

**YOUTH LIVELIHOODS AND ENTREPRENEURSHIP IN THE
MOBILE TELEPHONY SECTOR IN THE GREATER ACCRA
METROPOLITAN AREA**

**THIS THESIS IS SUBMITTED TO THE UNIVERSITY
OF GHANA, LEGON**

BY

ROBERT LAWRENCE AFUTU-KOTEY

10013777

**IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR
THE AWARD OF DOCTOR OF PHILOSOPHY
DEVELOPMENT STUDIES DEGREE**

DECEMBER, 2013

DECLARATION

I hereby certify this thesis as original and my own and that neither part nor the whole has ever been presented in this University or any other institution for an award of any academic degree.

All references of others made to the work have duly been acknowledged.

.....
ROBERT LAWRENCE AFUTU-KOTÉY

(Candidate)

.....
DATE

We, the undersigned supervisors, certify that this is an original work we supervised the candidate to produce. We are also convinced that it (the thesis) meets all required standards set by the University of Ghana for an award of a Doctor of Philosophy Degree.

.....
PROF. GEORGE OWUSU

(Principal Supervisor)

.....
DATE

.....
PROF. P. W. K. YANKSON

(Supervisor)

.....
DATE

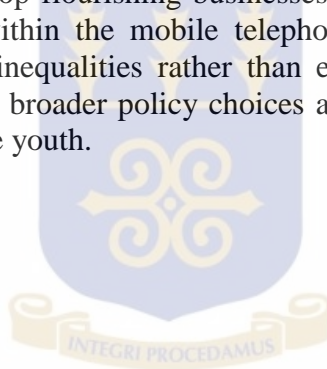
.....
PROF. KATHERINE GOUGH

(Supervisor)

.....
DATE

ABSTRACT

Mobile phones have been widely reported to be transforming Africa and have even been referred to as creating a 'revolution'. Numerous studies have revealed how mobile phones are 'flattening' the world and facilitating economic development through improved connections between places and people. In Ghana, liberalisation of the mobile telephony sector has contributed to a dramatic rise in the number of young people who are engaged in various informal support businesses in the sector, including sale of mobile phones, accessories, airtime, and repair of mobile phones. Despite the fascination with the potential of the mobile telephony sector and impact of mobile phone usage, few studies have examined the livelihoods of those working in the business. Using a multiple research methodological approach involving a combination of quantitative and qualitative analytical techniques, this study specifically investigates the motivation for business establishment, performance and business implications in the life course of the youth working in the sector. The findings of this research counter the neoliberal interpretations and assumptions of entrepreneurship and livelihoods that are currently being promoted on two fronts. First, despite the majority of the youth-run mobile telephony businesses being 'informal', they cannot be dismissed as 'necessity' enterprises unworthy of support. On the contrary, many young people have growth aspirations for their businesses and some have succeeded in establishing successful businesses that enable them to become financially independent and make significant gains in social mobility. Second, although some young people are able to develop flourishing businesses, these are mainly educated males. On the whole, entrepreneurship within the mobile telephony sector is shown to be reinforcing existing social and economic inequalities rather than enabling young people to escape. The research therefore recommends broader policy choices at the micro and macro levels aimed at improving the livelihoods of the youth.



DEDICATION

This thesis is dedicated to my father, Isaac Nii Afutu Kotey for being there for me throughout my educational life, and to my lovely wife, Benedicta Lalue Sackey for the inspiration during the study.



ACKNOWLEDGEMENT

I am very grateful to my three supervisors: Prof. P. W. K. Yankson, Prof. Katherine Gough and Prof. George Owusu for their guidance and expertise that have brought this dissertation this far. In spite of your extremely busy schedules, you always found time to offer guidance and encouragement. I am also grateful to Prof. Søren Jeppesen, Prof. Thilde Langevang and Prof. Torben Birch-Thomsen, all of the University of Copenhagen for their insight into the initial conceptualisation and guidance throughout the dissertation writing period. I am equally grateful to the Coordinator of PhD Programme, Rev. Dr. Adobea Yaa Owusu and the entire staff of the Institute of Statistical, Social and Economic Research (ISSER), University of Ghana, for the valuable comments during the weekly seminar presentations.

To all the resilient young people I interviewed during the fieldwork, I say thank you very much for sharing your time and interest in my work. My thanks also go to Mr. Emmanuel Edudzie of Youth Empowerment Synergy, Ghana for availing himself to be interviewed interview on two separate occasions and also for assisting with relevant literature.

Above all, and from the bottom of my heart, I am greatly indebted to Prof. George Owusu for giving me the opportunity to pursue this dissertation and more importantly, for the good working relations before, during and even beyond this study. May the Almighty God grant you good health and success in all your endeavours.

I am highly indebted to Mr. Maxwell Yeboah and Diana Budmus, for accompanying me in various stages of the fieldwork. I also wish to thank the entire YEMP team and all the YEMP PhD Candidates at Makerere University, University of Lusaka and PhD Colleagues at ISSER whose useful suggestions and contributions partly contributed in getting me this far.

I would like to thank DANIDA for sponsoring my stay at the Department of Geography and Geology, University of Copenhagen, and also for funding my fieldwork in Ghana.

My final appreciation goes to my wife, Benedicta Lalue Sackey, my father, Mr. I. N. A. Kotey and my mother, Rebecca Lendey Ampah, for the tremendous support offered me during the course of my studies. May God richly bless you all.

TABLE OF CONTENTS

Content	Page
DECLARATION.....	i
ABSTRACT	ii
DEDICATION	iii
ACKNOWLEDGEMENT.....	iv
TABLE OF CONTENTS	vi
LIST OF TABLES	xiii
LIST OF FIGURES	xiv
LIST OF ABBREVIATIONS	xv
CHAPTER ONE.....	1
INTRODUCTION	1
1.1 Background of the study.....	1
1.2 Research Problem.....	7
1.3 Research Objectives	10
1.4 Justification for the Study.....	11
1.5 Conceptual Definitions.....	12
1.5.1 ‘Youth’ as a Concept.....	12
1.5.2 ‘Entrepreneurship’ and the ‘Entrepreneur’	14
1.5.3 ‘Livelihoods’ as a Concept.....	17
1.5.4 ‘Mobile Telephony’	17
1.6 Thesis Outline.....	18

CHAPTER TWO	19
LIVELIHOODS, SOCIAL CAPITAL AND YOUTH TRANSITION TO	
ADULTHOOD: THEORIES AND PERSPECTIVES	19
2.1 Introduction	19
2.2 Enterprise Activities and the Livelihood Framework	19
2.3 Motivation for Establishing Livelihood Activities.....	22
2.4 Entrepreneurship or Livelihood Activities and Social Processes.....	27
2.5 Social Capital: Definition, Origin, and Theoretical Orientation	28
2.5.1 Definition of Social Capital.....	28
2.5.2 Social Capital Origin	30
2.5.3 Social Capital: Pierre Bourdieu	31
2.5.4 Social Capital Theory: James Coleman.....	34
2.5.5 Theorising Social Capital – Robert Putnam	37
2.5.6 Synthesising the Debate and Rationalising Coleman’s Thinking	40
2.5.7 Different Types of Social Capital.....	41
2.6 Social Capital and Contemporary Crisis	42
2.7 Social Capital and Entrepreneurial or Livelihood Activities.....	44
2.8 Theorising Youth Livelihoods and the Transitions to Adulthood.....	50
2.9 Summary and Conclusion.....	59
CHAPTER THREE	62
SOCIO-ECONOMIC DEVELOPMENT AND THE YOUTH SITUATION IN	
GHANA	62
3.1 Introduction	62
3.2 Demographic Profile and the Youth.....	62
3.3 Socio-Economic and Political Context and the Youth	65

3.3.1 The Early Independence Era to the Early 1980s	66
3.3.2 Structural Adjustment Programme and Economic Liberalisation (1983-1992).....	69
3.3.3 Constitutional Rule and Democratic Dispensation (1992 – Present)	75
3.3.4 Education and Skills Training	75
3.3.5 Recent Youth Specific Policies	78
3.4 Summary.....	80
CHAPTER FOUR	81
PHILOSOPHICAL ORIENTATION AND METHODOLOGICAL	
 APPROACH	81
4.1 Introduction	81
4.2 The Informal Sector and Youth Enterprises in the Mobile Telephony Sector	81
4.3 Methodological Approaches to Studying the Informal Sector	84
4.3.1 Anecdotal Approaches.....	84
4.3.2 Micro Observations	84
4.3.3 Macroeconomic Approaches	85
4.4 Philosophical Orientation of Study.....	86
4.5 Quantitative Research Design	87
4.5.1 Mapping Mobile Telephony Businesses in the GAMA	87
4.5.2 Selection of Study Localities	88
4.5.3 Sample Frame	91
4.5.4 Sampling	94
4.5.5 The Survey Instrument	95
4.6 Qualitative Techniques	95
4.6.1 Life Trajectory Interviews	96

4.6.2 Biographical Life Course Interviews.....	97
4.6.3 In-depth Interviews.....	98
4.7 Data Analytical Techniques.....	98
4.7.1 Quantitative Analytical Measures	99
4.7.2 Qualitative Analysis	103
4.7.2.1 ‘Critical moments’ and ‘fateful moments’ as Analytical Tools	103
4.7.2.2 Analysing Qualitative Interviews	105
4.8 A Profile of Sampled Population.....	105
4.8.1 Age Distribution of Respondents	105
4.8.2 Gender Distribution	108
4.8.3 Educational Qualifications and Skills Training.....	108
4.8.4 Ethnic Composition	109
4.8.5 Marital Status.....	111
4.8.6 Nationality	111
4.9 Type of Youth Businesses in the Mobile Telephony Sector	112
4.9.1 Mobile Phone Sales	112
4.9.2 Mobile Phone Top-Up Units or Airtime.....	114
4.9.3 Mobile Phone Repairs	115
4.9.4 Mobile Phone Accessories.....	116
4.10 Summary.....	117

CHAPTER FIVE	119
YOUNG PEOPLE’S MOTIVATIONS FOR STARTING A BUSINESS AND GROWTH ASPIRATIONS IN THE MOBILE TELEPHONY SECTOR	119
5.1 Introduction	119
5.2 Youth Perceptions about Self-Employment and Individual Entrepreneurial Attributes	119
5.3 Motivation for Starting Youth Businesses in the Mobile Telephony Sector: ‘Survivalist’ Inclinations?	125
5.4 Motivation for Starting Businesses in the Mobile Telephony Sector: ‘Opportunity’ Driven?	130
5.5 Factors Determining Opportunity and Necessity Entrepreneurship	135
5.5.1 Explaining Opportunity Entrepreneurship.....	137
5.5.2 Explaining Necessity Entrepreneurship.....	139
5.6 Multiple Motivations for Starting Businesses in the Mobile Telephony Sector	142
5.7 Growth Ambitions	152
5.8 Summary.....	155
CHAPTER SIX	156
EXPLORING YOUTH LIVELIHOODS, SOCIAL CAPITAL AND PERFORMANCE IN THE MOBILE TELEPHONY SECTOR	156
6.1 Introduction	156
6.2 Social Capital and Youth Access to Resources for Establishing and Operating Business.....	156
6.2.1 Social Capital and Ideas for Starting and Operating Businesses.....	157
6.2.1.1 Ideas for Start-up	157

6.2.1.2 Social Capital and Assistance or Advice for Business Operations	161
6.2.2 Social Capital and Access to Business Operating Space.....	164
6.2.3 Source of Capital for Starting and Operating Business	171
6.3 Social Capital and Performance of Youth Business in the Mobile Telephony Sector.....	174
6.3.1 Businesses Performance in the Mobile Telephony Sector	174
6.3.2 Discussing Social Capital and Business Performance.....	183
6.3.2.1 Linking Social Capital and Business Performance.....	183
6.3.2.2 Bonding Social Capital and Performance of Youth Businesses.....	186
6.3.2.3 Bridging Social Capital and Performance of Youth Businesses	187
6.4 Challenges Confronting the Youth in Mobile Telephony Sector	189
6.5 Summary.....	192
CHAPTER SEVEN	194
YOUTH LIVELIHOODS IN THE MOBILE TELEPHONY SECTOR AND THE TRANSITION TO ADULTHOOD	194
7.1 Introduction	194
7.2 Youth Transitions to Adulthood – Selected Biographies of Youth Involved in Business in the Mobile Telephony Sector	194
7.3 Critical Events Shaping Young People’s Transitions to Adulthood	213
7.3.1 Education Related Critical Events.....	216
7.3.2 Family Related Critical Events.....	217
7.3.3 Death and Illness	221
7.3.4 Social Relations and Social Networks.....	223
7.3.5 Business Related Critical Events.....	225

7.3.6 Structural Factors.....	227
7.4 Business Influence and Youth Transitions to Adulthood.....	229
7.4.1 Achieving Financial Independence	229
7.4.2 Providing Support for Social Relations	232
7.4.3 Ability to Acquire Land.....	234
7.4.4 Ability to Rent Residential Accommodation.....	237
7.4.5 Marriage	239
7.5 Summary.....	241
CHAPTER EIGHT	242
SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS.....	242
8.1 Introduction	242
8.2 Motivations Driving the Establishment of Youth Businesses in the Mobile Telephony Sector.....	243
8.3 Social Capital and Access to Resources for Establishing and Operating Youth Businesses	244
8.4 Social Capital and Business Performance	246
8.5 Youth Businesses and the Transition to Adulthood	247
8.6 Policy Implications	249
8.7 Conclusion.....	252
8.7.1 Contribution to Knowledge	252
8.7.2 Areas of Further Research	253
REFERENCES	254
APPENDICES.....	271

LIST OF TABLES

Table 1. 1: Unemployment Rates by Age, Sex and Location (%)	5
Table 3. 1: Total Population and Rate of Urbanisation in Ghana, 1921 to 2009	64
Table 4. 1: Socio-demographic characteristics of youth entrepreneurs by business type...	106
Table 4. 2: Business type and operational size	112
Table 4. 3: Business type by Gender (%).....	117
Table 5.1: Youth perceptions about self-employment and selected individual level entrepreneurial aptitudes (%)	121
Table 5. 2: Main reason for starting business by business type (%).....	125
Table 5. 3: Motivation for starting business by business type	130
Table 5. 4: Probit regression estimates of the determinants of opportunity and necessity entrepreneurship	136
Table 5. 5: Motivations driving establishment of business in the mobile telephony sector	143
Table 5. 6: Growth Aspirations by Age category	153
Table 6. 1: Ideas for starting a business by type	158
Table 6. 2: Source of advice or assistance received by business type	162
Table 6. 3: Source of business operating space by gender.....	165
Table 6. 4: Source of business operating space by facility type	168
Table 6. 5: Source of business operating space by locality	170
Table 6. 6: Initial sources of capital for starting business by business type	171
Table 6. 7: Results of Linear Multiple Regression with Profit, Sales (Turnover) and Profit Margin as Dependent Variables	176
Table 6. 8: Results of Linear Multiple Regression (interaction) with Profit Margin as Dependent Variable	182
Table 6. 9: Perceived Competition by Locality	190
Table 7. 1: Critical events shaping transitions among young people.....	215

LIST OF FIGURES

Figure 1. 1: GDP and Employment Growth and Total Employment.....	4
Figure 1. 2: Mobile phone subscriber base in Ghana, 2000 to 2011.....	8
Figure 2. 1: Relationship between social capital, the entrepreneurial process, business performance and the transitions to adulthood	56
Figure 3. 1: Real GDP growth rate (1980-2011)	69
Figure 3. 2: Gross Enrolment Ratio and Net Enrolment Ratio at primary school education, 2001–2012	76
Figure 3. 3: Gross Enrolment Ratio and Net Enrolment Ratio for junior high school education, 2001–2012	77
Figure 4. 1: Map of the Greater Accra Metropolitan Area showing study localities.....	89

LIST OF ABBREVIATIONS

AMA	Accra Metropolitan Assembly
BECE	Basic Education Certificate Examination
ERP	Economic Recovery Programme
GAMA	Greater Accra Metropolitan Assembly
GCLS	Ghana Child Labour Survey
GDP	Gross Domestic Product
GEM	Global Entrepreneurship Monitor
GER	Gross Enrolment Ratio
GoG/MoLG&RD	Government of Ghana/Ministry of Local Government and Rural Development
GPRS	Ghana Poverty Reduction Strategy
GSS	Ghana Statistical Service
GUTA	Ghana Union of Traders Association
ICLS	International Conference of Labour Statisticians
ILO	International Labour Organisation
IMF	International Monetary Fund
ISSER	Institute of Statistical, Social and Economic Research
JHS	Junior High School
LESDEP	Local Enterprise and Skills Development Programme
MFIs	Microfinance Institutions
MoFEP	Ministry of Finance and Economic Planning
NDPC	National Development Planning Commission
NER	Net Enrolment Ratio
NLC	National Labour Commission
NYEP	National Youth Employment Programme
NYP	National Youth Policy
PHC	Population and Housing Census
PNDC	People National Defence Council
SAP	Structural Adjustment Programme
SDF	Skills Development Fund
SHS	Senior High School
SSA	Sub-Saharan Africa
TVET	Technical and Vocational Education Training
UN	United Nations
WASSCE	West African Senior School Certificate Examination
WB/IMF	World Bank/International Monetary Fund

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Young people living in many cities on the African continent are faced with numerous challenges. Challenges regarding unemployment and underemployment, and achieving the status of adulthood are well documented (Christiansen, Utas, & Vigh, 2006; Langevang, 2008; Africa Commission, 2009; Sommers, 2010). This notwithstanding, improvements in economic performance in many countries on the continent in recent decades have not been matched by improvements in job creation or employment opportunities for the youth. Consequently, opportunities for a sizeable number of the youth to gain access to formal sector employment have proved challenging and this has impacted negatively on the well-being of the youth in many cities (Bennell, 2000; ILO, 2005; Bennell 2007). Christiansen *et al.*, (2006) have described the contemporary African youth as a generation who are born into social environments in which possibilities of earning decent lives are negligible and in which many have found themselves stuck in positions of inadequacy in life chances and bleak prospects in terms of future outlook.

In most countries in Africa, interventions to address the challenges confronting the youth have not been forthcoming. Where they are available, these attempts could best be described as woefully inadequate. The predicament of the youth has also not been helped by economic recovery and liberalisation policies advocated by international financial institutions in the 1980s with attendant effects on retrenchment and intermittent freeze on public sector employment. Moreover, economic and labour force deregulation policies introduced as part of the overall liberalisation policies have produced deeper social inequalities and polarisation, with the youth being the worse hit (Potter & Lloyd-Evans, 1998). The effect of this has been

heightened by the increased exposure of the youth to global media images of affluence while they are confronted with challenges of employment and securing fulfilled living.

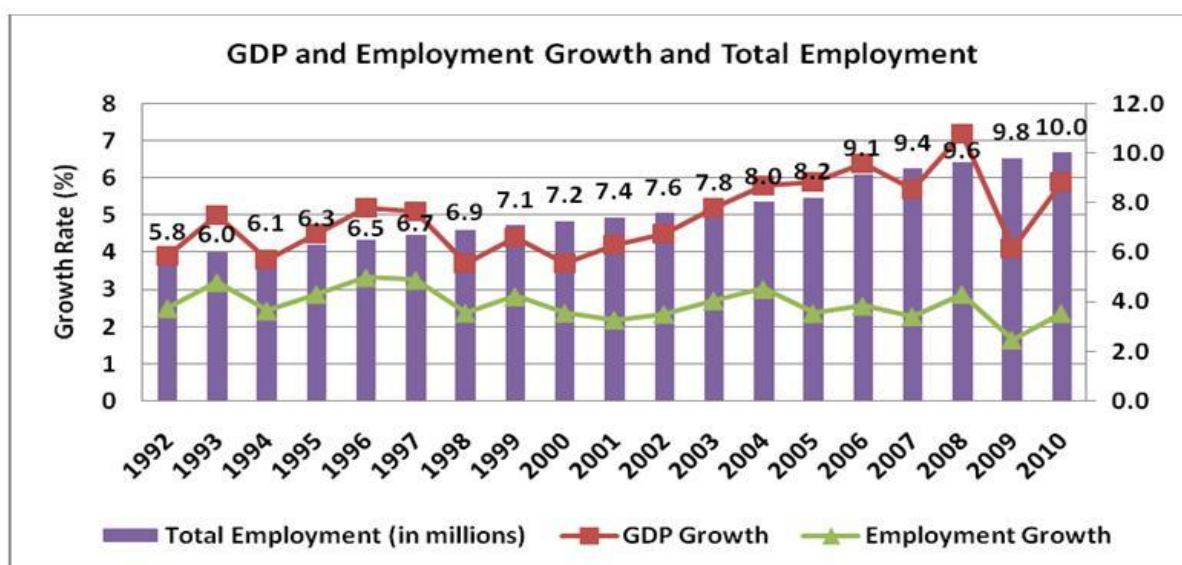
Despite these difficulties, the youth growing up in often volatile and precarious circumstances have had to shape their lives and strategies accordingly in their attempt to generate meaningful lives for themselves (Christiansen *et al.*, 2006). The youth have therefore not just been passive; observing their living situation deteriorate, but rather, many have devised alternative ways of gaining a living (Wasswa-Matovu, 2012). Many of the youth have in fact created their own diversified sources of income generation through entrepreneurship and petty trading activities.

More importantly for a section of the youth in Africa, liberalisation of the mobile telephony sector in the 1990s opened avenues for entrepreneurial activities which hitherto was non-existent. Africa currently has over 350 million mobile phone subscribers, and the subscriber base is growing faster than anywhere else in the world leading to some to describe Africa as ‘a crucible for mobile phone innovation and entrepreneurship’ (Etzo & Collender, 2010, p. 657). As the subscriber base increases, a large informal economy has emerged offering support services to the mobile telephony sector. The support services sector is heavily dominated by young people involved in informal businesses or livelihood activities such as selling of airtime, recharging mobile phone batteries and fixing broken mobile phones. In effect, it can be said that the youth are reinventing traditional socio-economic practices in an attempt to deal with the challenges as well as opportunities thrown at them within contemporary urban African settings (Lourenco-Lindell, 2002). The youth combine different social positions and multiple identities to access a wide range of opportunities in the diverse socio-economic environments in the urban settings in which they find themselves.

Recognising that the youth are currently carving out a living from informal economy activities is but just the beginning of any attempt aimed at giving cognisance to opportunities that are presented to the youth. This is because it has been demonstrated that over 70 per cent of the African population, including majority of the youth are currently engaged in livelihood activities in the informal economy (Gough, Tipple & Napier, 2003). For the youth, especially those born after the economic decline of the 1970s, securing livelihoods through entrepreneurial activities in the informal economy offers a meaningful way out of the employment challenges that confront them. There is however the need for a critical analysis of the various informal livelihood activities that engage a sizeable number of the youth. More importantly, there is the need to know how well these businesses are performing and the extent to which these livelihood strategies are contributing to the living situation of the many young people that are eking out a living from the sector.

The situation of the African youth is not entirely different from that facing youth in Ghana. Over the past three decades, Ghana has embarked upon liberalisation policies particularly aimed at gaining macroeconomic stability and growth through restoring balance of payments, liberalising business and attracting foreign investment (Brydon, 1999). These policies have contributed to improvements in economic growth, leading to Ghana recording growth rates averaging around 5 to 6 per cent per annum over the past decade (Langevang & Gough, 2009; ISSER, 2010). However, these improvements have not been equally distributed between people and among places.¹ Even worse, the growth rates have not been matched by commensurate improvements in job creation especially for the youth (see Figure 1.1). Consequently, the challenge of youth unemployment has remained a major concern especially within urban areas of the country.

