and it is expected that youths should diversify their livelihood strategies other than using agriculture but with the minimum land holding of 0.21Ha however most of youths which is 43% of them are depending on agriculture. In this case it is important to support youths to use different livelihood strategies other than agriculture by improving the livelihood assets of rural youths.

In Dega and Woyina-Dega agro ecological zones youths diversified their livelihood opportunities and 16.7% of youths are using the combinations of agriculture and off-farm activities and 28.35% of youths are using the combination of agriculture and non-farming activities. On top of this 11.7% of youths of the study area told that they are using diversified livelihood strategy which is agriculture, off-farming and non-farming activities.

In this study it is shown that youths who are using diversified livelihood strategy and income sources are very minimal and pity-trading and daily labor are the main livelihood strategies of youths which support agriculture and farming. In this case youths of Dega and Woyina-Dega are using pity-trading and daily laboring for the diversification of their livelihood but there has to be effort for the access of credit institutions which have simple and appropriate for resource poor of rural youths of the study area other than ACSI which requires collateral. Even though pity trading is the major sources of non-farm income sources the status of saving of youth is very

small in which youths who are living in Dega and Woyina-Dega have small saving and those living in Kolla-agro ecological zone are at zero level of savings.

In this case to improve the participation of youths on pity trading and other non-farming livelihood strategies saving behavior should have to be improved. For this government and non-government organizations need to support and work together with rural youths. Education has significant impact for the improvement of human capital of the people particularly youths. However in the study area it is only 19% of rural youths who enrolled to high school specifically in Kolla agro-ecological zone the status of youths joining education is 25% this needs to be improved otherwise rural youths are not in a position of diversifying their livelihood strategies other than farming. In the study area the major livelihood challenges are shortage of land, low employment opportunities, low credit access and most youths are without skills for the diversification of livelihoods. To tackle those problems and challenges of rural youths there has to be effort of development actors so that rural youths can have opportunities and tackle their problem in a sustainable way.

## **5.2. Recommendations**

In this study area rural youths have a lot of challenges in fulfilling their livelihood strategies and in boosting their income sources. The major challenges of rural youths in the study area are shortage of land, low employment opportunities, low skills for the diversification of livelihood strategies and the access of credit institutions and saving is very limited. In this regard the following major issues are recommended by this research.

- The major livelihood strategy of rural people is agriculture which is the same for rural youths in this the government should have to design an option for rural youths in which they can have the opportunity of getting farm lands.
- The important of education for the diversification of livelihood strategy should have recognized and there has to be opportunity for rural youths to get trainings and skills on some important skills like masonry and carpentry so that they engage in the development process of their village.
- The financial capital of rural youths should have to be improved by accessing appropriate and accessible financial institutions and effort has to be made for the improvement of youth saving behaviors.



- There has to be strategy in which participation of rural youths in livestock production should be improved this should be done by accessing credit of, training opportunities and access of grazing land for rural youths.

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## **Annex 1: Survey questionnaire to know the livelihoods strategies and determinants of livelihood strategies**

### **I, Demographic data of youths and youth households**

1. Kebele-----
2. Agroecology: 1.Dega, 2.Woyina-Dega, 3.Kolla
3. Sex, 1. Male 2, Female
4. Age-----
5. Ethnicity, 1, Amhara, 2, Tigray, 3,Afar, 4, Oromo, 5,Other
6. Marital status, 1, Single, 2,Married, 3,Divorced, 4,Widowed
7. Youth Household size-----

### **II, Physical capital situations**

1. Do you have your own house( 0=No, 1=Yes)
2. If yes what is the condition of your house(1= Small hut, 2=Medium hut, 3=Big hut, 4= Corrugated , 5= Other Specify-----)
3. Living situation of youth Living with parents, 1, Living with partner, 2, Living alone, 3,Other mention-----
4. Do you have radio,( 0=No, 1=Yes)
5. Do you have mobile,( 0=No, 1=Yes)
6. Do you have your own house, (0=No, 1Yes)
7. Do you have your own farm tools ( 0-No, 1=Yes)
8. Value of your asset in Birr-----
9. Do you have farming land? (0=No,1= Yes)
10. Amount of land in Hectar-----
11. Do you access land with inheritances(0=No,1= Yes)
12. Have you got land from local leaders (0=No,1= Yes)
13. Have you got land with share cropping (0=No,1= Yes)
14. Have you got land from family (0=No,1= Yes)
15. Where do you farm( 0= Not farming, 1= own farm land, 2=family farm land, 3=Co-farming with family, 4=Share farming who have no labour)

16. Size of land managed with family ( 0= do not manage land with family , 1=land managed with family is 0.25 ha, 2 =land managed with family is 0.5 Ha, 3=land managed with family is 0.75 Ha. 4=land managed with family is 1 Ha)
17. Size of land with share cropping ( 0= no land for share cropping , 1=land for share cropping is 0.25 ha, 2 =land for share cropping is 0.5 Ha, 3=land for share cropping is 0.75 Ha. 4=land for share cropping is 1 Ha)
18. Own land in hectare-----
19. Size of Land managed with family in hectare-----
20. Size of land managed with share cropping in hectare-----
21. Type of land you access ( 0=No farm land, 1= irrigable, 2= rain fed, 3= other)
22. Do you grow growing Teff ( 0=No, 1=Yes)
23. Do you grow Sorghum (0=No, 1=Yes)
24. Do you grow Maize (0=No, 1=Yes)
25. Do you grow Barely (0=No, 1=Yes)
26. Do you grow Wheat (0=No, 1=Yes)
27. Do you practicing of livestock production( 0=No, 1=Yes)
28. Do you have share livestock production( 0=No, 1=yes)
29. The number of own livestock in tropical Livestock unit-----
30. Do you use input to increase your production( 0=No, 1=Yes)
31. Getting road facilities ( 0=No, 1=Yes)
32. Getting Market facilities ( 0=No, 1=Yes)
33. Getting Health extension services ( 0=No, 1=Yes)
34. Getting Medical services ( 0=No, 1=Yes)
35. Getting Milling facilities ( 0=No, 1=Yes)
36. Getting shopping facilities ( 0=No, 1=Yes)
37. Getting Tea house ( 0=No, 1=Yes)