¹ Aryeetey & Baah-Boateng (2007) particularly noted striking inequalities between the relatively 'deprived' Northern part of Ghana and the more 'affluent' Southern Ghana

Figure 1.1: GDP and Employment Growth and Total Employment

Source: Aryeetey & Baah-Boateng (2013)

Although data on unemployment and underemployment, especially among the youth, is particularly difficult to come by (Baah-Boateng & Turkson 2005; GTUC 2005; ISSER, 2007, 2010), Baah-Boateng and Ewusi (2013) have observed that the rate of unemployment among the population 15 years and above declined from 10.4 per cent to 5.8 per cent between 2000 and 2010 (See Table 1.1). With Gross Domestic Product (GDP) growth not accompanied by job creation, and the commensurate high growth in informal sector employment relative to formal sector, the recent decline in unemployment generally being experienced in the country can be attributed to the increasing trend of informality among the population. Although unemployment has been declining, the population cohort most seriously affected by the challenge of unemployment is the youth. For instance, as can be seen on Table 1.1, the rate of unemployment among the youth has remained at about thrice higher than that of adults since 2003. According to Baah-Boateng and Ewusi (2013), the youth face the most striking labour market barriers which include skills mismatch and other barriers such as observed discrimination by employers towards young people, insufficient exposure to the working environment and bad stereotypes. Moreover, anticipated employment creation from the private

sector as a result of public sector employment decline and state withdrawal from direct production has not materialised (ISSER, 2010). This has contributed to the limited employment prospects for the youth in the formal sector and a bulge in the number of young people carving out a living in the informal sector.

Some gender differentials can also be seen among the unemployed youth in the country. Generally, unemployment rates are relatively lower among men compared to women. This situation is not different, taking the youth into consideration. The Ghana Statistical Service (GSS) (2005), estimated unemployment at 10.4 per cent for males aged between 20 and 24 years and 10.9 per cent for females in the same age group. Baah-Boateng and Turkson (2005) noted that the overall employment growth in the Ghanaian economy has not kept pace with the growth of the labour force due to high population growth, the adverse effect of globalisation and slower domestic economic growth.

Table 1.1: Unemployment Rates by Age, Sex and Location (%)

Demographic group	2000	2003	2006	2010
All (15+)	10.4	7.3	3.1	5.8
<i>Age Group</i>				
Youth (15-24)	16.7	16.3	6.6	12.9
Adults (25+)	8.6	5.2	2.2	4
<i>Sex</i>				
Male	10.1	6.9	3.2	5.4
Female	10.7	7.7	3	6.3
<i>Location</i>				
Urban	12.8	10.7	6.1	8
Rural	8.6	4.8	1.3	3.5

Source: Baah-Boateng and Ewusi (2013)

Like many of the youth on the continent, young people in Ghana are noted to be resourceful and dynamic, capable of initiating income-generating activities especially in the informal economy (Langevang 2008; Munive 2008; Porter, G., Hampshire, K., Abane, A., Munthali, A., Robson, E., Mashiri, M., & Tanle, A., 2012), although the challenge of unemployment persists

and remains one of the major challenges confronting governments. In an effort to address the unemployment challenge, a number of policies and programmes have been initiated at the country and international levels (ISSER, 2012, 2010; O'Higgins, 2001). As argued by Munive (2008) however, the difficulty with many of these initiatives has been the focus on formal employment and education, ignoring less formal means of meeting youth employment and learning needs, and overlooking the degree to which young people are already economically active in the informal economy. The phenomenon generally brings to fore the need to focus on how young people are managing to find or create employment and the opportunities and constraints they are confronted with.

Considering the severity of the unemployment challenge confronting the youth, entrepreneurship has been identified by both academicians and policy makers as a key area of focus for improving livelihoods among the youth (ISSER, 2010, 2012; Africa Commission, 2009; Garcia & Fares, 2008). As a result, several private sector initiatives have been initiated with the specific aim of promoting youth entrepreneurship in the country. A typical instance is the Youth Business Ghana (YBG) initiative which aims at mobilising resources from the private sector and donor organisations to provide seed funds and which as well offers business mentoring and business assistance to disadvantaged young people with viable business ideas. Although such initiatives have been criticised for placing too much emphasis on the formal sector, many of the young people have also been able to successfully establish entrepreneurial activities in the informal sector of the economy which offer them viable livelihood avenues. One such sector which has seen increasing youth entrepreneurial activities is the mobile telephony sector. Moreover, as argued by Eguavoen (2010) there is the need for research focus on youth specific livelihood strategies in order to identify youth specific socio-economic strategies and modes of networking creation which will facilitate the development of innovative tools and policies for economic support and in addressing poverty among young

people. The mobile telephony sector provides an excellent opportunity in fulfilling such calls due to the increasing number of young people who continue to carve a living from the sector.

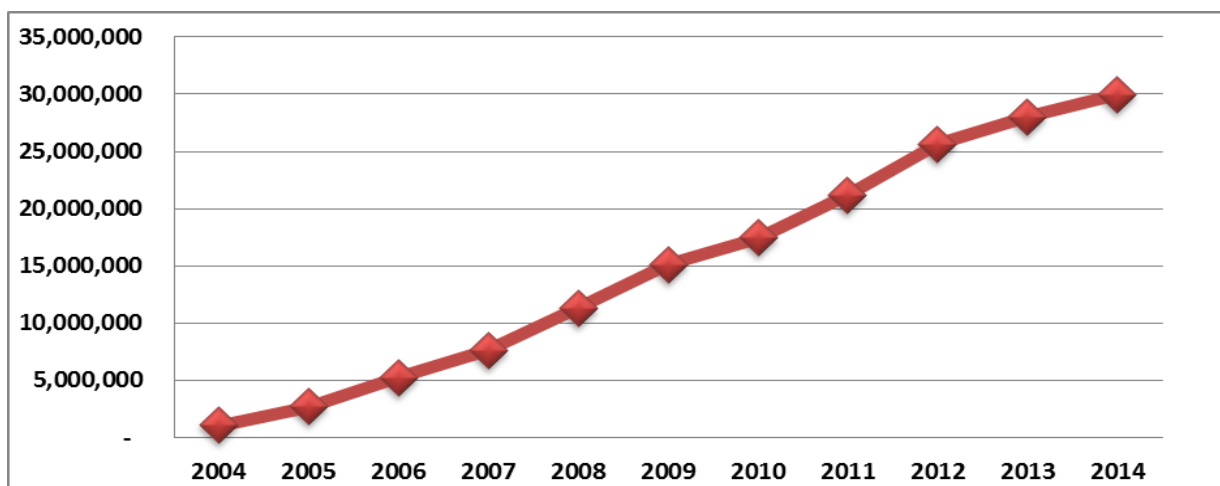
1.2 Research Problem

Ghana embarked upon liberalisation policies of the telecommunication sector in 1995. The aim of these policy initiatives was, among others, to enable private sector participation in the provision of services in order to increase access and coverage. The five-year accelerated development programme upon which the liberalisation of the telecoms sector was aimed at increasing tele-density in Ghana from 0.3 per cent to about 1.5 and then to 2.5 per cent. This was to be achieved through, among others, the expansion in the coverage of mobile telephony services (Frempong & Stork, 2005).

As a strategy to liberalise the telecommunications sector, a programme of liberalisation of the mobile telephony sub-sector was embarked upon alongside changes in the regulatory framework of the telecommunications sector as a whole. These changes led to the licensing of four mobile telephony companies a few years into the liberalisation initiative – Milicom Ghana Limited (a subsidiary of Millicome South Africa), Kasapa Ghana Limited (a joint venture between Kludjeson International and Hutchinson Whampoa of Hong Kong), Scanco Ghana Limited and One Touch (a subsidiary of Ghana Telecom) (Frempong & Stork, 2005). Although initially slow, the mobile telephony sector has witnessed tremendous growth in the number of subscribers to the various networks rising from over 1,000,000 subscribers to the various networks in the year 2004 to over 29 million in 2014 (See Figure 1.2). Correspondingly, there has also been a dramatic rise in the number of people (predominantly the youth) engaged in various livelihood activities within the mobile telephony sector, including sale of mobile phones, sale of mobile phone accessories, sale of mobile phone airtime or top-up units, and

repair and recharging of mobile phones batteries.² Although entrepreneurship for some of these business types require some level of formal training and education, some do not require high levels of training, skills acquisition and a huge capital base for start-up.³ This therefore accords an increasing number of young people from diverse backgrounds the opportunity of earning a living by engaging in entrepreneurial activities in the mobile telephony sector.

Figure 1.2: Mobile phone subscriber base in Ghana, 2004 to 2014



Source: National Communications Authority

The overwhelming growth in mobile telephony usage in Ghana and the world at large has generated tremendous research interest. Donner (2008), for instance, has reviewed roughly 200 studies focusing on mobile phone use in the developing world and noted a steady increase in the number of studies focusing on mobile phones. Interestingly however, the majority of mobile telephony studies tend to place a lot of emphasis on the socioeconomic implications of mobile telephony usage or the various uses to which people put their phones (Boadi *et al.*, 2007; Brouwer & Brito, 2008; Donner, 2008; Law & Peng, 2008; Overå, 2008; Campbell & Kwak, 2010; Brouwer, 2010). For instance, while Law and Yinny's (2008) study analysed how

² Out of a the total number of people listed in four of the study localities, over 85 per cent falls within the age category of 15 to 35 years.

³ A typical example is mobile phone repair where some amount of apprenticeship training is required before start-up

migrant workers in China are using their mobile phones to bring about improvements in their working conditions, Brouwer & Brito's (2008) study in Mozambique concluded that most people use their mobile phones mainly for social purposes. In Ghana, Boadi *et al.*, (2007) provided evidence of the impact of mobile telephony usage on rural businesses, with Overå (2008) focussing on how Ghanaian traders use their mobile phones in doing business. Interestingly, most of these studies have failed to look into the diversity of entrepreneurial or livelihood activities that engage many young people in the mobile telephony sector. An exception to this trend is Brouwer (2010) who examined street trading in airtime in the city of Maputo. However, Brouwer's study focussed exclusively on trade in airtime with no attention given to other livelihood activities within the mobile telephony sector.

The literature on youth entrepreneurship and livelihoods generally indicates a divide in the resulting livelihood implications for the youth. On the one hand, there is the argument that youth entrepreneurs often work for long hours without accruing adequate earnings that will bring about improvement in their living conditions (White & Kenyon, 2000; MacDonald & Coffield, 1991). Contrary evidence from Zambia on the other hand indicates that young entrepreneurs are pursuing 'independent' livelihoods from their entrepreneurial activities (Chigunta, 2006).⁴ Moreover, a section of the youth literature in sub-Saharan Africa (SSA) has given a bleak posturing by describing the youth as a lost generation, whose transitions are in a state of stagnation (O'brien, 1996; Vigh, 2006).

Despite these arguments, within the Ghanaian context, information about the various entrepreneurial activities within the mobile telephony sector is lacking in the first place and, consequently, very little is known about the livelihoods derived by youth entrepreneurs within

⁴ Independent livelihoods in the study is defined as the ability of a young individual to be able to earn appreciably in order to be able to form a household, head a household or marry

the sector. Clearly, whether youth entrepreneurs in the mobile telephony sector are achieving improvements in their living conditions from entrepreneurial activities or not, there are some particular factors or driving forces that needed to be investigated.

1.3 Research Objectives

The research aims mainly at investigating the livelihoods of youth entrepreneurs within the mobile telephony sector in the Greater Accra Metropolitan Area (GAMA) and the influence of these livelihoods in the living conditions of the youth. The specific objectives are as follows:

- Analyse the motivation that drives the youth into establishing businesses in the mobile telephony sector
- Analyse the diversity of resources available to the youth and how these resources affect the performance of their businesses
- Investigate the extent to which engaging in livelihood activities in the mobile telephony sector is influencing transition of the youth into adulthood.

With these objectives in mind, the following research questions are raised: What drives the youth into livelihood activities in the mobile telephony sector? How do the youth go about the process of establishing livelihoods in the mobile telephony sector? How has social capital particularly responded to the needs of young people running livelihood activities in the informal economy? How are the businesses of the youth performing? What are the key challenges that confront business in the mobile telephony sector? How does engaging in entrepreneurial or livelihood activities in the mobile telephony sector influence the transitions or social mobility of the youth? Are these young people making significant gains from their livelihoods that enable them to move up the social ladder?

It is important at this stage to stress that the theoretical chapter lays a solid foundation upon which these research questions are justified and expanded upon.

1.4 Justification for the Study

The Ghanaian population, like many in Africa is youthful and is increasing rapidly.⁵ For instance, the population aged between 15 and 25 years constituted over 18 per cent of the total population and increased from 1.1 million in 1960 to 3.5 million in 2000 (GSS, 2005). On a yearly basis, millions of young Ghanaians join the labour market; although public sector jobs and opportunities for wage employment in the private sector for many of these young people continue to be limited. For majority of these young people, entrepreneurship, especially in the informal economy constitutes an important source of employment and international institutions and governments have identified the promotion of youth entrepreneurship as a solution to the challenge of employment among the youth (OECD, 2001; Chigunta, 2002; Schoof, 2006).

Giving credence to the crucial role of entrepreneurship to employment among the youth, women and the Ghanaian society at large, the 2010 Global Entrepreneurship Monitor (GEM) survey indicated Ghana as the third most entrepreneurial country in the world while Ghana was further identified as the only country among the 59 participating countries where the female-male entrepreneurial participation rate favours women.⁶ Also, the GEM survey identified the youth to be particularly resourceful, dynamic and very entrepreneurial in orientation. As noted by ISSER (2012), these indications point to a clear entrepreneurial advantage for Ghana. However, further development of the individual entrepreneurs including the youth will among other factors depend on the extent to which both public and private initiatives can be fashioned out to support the individual entrepreneurs. The success of any targeted support or initiative

⁵ According to the GSS (2012), the population of Ghana increased by 30.4 per cent over the ten year period of 2000 to 2010, with intercensal growth rate of 2.5 per cent

⁶ The 2010 GEM survey observed the female-male entrepreneurial participation ratio at 120 to 100

will largely depend on adequate knowledge of the dynamics of entrepreneurship, especially within the informal sector which makes this study imperative.

Moreover, considering the importance of the ICT sector, and more specifically the mobile telephony sub-sector to the Ghanaian economy in recent times through employment generation among the youth, adequate knowledge about the sector is necessary to enhance the promotion and success of individual youths operating in the sector. Regrettably, there is a huge knowledge gap with respect to informal sector youth enterprises or livelihood activities in the mobile telephony sector; thus making this study very important. This study will therefore inform any policy intervention measure or programmes geared towards the promotion of youth enterprises or livelihood activities especially in the informal economy.

1.5 Conceptual Definitions

This section defines the key concepts for this study. Concepts defined under the section include the concept of ‘youth’, ‘entrepreneurship’ and the ‘entrepreneur’, ‘livelihoods’ and ‘mobile telephony’. The following section expatiates on these concepts and the relationships among them in the context of the current research.

1.5.1 ‘Youth’ as a Concept

A single universally accepted definition of the concept of ‘youth’ does not exist. The terminology ‘youth’ has been defined differently by different individuals, institutions and countries depending on the context in which the concept is used (Bennell, 2000; ILO, 2005; ISSER, 2010). In many countries and at the institutional level, a statistical definition is often adopted, although the variation in definitional terms still exists. This statistical definition usually ranges from 10 years to as high as 35 to 40 years. The UNDP, for instance, defines the

youth to include the population within the age group 15-24 years (ILO, 2005; World Bank, 2009). In Nigeria and Bangladesh, the concept ‘youth’ is defined as the age group between 18 and 35 years while Uganda defines the ‘youth’ to comprise the age group between 12 to 30 years (ILO, 2005). In Ghana, the National Youth Policy, which is informed by the United Nations Organisation (UNO) and the Commonwealth Secretariat definitions, defines the ‘youth’ as constituting “persons who are within the age bracket of fifteen (15) and thirty-five (35)” (Ministry of Youth and Sports, 2010: 5).⁷

The term ‘youth’ is also defined within a sociological context to refer to the transition stage between childhood and adulthood (ILO, 2005). This definition, like the statistical definition, varies from one society to another in the sense that while the transition stage lasts a relatively short time in some societies, for some, it takes much longer and is usually influenced by psycho-social, economic and political factors such as marriage, employment, the way an individual comports him/herself, voting rights, land rights, criminal offences, eligibility for military service or consent for medical service (ILO, 2005; ISSER, 2010).

This research first of all adopts the statistical definition of the age group 15-35 years. The definition is very much influenced by the National Youth Policy of Ghana and the African Youth Charter definitions both of which define the ‘youth’ to constitute the age bracket 15 to 35 years. In addition, the definition is adopted because the results of the research will be analysed within the Ghanaian context, with some comparisons being made to the situation as it pertains in other African countries.

⁷ Interestingly, the UNO definition of 15-25 years does not correspond with the Ghanaian definition of 15-35 years

While adopting a statistical definition, the research is mindful of the fact that exclusively focusing on statistical definition positions the youth in a rigid developmental life stage which does not adequately do justice to the complexity of the different situations in which the youth find themselves (Christiansen *et al.*, 2006). In line with this, significant amount of attention is given to the sociological definition of youth transitions from childhood to adulthood and the roles, rights and responsibilities that go with it. Thus, the term ‘youth’ as a concept for this research is seen as the transitory period between a dependent childhood on parents, guardians and other relations to an independent adulthood, where the roles, rights and responsibilities associated with adulthood are assumed. In adopting this definition, the research is again mindful of the fact that there is no universal physical or psychologically defined threshold over which one passes from one particular phase in life to another (Ibid). Thus, the research does not place the youth in a freeze distinct category with specific cognisance of the fact that youth is a fluid concept. However, the concept of youth is approached through a life course/story perspective in order to gain a deeper understanding of the living situation of the youth with specific focus on the rights, roles and responsibilities that they assume.

The terms ‘youth’ and ‘young people’ are often used interchangeably in some aspects of the literature while the term ‘young people’ has been used to refer to children and youth combined (ISSER, 2010). In this research, however, the concepts ‘youth’ and ‘young people’ are used interchangeably to refer to the same group defined above.

1.5.2 ‘Entrepreneurship’ and the ‘Entrepreneur’

There is lack of a consensus on what precisely constitutes ‘entrepreneurship’ among academicians and this has led to different definitions of ‘entrepreneurship’ as a concept in the literature (Schumpeter, 1950, 1961; Kirzner, 1973; Schultz, 1975; Wennekers & Thurik, 1999; Naude, 2008). This is as a result of the different disciplines from which ‘entrepreneurship’ as a

field of study has been researched. Mainly from economics and development studies points of view, Naude (2008) provided three distinct approaches to defining 'entrepreneurship'. These approaches include occupational, behavioural and outcome definitions. The occupational definition defines 'entrepreneurship' in terms of self-employment. Thus, 'entrepreneurship' is equated with self-employment and 'entrepreneurs' are seen as the self-employed. The basic assumption underlying the occupational definition is based on the notion that a person can either be unemployed, self-employed or employed in wage employment. According to Wennekers & Thurik (1990), 'entrepreneurship' through the occupational definitional spectrum is measured either statistically through the number of self-employed or dynamically through the rate of business start-ups.

The behavioural definition defines 'entrepreneurship' from the point of view of the perceived function performed by the 'entrepreneur' (Naude, 2008). Within the behavioural field, Schumpeter (1950) defines the 'entrepreneur' as the person who coordinates the production process and an agent of change, and hence, the 'entrepreneur' is seen as an innovator. Kirzner (1973) built upon Schumpeter's definition by embracing the 'entrepreneur' as the one who is able to identify opportunities to profit and therefore, facilitates adjustment processes to change. In a similar line of thought, Shultz (1975) introduced the re-allocative function of the entrepreneur into the discussion by defining the 'entrepreneur' as a person who reallocates productive resources. Still within the behavioural definition, Hart (2003) defined 'entrepreneurship' as a process of starting and continuing to expand new businesses. In more recent times, the behavioural definition has been broadened to incorporate corporate entrepreneurship/strategic entrepreneurship and 'intrapreneurship'. Corporate entrepreneurship and 'intrapreneurship' are defined as pursuing creative solutions to challenges confronting firms or business entities and various motives on non-market entrepreneurship (Antoncic & Hisrich, 2001; Acs & Kallas 2007, both cited in Naude, 2008).

‘Entrepreneurship’ according to the outcomes perspectives of Naude (2008) is defined by looking at the different outcomes that entrepreneurial activities can have on an economy. By way of entrepreneurial outcomes, entrepreneurship can be seen as being productive (contributing positively to growth processes of an economy, region, or society), unproductive (due to the rent-seeking behaviour of entrepreneurs), and destructive (due to the illegality of some entrepreneurial activities for instance).

The Global Entrepreneurship Monitor (GEM) defines entrepreneurship as ‘any attempt at new business or new venture creation, such as self-employment, a new business organisation, or the expansion of an existing business, by an individual, teams of individuals, or established businesses (Bosma, Coduras, Litovsky & Seaman, 2012, p. 20).⁸ Although the definition appears narrow, it is not restricted to newly registered businesses, but covers existing business establishments including self-employed businesses.

Conceptually, this research adopts Naude’s (2008) occupational definition of entrepreneurship, which focuses on self-employment, but also borrows aspects of the GEM definition of entrepreneurship with emphasis on self-employment and owner-managed businesses. ‘Entrepreneurship’ for this research involves self-employed business activities, as well as owner-managed businesses or other small businesses located both within the informal as well as the formal sector and run as a means of livelihood. Accordingly, the entrepreneur is the self-employed or the owner of a business entity that is run as a means of livelihood. Thus, entrepreneurial or enterprise activity and livelihoods refer to the same thing, meaning business activity that engages the youth to earn income.

⁸ GEM is an annual national level assessment of entrepreneurial activities in several countries around the globe. In 2008, over 60 countries participated in GEM while 180,000 interviews were conducted in 54 countries in 2009.

1.5.3 ‘Livelihoods’ as a Concept

The literature is accommodative of the variety of definitions provided for livelihoods. In their paper on *Sustainable Rural Livelihoods: Practical Concepts for the 21st Century*, Chambers and Conway defined livelihoods as comprising ‘Capabilities, assets (stores, resources, claims and access) and activities required for a means of living’ (Chambers & Conway, 1992:6). A livelihood is said to be sustainable when that particular livelihood is able to cope with and recover from stress and shocks as well as able to maintain or enhance its capabilities and assets in providing sustainable livelihoods for future generations. The concept therefore expands on how assets and capabilities, either at the community, individual or household level are utilized, maintained and improved upon in order to preserve livelihoods. The definition of livelihoods as a concept for this research is borrowed from Chambers (1995) and Scoones (2009). Chambers defines livelihoods as ‘the means of gaining a living’ (Chambers 1995: vi) while Scoones defined livelihoods as ‘combination of the resources used and the activities undertaken in order to live’ (Scoones, 2009: 172). Conceptually, ‘livelihoods’ for this research incorporate the various entrepreneurial activities or businesses in the mobile telephony sector that engage the youth and which serves as their way of earning a living.

1.5.4 ‘Mobile Telephony’

The terminology “mobile telephony” in the context of this research refers exclusively to the common Code Division Multiple Access (CDMA) and the Global System for Mobile Communication (GSM) mobile cellular systems and other voice alternatives, such as, limited mobility wireless local loop systems (Donner, 2008). In this regard, other two-way wireless radio technologies and satellite phones which connect to orbiting satellite systems rather than territorial cell sites are excluded.

1.6 Thesis Outline

The remainder of this thesis is organised in eight chapters. Chapter Two discusses the literature review and theoretical underpinnings of the research. In Chapter Three, a discussion on the situation of the youth within the general socio-economic development of Ghana is provided. This is followed by Chapter Four which discusses the methodological approaches and philosophical orientation of the thesis. Chapter Five discusses motivation behind the establishment of livelihood business activities in the mobile telephony sector by the youth. Chapter Six explores the various types of livelihoods or businesses that engage the youth in the mobile telephony sector and the factors influencing their performance. Chapter Seven discusses the influence of running enterprise activities in the mobile telephony sector on the transition to adulthood among the youth. Chapter Eight provides a summary of the main findings, policy implications and conclusions.

CHAPTER TWO

LIVELIHOODS, SOCIAL CAPITAL AND YOUTH TRANSITION TO ADULTHOOD: THEORIES AND PERSPECTIVES

2.1 Introduction

This research is built on three interrelated bodies of literature – the livelihoods literature especially in relation to the broader sustainable livelihoods framework; the literature on social capital which constitutes one of the key assets under the sustainable livelihoods framework and finally the literature on youth transitions to adulthood. In all these areas, the review is conducted with the objective of identifying the gaps in the literature and how the key questions of the research contributes to filling these knowledge gaps. Also, the key theories under investigation and their relationship with the research are discussed. The chapter is divided into nine sections. Section 2.2 reviews the livelihoods literature in relation to the sustainable livelihoods framework followed by a review of the literature on motivation for establishing livelihood or enterprise activities. A review of the literature on the connection between enterprise activities and the larger social processes is discussed in Section 2.3 followed by a discussion on social capital with specific focus on meaning, origin and the three key theoretical orientations. In Section 2.5, a review of the empirical literature on social capital in contemporary periods of hardship or crises and implications for young people is discussed followed by examination of the empirical literature on social capital and enterprise activities. Section 2.7 discusses youth transitions theory and its relationship with social capital followed by a discussion of the conceptual framework for the study which emanates from the literature reviewed. A summary of the chapter is provided under Section 2.9.

2.2 Enterprise Activities and the Livelihood Framework

In order to fully appreciate the various means by which the youth in the mobile telephony sector create and sustain livelihoods or business activities, and the implication of these

livelihoods on their transition into adulthood, this study draws on themes from the livelihoods literature. The livelihoods framework was initially designed as a framework for assessing development in rural areas. In recent times, it has been applied extensively in analysing the situation of urban dwellers or the urban poor, their actions, constraints and resources which affect the long-term sustainability of their livelihood activities in the face of adverse trends and shocks (Rouse & Ali, 2000; Rakodi & Lloyd-Jones, 2002; Lyon & Snoxell, 2005). The basic assumption underlying the livelihood framework according to Farrington *et al.*, (1991, p. 1) is as follows:

People pursue a range of livelihood outcomes (health, income, reduced vulnerability etc.) by drawing on a range of assets to pursue a variety of activities. The activities they adopt and the way they reinvest in asset building are driven in part by their own preferences and priorities. However, they are also influenced by the types of vulnerability, including shocks (such as drought), overall trends (in, for instance, resource stocks) and seasonal variations. Options are also determined by the structures (such as the roles of government or the private sector) and processes (such as institutions, policy and cultural factors), which people face (p. 1).

Livelihood assets are an essential component of the sustainable livelihood framework and they constitute a critical resource base, which people rely on in building their livelihoods. These assets or resources in the case of young entrepreneurs within a typical urban setting involve human capital (education levels, knowledge base and skills), social capital (trust, network of relations and reciprocity), physical capital (business space) and financial capital. These assets are influenced by the priorities and preferences of individuals and the insecurities or vulnerabilities (such as market trends and technological change) in the context in which the individual youth operate. Added to the above, the assets of individuals are also influenced by organisations, legislations, policies, programmes and the relationship between individuals and organisations. The livelihood strategies adopted by individuals produce outcomes that are defined in terms of either greater or lesser well-being (Rakodi, 2002). Greater well-being resulting from livelihood activities could be in the form of improved turnover of livelihood

activities, secure accommodation which could either be owned or rented, stable marriage or living in union and successful maintenance of a household. In sum, the assets of individuals and the range of activities and access to these (mediated by institutions and social relations) together influence the level of livelihood attained by individuals.

The livelihoods approach has been utilised extensively in the development literature as a way to gain a deeper understanding of the relationship between agency and structure within vulnerable and disempowered contexts. In order to understand how to increase people's access to resources, and also to empower them, it becomes imperative to be able to identify their vulnerability relative to shocks and disaster, and to economic or cultural factors that largely determine the ability of the people to function, and gain access to power over resources (Lund, Dei, Boakye & Opoku-Agyemang, 2008). The livelihood approach is not exclusive to income generation, but also about building capabilities through improving access to people's essential capital formations (Ellis, 2000; Ellis & Freeman, 2004; Lund *et al.*, 2008).

Although the livelihoods framework has been described as a novelty due to its incorporation of 'intangible assets', such as, social relations that people rely on for material or practical support, studies utilising the livelihood framework have generally come under criticism in recent times for being static and limited in terms of attempts at incorporating social change into the discourse (Lund *et al.*, 2008; De Haan & Zoomers, 2005).⁹ De Haan & Zoomers (2005) have argued that livelihood studies are unable to contribute significantly to understanding the lives of poor people. In an attempt to fill this gap, they conceptualised two concepts that are essential for understanding poor people's conditions - access to livelihood opportunities and decision making power. Similarly, Louenoco-Lindell (2002) has argued that the livelihoods

⁹ See Downing (1990); Davies (1996); Lourenco-Lindell (1996); Rakodi (1999); Ellis (2000) for works which have given considerable amount of attention to 'intangible assets'

framework often loses sight of the social relations involved in the claiming of rights and in accessing resources.

As a response to these criticisms, this study does not strictly apply the livelihoods framework, that is, it does not provide an exhaustive documentation of the vast range of household activities of the youth, but focuses on businesses or enterprises of the youth which are mostly informal in nature and the key resources that the young people rely on in the process of establishing and in running these businesses.

It has been argued that although access to financial capital is essential, the natural, physical, human and social capital, along with the strategies necessary to combine these capitals are all together essential for the formation of livelihoods (Chambers & Conway, 1992; Ellis, 1998). This notwithstanding, there is growing recognition that differentials in economic outcomes, either at the individual, household or community levels cannot be fully explained by differences in access to the traditional factors of production such as land, labour, and physical capital (Woolcock, 1998; Grootaert, 1999). Of particular relevance at the individual level, the role of social capital has been recognised as vital in supporting small-scale entrepreneurs during periods and in situations where other forms of capital are limited or fall beyond the individual reach (Turner & Nguyen, 2005; Turner, 2007).

Due to its significance in these respects, the concept of social capital constitutes a key theoretical construct upon which this study is grounded.

2.3 Motivation for Establishing Livelihood Activities

The entrepreneurship and livelihood literature distinguish between two broad approaches in the study of motivations for start-ups. The first approach places emphasis on examining the personal attributes which drive individuals in establishing businesses (Gartner, 1989; Tan, 2001). Gartner (1989) referred to this approach as ‘traits’ approach. Accordingly, this body of

literature places a lot of emphasis on personal attributes such as the desire for achievement, risk taking behaviour, ambitions, desire for independence, and taking responsibility among others (Tan, 2001; Lee & Chan, 1998). The second approach focuses on environmental factors or what has become popularly known as push-pull factors in explaining entrepreneurship motivation (Watson *et al.*, 1998; Benzing *et al.*, 2009). Taormina and Lao (2007) noted that ‘pull’ factors are those driving forces that make the desire for start-up attractive, such as the desire to have one’s own time at work. The “push” factors on the other hand are the factors that impel a person to start a business in order to avoid an undesirable situation such as unemployment.

Heavily influenced by the environmental push-pull thesis, the livelihoods and enterprise literature have been classified broadly into two main divisions in terms of motivation or aspiration for start-up: survivalist and growth oriented enterprises (Langevang, Namatovu & Dawa, 2012; Rosa *et al.*, 2006; Gomez, 2008; Kanothi, 2009). Survivalist enterprises comprise businesses established mostly by the poor with survival as the motive and most people involved in these enterprises have limited options in terms of work (Rosa *et al.*, 2006). On the other hand, growth oriented enterprises are distinct from survivalists in terms of capacity, motive and size. Among growth oriented enterprises, there is a clear motivation to grow and reinvest earnings into the enterprise. Additionally, growth oriented enterprises place a lot of attention on the following: hiring additional staff; place of sourcing supplies; and buyers tend to be observable (Gomez, 2008).

Generally, the literature characterises most enterprises in the developing world, especially Africa, as survivalist enterprises while those in the developed world are classified as growth oriented (Rosa *et al.*, 2006; Langevang *et al.*, 2012). A basic assumption in the livelihoods and enterprise literature in Africa is that most entrepreneurs start their businesses on their own

because they cannot find jobs elsewhere and therefore develop livelihood activities that tend to be survivalist in orientation (Frese & De Kruif, 2000). Thus, majority of entrepreneurs in Africa are classified as survivalists who are pushed into business because of poverty and the need to survive. Bringing informal sector enterprises into perspective, the categorisation becomes even more skewed towards survivalist orientations.

The survivalist and growth oriented thesis have been advanced further by the Global Entrepreneurship Monitor (GEM) project to measure motivation for establishing business among entrepreneurs around the globe.¹⁰ The GEM broadly characterises survivalist activities as necessity driven without clear objectives or prospects for growth while growth oriented enterprises are classified as opportunity driven (Kelley, Bosma, and Amoros, 2011; Yankson, Owusu, Gough, Osei & Langevang, T., 2011; Namatovu, Balunywa, Kyejjusa & Dawa, 2011). Consequently, enterprises in the developing world especially Africa are largely classified as necessity driven while those in the developed world are identified to be opportunity driven (Naudé, 2011; Gries & Naudé, 2010).

Opportunity entrepreneurship is motivated by identification and exploitation of good business opportunities while necessity driven entrepreneurship is motivated by the absence of any other work opportunities. Under this dichotomy, the self-employed without any better work options are noted to constitute a large segment of necessity entrepreneurs who seem to predominate in the developing or low income countries. Within these countries, employment capacity in the private and public domain is limited, and there is the absence of social welfare benefits for the unemployed including the unemployed youth (Yankson *et al.*, 2011). Consequently, many

¹⁰ The Global Entrepreneurship Monitor (GEM) project is an annual assessment of entrepreneurial activity, aspirations and attitudes of individuals across a wide range of countries. Ghana participated in the survey for first time in 2010.

young people who are unable to find employment have to create their own jobs in order to survive and support themselves and their households. For many of these young individuals, starting a business is often the only option available (ISSER, 2010). Many of these young individuals are therefore pushed into entrepreneurship mainly because of structural constraints which they have limited control over.

Unlike the youth in low income countries, entrepreneurship and enterprise activities generally among the youth in many countries of the developed world are noted to be opportunity driven. Some of the motivating factors for establishing businesses among young people in the developed world include the desire for achievement, independence and control, opportunity to innovate and create new products, economic gain and improved social status, the desire to obtain an alternative route for advancement from a dead-end job and to contribute to community welfare (Birley & Westhead, 1994; Cassar, 2007). The opportunity driven entrepreneurship thesis therefore assumes agency on the part of entrepreneurs in their attempt at establishing businesses.

Empirically, Tellegen (1997) has advanced the debate within the African context by relating necessity/survivalist and opportunity/growth oriented conceptions to economic growth and population increase. Studying rural enterprises in Malawi, Tellegen (1997, p. 74) proposed both opportunity and necessity routes to rural business formation. Opportunity scenario occurs when entrepreneurs tend to be fewer than the increase in the population. “The increase in demand as a result of population growth leads to an increase in income of these entrepreneurs since there are relatively few providers of goods and services” (Ibid). In the case of necessity scenario, however, the supply of entrepreneurs tends to be higher relative to the growth of demand. As a result, there is an increase in the number of enterprises, but income per entrepreneur reduces as severe competition develops and prices go down. This is worsened

during periods of economic downturn by a large influx of people into the rural sector. The rural sector thus “acts like a sponge”, “safety net for a growing number of people unable to generate income elsewhere” (Ibid).

In Ghana, motivation for establishing business is not clear by way of empirical research although few studies seem to give indication of the dominance of survivalist enterprises. Specifically with regard to the youth in the urban areas, majority are noted to aspire to gain employment in non-existent white-collar jobs or establishing formal businesses as a career path or as a way to earn income. In reality however, most of the youth end up establishing businesses in the informal sector as a means of earning income (Chant & Jones, 2005; Langevang & Gough, 2009). As a result, it has been argued that the urban informal economy allows many people including the youth to escape from extreme poverty and earn income (Schraven *et al.*, 2012). Concerns are therefore being raised about the ability of many young people to become successful entrepreneurs as they do not have growth aspirations and therefore end up as ‘necessity entrepreneurs’ with little impact on the economy (Langevang *et al.*, 2012; Aryeetey & Baah-Boateng, 2013). On the other hand, growth oriented or ‘opportunity entrepreneurs are said to start business mainly as a result of an identified market opportunity and are presumed to contribute significantly to the economy.

Considering the tremendous amount of growth in the mobile telephony front especially over the past two decades and the increasing number of young people who continue to establish livelihoods or enterprise activities in the sector, the research investigates the gap in knowledge by way of motivation driving the establishment of enterprises or livelihood activities by the youth in the mobile telephony sector. Are these young entrepreneurs driven largely by survivalist tendencies as mostly presumed by the enterprise and livelihood literature in the

developing world? On the other hand, are there clear entrepreneurial opportunities especially in the mobile telephony sector which are being exploited by the youth? Aside the 'necessity' 'survivalist and 'opportunity' 'growth oriented' dichotomy, are there other socio-cultural factors that drive entrepreneurship among the youth? These questions are particularly significant considering the novelty of the mobile phone and its increasing importance as an avenue for establishing livelihood or enterprise activities among young people.

In addressing these issues, the research joins an emerging body of literature on the African continent that have devoted some attention to documenting young people's motivation for establishing enterprise or livelihood activities especially in the urban informal sector.¹¹

2.4 Entrepreneurship or Livelihood Activities and Social Processes

Many studies with emphasis on entrepreneurship or livelihoods have given recognition to the value of social processes in the entrepreneurial process (Granovetter, 1985; Anderson, 2000). For majority of these studies, economic activities of individuals are argued to be conditioned by on-going structures of social relations. Thus, the entrepreneurial process can be said to be contextual and contingent upon many influences although the entire process can be said to represent the dynamics of the individual entrepreneur and the environmental or social context in which the entrepreneur operates (Anderson, 2000).

As argued by Granovetter (1985), individual behaviour is constrained by social factors and to interpret such actions as autonomous tends to be misleading. Similarly, Anderson & Miller (2003) have stressed that conceptualising entrepreneurship as an individual action that operates in isolation from social processes is dated. In addition, empirical research has confirmed the

¹¹ See for instance, Langevang *et al.*, (2012) for motivations and aspirations of young entrepreneurs in Uganda

social embeddedness of entrepreneurship (Jack & Anderson, 2001; Langevang *et al.*, 2012). Social embeddedness of entrepreneurial activities is said to represent the relationship between the individual entrepreneur and context (Aldrich & Zimmer, 1986). Furthermore, social embeddedness can also be said to represent the nature, depth and extent of social ties which are considered to be an integral aspect of the entrepreneurial process (Staber, 1998). As a consequence, establishment of enterprise or livelihood activities is to a large extent related to the individual entrepreneur's conception of the social world as well as the subjective configurations associated with this conception. The concept of social capital provides an avenue for understanding this relationship mainly due to its nature as a relationship construct and also due to its linking mechanism (Anderson & Miller, 2003). The following section throws more light on social capital theory and its utilisation in the current research.

2.5 Social Capital: Definition, Origin, and Theoretical Orientation

Under this section, attention is focussed on the definition and origin of social capital and the three key theoretical foundations of social capital.

2.5.1 Definition of Social Capital

A number of definitions have been given to the concept of social capital by social scientists (Coleman, 1990; Lin, 2001; Putnam, 2000; Adler & Kwon, 2002).¹² Although these definitions largely appear similar, one of the widely accepted definitions include “the ability to secure resources by virtue of membership in social networks or larger social structures” (Portes & Landolt, 2000, p. 532). Narayan, (1997, p. 50) defined social capital as “the rules, norms, obligations, reciprocity and trust embedded in social relations, social structures, and society's institutional arrangements, which enable its members to achieve their individual and

¹² Adler & Kwon (2002) in their review on social capital, summed up twenty-three separate definitions of social capital as a concept

community objectives.” To Lin (2001, p. 55), “social capital focuses on the resources embedded in one’s social network (or relations) and how access to and use of such resources benefit the individual’s actions”.

Inherently, social capital incorporates three key aspects of social organisation - trust, norms and networks (or ties). Trust generated from social capital among a group of individuals often serve as bonding glue that holds or binds these individuals together. Aside from trust, networks or ties generated by social capital constitute a useful resource in the form of information, for instance, which provides a bridging lubricant among individuals (Putman, 2000). Ties that result in social capital may either be direct or indirect and the intensity of such ties may vary. Likewise, the outcome of such ties in terms of either bonding or bridging social capital may depend on the type of network being analysed.

In line with the definitions, it can be observed that social capital, unlike other capital forms is located not in the actors, but in their relationships with other individuals and organisations. Consequently, approaching social capital from a holistic perspective, including both internal and external relationships as well as the sources and effect of these relationships is particularly important (Westerland & Svahn, 2008). This has influenced my conceptualisation of social capital by following closely the definition by Adler and Kwon (2002), who argued social capital to comprise individuals and organisations with specific resources that facilitate action and also contribute to the creation of value among actors.

The study therefore utilises social capital broadly in relation to social exchange (Emerson, 1972; Davidson & Honig, 2003) to examine the effects of exchange ties on the establishment and performance of livelihood activities or enterprises among the youth. Social exchange effects may range from the provision of concrete resources, such as credit facility provided by

a father to son, to intangible resources, such as information or ideas about a particular business activity provided by a friend to a colleague. Thus, the study is particularly interested in factors related to social relations as opposed to market relations (Adler & Kwon, 2002).

2.5.2 Social Capital Origin

Although the quality and essence of human relationships has long been a subject of concern among social theorists, the concept of social capital in its current usage is credited to the writings of J.F. Hanifan, then State Supervisor of Rural Schools, Charleston, West Virginia (Woolcock & Narayan, 2001). Explaining the value of community participation in school performance, Hanifan (1916) brought the concept of social capital into existence by describing social capital as follows:

...that in life which tends to make these tangible substances count for most in the daily lives of people, namely good will, fellowship, sympathy, and social intercourse among the individuals and families who make up a social unit. . . . If [an individual comes] into contact with his neighbour, and they with other neighbours, there will be an accumulation of social capital, which may immediately satisfy his social needs and which may bear a social potentiality sufficient to the substantial improvement of living conditions in the whole community (p. 130).

After Hanifan's contribution, scholarly interest in the concept as a theoretical construct waned for several decades until the 1950s to the 1970s when the concept was given a new impetus in the literature (Seely, Sim, and Loosely, 1956, cited in Woolcock & Narayan, 2000). In the 1960s and 1970s, other scholars took up the concept in exploring the vitality and significance of ties at the community level (Homan, 1961; Jacobs, 1961).

Despite these contributions, the greatest inspiration in works on social capital in recent times has come from the seminal contributions of three leading figures – Pierre Bourdieu, James Coleman and Robert Putnam. Bourdieu developed the concept in the 1970s and 1980s whilst Coleman's work centred to a large extent on the United States where he attempted a fusion of

sociology and economics under the banner of rational choice action theory and this has had a profound influence on social scientists and policy-makers. Putnam's work on civic participation and institutional performance is credited with the current prominence which the concept of social capital is enjoying at present (Field, 2003). These three distinct figures have shaped current thinking on the concept of social capital. In the following section, a summary of the main arguments of these three distinct contributions to the social capital debate is provided followed by a rationalisation of Coleman's thinking in the current research.

2.5.3 Social Capital: Pierre Bourdieu

Mainly influenced by Marxist thinking, the 20th-Century French sociologist, anthropologist and philosopher, Pierre Bourdieu examined social capital theory by studying the persistence of social class and other embedded forms of inequality with respect to access to resources and the maintenance of power in social space.¹³ Initial stages of Bourdieu's social capital theory emerged mainly through his attempts to create a cultural anthropology of social reproduction. Studying the Algerian tribes people during the 1960s for instance, Bourdieu described the dynamic development of structured sets of values and the ways of thinking among the Algerian tribes people as constituting what he referred to as 'the habitus', which provided a 'bridge between subjective agency and objective position' (Field, 2003, p. 13).

Developing his views on the habitus, Bourdieu highlighted the nature of individuals within groups to be able to utilize cultural symbols as markers of distinction, thus, signifying and constituting their position in the social structure. Expanding on this, Bourdieu utilised 'cultural capital' as an allegory to give representation to ways that groups traded on the fact that some

¹³ Although Bourdieu's thoughts on social capital are influenced to a large extent by Marxist thinking, his treatment of class unlike Marxism is largely defined with particular reference to superstructures involving culture, status, and education. Marxism on the other hand defines class mainly in relation to the processes of economic production

types of cultural taste enjoy more status and prominence compared to others. Influenced by family circumstances and educational background for instance, cultural capital can operate autonomously from monetary influences, and can again compensate for the lack of monetary resources as part of an individual's or a group's strategy to pursue power and status (Jenkins, 1992).

Proceeding further with his theory, Bourdieu identified 'economic capital' to be at the root of other capital types (Bourdieu, 1986), and his main interest centred on analysing how economic capital can be combined with other forms of capital to create and reproduce inequality. Accordingly, inequality can be explained by the production and reproduction of capital. However, seeing capital solely in economic terms is not sufficient as economic exchange are geared towards profit and therefore pursued in self-interest. Bourdieu therefore challenged the conventional orthodoxy that immaterial exchanges, such as works of art, love and marriage were deemed as not interesting (Bourdieu, 1986). On the contrary, cultural capital should be treated as assets representing the product of accumulated labour.

Bourdieu adopted the concept of cultural capital to explain how unequal academic achievement of children from different social classes and from different groups within social classes is reproduced. By pursuing appropriate 'cultural investment strategies' at the family level for instance, some social groups are able to ensure that their children optimised the yield from education (Field, 2003, p. 16). To Bourdieu the educational system, like other cultural symbols serves to legitimise the reproduction of the social order. Thus, the greater life chances of middle class children can be justified by seemingly pointing to the objective measure of their better exam results. Apparently, the exam certificate disguises the structural disadvantages of children from working class backgrounds. This Bourdieu explained by pointing to what he referred to as cultural arbitrary (Mudimbe, 1993). Inherently, all cultural institutions, such as

schools and the churches serve as a veil on some injustice or exploitation in the social space. These cultural institutions come with their norms or value systems which do not only keep people in their place, but conceal the arbitrariness of inequality by presenting it as only pure and natural. Bourdieu therefore utilised cultural capital to represent command over behaviours that legitimise inequality. To Bourdieu, social or cultural capital is seen in the negative sense as it is used to legitimise and reproduce inequality in social space.

Bourdieu's thinking on social capital is not without criticisms. First, Bourdieu has been criticised for representing social capital as largely beneficial or benign to those who possess considerable volumes of it (Field, 2003). To Bourdieu, social capital is used by individuals with access to it to better their lot. Arguing along this line, Bourdieu showed little interest on the downside of social capital as he overly concentrates on the procedures by which groups manipulate their connections for their individual benefit. Social capital is not only about individuals who derive exclusive benefits from their social connectedness as there are wider consequences of social connections especially for those who do not belong. Bourdieu's thinking on social capital is thus limited in this respect as concerns of individuals who do not belong to the group are not taken on board.

Closely related to the above, Bourdieu's conception of social capital can be seen as disguising the profit or rent seeking behaviours of individuals who have possession of social capital. By focusing exclusively on social capital in relation to inequality and power, Bourdieu places less emphasis on the profit seeking behaviour of the connected who utilize this for their exclusive benefit. Finally, Bourdieu conceptualised social capital as an asset exclusive to the privileged and a resource by which they maintain their superiority over those who do not belong to their group (Ibid). By this thinking, Bourdieu did not envision the likelihood of other less privileged individuals or groups to find some benefit in their own social ties or connections.