### **III, Human capital situations**

38. Have you ever been to school, 0, No, 1, Yes
39. If yes what is the highest grade you completed-----,

40. If no please mention the reason you are not attending school, 1,Family support , 2,School is very far, 3,Health problem, 4,Marriage, 5,Financial problem , 6,Others mention-----

#### **IV, Financial capital**

1. Do you have bank savings( 0=No, 1=Yes)
2. Family loan for off-farming ( 0=No, 1=Yes)
3. Own saving for off-farming ( 0=No, 1=Yes)
4. Loan from ACSI for off-farming ( 0=No, 1=Yes)
5. The status of saving money ( 0=No, 1=Yes)
6. Save money in ACSI ( 0=No, 1=Yes)
7. Save Money in Cooperatives ( 0=No, 1=Yes)
8. Save money in youth groups ( 0=No, 1=Yes)
9. Amount of saved money ( 0=No, 1=Yes)
10. Saving for livestock production ( 0=No, 1=Yes)
11. Saving for input purchase ( 0=No, 1=Yes)
12. Saving for pity -trading ( 0=No, 1=Yes)
13. Request of collateral for credit access ( 0=No, 1=Yes)
14. Land as a collateral for credit access ( 0=No, 1=Yes)
15. Family acces as a collateral for credit access ( 0=No, 1=Yes)
16. Home for collateral for credit access ( 0=No, 1=Yes)

#### **V, Livelihood strategies**

17. What are your livelihood strategies(0=Agriculture, 1=Agriculture &off-farming, 2=Agriculture &non-farming, 3=Agriculture +non-farming +off-farming)
18. Do you participate in non-farming activities ( 0=No, 1=Yes )
19. Participation in pity-trading ( 0=No, 1=Yes)
20. Participation of daily laboring ( 0=No, 1=Yes)
21. Participation on remittances ( 0=No, 1=Yes)
22. Participation on migration ( 0=No, 1=Yes)
23. Do you have Skills for livelihoods ( 0=No, 1=Yes)
24. Having skills on carpentry ( 0=No, 1=Yes)

25. Having skills on Masonry ( 0=No, 1=Yes)

26. Having skills on Barberry ( 0=No, 1=Yes)

## **VI, Social capital**

27. Participation of Idir for social network ( 0=No, 1=Yes)

28. Participate in Equb as social service ( 0=No, 1=Yes)

29. Participate in Saving groups as social service ( 0=No, 1=Yes)

30. Support of relatives in full filling livelihoods ( 0=No, 1=Yes)

## **VII, Livelihood challenges and coping mechanism**

31. Shortage of farm land for livelihood challenge ( 0=No, 1=Yes)

32. Low employment as livelihood challenge ( 0=No, 1=Yes)

33. Low skills for livelihood challenges ( 0=No, 1=Yes)

34. Low credit access for livelihood challenge ( 0=No, 1=Yes)

35. Food gap facing ( 0=No, 1=Yes)

36. food gap for 3 months ( 0=No, 1=Yes)

37. food gap for 6 months ( 0=No, 1=Yes)

38. food gap for 9 months ( 0=No, 1=Yes)

39. food gap for 12 months ( 0=No, 1=Yes)

40. Copping by using credit ( 0=No, 1=Yes)

41. Copping by reducing consumption ( 0=No, 1=Yes)

42. Copping by support of relatives ( 0=No, 1=Yes)

43. Copping by labor migration ( 0=No, 1=Yes)

44. Copping by relief ( 0=No, 1=Yes)

## **VIII, Cash income sources and expenditure of youths**

45. Cash income from sale of crops ( 0=No, 1=Yes)

46. Cash income from sale of animals ( 0=No, 1=Yes)

47. Cash income from sale of animal products ( 0=No, 1=Yes)

48. Cash income from daily labor ( 0=No, 1=Yes)

49. Cash income from sale of fuel wood ( 0=No, 1=Yes)



50. Cash income from pity -trading ( 0=No, 1=Yes)
51. Cash income from formal employment ( 0=No, 1=Yes)
52. Cash income from remittances ( 0=No, 1=Yes)
53. Cash income from food for work-----
54. Cash income from PSNP-----
55. Cash income from food aid -----
56. Total cash income -----
57. Expenses of school fee -----
58. Expenses of Medical -----
59. Expenses of clothing -----
60. Expenses of Transport -----
61. Expenses of fire wood -----
62. Expenses of kerosene -----
63. Expenses of Marriage-----
64. Expenses of Funeral-----
65. Expenses of House items-----
66. Eexpences of jewelry for wife -----
67. Expenses for Taxation-----
68. Expenses of food grain purchase -----
69. Expenses of salt -----
70. Expenses of paper -----
71. Total expenses -----

## **Annex II. Conversion factor used to estimate Tropical Livestock unit**

S/N	Tropical livestock Unit (TLU)	TLU
1	Calf	0.2
2	Heifer	0.75
3	Cows/Oxen	1
4	Horse/Mule	1.1
5	Donkey	0.7
6	Donkey (Young)	0.35
7	Sheep/Goat	0.13
8	Sheep/Goat (young)	0.06
9	Camel	1.25
10	Chickens	0.01

**Source: Storck et al, (1991) cited in Mulu, (2008)**

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