Despite these criticisms, Bourdieu's conceptualisation of social capital in relation to inequality and power represents an added value to Coleman and Putnam's theory as espoused in the following two sections.

2.5.4 Social Capital Theory: James Coleman

Like Bourdieu, James Coleman's interest in social capital emerged from his attempts at explaining the relationship between social inequality and academic achievement in schools, albeit his spatial reference was mostly on poor communities in the United States. Coleman's conception of social capital can be situated within his wider approach to understanding the production processes of social order (Coleman, 1994). During extensive studies on poor neighbourhoods in the United States, Coleman came to the conclusion that social capital is not only a resource for the powerful or affluent in society, but could be of real value to the poor and marginalised communities. Coleman therefore conceptualised social capital as a resource and it involves the expectation of reciprocity which goes beyond any given individual's wider networks, and its relationships are governed by a high degree of trust and shared values (Field, 2003).

Coleman gradually came into conceptualisation of social capital through series of empirical studies in mostly poor communities in the United States (Coleman *et al.*, 1966, 1982; Coleman & Hoffer, 1987). In a survey of educational achievements and opportunity among six ethnic groups, Coleman *et al.*, (1966) confirmed that family and community background characteristics tend to be more influential in shaping school outcomes compared to the nature of school and its related factors. Again, relying on family background characteristics and cognitive achievement scores for up to 50,000 high school students, Coleman *et al.*, (1982) empirically demonstrated that pupils tended to perform better at Catholic and other schools

with religious affiliation even when other factors, such as social class and ethnicity, were taken into account. Accordingly, the most important factor in explaining the observed trends in educational achievements is the influence of community norms upon parents and pupils, which served to endorse the expectation of teachers. Communities were therefore seen as a source of social capital that could offset some of the impact of social and economic disadvantage at the family level (Coleman & Hoffer, 1987).

In a later publication, Coleman (1988) defined social capital as a useful resource available to an actor through his or her social relations and this resource comprises some aspect of social structures which facilitate certain actions of individuals within the structure. Utilising the orthodox economic distinction between public goods and private goods, Coleman explained how social capital helps in understanding the problem of collective action. Unlike humans and social capital, which are normally private goods whose ownership and returns rest with those in possession of such goods, social capital is essentially a public good that is created by and benefits not just individuals whose effort are required to realise it, but all members of the structure. Social capital in Coleman's thinking therefore demands cooperation among individuals who are nonetheless pursuing their own individual interests (Field, 2003).

Aside positing social capital as a public good, Coleman provided a functionalist definition of social capital:

Social capital is defined by its functions. It is not a single entity, but a variety of different entities having two characteristics in common: they all consist of some aspect of a social structure, and they facilitate certain actions of individuals who are within the structure (Coleman, 1994, p. 302).

In theorising how this functional role of social capital could be achieved, Coleman gave a privileged position to the family as the paramount form of primordial social organisation and the family is identified to be distinctive in the sense that its origin lay in the relationships

established by childbirth (Field, 2003). Coleman is of the belief that erosion of the family and other forms of primordial organisations or institutions has brought about a situation of transferred responsibility for primary socialisation to constructed organisations such as schools, religious institutions among others; leading to a long term erosion of the social capital on which social functioning has over the years depended (Coleman, 1991). Coleman therefore gave cognisance to the role of family and other institutions such as schools and religious institutions in the creation of social capital among individuals.

It is important to point out the distinction between Bourdieu and Coleman's thinking on social capital. Bourdieu's conception of social capital is premised on the argument that individuals in privileged positions entrench their positions by using their connections with other privileged people. Thus, the cycle of inequality is perpetuated in society. On the other hand, Coleman's thinking on social capital is more refined in the sense that he clearly recognizes the value of connections for all actors, be it at the individual or collective, privileged or disadvantaged (Field, 2003).

Aside from these fundamental differences, both Bourdieu and Coleman perceive social capital essentially as a form of exchange. However, for Coleman, this exchange leads to rational choice, while for Bourdieu, this exchange constitutes the basis of cultural materialism among the powerful and affluent in society. It is interesting to note that neither Bourdieu nor Coleman paid heed to the fact that sometimes individuals do like, love and even hate each other and as a result, might associate together or avoid each other for reasons that lie outside the purview of rational calculation (Ibid).

Coleman's thinking on social capital is not without criticism. Like Bourdieu, Coleman conceptualised social capital to be exclusively advantageous without associating any blemish

to the concept. The issue of exclusivity especially on the part of individuals outside the network was not given prominence by Coleman. Again, by placing a lot of emphasis on the family as a source of social capital, Coleman tends to overstate the role of close or dense ties and underestimate the value of weak ties or loose ties (Portes, 1998).

Aside from these criticisms, Coleman's attempt to integrate social capital into a wider context of social structure is commendable. Furthermore, Coleman's analysis recognises that social capital could be an asset for disadvantaged social groups and not solely an instrument of the privileged. Finally, Coleman's interest in the mechanism of social networks is an added value to the social capital debate.

2.5.5 Theorising Social Capital – Robert Putnam

Arguably, Robert Putnam has been credited as the most widely recognised proponent of the concept of social capital. Putnam initially contributed to the debate on social capital by empirically studying regional governance in Italy using institutional approaches (Putnam, 1993). Focussing on the relative performance of public policy actors in the North and South of Italy, Putnam concluded that the relatively successful institutional performance of the Northern regions was to be explained by the mutual interrelationships between government and civil society. He identified the difference in civic engagement in explaining the relatively successful institutional performance in the North relative to the South.

Following the initial observations, Putnam (1993, p. 167) defined social capital as referring “to features of social organisation, such as trust, norms and networks, that can improve the efficiency of society by facilitating coordinated actions.” Putnam's conceptualisation of social capital which resulted from his empirical observations in Italy, in several respects can be seen

as an extension of Coleman's. However, the main distinction is that Putnam particularly paid much closer attention to the resources that accrue especially within loose ties that are built through constructed organisations such as rotating credit associations and singing societies than Coleman; although Putnam took a more limited view of the role of church and family relative to Coleman.

After publishing his Italian studies, Putnam diverted his attention to associational life in the United States which he identified as the reason for the continuous decline in social capital in America. Putnam's most popular writing in this respect is *Bowling Alone* (2000) in which he pointed out that Americans are less likely to play bowling in formal teams against regular sets of opposition in organised leagues and more likely to play with a group of few friends or family. In most of his writings, Putnam utilised the metaphor "league bowling" to represent a type of associational activity that brings relative strengths together on a routine and frequent basis and this helps in building and sustaining a wider set of networks and values that foster reciprocity and trust, and in turn facilitate mutual collaboration. After a series of empirical studies in the United States, Putnam conceptualised social capital as "the features of social life – networks, norms and trust – that enable participants to act together more effectively to pursue shared objectives" (Putnam, 1995, p. 664-665). In a later study, Putnam (2000, p. 19) refined the definition by conceptualising the concept as "a connection among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them."

Through his empirical observations, Putnam demonstrated the decline in civic engagement among Americans especially since the 1960s. This decline is particularly noted in the area of political participation, associational membership, religious participation, volunteering, charity, work-based socialisation and informal social networks. Aside noting these attitudinal changes among Americans, Putnam again presented empirical evidence pointing to behavioural change

among Americans as well. Thus, Putnam, for instance, noted the growing tendency among American drivers to ignore stop signs at traffic intersections (Putnam, 2000). While taking note of some counter trends, such as voluntarism especially among young Americans, and the growth in self-help groups, Putnam concluded that these counter trends are not adequate enough to offset his major conclusions that, “Americans are less connected to our communities than we were two or three decades ago” (Putnam, 2000, p. 180).

Despite his immense contribution to the debate in terms of conceptualising the concept at the community level, Putnam’s theory has come under criticism on several grounds. Putnam has been criticised on the grounds that he adopts a “circular” definition of social capital and his conception of the concept lacks theoretical precision (Misztal, 2000, p. 120-121). Putnam is again criticised for taking for granted the causal link between trust and a rich network of associations (Sztompka, 1999). Putnam’s theory failed to provide a particular relationship between the different types of social capital (Field, 2003).

Like Bourdieu and Coleman before him, Putnam’s theory is also criticised for presenting social capital to be all good without paying particular attention to the dark side of the concept. As noted by Misztal (2000), social capital can actually promote mistrust as well as trust among individuals in a group – a situation not envisioned by Putnam.

Putnam’s theory can be criticised for presenting an “oversocialised” view of behaviour with “little scope for human agency” (Field, 2003, p. 39). This is because Putnam views productive generation mainly through long term social and economic processes. Despite the various criticisms however, Putnam’s contribution has been lauded for its “analytical clarity” and the detailed historical thoughtfulness which went into his theorisation of social capital (Ibid, 2003, p. 39).

2.5.6 Synthesising the Debate and Rationalising Coleman's Thinking

It is interesting noting that all the three leading figures – Bourdieu, Coleman and Putnam did give recognition to the significance of networks and relationships as a resource. However, each approached the concept from a different perspective. While Bourdieu approached the concept from a single perspective by conceptualising social capital as an asset utilised by the elite to maintain and entrench their position in society, Coleman recognizes social capital as a resource for the relatively disadvantaged, and positioned social capital as belonging to individuals or families. Putnam on his part pushed the debate further by presenting the concept as a resource that performs at the community level. All three figures can be criticised for downplaying the negative side or consequences of social capital. To Coleman, social capital is exclusively beneficial. While Putnam acknowledges a downside, his treatment of this downside is not detailed, and Bourdieu viewed social capital as negative only to the disadvantaged (Field, 2003). Again, the three leading figures did not particularly distinguish the different types of social capital, although Putnam (2000) did attempt to make some distinctions between two basic forms of social capital in later writings – bonding (exclusive) and bridging (inclusive). However, he did not explore the social capital types in great depth in order to arrive at particular conclusions on their influences as far as resources are concerned.

These aside, Coleman's treatment of social capital as a distributed resource, especially among the poor and the disadvantaged groups, and locating social capital at the individual and family levels make his theory relevant for this research. This research investigates the significance of social capital with regard to accessing resources for business at the individual level. The youth who constitute the target group of the research can also be considered among the relatively disadvantaged compared to their adult counterparts. This is because they do not have adequate financial or physical resources to rely upon, and as a result, they have to rely upon resources embedded in their social relations in their attempt at successfully establishing and running their

businesses. By contextualising social capital among the elite, Bourdieu's theory does not prove relevant for a study of a young relatively disadvantaged group. On the other hand, Putnam's conception of social capital at the community level makes his thinking irrelevant for this research as the unit of analysis for the research is at the individual level. However, I do draw on Putnam's (2000) basic distinction of bonding and bridging social capital, in addition to Woolcock's (2001) linking social capital to explore the various ways or processes by which the youth draw on various sources of resources for establishing and running their businesses or livelihood activities. The following section explores the social capital types.

2.5.7 Different Types of Social Capital

The social capital literature distinguishes three basic social capital types – bonding, bridging and linking social capital (Granovetter, 1983; Putnam, 2000; Woolcock, 2001). Bonding social capital which is also referred to as strong ties or thick trust (Granovetter, 1973; Newton, 1997) includes networks or ties built upon relations between like people or homogenous groups such as family, close friends or neighbours, or people within certain business organisations or ethnic enclaves (Woolcock, 2001; Turner, 2007). This type of social capital often tends to be tightly connected and closed to outsiders. According to Putman (2000), bonding social capital helps people to “get by” on a daily basis due to its exclusivity and Wellman (1992) characterised bonding social capital by the following: a sense of the relationship being intimate and special, with a voluntary investment in the tie and a desire for companionship with the tie partner; an interest in being together as much as possible through frequent interaction in multiple societal contexts over a long period; and a sense of mutuality in the relationship, with partners' needs known and supported (p. 211-212).

Bridging social capital on the other hand operates at a less personal level and often turns out to be based on indirect secondary social relations. Bridging social capital is a product of what

Granovetter (1973) characterised as weak ties among members. Linking social capital refers to ties or networks that cut across social and economically different positions. Proponents of linking social capital have argued that it unmasks the vertical dimensions of social capital, which is distinct from the more horizontal relationships of bonding and bridging social capital (Woolcock, 2001). Linking social capital can be particularly helpful in acquiring resources or ideas, and information from more formal institutions beyond the immediate reach of individuals and the community (Turner, 2007; Turner & Nguyen, 2005).

2.6 Social Capital and Contemporary Crisis

A major issue with social capital in contemporary era is how social capital is responding to challenges posed by prolonged periods of economic change and hardship resulting from the implementation of neoliberal policies (Lourenco-Lindell, 2002). Although scanty empirical research exists regarding response of social capital to economic hardship, the available literature presents a divergent view on the subject. While a section of the literature theorises a greater role for social capital during periods of economic hardship (De Herdt & Marysse, 1997; Derhshem & Gzirishvili, 1998), others have advanced the discussion a step further by arguing that difficult economic circumstances are indeed a precondition for the emergence of social support networks among households (Lourenco-Lindell, 2002).¹⁴ The latter argument has thus regenerated the old conception that “scarcity and not sufficiency makes people generous” (Evans-Pritchard, as quoted in Sahlins, 1984, p. 210). Furthermore, the latter argument takes for granted that social networks are a resource that the poor in society have and do cope with their situation of destitute by using their social networks (Lourenco-Lindell, 2002).

¹⁴ See for instance, De Herdt & Marysse (1997) on the reactivation of exchanges of gifts and loans in Kinshasa; Dershem & Czirishvili (1998) on the role of social networks in the context of transition and crises in the Former Soviet republic of Georgia

Contributing to the debate from the Ghanaian perspective, Hanson (2005) argued that although social capital constitutes an important asset that helps reduce socioeconomic vulnerability and increase opportunities among individuals and households, the pressure brought about by economic change can exert opposing forces on social capital. Due to the pressures brought about by economic hardship, social capital is strengthened, as reciprocity network of individuals and households are increasingly called upon. On the other hand, difficult economic circumstances bring about the situation where social capital is eroded as the ability of individual households to cope deteriorates and trust breaks down. Thus, social capital is seen to play a facilitating and constraining role during periods of hardship.

What is largely left untouched by the literature is the response of social capital to economic hardship as far as young people are concerned. In the era of increasing unemployment among the youth, little is known about whether young people are receiving adequate support from their network of relations as they go about making meaningful livelihoods for themselves. Moreover, it is important to know how social capital and the various forms of it have responded to the needs of young people running livelihood activities in the informal sector especially in the era of contemporary difficult employment situation confronting many young people.

Recently, there is a growing consensus in Ghana that social support networks which over the years have served as the bedrock for many individuals, households and communities during periods of hardship have come under severe strain mainly as a result of the implementation of neoliberal policies. Unfortunately however, these claims have not been empirically ascertained in the literature.

It is in the light of the above that this research aims at investigating the various kinds of support especially for young people running informal businesses in the mobile telephony sector.

2.7 Social Capital and Entrepreneurial or Livelihood Activities

Social capital and enterprise activities have been theorised to explain why actors have derived benefits from social structures, networks and memberships in which they are particularly connected (Lin *et al.*, 1981; Porters, 1998). The network of social relations accorded by belonging to families, organisations and communities is observed to either supplement or at times serve as a substitute for the effects of education, experience and financial resources (Bourdieu, 1983; Coleman, 1988, 1990; Loury, 1987). Consequently, social capital resulting from trust, norms and networks is found to contribute to enhanced economic performance of individuals as well as enabling such individuals to adapt to specific economic environments (Putman, 1993).

Aside its benefits to the individual, social capital is also found to be very important for enterprise development by serving as a facilitating factor in the formation of start-up businesses and the entire entrepreneurial process (Chong & Gibbons, 1997; Walker, Kogut & Shan, 1997). Specifically, social capital serves as a means by which entrepreneurs get access to the needed resources for business start-up, growth of businesses and skills acquisition (Kristiansen, 2004). These resources often come in the form of information flows and the quality and timeliness of its delivery (Adler & Kwon, 2002; Sandefur & Laumann, 1998). Through information flows, entrepreneurs are able to reduce their risks and cut down on transaction costs. Furthermore, social capital makes it possible for entrepreneurs to get access to business ideas, knowledge about particular field of operation, and also enables entrepreneurs to get access to capital (Kristiansen, 2004). With all these intermediating roles, social capital is found to influence performance of businesses (Davison & Honig 2003; Anderson & Miller 2003).

The value of social capital as a crucial resource base for enterprise or livelihood activities is even more important in many African and other developing country settings where capital markets are largely rudimentary and contractual obligations and formal market regulating institutions tend to be weak (Lyon, 2000; Fafchamps, 2000). Despite this significance, the literature which explores the relationship between social capital and entrepreneurship tends to be largely dominated by studies from the developed world (Davidson & Honig, 2003) and other developing countries in Latin America (Espinoza, 1999) and Asia (Turner, 2007). There are few exceptions focusing specifically on Africa (Kristiansen, 2004; Barr, 1998; Meagher, 2006). Aside the over concentration in specific regions of the world, the general consensus emerging from the literature indicates that social capital accords individual entrepreneurs access to complementary resources, initiative and basic ideas for start-up, credit access and generally influences the performance of enterprise or livelihood activities. Some of the empirical literature in support of this argument is presented in the following:

Analysing the performance of nascent entrepreneurs in Sweden, Davison and Honig (2003) observed bridging and bonding social capital to be a robust predictor for nascent entrepreneurs and in advancing the start-up process. Their study specifically identified membership of a business network to have a statistically significant positive effect on profitability. Similarly, Anderson and Miller (2003) using theoretical sampling techniques to study the influence of class in the success of businesses in the city of Aberdeen, found entrepreneurs with linkages to high socio-economic class to have access to highly effective business support which contributes to greater profitability and the growth potential of their businesses.

In the Caribbean, Honig (1998) identified social capital as an influential factor for profitability of businesses among Jamaican entrepreneurs. Social capital is therefore seen to play a crucial role in the operational success of enterprises. These observations are not different when the

focus is turned to businesses in the Asian region.¹⁵ For instance, Turner (2009) studied the importance of social capital types to small scale enterprises in Eastern Indonesia and identified bonding social capital to be particularly important compared to bridging and linking social capital which were found to be virtually absent. Again, analysing the importance of social capital among young entrepreneurs in Vietnam, Turner and Nguyen (2005) identified bonding social capital to be very important in the establishment and expansion of businesses while bridging and linking ties were found not to play influential roles for young entrepreneurs. Studying the importance of specific forms of social capital to small scale enterprises in Eastern Indonesia, Turner (2007) identified the heavy reliance among small scale entrepreneurs on informal networks, linkages and trust for the establishment and successful operation of enterprises. Turner's study specifically identified bonding social capital to be prevalent among small scale entrepreneurs while bridging social capital was observed not to be as prevalent while linking social capital was found to be virtually absent.

In Africa, Fafchamps (1998) using quantitative techniques, have demonstrated the value of individual networks to entrepreneurs in Kenya and Zimbabwe. The study observed that entrepreneurial networks do provide significant resources in terms of preferential access to supplier credits. However, the kind of entrepreneurs that could benefit from this resource tend to be limited mainly to nonindigenous groups such as Europeans and Asians who could easily identify with one another. This group tends to have access to information about the reliability of others in their network, but not those outside the network.

Fafchamps and Minten (2002) analysed returns to social capital among traders in Madagascar and concluded that social capital in the form of networks have a larger effect on firm

¹⁵ Social capital was operationalized by frequent church attendance and marital status of business owners

productivity. Controlling for physical, human inputs and other entrepreneurial characteristics, the study observed traders with better connections to enjoy significantly larger operational scales and value addition compared to those with relatively lesser connections. The dimension of social networks found to be particularly important by the study involves relationships with other traders which the study observed to help entrepreneurs to economise on transaction costs; relationships with potential lenders; and family relations.

In Ghana, Hanson (2005) noted that urban livelihoods are clearly embedded in social relationships. These networks of relations according to Gyekye (1997) come in different forms and shapes and cut across the household, family, clan, lineage, town and neighbourhood levels. Consequently, individuals may belong to many different social circles of different sizes and at times operating at different levels in terms of space. Such interactions serve as linkage structures that individuals rely on to further their goals and aspirations and can be considered as the backbone of contemporary community life (Hanson, 2005). Individuals therefore rely on a variety of ties involving friendship, neighbourhood, family relation, and co-worker in an attempt to secure access to vital resources for livelihoods. Social relations have therefore become very important resource for gaining access to goods and services as well as entry into the right place (Moser, 1996).

Despite its importance as a vital resource among entrepreneurs, empirical analysis of the relationship between social capital and enterprise or livelihood activities in Ghana is thin. Notable exceptions however include Barr (1998, 2000); Lyon, (2000); Hanson (2005); Lyon and Snoxell (2005). Relying mainly on qualitative techniques involving in-depth interviews, Hanson (2005) explored social networking and urban livelihoods in the town of Koforidua, Ghana, using four key interaction lenses: household, kin and neighbourhood ties; alumni ties; occupational ties; and religious associations. The study concluded that “the ongoing networks,

symbolizing different scales of social space are what guide individuals to appropriate forums. They make survival possible,” (Hanson, 2005, p. 1291). Thus, social capital serves as a crucial resource among individuals and their livelihoods or enterprise activities and this helps such individuals to navigate the hardship resulting from socioeconomic change.

Evidence from the review process indicates that generally the literature on the relationship between social capital and entrepreneurship in Africa and Ghana in particular appears thin. Although some notable exceptions have been provided, many of these studies have not specifically explored the influence of specific forms of social capital on business establishments and operations. For instance, although Hanson (2005) explored social capital at the individual level among home based entrepreneurs, the study did not expatiate on the social capital types and how individuals rely on specific forms of social capital to gain access to particular resources in the process of establishing and operating their businesses.

Moreover, for most of the studies reviewed that have devoted attention to the relationship between social capital and entrepreneurship, there is very little attention given to social capital and businesses that are owned by the youth or young people. Turner’s (2007) study stands as an exception in this regard although the focus of the study was on Eastern Indonesia. It will therefore be interesting to explore the relationship between the types of social capital and establishments owned by the youth in Ghanaian context. Also, other studies that have explored social capital and entrepreneurship in Ghana have taken a sectoral approach such as social capital among agricultural traders (Lyon, 2000; Lyon & Snoxell, 2005), and social capital in the performance of manufacturing enterprises (Barr, 1998, 2000). Again, it will be intriguing to analyse and contrast the relationship between social capital and entrepreneurship in the mobile telephony sector with existing traditional sectoral based studies.

The key issues emerging from this review shaped my thinking in embarking upon a micro-level analysis of how the youth operating businesses in the mobile telephony sector utilise social capital in conceptualising, establishing and in running their businesses. This emphasis draws my thinking to the importance of dynamics such as social structure, cultural norms and some level of politics in determining the reliance of youth-run enterprises in the mobile telephony sector on the different social capital ties. By focusing on how these enterprises are conceptualised, established and operated as well as the quality and substance of ties, attributes and relations, and how all these closely intertwine with other embedded features such as trust, norms and attitudes, the research aims to provide a deeper understanding of how social capital is composed and produce specific livelihood outcomes among the youth.

As noted earlier, while bonding social capital directs our focus to the significance of family, close friends and members of the same ethnic group, bridging social capital gives room for analysing the existence of networks that cut across broader ties, such as acquaintances, distant friends and to some extent work colleagues (Turner, 2007). Linking social capital allows us to analyse the supportive capacity of the institutional framework as far as support for young people running enterprise activities in the city is concerned while also availing the opportunity to raise questions regarding support to young people from individuals or groups occupying different economic and social positions in society. Thus, the study utilises the different social capital types to explore how the youth rely on their social relations to obtain access to resources for establishing and operating their businesses.

Entrepreneurs embedded in a strong network of relations often rely on the high levels of trust developed within their network of relations to establish, develop and sustain their livelihood activities (Turner & Nguyen, 2005). Such relationships serve in providing reliable resources such as credit access (funds), access to goods on credit, market information, business

mentoring etc. For individuals operating within the informal sector, where a sizeable proportion of youth entrepreneurs operate their livelihoods in sub-Saharan Africa, the importance of social capital is even more important.

It is important to point out that the effect of social capital in relation to entrepreneurial livelihoods is not only positive. On the contrary, the negative implications of social capital have indeed been acknowledged, especially within some African and Middle Eastern countries where the redistributive obligations of individuals within kinship ties are quite extensive and this works to the detriment of individual entrepreneurs and their livelihoods (Hunter, 1962; Khalaf & Shwayri, 1966, both cited in Rooks *et al.*, 2009).

2.8 Theorising Youth Livelihoods and the Transitions to Adulthood

Initial theories focusing on youth transitions were dominated by psychological theories which mostly centred on the developed world and perceived youthfulness as a distinct stage in the life course (Erikson, 1950; Inhelder & Piaget, 1958). For instance, while Erickson (1950), developed Freud's psychosexual phases of development with adolescence and young adulthood as two distinct stages in an eight stage theory of the life course, Piaget and Inhelder's (1958) focus on developmental stages were very much anchored by the achievement of a stable adult identity, including the ability to think abstractly. The early youth transition theories have been criticised as too 'simplistic' (Worth, 2009, p. 1051). Specifically, Baron *et al.*, (1999) have criticised early transition theories as reducing the life course into a series of stages which appear linear, cumulative, and non-reversible.

In expanding the argument, several youth studies in recent times have also given recognition to the inadequacy of considering transitions from childhood to youth and to adulthood in terms of

a linear progression from a state of dependence to independence (Furlong & Cartmel, 1997; Wyn & Dwyer, 1999). Particularly in the developed world, changes in education (as many young people are spending more time in school and family structures) as well as changes in labour market relations have extended and made youth transitions more complex than the early psychological and developmental theories seem to suggest (Jeffrey & McDowell, 2004; Furlong & Cartmel, 1997; Valentine, 2003). In line with these developments, Valentine (2003) has advocated a shift to ‘performative and processual identity’ that understands the multiplicity and often convoluting nature of youth transitions into adulthood. Young people in the developed world are often noted to undergo a series of transitions, moving in and out of independence and dependence in different contexts and in relation to different people, although the ultimate goal of most of them is to achieve the status of independence (Gillies, 2000).

When we shift the focus to the developing world, particularly Africa, young people’s transitions into adulthood are noted to have received relatively limited attention in the development literature (Langevang, 2008). This notwithstanding, the emerging literature seems to suggest that transition into adulthood among the youth is not entirely different from what pertains in the developed world. Johnson-Hanks (2002, p. 869) studying transitions among young Cameroonian women noted that “the key transitions that might be seen as aspects of adulthood do not occur at the same time or in the same order; their occurrences are not highly correlated, and many of them are reversible”. Young people therefore cross the fluid boundaries between time and place specific notions of childhood, youth and adulthood making transitions a complex and convoluting process for many of these young people.

Commenting on the transition situation of young people in the city of Accra, Langevang (2008, p. 2,039) argued that “achieving respectable adulthoods in present-day Accra is a complicated and convoluted journey involving the careful management of social relationships”. Thus,

young people in the city of Accra do not only move in and out of adulthood, but have to carefully manage these processes by often assuming roles and responsibilities sometimes in subservient positions to others who have been acclaimed by society to have assumed adulthood status and perform the assigned roles by society to such statuses. The torrid and unpredictable nature of youth transitions is often attributed especially to the difficult economic circumstances, albeit the role of education and training cannot be underestimated (Clark, 1999; Bennell, 2000; Furlong & Cartmel, 2007). The inability of African economies to offer employment in the formal sector to the majority of the youth has been identified as contributing significantly to delays in the transition to adulthood among the youth (Bennell, 2000).

In the midst of uncertainties and complexities confronting youth transitions, a section of the transition literature in Africa has posited a pessimistic view by characterising the situation of young people in Africa as a “lost generation,” (O’Brien, 1996, p. 56-60). Similarly, Vigh (2006) commented on the transition situation of young people as follows:

It [youthfulness] protrudes as a predicament of not being able to gain the status and responsibility of adulthood and thus as a social position that people seek to escape as it is characterised by marginality, stagnation and a truncation of social being. It is a social moratorium rather than a cultural one (Vigh, 2006: 37).

It is important to point out that, such observations and generalisations often hide the mundane experiences of the many young people who continue to eke out a living in the informal economy and their attempts to achieve respectable adulthoods. Perhaps, the youth generally may not be a lost generation as it is being portrayed in the literature. This is because there is limited empirical evidence which documents the transition situation of the many young people in Africa who continue to operate their own businesses or livelihood activities in the informal sector. Vigh’s (2006, p. 31) study for instance, which describes transition status of many young

people in West Africa as a “stagnation and truncation of social being” was mainly focussed on the situation of young people in war-torn Guinea-Bissau. The situation of young people in such challenging socio-economic and political environments is completely different from that pertaining in stable democracies such as Ghana and others in the Sub-region where many young people continue to secure livelihoods through enterprise activities in the informal sector. Concluding that the youth in West Africa are in a stagnating or truncating situation or entirely portraying the youth as a lost generation may not be giving an accurate representation of the transition situation of many young people on the continent.

It is in the light of the above thinking that this study sought to investigate the transition situation of the young people who operate livelihood activities or enterprises in the mobile telephony sector. Little is known about what is happening in the transition situation of these young people and the extent to which engaging in entrepreneurial or livelihood activities in the mobile telephony sector is influencing the transition situation of these young people. More importantly, the argument as to whether these young people are really in a state of moratorium or stagnating situation without gains in social mobility or whether the young people are making significant gains from their livelihoods that enable them to move up the social ladder is not in the known. The research therefore aims at unravelling these issues.

Contemporary theories of youth transition have criticised the fallacy of distinct stages of the life course by addressing new imperatives of a flexible labour market such as multiple jobs instead of one career; diverse family dynamics such as lower marital rates; and the expansion and the prolonged nature within the education sector (Worth, 2009). Beck’s (1992) concept of individualization constitutes one of the influential contemporary theories of youth transitions, although this has been criticised by many for placing the blame for failing to attain one’s ‘choice biography’ on the individual, without paying much attention to structural barriers that

often impede the opportunity to follow up desired choices (Skelton, 2002; Worth, 2009). Despite these criticisms, Giddens (1991) has expanded on the individualisation theory by contending that transitions in reflexive modernity are experienced through ‘fateful moments’ where a person’s ontological security is threatened by having to make significant choices about the future. Influenced by Giddens’ ‘fateful moments’, Thomson *et al.*, (2002) conceptualised the concept of ‘critical moments’, as a way of understanding the key events of transition for young people.¹⁶

An aspect of the youth transition debate in the contemporary era that has received considerable attention in the literature is the influence of social capital theory on youth transitions with Worth (2009) identifying social capital theory as perhaps having the strongest influence on the contemporary transition debate. Recent research examining social capital and young people has made a vital theoretical contribution, recognizing that young people are not only recipients of capital from their parents, but also creators of capital through their own peer groups (Helve & Bynner, 2007, cited in Worth, 2009, p. 1051). For many of these studies, social capital has been utilised in exploring issues such as social exclusion, where disadvantaged young people’s life choices are often limited by the economic, cultural and social resources available to them. In other contemporary works in youth transitions, social capital theory has been used with other theories of agency and identity, balancing individual choice and structural constraints (Holland *et al.*, 2007).

In Ghana, there is limited empirical research on young people’s transitions, although the few existing works give credence to the complex and unpredictable nature of youth transitions to adulthood (Langevang, 2008). In explaining the complex and unpredictable nature of

¹⁶ For further studies utilising the concept of critical moments in exploring youth transitions, see Henderson *et al.*, (2007) and Shildrick & MacDonald, (2008)

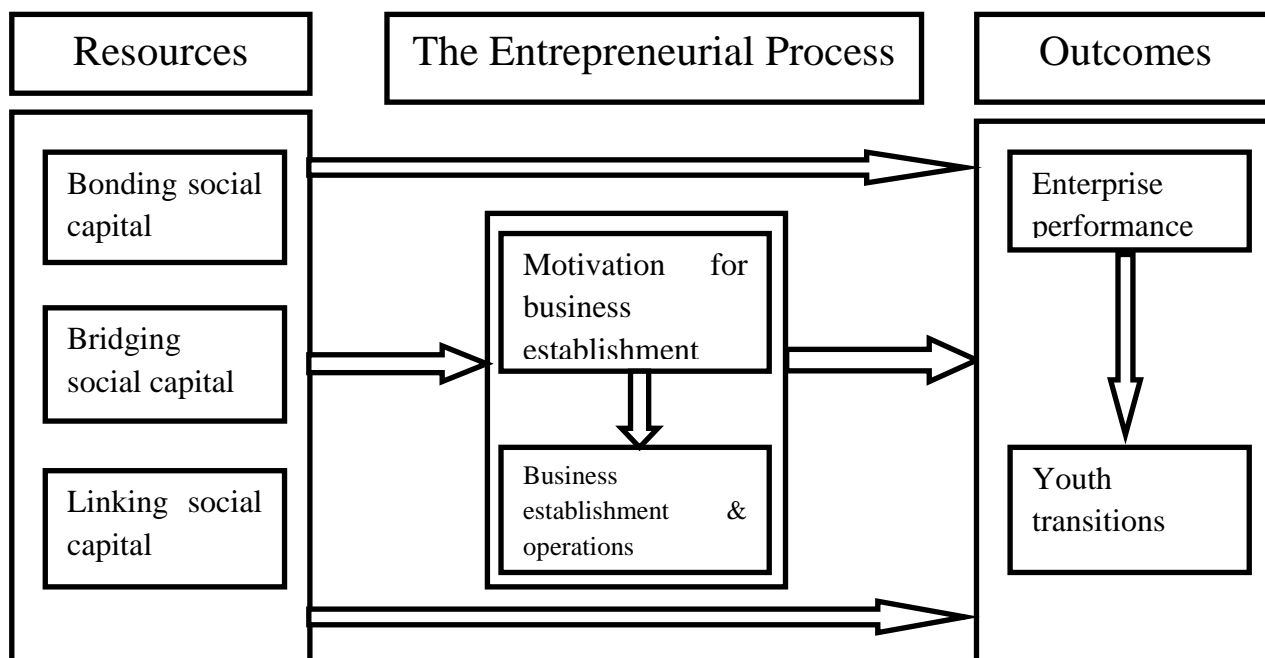
transitions to adulthood among Ashanti youth in Ghana, Clark (1999) noted that the increasingly difficult economic circumstances have made it difficult for young people to earn appreciably in order to enable them to support themselves and/or their relations. Under the circumstances, some older generations have been found to be supporting two or possibly three younger generations after them and thereby putting extreme pressure on the older generation.

In the context of the difficult economic circumstance and the influence of social relationships mostly used to explain the complex and unpredictable nature of youth transitions to adulthood, the question that easily comes to mind is ‘what is happening in the lives of the many young people engaged in self-employment or micro entrepreneurial livelihood activities in the mobile telephony sector?’ This question becomes even more relevant considering the complexity and dynamic nature of the mobile telephony sector in which the young people conduct their livelihood activities. This study is therefore particularly interested in gaining a deeper understanding of livelihood activities of the youth in the mobile telephony sector and how these influence their transition to adulthood in the GAMA.

2.9 Conceptual Framework

Based on the review of the literature, Figure 2.1 captures the relationship between social capital, the entrepreneurial process, business performance and transitions in the life course of youth.

Figure 2.1: Relationship between social capital, the entrepreneurial process, business performance and the transitions to adulthood



Source: Author's construct based on a review of the literature

Social capital is often operationalized through the identification of ties or networks, the relationship between these networks, the strength of the networks and the direction of relations within the network (Davidson & Honig, 2003; Turner, 2007) (see Figure 2.1). On the basis of the strength of ties existing within a particular network and the direction of relations within the network, social capital can be conceptualised into three main types involving bonding, bridging and linking ties (Putnam, 2000; Woolcock, 2001; Turner, 2007). Bonding social capital cuts across networks that are built upon relations within homogeneous groups, such as kin and close relations while bridging social capital captures more open, heterogeneous networks that go beyond the insular kin and close friendship ties offered by bonding social capital, to include acquaintances and others within distant positions in the network (Woolcock, 2001; Putnam, 2000; Turner, 2007). While bonding and bridging social capital is horizontal in nature, linking social capital tends to be vertical and involves ties and networks that go beyond social and

economic differences to encompass individual relations with institutions (Woolcock, 2001; Turner, 2007).

In the process of establishing and operating businesses, bonding, bridging and linking social capital ties can facilitate the acquisition of resources, ideas and information that can enhance business establishment, higher performance and growth prospect (Birley, 1985; Davidson & Honig, 2003). Thus, the three social capital types can provide a resource base for young people by exposing them to new and different business ideas, and as a result, providing the youth with a wide frame of reference, serving both as supportive and nurturing to the new potential idea or business establishment. This supportive framework from social capital can have positive influence on business performance as indicated on Figure 2.1.

Information often tends to be limited, but vital for the successful operation of businesses especially in the informal sector. Bridging, bonding and linking social capital ties facilitate flow of information during the establishment and in the operation of businesses. According to Benneth and Robinson (1999), small scale entrepreneurs often depend upon the advice of friends and other relations within their network in order to retain confidentiality and in establishing personal control which are vital for successful operations.

Specifically, bonding social capital can assist in the process of establishing and during full operations of businesses. For instance, a family member or close relation who is involved in a particular business sector can facilitate access to resources by serving as a source of advice on a particular business activity. Aside advice, bonding ties can again be vital to individuals during the process of establishing a business by serving as a source of business capital which can be extended to already established businesses to aid performance. Like bonding social capital, bridging social capital also operates at the individual, but based on weak ties that

connect individuals. Bridging social capital utilises what an individual has developed within their own associations, and reflects the value structure, priorities and resources allocation of the individual (Davidson & Honig, 2003). According to Greene and Brown (1997), individuals often choose their own friends and relationships which may provide valuable resources for the successful operation of businesses involved in by such individuals. Specifically, bridging social capital may assist individuals during the establishment and operating phases of the business by linking different business establishments through weak ties which may enhance performance. While bonding and bridging social capital can facilitate access to resources at the individual level, linking social capital facilitate the acquisition of resources, ideas, information, and skills from more formal institutions which can facilitate the establishment and successful operation of businesses (Turner & Nguyen, 2007).

On the downside, social capital has been criticised for being exclusive to individuals who do not belong to the network and may also lay excess claims on group members (Portes & Landolt, 2000; Turner & Nguyen, 2007). With specific reference to the claims of exclusivity often brought against social capital, there are some individuals who do not belong to resourceful networks that they can rely upon in order to boost performance of their businesses. For such individuals, they often tend to be self-reliant during the process of establishing, operating and driving their businesses to the path of higher performance. A typical example in this regard is individuals who due to the lack of support for their businesses have to rely on their individual savings, in order to establish their businesses. Such individuals often operate solely on their own, without support from bonding, bridging and linking ties within which they belong to and often drive their businesses on their own toward higher performance.

Not only is social capital a vital source of resource for establishing and in operating businesses among individuals, but it is also influential with respect to motivation for starting business. In

typical scenarios where resources are particularly difficult to come by, motivation for going into business may be closely intertwined with social networks and the resources embedded in these networks (Langevang *et al.*, 2012). Such individuals may often draw on their network of relations in order to secure, for instance, initial capital as well as encouragement to start a business venture or livelihood activity. Some individuals may also start a business because of their upbringing in a family business environment. In the process of establishing and in operating their businesses, these individuals may rely upon the intergenerational transfer of skills and business orienting mind-set from their bonding or kinship ties (Gough, 2010). More so, others can take advantage of business establishments from family relations while some may be inspired to go into business because of successful business people in their bonding or bridging social capital ties. Examples of such successful business people could come from a close family relation, close friend, and someone within the community in which the individual is located (Langevang *et al.*, 2012).

In spite of its importance in influencing motivation for going into business among individuals and in serving as a source of resource for establishing and in operating businesses, social capital has been vital in influencing young people's transitions to adulthood. Contemporary research which explores the linkage between social capital and young people's transitions has recognised that young people are not only beneficiaries of capital from their close network of relations or bonding social capital ties, but also creators of capital through their own peer groups or bridging social capital ties (Putnam, 2000; Helver & Bynner, 2007; Worth, 2009). Simply put, social capital enables young people to make transitions in the life course.

2.9 Summary and Conclusion

The chapter has examined the existing literature and theoretical perspectives regarding livelihoods, social capital and youth transitions into adulthood. Following arguments advanced

by de Haan and Zoomers (2005) and Louenco-Lindell (2002), which criticised studies that investigate livelihoods using the sustainable livelihoods framework for losing sight of social relations, especially with respect to access to resources, the study utilises social capital theory in the investigation of livelihoods or enterprise activities and the transition to adulthood among the youth. The chapter has explored social capital in relation to meaning, origin and theoretical orientation. Attention is also drawn to the social embeddedness of livelihood activities as well as the empirical literature on social capital and entrepreneurship in the context of contemporary economic and social hardship and implications for young people. Lastly, the chapter has given attention to the traditional and contemporary literature on youth transitions and provided a focus on social capital theory and its relevance to youth transitions especially in contemporary era.

In all aspects of the review, the chapter has identified gaps in the existing literature on livelihoods and social capital, and also identified gaps in the youth transitions literature especially related to the transition situation of young people who are running their own businesses in the informal economy. The chapter has identified three key assumptions in the literature which have not been adequately explored as far as young people are concerned. The literature with respect to young people, social capital, motivation for going into business and transitions is dominated by the following orthodoxy: motivation for starting business or livelihoods especially in the developing world and sub-Saharan Africa to be specific is largely driven by 'survivalist' orientations as a result of poverty and the lack of better choices for work; social capital serves as a crucial resource for enterprises and it also has a positive relationship with the performance of enterprises; the transition to adulthood among young people in Africa is in a state of moratorium, stagnating with minimal headways.

The chapter has raised pertinent research questions as far as these assumptions and knowledge gaps in the literature are concerned and provided justification for empirical investigation of these assumptions. The next chapter discusses the socio-economic development and the youth situation in Ghana as a way of contextualising the study.

CHAPTER THREE

SOCIO-ECONOMIC DEVELOPMENT AND THE YOUTH SITUATION IN GHANA

3.1 Introduction

This chapter contextualises the study by discussing the socio-economic development of Ghana in the light of the current youth situation and how it has evolved over the years. The situation in which the youth find themselves currently has obviously emanated from the different developmental periods, and the policies and programmes implemented during these periods. This chapter therefore examines the developmental periods of Ghana and the policies and programmes implemented over the periods and how these policies and programmes have contributed to the current situation of young people. The chapter is divided into three main sections: Section 3.2 discusses demographic profile of Ghana with specific emphasis on the youth. This is followed by a discussion on the socio-economic development of Ghana over the immediate post-independence era to the current period of democratic dispensation. The final section provides a summary of the chapter.

3.2 Demographic Profile and the Youth

The population of Ghana has been increasing significantly over the years. From less than 2.3 million in 1921, when formal census begun in the country, the total population increased to about 6.7 million (more than double the 1921 figure) in 1960 and increased further to almost 19 million in 2000 (GSS, 2005). The 2010 population and housing census report estimated the total population to be 24,658,823, which represents an increase of 30.4 per cent over the 2000 census figure of 18,912,079 (GSS, 2012). Although increasing, in terms of structure, the population has consistently remained youthful. The youthful nature of the population is characterized by a broad base consisting of large numbers of children and youth, and a conical top of a small number of elderly persons. For instance, the percentage of the population aged less than 15 years is more than 40 per cent, although the statistical trends indicate that this age

category has been declining in recent years. For example, the population below 15 years has fallen from 45.0 per cent in 1984 to 41.3 per cent in 2000 and again fell to 38.3 per cent in 2010 (GSS, 2013a). Until this decline however, the figure had ranged between 45 to 46 per cent.

Compared to the under 15 year group, the population aged 15 to 34 years, which constitutes majority of the youth, has consistently remained just under 33 per cent from 1960 to the year 2000, but increased to about 35 per cent in 2010 (GSS, 2013b). Despite the recent increase however, there has not been a major shift in the proportion of the population aged 15 to 34 years compared to other age groupings. This notwithstanding, the absolute numbers have increased substantially over the years. For instance, from just over 2.2 million in 1960, the population aged 15 to 34 years increased to almost 4 million in 1984, before increasing further to over 6.1 million in 2000 and then to 8.7 million in 2010 (Ibid). The youthful nature of the population has therefore increased consistently over the years with severe implications with respect to employment prospects and the general economic and social well-being of the youth.

The 35 to 59 age group constituted 17.7 per cent of the total population in 1960 and although the proportion for 1984 dipped slightly to 16.7, it increased to 18.8 per cent in 2000 before increasing again to 20 per cent. Similar to the 15 to 34 age group, the absolute number of the population aged 35 to 59 years has also been on the increase over the years. For instance, from just over 1.1 million in 1960, the number of people aged 35 to 59 years increased to over 2 million in 1984 and then to about 3.5 million in 2000 before increasing again to 4.9 million in 2010 (Ibid).

Ghana is gradually experiencing an aging population as the population above 60 years has been increasing over the years. In 1960 for instance, the population above 60 years constituted 4.5

per cent of the total population, but this increased to 5.5 per cent in 1984 before increasing further to 7.2 per cent by the year 2000. According to the 2010 census, the proportion of the population above 60 years decreased slightly to 6.7 per cent. This notwithstanding, the generally aging nature of the population is likely to put increasing pressure on the working population including the youth who will be required to cater for the aged especially at the family level.

As the population of the country increases, the number of people residing in areas designated as urban has also been on the increase (see Table 3.1).¹⁷ For instance, in 1921, the number of people residing in areas designated as urban in Ghana was 7.8 per cent, but this increased to 32 per cent in 1984, before increasing further to almost 44 per cent in the year 2000. According to the 2010 census, 50.9 per cent of the population of Ghana were residing in urban areas. Interestingly, the majority of the people who continue to congregate in the cities and towns or urban areas are young people who have come to settle mainly due to the perceived better economic and living prospects in these areas.

Table 3.1: Total Population and Rate of Urbanisation in Ghana, 1921 to 2009

Year	Total Population*	Percentage Urbanized
1921	2,298,000	7.8
1931	3,163,000	9.4
1948	4,118,000	12.9
1960	6,727,000	23.1
1970	8,559,000	28.9
1984	12,296,000	32
2000	18,912,000	43.8
2010	24,546,000	50.9

*Population figures rounded up to the nearest thousand

¹⁷ An urban centre in Ghana is defined as any settlement with a population of 5000 or more.

Though the majority of the population continue to reside in urban areas, an interesting pattern that has emerged over the years is the increasing number of people who reside in only a few cities and towns in the country. Overwhelmingly, the Accra and Kumasi Metropolis tend to dominate the urbanisation process in Ghana. For instance, from 1970 to 1984, the Accra and Kumasi Metropolises contributed 23.6 and 10.3 per cent respectively to urban growth in the country (GSS, 2005). Although the proportions for the two urban centres did change over the 1984 to 2000 period (with the Accra Metropolis contributing 15.9 per cent and the Kumasi Metropolis contributing 15.5 per cent), the overall dominance of the two urban centres to urban growth was still largely maintained. In actual fact, the third largest urban centre aside the Accra and Kumasi Metropolises over the 1984 to 2000 period is the Sekondi-Takoradi metropolis which contributed 4.2 per cent to urban growth in the country. From 2000 to 2010, the Kumasi metropolis contributed the largest (20.2%) to urban growth in Ghana. This was followed by Accra metropolis (9.6%), Tamale (4.0%), Takoradi (3.2), Sekondi sub-metro and Cape Coast (2.1%).¹⁸ Aside these major urban centres, none of the remaining 15 largest urban centres contributed more than 1 per cent to urban growth (GSS, 2013b). Many reasons have been advanced for the rapid pace of urbanisation in the country. Key among these reasons is rural-urban migration of mostly young people mainly for economic reasons. Many of the migrants find it difficult to realise this economic ambition, hence, contributing to the worsening situation of many young people.

3.3 Socio-Economic and Political Context and the Youth

In discussing the socio-economic and political context and the youth situation in Ghana, the discussion is structured under three historical periods – from the early post-independence era to

¹⁸The decline of the Accra metropolis can be attributed to the area reaching a saturation point as urbanisation has been theorised to rise steeply at the early stages before beginning to taper off at the point of saturation (UN-Habitat, 2012).

the early 1980s; the liberalisation era to the onset of constitutional rule in 1992; and the current democratic dispensation.

3.3.1 The Early Independence Era to the Early 1980s

Ghana gained independence from British Colonial Rule on 6th of March, 1957; becoming the first nation in Africa to achieve political independence. At the dawn of independence, the future of the country looked very promising with the hope of transforming the fundamentals of the Ghanaian economy to a middle-income status. Consequently, the economy experienced relative prosperity right after independence through the 1960s mainly as a result of high commodity prices (especially cocoa and gold), large foreign exchange reserves and a fairly stable political and macroeconomic environment. Real GDP for instance increased by an average of 3.4 per cent per annum from 1955 to 1973, and with a population growth rate of 2.2 per cent per annum, real GDP per capita growth averaged 1.2 per cent per annum (GoG, 2012).

With a favourable macroeconomic and political environment in sight, the Nkrumah government which took over power after independence began a nationalist programme of realising the hope of transforming the fundamentals of the economy into a middle-income status. The government embarked upon a project to develop and preserve a national Ghanaian culture and the youth were identified as a pivotal part of this nationalist developmental agenda. The youth were given a centre stage within plans aimed at propagating Ghana's economic, cultural and the overall national development of the country (Langevang, 2008). An important evidence of the high priority given to young people in forging the developmental aspirations of the country by the Nkrumah government was the setting up of the Young Pioneer Movement in 1961, following cabinet approval in 1959. This movement was formed to instil in the Ghanaian youth, a high sense of patriotism, respect and love for the country (Botchwey, 2010). The

cabinet of Nkrumah at the time decided to establish a Ghana Youth Authority which was to be responsible to the Ministry of Education and given responsibility for all youth organisations, including the Young Pioneers, Boys Scout, and Girls Guide. While the Ghana Youth Authority was responsible to the Ministry of Education, charitable and voluntary organisations such as the Young Men Christian Association (YMCA) were placed under the control of the Ministry of Social Welfare.

Aside the mass mobilisation of young people to foster national developmental aspirations, the Nkrumah government also placed a lot of emphasis in the area of education and skills development among the youth. Education and skilled manpower development was seen by the government as necessary for achieving the industrialisation development goals of the government. As a result, elementary school was made free and compulsory in 1961 while fee paying was made free at the secondary school level in 1965 (Killick, 2010). Similarly, under the *Seven-year Plan* (1963/64 to 1969/70), a proposal was made to double the number of pupils entering secondary schools as well as to increase university output by six-fold.

With the favourable macroeconomic and political environment, the tremendous amount of attention devoted to youth organisation and mobilisation for national development, and the increasing focus on developing the education and skills requirements of the youth, youth employment was never really a major challenge that confronted government especially in the immediate post-independence period through the major part of the 1960s (Ibid). Nonetheless, this is not to say that Nkrumah's youth policy was not without its fair share of criticisms. Arguably, the most forceful of these criticisms was Nkrumah's youth policy on youth organisation and mobilisation which is said to have encouraged indoctrination. Moreover, the Young Pioneer Movement was particularly criticised after the overthrow of Nkrumah for

encouraging children to spy on their parents, although strong evidence in support of this accusation is difficult to come by (Botchway, 2010).

The Nkrumah government was overthrown through a military coup in 1966 and after a short spell, a civilian rule led by Dr. Abrefa Busia was subsequently restored, but the civilian administration was again overthrown in a military coup in 1972. Military rule dominated the 1970s till 1979 and the country was politically unstable for most of the period. The point about political instability is exemplified by the fact that in 1979 for instance within a period of twelve months, Ghana had four different regimes. An elected civilian government led by Dr. Hilla Limann took over power in the latter part of 1979, but only stayed in power for twenty-seven months after which the government was overthrown in a military coup in 1982. Despite the unstable political regime in the 1970s and early 1980s, the period also witnessed continuous economic decline with respect to output and employment mainly as a result of weak fiscal and monetary policies and other exogenous factors, such as the oil price hike. For instance, the lowest economic growth of -14 per cent was experienced in 1975, coinciding with the oil-supply shock, as well as a policy reversal from a market-oriented stance to an inward-looking protectionist regime. Complicating the already worsening economic situation is the increasing total population which was growing at a rate of between 2.6 to 3.1 per cent resulting in a fall in GDP per capita by 4.4 per cent per annum. Specifically, over the period 1973 to 1983, real GDP fell by 1.3 per cent per annum. As a result of the erratic economic performance and the generally worsening living conditions in the country, there was a mass exodus of both skilled and unskilled Ghanaians (including the youth) to the West and neighbouring African countries especially Nigeria.

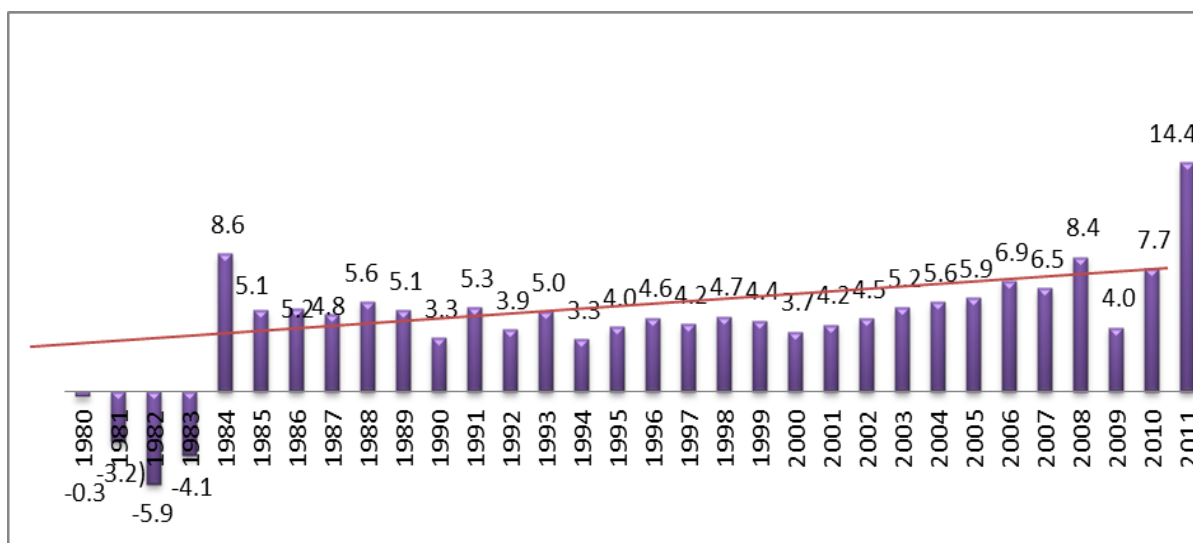
Due to the frequent military interventions resulting in the frequent changes in government over the period, very little attention was placed as far as the development of the youth and their employment prospects were concerned. The situation of the youth was also not helped due to

the worsening economic conditions and the limited employment prospects in the country. It must be emphasized that it was during the 1980s that the issue of youth unemployment became a national challenge although there was no concerted effort by government to recognise the youth challenge and find solutions to the challenge.

3.3.2 Structural Adjustment Programme and Economic Liberalisation (1983-1992)

As a result of several factors including economic mismanagement, political instability, corruption and external shocks (mainly the oil price hike and drought) over the 1970s to the early 1980s, the Ghanaian economy went into a state of virtual collapse as most of the economic indicators were on the downside. From 1981 to 1983 for instance, Ghana experienced negative economic growth as shown in Figure 3.1.

Figure 3.1: Real GDP growth rate (1980-2011)



Source: Ghana Statistical Service and Ministry of Finance

In an effort to redress the deteriorating economic situation and also to bring about some improvements in the living condition of the average Ghanaian, the PNDC government which came into power in 1981 through a military coup, sought external assistance from the World

Bank/International Monetary Fund (IMF).¹⁹ This culminated in the initial implementation of the liberal reform programme or Economic Recovery Programme (ERP), intended to halt the downward economic spiral under the support of the IMF and the World Bank. Starting in 1986, the second phase of the reform saw ERP being supplemented with the Structural Adjustment Programme (SAP) which was geared toward correcting a number of structural imbalances in order to engender a sustained healthy economic growth. The economy responded positively to ERP/SAP soon after inception as the negative growth rate of 5.9 per cent in 1982 was reversed to a substantial positive rate of 8 per cent in 1984. The positive growth continued with an average growth rate of between 4 to 6 per cent per annum being experienced over the period 1983 to 1999 (see Figure 3.1).

Although these improvements in economic performance is often heralded internationally thereby tagging Ghana as the most successful country in Africa in terms of the SAP implementation, many analysts have questioned the bases of this success tag especially concerning the socioeconomic ramifications of the SAP. A typical feature of the SAP era was the severe cut backs in employment both in the public and the private sector. The logic behind these cut backs was that the developmental challenges which confronted Ghana and many other developing economies were mainly generated and sustained within (World Bank/IMF, 1994). Some of these internal factors include the overstretched state interference in the workings of the market, exchange control, corruption and active state participation in terms of the ownership of manufacturing establishments and state investments in social services (Green, 1987). Therefore, under the neo-liberal economic theory, an open market regime was adopted as the only tested and proven path for addressing the economic malaise in which Ghana found herself. Consequently, any attempt by the state to interfere in the workings of the market was seen to breed unnecessary distortions and inefficiency in the economy (Konadu-Agyemang,

¹⁹ Ghana's relations with the World Bank/IMF had long existed prior to the liberalisation era

2001). This philosophical orientation culminated in the severe cut backs in public sector employment aimed mainly at reducing government expenditure and to bring about improvements in the performance of the public sector. According to Konadu-Agyemang and Takyi (2001), over the period 1983-1992 for instance, 200,000 public sector employees were retrenched. The retrenchment drive was not only exclusive to the public sector, but included the private sector which retrenched 48, 000 workers from 1987 to 1995.

As a result of these cut backs in both public and private sector employment, the rate of unemployment and underemployment especially among the youth went very high. This group of young unemployed included the educated from universities and other higher institutions of learning who were traditionally employed by the formal sector after completing education. According to Konadu-Agyemang & Takyi (2001), unemployment and underemployment rose from about 10 per cent in 1980 to 18.5 per cent in 1987 and then to 21.3 per cent in 1993. The private sector under the SAP was expected to play a more active role in absorbing the retrenched labour force comprising a sizeable number of the youth, and also play an active role in the economy which would help open up opportunities for employment among young people. However, due to its small size, limited expansion capacity and the under-capitalisation of the sector, the private sector has not been able to execute this expected role successfully. Even within sectors such as mining, quarrying and construction which experienced tremendous growth under the SAP, the highly skilled nature of these activities coupled with the capital intensive nature, has resulted in the inability of these sectors to be successful at employing many of the young people who were retrenched as a result of the downsizing of both public and private sector employment. The result is the particularly high unemployment and underemployment mostly among the youth in the country.

With very limited employment opportunities for the youth in both the public and private formal sector, the only real alternative for the teeming number of youth unemployed was the informal sector. Consequently, the rate of job creation in the informal sector during the adjustment period was 6.5 per cent compared to only 1 per cent in the formal sector. However, there was a limit to how far the informal sector could grow to absorb the young people who found themselves among the unemployed in the country. Moreover, rate of growth of the informal sector did not also keep pace with the rate of growth of the labour market generally in the country (Konadu-Agyemang & Takyi, 2001). Added to the above, the quality of jobs within the informal sector has been questioned due to the low remuneration and the absence of employment protection or security.

In spite of the employment ramifications of the of SAP implementation to young people, one of the sectors which was also severely hit by the public sector cut backs was the education sector. The education sector in the period just before SAP represented 4 to 6 per cent of Gross Domestic Product (GDP) and 21 per cent of government expenditure. However, the sector accounted for only 2 to 3 per cent of GDP for most of the 1990s, compared to a SSA average of 6 per cent (Panford, 2001). Although some efforts were made to improve access to education among young people and children through free basic education, public cut backs in education expenditure generally in the country through the introduction of user charges, such as furniture charges and building fees severely affected many young people and children, especially those from poor backgrounds, were prevented from accessing education. This is because the families of these young people found it difficult to afford the cost of education for their wards. The alternative was to allow the young people and children to either sit at home or find means of livelihood in the major cities.

Evidence also exists that many of the young people and children stayed away from school not only because of the introduction of user charges that made it difficult for the parents or guardians of these young people to continue to stay in school, but also because of the general cuts within the education sector which left many schools especially those within the rural areas to operate in dilapidated structures with minimal protection from the natural environment (Konadu-Agyemang, 2001). Under such difficult conditions complicated by the increased cost of education, many of the young people and children found it either difficult or less interesting to stay in school. For those who stayed, especially within the rural areas, the lack of access to teaching and learning facilities compared to their counterparts in the urban areas meant that results were not good enough. The result is the gap in the quality of education taught in schools in the rural areas and that of the urban areas.

In 1986, the Government of Ghana introduced a policy shift in terms of education financing in the country. Under the new policy initiative, some emphasis was shifted from public financing of secondary and tertiary education to basic education. A major assumption under the policy shift which was mostly influenced by the country's development partners is that basic education is less expensive and cost effective compared to secondary and tertiary education (Panford, 2001). As government aimed at cost recovery in order to improve the country's economic situation, the Government of Ghana channelled relatively more funds into basic education at the expense of secondary and tertiary education. For instance, in 1989, 38 per cent of the Ministry of Education budget went into primary education and by 1993 this increased to 44 per cent. Moreover, the policy shift came with cost recovery initiatives where parents had to pay relatively higher fees towards secondary and tertiary education. Under the new policy drive, parents of young people in secondary schools in the country were made to pay most of the costs for room and boarding, furniture and books.

The difficult financial situation that confronted the country prior to SAP and the cut backs in public expenditure as a result of the implementation of SAP made it extremely difficult for the country to address some of the complex issues that confronted the education sector such as the high cost of education, access to good quality and affordable education, the relevance of the education curriculum and the utility of the educational system in terms of job prospects for the young graduating students and their role in the Ghanaian society.

In an effort to address the numerous challenges confronting the education sector, Ghana embarked on a set of policy reforms in the mid 1987 which eventually resulted in the reduction of pre-tertiary education from 17 to 12 years. Under these reforms, the wholly British system of education which had been in existence since independence was replaced by the Junior Secondary School (JHS) and Senior Secondary School (SSS), which were to follow six years of primary school education. In order to make the young people and children who go through the educational system functionally relevant to the needs of Ghanaian society, considerable emphasis was placed on practical application of knowledge and development of the technical competence of the youth. Implicitly, there was a gradual shift away from the liberal arts system of education to more vocational skills training and this was anticipated to enhance the employment prospects of the youth who go through the education system.

Notwithstanding these reforms, the general educational sector did not improve substantially and neither did it bring about substantial improvements in the situation of the Ghanaian youth. Moreover, the SAP did not also bring about improvements in the real income of the average working Ghanaian youth. Also, there was no improvement in terms of job security for most Ghanaians. Compounded by the increased cost of education for the working poor, the low job prospects, school dropout rate among the youth and children was only going to be high.

3.3.3 Constitutional Rule and Democratic Dispensation (1992 – Present)

Ghana was under a military dictatorship from 1982 till 1992 when the country returned to a multi-party civilian democratic rule. The return to democratic rule strengthened further the political stability of the country which began in the mid-1980s. Since 1992, Ghana has had a smooth changeover of political power three times. This long period of political stability and smooth changeover of power has earned the country the status as a ‘democratic country’ on the African continent. In addition, the frontiers of political freedom have been expanded; reflected in the proliferation of print and electronic media and civil society activism across the breadth and length of the country. Despite these positive democratic acclamations, the core issues confronting the youth in the area of employment, education and improved livelihoods have still not been addressed in a substantial and coherent manner.

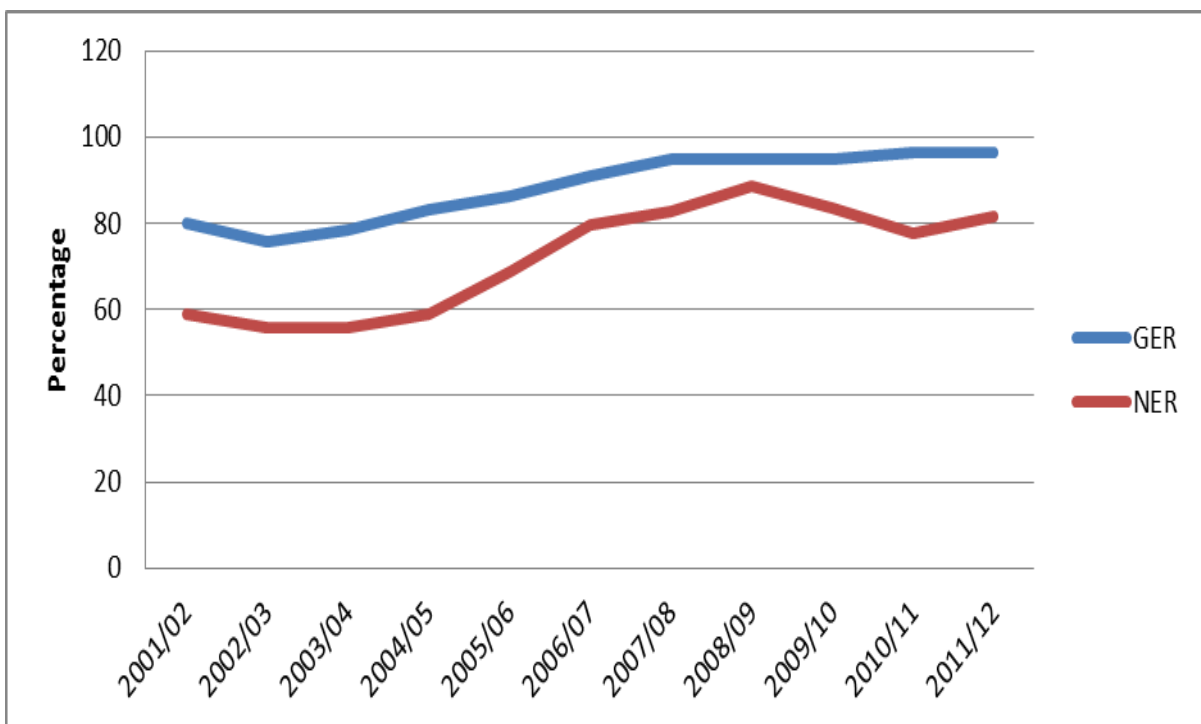
3.3.4 Education and Skills Training

Education is a very important tool for bringing about improvements in the knowledge base and productivity of the citizenry. Over the years, the Government of Ghana has implemented ‘education for all’ policies aimed at widening access to education for the majority of the population including the youth. These policies have impacted positively on enrolment figures, especially at the basic level indicated on Figures 3.2 and 3.3. For instance, Gross Enrolment Ratio (GER) for primary school education increased from 80 per cent in 2001/2002 academic year to 90.8 per cent in 2006/2007 and then to 96.5 per cent in 2011/2012.²⁰ Similarly, Net Enrolment Ratio (NER) at the primary level also increased from 59 per cent in 2001/2002 to 79.8 per cent in 2006/2007 and increased further to 81.7 per cent in 2011/2012. The increasing trend in educational enrolment was again reported at the junior high school level where GER increased from 68 per cent in 2001/2002 to 74.8 per cent in 2006/2007, before increasing again

²⁰ Gross Enrolment Ratio is the number of children in primary school as a proportion of the total number of primary school-aged children while Net Enrolment Ratio is the enrolment of the correct age for a particular level divided by the population that is supposed to attend that level.

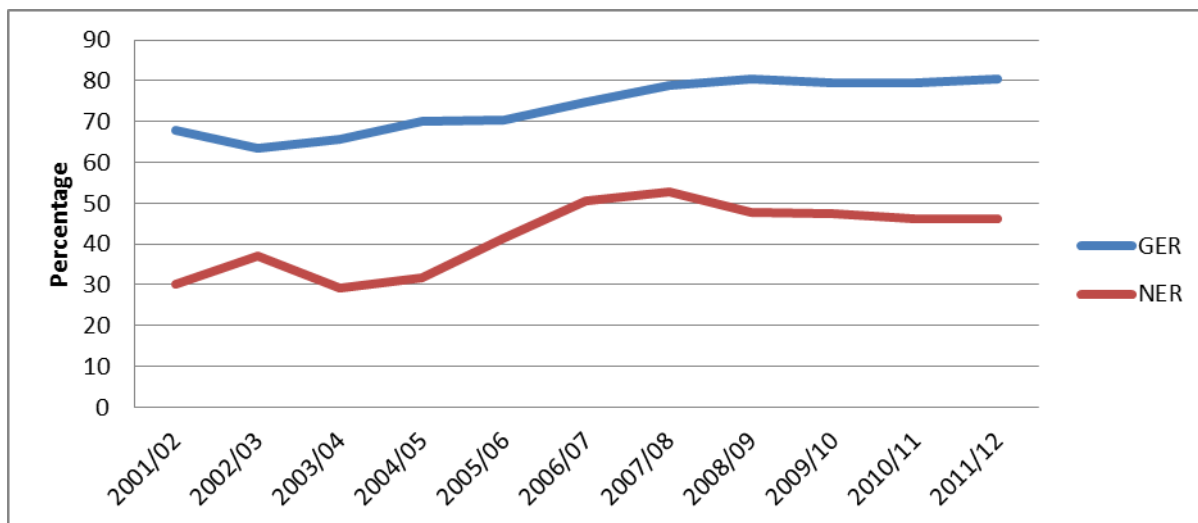
to 80.6 per cent in 2011/2012 (see Figure 3.3). What is particularly interesting in the enrolment trend is the fact that it has occurred over a period when employment in the formal sector has shrunk. As a result, the majority of school leavers find themselves in the informal micro enterprise economy (Palmer, 2007), and especially as the private sector has not expanded enough to accommodate the increasing numbers.

Figure 3.2: Gross Enrolment Ratio and Net Enrolment Ratio at primary school education, 2001–2012



Source: Extracted from ISSER (2013, p. 47)

Figure 3.3: Gross Enrolment Ratio and Net Enrolment Ratio for junior high school education, 2001–2012



Extracted from ISSER (2013, p. 47)

A major problem identified with the educational system as far as young people are concerned is its failure to adequately produce the requisite skilled manpower to meet the changing labour market requirements in the economy (Baah-Boateng & Turkson, 2005). This problem has led to a mismatch between the skills requirement of employers and prospective labour with the youth being the worse hit. For instance, the 2001 unemployment registration exercise revealed that almost all the one million registrants during the exercise did not have meaningful employable skills (Baah-Boateng & Turkson, 2005). Unfortunately, however, the majority of the registrants were the youth.

Despite the increasing enrolment figures at the basic education level, it has been recognized that the transition rate from Junior High School (JHS) to Senior High School (SHS) is extremely high compared to available space at the SHS level (Asare 2010). For instance for 2010, the 10,605 JHS in the country produced 350,000 graduates, who were expected to be absorbed by the 644 second cycle institutions. However, due to limited infrastructure and

capacity constraints only 172,359 students, representing about 49 per cent of total applicants secured admissions into the second tier of the educational ladder. In the absence of any meaningful social safety nets in this county, the outcome of the wide drop-out rate between JHS and SHS is the increasing numbers of unemployable youth. Most of these young graduates, as well as those unable to complete for various reasons, find their way into the informal sector where they acquire necessary skills and employment. In Ghana, traditional apprenticeship schemes within the informal sector accounts for over 90 per cent of all skills training in the country, although basic vocational skills training have been incorporated into the lower or junior high school curriculum (African Union, 2007).

The attention of authorities has over the years been particularly focused on basic, especially primary education at the expense of post-basic education and training (King, Palmer, Hayman, 2005; World Bank, 2004). The result is the limited budgetary support for Technical and Vocational Education Training (TVET) relative to the primary and JHS level over the years. Aside the little governmental attention it receives compared to other levels, the TVET system has also been criticized for not being responsive to actual labour demands in the country (Palmer, 2007). A mismatch is often created with respect to programmes and orientation between the TVET system and the formal sector with curricular and objectives more focused on formal employment at the expense of informal sector employment (ISSER, 2012). The consequence is the low employability of the youth and the increasing number of many young people who rely on the informal sector for employment.

3.3.5 Recent Youth Specific Policies

Recently, some efforts have been made at the national level to address the youth situation which is plighted by high levels of unemployment and underemployment, high and increasing ‘streetism’ among others. However, these policy approaches have been implemented in an

uncoordinated and unstructured manner (ISSER, 2012). Some national level policies such as the Ghana Poverty Reduction Strategy (GPRS I), 2002-2004; Growth and Poverty Reduction Strategy (GPRS II), 2005-2009; and the Ghana Shared Growth and Development Agenda (GSGDA), 2010-2013 have all devoted some amount of attention to the youth situation specifically with respect to youth employment and entrepreneurship. Added to these policies is the formulation of a National Youth Policy (NYP) in 2010 under the theme, “Towards an Empowered Youth, Impacting Positively on National Development”. The NYP placed emphases on 19 priority areas for action which include youth employment and entrepreneurship. Specific focus of the policy under youth employment and entrepreneurship include promoting education and skills training; promoting youth employment initiatives in the area of capacity building; training and preparing the youth for the global market; promoting entrepreneurial development by mainstreaming entrepreneurial development into school curricula and integrating entrepreneurial skills into youth development activities; and promoting participation of the youth in modern agriculture.

Aside these national level policies, ISSER (2012) has enumerated thirteen (13) different government/public sector initiatives, private sector and NGO initiatives and other initiatives by multilateral and bilateral development organisations all of which are geared towards the promotion of youth entrepreneurship (see Appendix 2). However, these programmes have been criticised due to their unstructured and uncoordinated manner leading to limited employment outcomes for the youth (Palmer, 2007; ISSER, 2010, 2012; ISSER). Consequently, the majority of the youth still find it difficult to secure employment either at the public or private sector and therefore have to resort to the informal sector for livelihoods.

3.4 Summary

This chapter has contextualised the study by placing the situation of the youth within the socio-economic development of Ghana. Demographically, the Ghanaian population has remained youthful in nature while the general population has been increasing over the years. The chapter has demonstrated that although some attention was focussed on the youth in the early post-independence era, the youth have largely been ignored by governments over the years; leading to worsening situations of unemployment and underemployment that confront the youth. However, there have been some youth specific policies and programmatic efforts in recent times to deal with these situations. Yet, these policies and programmes have been implemented in an uncoordinated and unstructured manner; leading to minimal outcomes with respect to employment and in improving the livelihood situation of the youth.

CHAPTER FOUR

PHILOSOPHICAL ORIENTATION AND METHODOLOGICAL APPROACH

4.1 Introduction

This chapter discusses philosophical orientation and methodology of the study and it is divided into nine sections. Section 4.2 provides a definition of the informal economy and situates the study as an informal economy study. This is followed by a discussion on methodological approaches to studying the informal economy and Section 4.4 philosophically orients the study. A discussion on the quantitative research design is provided followed by the qualitative techniques. Section 4.7 discusses the analytical techniques employed for both quantitative and qualitative data while Section 4.8 profiles the study respondents followed by the type of businesses which engage respondents. The final section provides a summary of the chapter.

4.2 The Informal Sector and Youth Enterprises in the Mobile Telephony Sector

Due to its heterogeneous and fluid nature, there is no generally accepted definition of the concept of informal sector. Rather, various disciplines have adopted working definitions for their own purposes. For instance, statisticians have adopted a statistical definition of the concept for the purpose of data collection and analyses while economists have adopted a definition for purposes very much related to research. In the legal realm, experts have put forward a definition for the purpose of drafting and interpreting legislations governing the informal sector. The objective of this research is not to go into details of these definitions, but to take a closer look at the statistical definition of the concept of informal sector in order to situate the study and more importantly, to give methodological and philosophical positioning to the study.²¹

²¹ For detailed discussion on various definitions of the informal sector as a concept, see, for instance, Feige (1990); Charmes (1990); Hussmanns (2001); Chen, 2005

In view of the need for international standards to provide technical guidelines as bases for the development of suitable definition and classification of informal sector activities and the design of appropriate data methods and programmes, and recognising the usefulness of such standards in enhancing international comparability of statistics, the 15th International Conference of Labour Statisticians (ICLS) in 1993 adopted a resolution concerning statistics of employment in the informal sector. The resolution defined the informal sector as:²²

I. Consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. These units typically operate at a low level of organisation, with little or no division between labour and capital as factors of production and on a small scale. Labour relations, where they exist, are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.

II. Production units of the informal sector have the characteristic features of household enterprises. The fixed and other assets used in operating the business do not belong to the production units as such but to their owners. The units as such can neither engage in transactions or enter into contracts with other units, nor incur liabilities, on their own behalf. The owners have to raise the necessary finance at their own risk and are personally liable, without limit, for any debts or obligations incurred in the production process. Expenditure for production is often indistinguishable from household expenditure. Similarly, capital goods such as buildings or vehicles may be used indistinguishably for business and household purposes.

²² The Entire resolution is available at <http://www.ilo.org/public/english/bureau/stat/download/res/infsec.pdf> (accessed October 3rd, 2012)

III. Activities performed by production units of the informal sector are not necessarily performed with the deliberate intention of evading the payment of taxes or social security contributions, or infringing labour or other legislations or administrative provisions. Accordingly, the concept of informal sector activities should be distinguished from the concept of activities of the hidden or underground economy.

This definition places a lot of emphasis on enterprises due to its focus on the self-employed, family workers, employers and employees of informal enterprises, and has been criticised for paying less attention to wage workers who are hired casually and lack protection (Porters, 1994). Despite the criticisms, the ICLS definition has been described as achieving probably the most in terms of arriving at a definition of the informal sector that is applicable across national contexts (Roever, 2005). The definition therefore offers a good entry point for studying youth entrepreneurship and livelihoods in the mobile telephony sector as the characteristics and mode of operation of the enterprises and the young entrepreneurs largely bear the semblance of ICLS definition.

The majority of the young entrepreneurs operating businesses in the mobile telephony sector are mostly self-employed with complete control or autonomy over their enterprises. More importantly, the youth are not wage workers. Nonetheless, they do employ one or possibly two additional workers and the enterprises are largely not legally incorporated as enterprises. As a result, the distinction between the enterprise on the one hand and the individual youth entrepreneur on the other hand with respect to legal liability, accounts, and assets is not very clear. Furthermore, the enterprises run by the youth are not illegal in the strict sense of deliberately avoiding existing regulations or laws. Rather, the enterprises do not have a legal status that is separate from the young people who own the businesses. These characteristics of

youth enterprises or livelihoods in the mobile telephony sector therefore situate the study as an informal sector study.

4.3 Methodological Approaches to Studying the Informal Sector

Three main approaches are often used in many empirical studies covering the informal sector. These approaches are anecdotal, systematic collection of micro observations, and approaches which basically rely on macroeconomic data sources (Feige, 1990). It is important to emphasize that each of the approaches comes with its own strengths and weaknesses. Application of these approaches is not mutually exclusive and the choice of one approach over another does not necessarily indicate superiority.

4.3.1 Anecdotal Approaches

Anecdotal approach to studying the informal sector is more qualitative in nature and involves the use of anecdotal information. An important method of this approach is participant observation which enables the researcher to sufficiently get close contact with actors within the informal sector. This close contact is maintained mainly through trust developed over time between the researcher and operatives in the informal sector. The main advantage of this approach is that it enables the collection of information which is sometimes difficult to come by using quantitative procedures and can also be used as a starting point of enquiry. A classic example of work that has relied heavily on this approach in collecting empirical data is De Soto's *The Other Path* (1989), which gives an extensive empirical coverage of the informal sector in Peru.

4.3.2 Micro Observations

This approach to studying the informal sector is quantitative inclined and involves systematic collection of micro observations from sources such as census data, labour force and other

household surveys, establishment or enterprise based surveys, and finally, mixed household and enterprise surveys. Mixed household and enterprise surveys combine features of both household and enterprise survey to measure the informal sector. Approaches which use micro observations have proved particularly useful at measuring the informal sector when the micro data collected are able to yield disaggregated information that sheds light on particular characteristics of individuals and businesses that operate within the informal sector. Such approaches are however not without criticisms. Approaching the informal sector using census data has been criticised since census data do not provide direct information on the informal sector and information generated from census is often spread across several themes with limited coverage in terms of depth (Feige, 1990,). Again, survey data may suffer from distortions at the point of collecting the data.

4.3.3 Macroeconomic Approaches

Macroeconomic approaches depend largely on monetary aggregates that are collected by government agencies for purposes often not directly related to the informal sector. Typical examples of data sources utilised by macro approaches is currency data, demand deposits and bank debits. Accuracy of data collected by macro approaches is very high as data sources are not susceptible to wilful distortions from respondents at the point of collection. Furthermore, data from macro sources is consistently available over long periods; thereby enabling historical and trend based analyses.

It is important to emphasize that the three approaches are not mutually exclusive. As a result, any strategic approach aimed at measuring the informal sector must be broad enough to encompass available evidence from different sources, using different procedures. As a consequence, Feige (1990) has advocated methodological approaches that encompass a multiplicity of sources involving quantitative, qualitative and anecdotal sources.

4.4 Philosophical Orientation of Study

Currently the philosophy of science has been moving towards some convergence or integration of methods. This converging trend is unlike the 1980s when an antipathy existed between the quantitative and qualitative research paradigms.²³ The converging trend in the philosophy of science rests within the philosophical paradigm that quantitative and qualitative research approaches should not be treated as contradictions or alternatives to each other, but rather, it is plausible to bring the two paradigms together in order to shed light on social phenomenon or a developmental issue under investigation (Olsen, 2004; Chigunta, 2006).

Closely related to the convergence of methods is methodological pluralism as an approach for empirical investigation. According to Olsen (2004), methodological pluralism refers to a pluralism of methods that enable the researcher to use different techniques in order to obtain access to different aspects of the same social phenomenon. In a similar line of thought, Minger (2001) has argued that the design and use of multiple research methods, each with their own philosophical nuances and practical challenges, can offer new insight to research by encouraging creativity and expanding key aspects of the phenomena under investigation.

In line with the thinking of methodological pluralism and the convergence of both quantitative and qualitative approaches, this study proposes to use multiple research methods closely related to the philosophical approach offered by critical realism (Bhaskar 1989; Sayer, 2000), which is seen as a middle way between empiricism and positivism on the one hand and interpretivism on the other (Zachariadis *et al.*, 2010). The study therefore shares the view that both quantitative and qualitative approaches are complementary to each other, rather than in competition with each other. In order therefore to obtain data within acceptable limits of error

²³ Following the work of Walby (2001), the antipathy between the quantitative and qualitative research paradigm has been referred to as epistemological chasm

from the youth who operate their own informal businesses or livelihoods in the mobile telephony sector, evidence was obtained from different sources and with different methods. Thus, a pluralistic or multiple research strategy that combines both quantitative and qualitative approaches was adopted in the investigation of the young entrepreneurs in the mobile telephony sector in the GAMA.

4.5 Quantitative Research Design

Studying the informal sector has always proved challenging due to the lack of reliable systematic data on operators within the sector. This difficulty comes about as the definition of what constitutes informal sector is often contested while the boundaries of the population to be studied in any city are difficult to delineate as operatives are often widespread and the place of work for some are mobile or ambulatory in nature (Roever, 2005). Since the youth work in a specific sector, one could easily misconstrue that the youth could be easily identified. Granted that the youth are visible, other methodological challenges confronted the research some of which included whether to approach the study from the household or enterprise perspective, how to delineate the specific activities or businesses among others. Added to the above, the study was also confronted with the challenge of reliable sample frame. In order to overcome these challenges, the study was first approached by conducting a mapping exercise of mobile telephony businesses in the GAMA.

4.5.1 Mapping Mobile Telephony Businesses in the GAMA

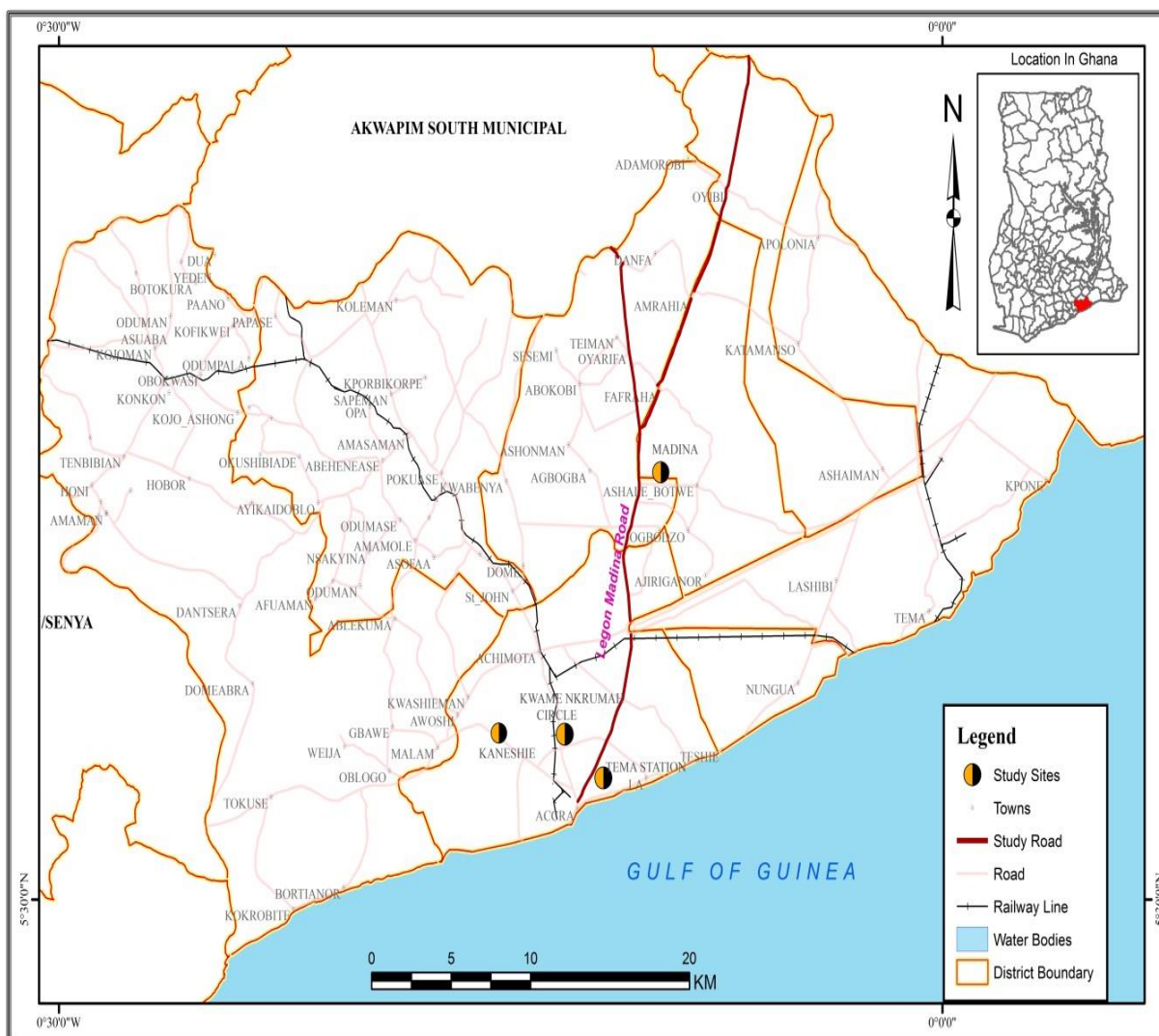
The main goal of conducting a mapping exercise of mobile telephony businesses is to identify areas or localities with a concentration of mobile telephony businesses and to unravel the various business types or livelihoods in the sector. This was expected to give a good understanding of the nature of the phenomenon under study and also to offer a clear guidance on the approaches to pursue in addressing particular research objectives. The mapping exercise

was conducted from December 2010 to March 2011. Basically, the exercise involved visiting several locations in the GAMA involving visitations to communities, major markets, transport terminals or lorry stations and traffic intersections on major road networks in the GAMA. In all, a total of 36 locations were visited involving 18 communities, 6 transport terminals, 6 major markets and 6 major road networks (see Appendix 2).

Two key approaches guided the mapping exercise. The first procedure involved conducting informal semi-structured interviews with experienced entrepreneurs during visitations to specific localities. This was mainly to obtain information with respect to concentration of mobile telephony businesses in the GAMA. The second approach involves direct observation of business activities and concentration in each locality visited.

4.5.2 Selection of Study Localities

After extensive observation and mapping of activities and the areas of concentration in the GAMA, five areas were selected for the study. These areas include the following: Kwame Nkrumah Circle; Madina Market Area; Tema Station, Accra; Kaneshie Station; Legon-Madina road. Figure 4.1 shows a map of GAMA showing the study localities.

Figure 4.1: Map of the Greater Accra Metropolitan Area showing study localities

Source: RSGIS Lab, University of Ghana

Kwame Nkrumah Circle

Three key reasons informed the selection of Circle Tip-Toe area as a site for the study. First, the area over the past decade has gradually developed to become the main cluster of mobile telephony activities in the GAMA. All mobile telephony businesses such as sale of mobile phones (both new and used), mobile phone repair, sale of top-up units and accessories and mobile phone decoding are well represented in the area. The only activity that was not found in the locality is mobile phone recharging as a livelihood activity. However, this is compensated by the selection of Kaneshie Lorry Station (details provided below).

Second, the area has a good representation of the varied range or size of businesses in terms of concentration. A cursory observation of businesses in the area revealed business activities being run within permanent structures such as shops of various sizes, non-permanent or mobile structures (table-top, glass cabinet, glass box, and car booth) as well as those that are run from no structures at all or as sold in the hand.

Third, aside the traditional central business district (CBD) of Central Accra, the Kwame Nkrumah Circle is classified as another central business district in the city of Accra (Grant & Yankson, 2003), with varied range of services present in the area. Although the traditional CBD of Accra was not selected for the study, Kwame Nkrumah Circle area generally serves as a fair representation of functions that can be identified in any CBD in the GAMA.²⁴

Madina Market Area

Madina is a rapidly expanding suburb of Accra located outside the main city centre and serves a distinct geographical enclave. The Madina Market was developed by the Ga District Assembly with support from international donors under the framework of the government village market development strategy (Lyon & Snoxell, 2005). The area has good representation of mobile telephony businesses (sale of mobile phones, mobile phone repair, sale of airtime or top-up units and accessories and mobile phone decoding), and the different scales of operation such as table-top, glass cabinet, and shops are well represented. Notwithstanding the good representation with respect to business type and operational, Madina comes second to Kwame Nkrumah Circle in terms of clustering of mobile telephony businesses and this informed the decision to include the locality in the sample of sites selected for the study.

²⁴ The traditional CBD of Accra was not selected for the study due to the sparse concentration of mobile telephony activities in the area compared to the Circle Tip-Toe area. In addition, most of the activities identified in central Accra are very well represented in the Circle Tip-Toe area.

Kaneshie Lorry Station

Kaneshie Lorry Station was selected for its speciality in terms of mobile phone recharging as a business activity, as well as sale of airtime. Of all the different areas visited during the mapping exercise, the Kaneshie Lorry Station was identified as unique in terms of concentration of mobile telephone recharging businesses mainly serving the needs of market women and shoppers, drivers and their assistants, and travellers.

Tema Station in Accra

Tema Station is located in Central Accra and the station has speciality with respect to concentration of mobile phone accessories and airtime. What is particularly unique about this area is that although the youth who sell mobile phone airtime operate mainly on table-top under umbrellas, the sale of mobile phone accessories is mostly operated on push-trucks. Operating mobile telephony businesses on push-trucks was not identified in any of the areas visited in any of the localities visited during the mapping exercise.

Legon-Madina Road

The Legon-Madina road was selected for its uniqueness with respect to airtime businesses. Selection of this site is a good representation of any of the major roads in Accra where sale of airtime is concentrated, such as Accra-Mallam road, Accra-Tema Beach road and the Accra-Tema Motorway extension. Specific points targeted were the main traffic intersection along the road where the youth engaged in airtime business usually operate.

4.5.3 Sample Frame

Having conducted the mapping exercise and selected study localities, the study was confronted with the practical challenge of reliable sample frame that will ensure adequate representation of youth businesses in the mobile telephony sector. To overcome this challenge, the study

developed a reliable sample frame that could be considered representative of the target population. Generating a sample frame from the onset was complicated logistically and financially. However, with a team of committed research assistants, the study was able to complete listing in four study localities over a period of two months.

The team used road networks and alleys in delineating boundaries of the study localities. This delineation was very much influenced by the concentration of the target population within the boundaries. Each of the enumerators was given a booklet of enumeration sheets covering details such as name of business owner, age, gender, business type, type of facility in which business is operated, business location and contact number.

At the Kwame Nkrumah Circle, the listing exercise covered the main Accra Nsawam road from the pedestrian foot bridge and extended on both sides of the road up to the area around the traffic light opposite the Vodafone building. From the traffic light, a detour was taken to the right onto the Accra New Town road covering both sides of the road and went further up to about 400 metres after the *Odo Rise Food Service*. The team then came back and restarted from the Odo Rise Junction and proceeded straight down the Tip Toe Lane or the New Town Link. Having covered these areas, the team proceeded to the other side of the pedestrian footbridge near the lorry station and extended to the area near the Neoplan Station including the area in front of the Pedestrian market. The Kwame Nkrumah Circle list generated a total of 380 mobile telephony entrepreneurs with fixed locations.²⁵ This list is exclusive of the ambulatory young people who could not be listed because of the mobile nature of their activities. A head count of the ambulatory mobile telephony entrepreneurs at Kwame Nkrumah Circle on three separate occasions generated an average number of 254 entrepreneurs.

²⁵ Some of the youth operate on top-top or wooden/glass boxes that are moved from place of operation at the end of each day. This group was however countered as fixed post operators because they have a specific location where they usually position their tables or boxes to operate their businesses.

At Madina, the team started the listing exercise from the mosque just before the Faith Community Baptist School on the Legon-Madina road and proceeded past Zongo Junction up to the area around the Madina Hollywood Complex covering both sides of the road network. After covering these areas, the team came back and started at Zongo Junction and proceeded on Old Road up to the junction just before the Madina Central Mosque. The Madina list generated a total of 206 mobile telephony businesses.

The listing at Kaneshie covered the entire circumference of the Kaneshie Lorry station near the market and on the other side of the pedestrian foot bridge opposite the market. In all 125 mobile telephony businesses were listed in Kaneshie. Since the Tema Lorry Station in Accra is enclosed, the listing covered businesses located within the station. The list for Tema Lorry Station generated a total of 74 mobile telephony businesses.

Put together, the total number of listed entrepreneurs from the four study localities generated 784 entrepreneurs.²⁶ It is important to emphasize that the youth who operate by the road side on the Legon-Madina road were not included in the listing exercise because of the ambulatory nature of their activities. After compiling the list, entrepreneurs who fell outside the age requirement of 15 to 35 years were separated from the list. Having done this separation, the youth aged 15 to 35 years constituted 520 entrepreneurs representing 67 per cent of the total number of listed entrepreneurs. This clearly indicates dominance of the youth in the mobile telephony sector.

²⁶ The number is exclusive of the 224 ambulatory entrepreneurs that were head counted at Kwame Nkrumah Circle

4.5.4 Sampling

Once the sample frame had been settled upon, the study decided on a sample. Although budgetary allocations posed some constraining effects, the main goal in deciding the sample size for the study was to ensure adequate representation of the different types of businesses in each of the study localities that will ensure the performance of statistical analysis. In achieving this goal, the study decided on a sample size of 354 entrepreneurs. Since some of the study localities have speciality with respect to specific types of businesses, for instance, the Tema Lorry Station in Accra has speciality with respect to mobile telephony accessories business, the sample was first of all stratified by business type. This was done to ensure that there is adequate representation of all businesses per locality. Furthermore, the sample was stratified by facility or structure under which business is operated leading to the delineations such as hand-held businesses, table-top, glass box or glass cabinet, push-truck etc. Having stratified the sample, the study proceeded by using the random number generator in Microsoft Excel to produce a set of randomly selected individuals who have been numbered from 1 through N for each sample, where N represents the total number of individuals of the population targeted. Individuals selected were further contacted for interviews.

In situations where interviewers called on selected individuals in their absence, interviewers were instructed to return on at least three occasions to complete the interview. Getting the interviews completed basically involved either arranging an appointment on the phone with respondents or approaching respondents at the place of work. Interviews were conducted at the business premises of respondents and sometimes respondents had to be excused in the middle of interviews in order for them to attend to customers. The data collection team therefore found it practicable contacting or approaching respondents during the mid-hours of the morning through early to mid-afternoon where respondents were not exceedingly busy to attend to the interview. During rare occasions where a selected respondent was unable to respond to the

interview, a replacement was sought through the random number generator using Microsoft Excel. In total, 354 youth aged 15 to 35 years were interviewed through the face-to-face interview technique using the survey questionnaire.

4.5.5 The Survey Instrument

The survey questionnaire was structured into seven thematic parts reflecting the various thematic issues under investigation by the researcher (see Appendix 3). Some of these thematic issues include background characteristics, employment history, current business activities including business financing, social capital and business, business and transition to adulthood among others. Construction of the survey instrument was inspired mainly by the objectives of the research, the research question under investigation and the literature and theoretical orientation of the subject matter.

Under the supervision of the researcher, five experienced research assistants were engaged during the fieldwork for the survey data collection. All the research assistants are first degree holders with extensive field experience in both rural and urban Ghana. Nonetheless, they were trained by the researcher over a period of four days after which the instrument was pretested through a pilot at Achimota Old Station area which shares similar characteristics with most of the study localities. The survey questionnaire was administered over a period of three months from May to July, 2011. All completed questionnaires were first of all entered using the Census and Survey Processing System (CSPro) software package which was later transformed into STATA for analysis.

4.6 Qualitative Techniques

Qualitative data was employed mainly to explore into detail key issues picked-up in the quantitative survey data. This aside, the qualitative data constituted the main data source used

in exploring business influence and transitions in the life course of the youth. In total, three key qualitative techniques were employed in the research including: life trajectory interviews, biographical interview, and key informant or expert interviews.

4.6.1 Life Trajectory Interviews

According to Brown *et al.*, (2006), the life trajectory interview technique is often employed in order to bring about models of economic and social success and the achievements as well as failures of the life course. The technique is again used to identify how individuals position themselves with respect to these models. In line with this thinking, the study utilised the life trajectory interview technique in addition to biographical interview techniques in order to obtain first-hand information with respect to transitions generally occurring in the life course of the youth and the influence of business in the transitions of the youth.

The life trajectory interviews were conducted with fifteen (15) individual youths representing the various livelihood or business types in the mobile telephony sector. Seven of these young people were recruited by Youth Empowerment Synergy (YES), Ghana to undergo a training programme on mobile phone repair with Rlg Ghana. Recruitment of these young people for the Rlg Ghana training programme coincided with the onset of this research and the researcher was able to monitor the activities of these young people throughout the training programme which lasted for a period of six months and their life course after the training.²⁷ In addition to these youth, eight other young people were recruited during the course of the mapping exercise. These young people were purposively selected in order to obtain a good representation of the various business types in the sector, the gender dynamics, and study locality. In totality, fifteen young people were engaged to participate in the life trajectory interviews. These young people were interviewed once every four months over a three year duration. It is important to

²⁷ YES Ghana is an NGO that is into youth development

emphasize that three of the participants dropped out during the course of the trajectory interviews and one of the young people who underwent the RIg training died²⁸ during the course of the training.

4.6.2 Biographical Life Course Interviews

In addition to the life trajectory interviews, the biographical interview technique was used to investigate transitions and the influence of business in the mobile telephony sector on transitions or social mobility of youth. According to Bertaux and Thompson (1997), in investigating social mobility processes or transitions, the repertoire of methods of observation must be enlarged so as to enable the researcher to observe all kinds of relevant processes, and not only those that the survey techniques can record. Alternatively, the case study approach was proposed and this informed the choice of the biographical life course approach in investigating transitions in the life course of the youth. The case study approach enables the researcher to readily comprehend underlying processes and the particularity of contexts which the survey technique does not (Ibid). In spite of its intensive approach however, the case study approach does not claim statistical representativeness. Therefore, in adopting the biographical life course approach in investigating transitions in the life course of the youth, the objective is not to generalize, but to make sense of transitions or social mobility resulting from business engagement in the mobile telephony sector by proposing interpretations (see Appendix 4 for instrument).

Consequently, twenty-five biographical life course interviews were conducted, including two young people who were former operatives. Out of the total, five were aged 15 to 19 years and six were aged 20 to 24 years. Seven were aged 25 to 29 years and the remaining seven were aged 30 to 35 years. Eight of the cases were females and there was good representation for the

²⁸ May his soul rest in perfect peace

various business types – seven for phone sales, six for phone accessories, six for phone repairs and six for airtime. The youth were purposively selected from the list of survey respondents in addition to two former operatives who were also purposively selected.

4.6.3 In-depth Interviews

In-depth interview is a qualitative technique that involves conducting intensive individual level interviews with a small number of respondents to explore their perspectives on a particular subject matter, idea, and situation (Boyce & Neale, 2006). In order to contextualise the survey and biographical data and also to obtain detailed information about legislations, policies and programmes as far as the mobile telephony and informal sector generally is concerned, key informant interview technique was utilised. In total, eleven (11) key informants were interviewed. This includes four officials in charge of SME units of four commercial banks, two officers from two microfinance institutions (MFIs), two officials from the Accra Metropolitan Authority (AMA) and the Madina Zonal Council and three knowledgeable entrepreneurs with at least ten years of experience working in the mobile telephony sector. In addition, two executive members of the Tip-Toe Lane Traders Association, located at the Kwame Nkrumah Circle in Accra were interviewed (see Appendix 5-7 for research instruments)

4.7 Data Analytical Techniques

Data analysis and the specific analytical techniques is divided into two sections – quantitative analytical techniques and qualitative analytical techniques

4.7.1 Quantitative Analytical Measures

Dependent Variables

The study utilised two dependent variables as measures of motivation for the quantitative analysis - opportunity and necessity entrepreneurship. While opportunity reflects the voluntary pursuit of entrepreneurial opportunity, necessity indicates the pursuit of entrepreneurship in the absence of other employment opportunities (Reynolds, 2002). In measuring opportunity and necessity entrepreneurship, respondents were asked to indicate whether they started their businesses in order to take advantage of a business opportunity or because you had no better choices for work. In the analysis, two dummies were created, that is, opportunity dummy and necessity dummy to represent dependent variables in the investigation of entrepreneurial motivation among the youth.

The dependent variable for the quantitative analysis is performance. Most studies analysing performance of businesses often focus on ratio analysis in which return on assets is systematically disaggregated into specific ratios to provide insights into the profitability of the business entity.²⁹ However, the most fundamental disaggregation is the decomposition of return on assets into turnover and profit margin (Fairfield & Yohn, 2001). Calculating the relative contributions of asset turnover and profit margin is therefore useful in providing insights into the performance of the business entity. In lieu of this, this study utilises turnover, profit and profit margin as measures of performance of mobile telephony businesses operated by the youth. The data on turnover and profit were captured using the survey questionnaire administered over a period of three months (May to July) in 2011. The profit margin measure was further calculated using the survey data.

²⁹ See for instance, Bernstein & Wild (1998); Revsine, Collins and Johnson (1999); Stickney and Brown (1999) for works that have analysed performance of enterprises using ratio analysis.

Data on turnover was captured as a continuous variable. Nonetheless, since sales figures are not uniform at all times, but vary on daily bases and in seasons, respondents were first asked to indicate average daily sales on days they considered to be a good day.³⁰ Second, respondents were asked to indicate average daily sales on days they considered to be a bad day. Third, respondents were asked to indicate average daily sales on days that can be considered as an average day. In the analysis, an average of the three variables was composed to represent average turnover and the natural log of these figures were taken for each respondent.

The second measure of performance is profit. This was captured as a continuous variable where respondents were again asked to indicate average daily profit on a day they considered as good. Respondents were subsequently asked to indicate average daily profit on days they considered a bad day and a similar question was asked on a day respondents considered to be average profit. Subsequently, an average of these figures was composed to represent daily profit per respondent and natural log was again composed for each respondent.

The third measure of performance is profit margin. Profit margin is the percentage of selling price that is turned into profit. It was calculated as:

$$\text{Profit margin} = \frac{\text{Profit}}{R} * 100$$

Where profit = Revenue – Cost. According to Fairfield & Yohn (2001), profit margin is particularly useful in measuring operating performance of business entities.

Independent Variables

Social Capital: Social capital was captured using a number of variables utilising social exchange ties. These variables were captured in varying degrees representing bonding,

³⁰ The approach was adopted mainly due to the poor record keeping behaviour among many operatives in the informal sector

bridging and linking social capital ties. Several variables were used as indicators of each type respectively. For instance, respondents were asked to indicate the source of idea for starting business, source of any advice received over the past twelve months, source of initial capital for starting business, source of any credit facility that had been invested into the business over the past twelve months among others. Principal Component Analysis (PCA) (Jolliffe, 1986) was used in computing the three social capital variables. Proceeding on this, responses that indicated support from family or close relations were captured under bonding social capital ties while responses to questions that indicated support from acquaintances or distance relations were grouped under bridging social capital ties. Finally, responses associated with support from institutional sources or influential individuals either in the community or society were grouped under linking social capital ties (Woolcock, 2001; Turner, 2007).

Control Variables: Unique characteristics of businesses such as business type, location and size of operation play a very important role in influencing business performance. Added to the above, gender, marital status and ethnic background were introduced in the equation as control variables.

Model Specification

The linear function below was used to estimate the performance of a mobile telephony business operated by a youth:

$$Y_i = f(K, X_i) \text{-----}(1)$$

The equation was expanded as follows:

$$Y_i = \beta_0 + \beta_1 K_l + \beta_2 K_{b1} + \beta_3 K_{b2} + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_7 + \beta_8 X_8 + \beta_9 X_9 + \beta_{10} X_{10} + \beta_{11} X_{11} + \beta_{12} X_{12} + \beta_{13} X_{13} + \beta_{14} X_{14} \epsilon_i \text{-----}(2)$$

Where Y_i = Performance measured with business turnover or sales, profit and profit margin,

β = Measures a change in the dependent variable (Y_i) as result of a unit change in the covariant

(X)

K_1 = A measure of linking social capital

K_{b1} = A measure of bonding social capital

K_{b2} = A measure of bridging social capital

X_4 = Age category

X_5 = Sex (male=1 otherwise 0)

X_6 = Business registration (registered business =1 otherwise 0)

X_7 = Measure of educational qualification

X_8 = Business type

X_9 = Location

X_{10} = Facility in which business is operated

Probit regression model was used to analyse the determining factors of opportunity and necessity entrepreneurship. Given that the response variable ‘ Y ’ is binary with explanatory variables ‘ X ’, which are assumed to influence the outcome ‘ Y ’, the *probit model* could be represented as:

$$\text{Pr}(Y = 1 | X) = \Phi(X'\beta), \dots \dots \dots (3)$$

Where Pr denotes probability, Φ is the cumulative distribution function of the standard normal distribution with parameters β being estimated by maximum likelihood. Y^* is finally expressed as:

$$Y^* = X'\beta + \varepsilon, \dots \dots \dots (4)$$

Where $\varepsilon \sim N(0, 1)$; $Y=1$ if a respondent started business because of identified opportunity and $Y=0$, if a respondent answers otherwise. 'X' is the set of explanatory variables as considered in the linear regression in equation (2). The equation was repeated for the necessity model.

4.7.2 Qualitative Analysis

The qualitative data analysis is divided into two sections. First, the tools used especially in analysing youth transitions and the influence of business in transitions is expatiated. This is followed by the procedures followed in analysing all qualitative data sets.

4.7.2.1 'Critical moments' and 'fateful moments' as Analytical Tools

Giddens' construct of 'fateful moment' and the concept of 'critical moment' by Thompson *et al.*, (2002) constitute the key analytical tools used in analysing transitions and the influence of business on transitions of the youth. Giddens (1991, p.214) in his book on the relationship between self and social structure in late modern society proposed that individuals embark on a 'reflexive project of the self' within which they experience 'fateful moments'. Accordingly, 'fateful moments' are 'times when events come together in such a way that an individual stands at a crossroad in their existence or where a person learns of information with fateful consequences' (Giddens, 1991, p. 113). An important element of a 'fateful moment' is that it requires the individual to consider the consequences of particular choices and actions, thus, the individual can be said to be engaged in risk assessment. To Giddens (1991, p. 143) 'fateful moment' constitutes transition points which have major implications not just for the circumstances of an individual's future conduct, but for self-identity.' Consequential decisions once taken will reshape the reflexive project of identity through the lifestyle consequences which ensue. A 'fateful moment' can be within the control of the individual or can even be engineered by the individual, for instance, starting a business. 'Fateful moments' can also fall outside the control of the individual, for instance, death or major illness. It is important to

emphasize that, events or moments are crucial aspect of 'fateful moment' due to the consequential effects that it produces to the individual.

Influenced by Giddens' (1991) construct of 'fateful moment', Thompson *et al*, (2002, p.339) developed the concept of 'critical moment' to constitute an 'event described in an interview that either the researcher or the interviewee sees as having important consequences for their lives and identities.' Accordingly, 'critical moment' therefore constitutes an episode set in a particular space and time in the narratives of individuals that is either considered by the researcher or interviewer to be of particular biographical significance in the lives of individuals (Thompson *et al*, 2002). Such events have fundamental meaning structure in the sense that it defines who the individual was and have become (Denzin, 1989). In this study, the biographical and trajectory interviews were conducted in such a way that the critical moments and fateful moments will come out from the narratives of respondents. The questions were asked in such a way that the influence of business and other events shaping transitions or social mobility in the life course of the youth will be deduced from the 'critical moments' or 'fateful moments' in the narratives of the youth.

In analysing the biographical data, transcripts from the interviews were read several times and objective set of experiences in the lives of the youth were identified. Particular attention was paid to the life course stages or experiences - childhood, starting business, marriage, parenting and housing etc. This approach was helpful in developing a chronology of the lives experienced by the youth and in identifying the critical periods and the factors shaping these events and their consequences. From the narratives, individual biographies were reconstructed and the factors that have shaped the biographies were identified including the influence of business.

4.7.2.2 Analysing Qualitative Interviews

All qualitative transcripts were read through several times in order to get a good feel or grasp of the data. After the detailed readings, the data was described, classified and interpreted. During these processes, codes, which involved reducing the data set into meaningful segments and assigning names to these segments, were assigned to the various categories identified within the data. Subsequently, codes assigned were combined into broader categories or themes and interpretation was conducted in relation to the existing literature.

4.8 A Profile of Sampled Population

Having discussed the philosophical methodological processes, this section profiles the young people who were surveyed for the research. This is aimed at exploring the socio-demographic background characteristics of the youth. Background characteristics discussed include age, gender, educational qualifications and skill training, ethnic composition, marital status, number of children, and nationality.

4.8.1 Age Distribution of Respondents

Business in the mobile telephony sector is dominated by the relatively older category of the youth (25-35 years) compared to those in the younger age bracket. About two-thirds of the sampled population in all study localities comprised of young people within the age group of 25-35 years whereas the 20 to 25 year group constituted 23 per cent with the 15 to 19 year group constituting only 3 per cent as can be seen on Table 4.1. This gives indication that the rate of participation tends to increase with age and this is consistent with the 2010 Global Entrepreneurship Monitor (GEM) survey for Ghana which identified more entrepreneurs in the 25-34 year group. The 2010 Ghana GEM again indicates that rate of participation increases with age until the age of thirty-four years, after which participation begins to decline (Yankson *et al.*, 2011).

Table 4.1: Socio-demographic characteristics of youth entrepreneurs by business type

Selected variables	Phone sales	Phone repairs	Phone accessories	Airtime	Total
<i>1. Age categories</i>					
15-19 (adolescents)	2.6	0.0	1.0	7.6	2.7
20-24 (older youth)	16.9	20.6	25.3	34.0	22.4
25-29 (emerging adults)	39.0	23.5	39.4	32.1	36.5
30-35 (young adults)	41.6	55.9	34.3	26.4	38.5
<i>2. Sex</i>					
Male	90.9	100.0	90.9	52.8	85.9
Female	9.1	0.0	9.1	47.2	14.1
<i>3. Level of education</i>					
None	5.9	2.9	5.1	11.3	6.2
BECE	31.4	32.4	32.3	41.5	33.3
SSSCE	44.4	41.2	48.5	45.3	45.4
Higher	18.3	23.5	14.1	1.9	15.0
<i>4. Marital Status</i>					
Married	24.7	29.4	23.5	28.3	25.4
Consensual union	5.8	11.8	3.1	9.4	6.2
Divorced	0.0	0.0	1.0	0.0	0.3
Widowed	0.0	0.0	1.0	0.0	0.3
Never married	69.5	58.8	71.4	62.3	67.9
<i>5. Number of children</i>					
One	19.0	32.4	24.5	11.8	20.8
Two	11.8	17.7	11.2	19.6	13.4
Three	5.2	2.9	6.1	3.9	5.1
Four	3.3	2.9	3.1	2.0	3.0
None	60.8	44.1	55.1	62.8	57.7

Source: Entrepreneurship and Youth Livelihoods Survey, 2011 (N=354)

The age distribution trend observed among the youth in the mobile telephony sector is supportive of the argument in the literature about age and participation in business in the urban informal sector in sub-Saharan Africa which links rate of participation to increase with age, probably up to about 40-45 years, after which participation declines (Yankson *et al*, 2011; Lund *et al.*, 2008; Awusabo-Asare & Tanle, 2008, Chigunta, 2006, 2001; Aseidu & Agyei-Mensah, 2008). Bosma, Acs, , , Coduras, , Levie,. (2008) have argued that the desire to start a business in Africa tends to reduce with aging while perceived skills increase with age. As the youth mature in age, they are able to acquire skills likely to make them employable, and as a

result, are less likely to take up starting businesses as a career option. Within the Ghanaian context, the youth aged 15-19 years are more likely to be in school or may just have completed school either at the Junior High School (JHS) or Senior High School (SHS) levels compared to the youth in the older age groups. Furthermore, many of the 15-19 year olds may not have been able to acquire the necessary resources to be able to enter into the world of business on their own. According to the 2003 Ghana Child Labour Survey (GCLS), self-employment among children and the younger category of the youth (15-19 years) is generally low in Ghana (GSS, 2003) and this explains the low rate of participation among the 15 to 19 year olds as self-employed in the mobile telephony sector.

Nonetheless, a significant difference was observed by way of age and business type.³¹ The majority (56%) of the youth in the phone repair business were between the ages of 30 to 35 years while the age groups 25 to 29 years and 20 to 24 years constituted 24 per cent and 21 per cent respectively (see Table 4.1). This gives the indication that rate of participation in the phone repair sector tends to increase with age. Interestingly however, none of the youth between the ages of 15 to 19 years were found to be engaged in the phone repair sector. The reason could be that the phone repair business requires specialised skills which the youth in the 15 to 19 year bracket may not possess. Moreover, many of the youth in the phone repair business were formerly people who had undergone traditional apprenticeship training in the repair of electronic products such as watches, television sets, irons, radio players etc. and training for the acquisition of these skills takes time to acquire. This notwithstanding, a sizeable proportion of the youth aged 15-19 years (44 per cent) was observed in the airtime trade.

³¹ Chi-square test statistic is significant at the $P < 0.01$ level

4.8.2 Gender Distribution

Business in the mobile telephony sector was found to be dominated by young men who constituted over two-thirds of the total sample. This finding is in agreement with recent studies which point to an increasing number of males in the informal sector in the city of Accra, although women still dominate the sector (Overa, 2007; Asiedu & Agyei-Mensah 2008; Wrigley-Asante, 2010). In addition to the above, the finding gives further credence to the gendered nature of work in the informal sector in Ghana (Gough *et al.*, 2003; Langevang and Gough 2009; GTUC, 2011). While women tend to dominate in activities such as retail trade, food production, hairdressing, and dressmaking, men dominate in areas such as driving, auto mechanics, plumbing, masonry, electronics, welding and metal works, carpentry and cane weaving.

4.8.3 Educational Qualifications and Skills Training

Educational levels generally among the young people running businesses in the mobile telephony sector are relatively high and this transcends gender barriers. On the whole, about 45 per cent of the youth have completed Senior High School (SHS). Out of the total male sample, 45 per cent have completed SHS level education compared to almost 44 per cent for females as indicated on Table 4.1 above. About 34 per cent of males have completed Junior High School compared 46 per cent for females and about 6 per cent have no educational qualifications. Although about 3 per cent of the sample have completed tertiary education or its equivalent, this this group is entirely comprised of males. The trend in educational qualifications observed falls in line with the general trend within the Ghanaian population of increasing number of young people who successfully complete education, either at the primary, JHS and SHS levels, but cannot find further formal educational or training opportunities to further their educational aspirations. Many of these young people find their way into the informal micro-enterprise

sector for employment while many also take up informal apprenticeship schemes (Palmer, 2009).

Over a third of the sample have undergone some form of apprenticeship training and about 90 per cent of this group acquired training from informal apprenticeship schemes such as carpentry, auto works (electronics, mechanics, spraying and welding), dressmaking, electronic repairs, masonry and phone repairs. Although no significant difference was observed in apprenticeship training by gender and business type, a significant³² difference is observed in terms of apprenticeship training and age category. Among the 30 to 35 year group, 43 per cent had undergone informal apprenticeship training, compared to 35 per cent for the 20 to 25 year group and 20 per cent for the youth aged 15 to 19 years. This indicates that, *a priori*, participation in apprenticeship training seems to increase with age. The youth aged 20 years and above are probably well settled within the labour front in terms of choices about what to do unlike many of the youth below the age of 20 years who are still weighing their options before deciding what exactly to do.

4.8.4 Ethnic Composition

Akans were the dominant ethnic group in the sample (73%) followed by Ewes (9%) and Ga-Dangme (6%) with the remaining constituted by ethnic groups mainly of Northern Ghana decent as presented on Table 4.1 above. The Akan dominance in the sample compares favourably with other entrepreneurship and livelihoods studies in Ghana, such as, Yankson *et al.*, (2011) and Lund *et al.*, (2008) which identified the Akan dominance in enterprise activities in the country. The Akans generally constitute about 50 per cent of the Ghanaian population. It is worth noting that the Akans are an amalgamation of about twenty smaller ethnic groups with the most popular being the Ashanti who make up for about 30 per cent of the Akan population

³² Chi-square test statistic is significant at the $P < .05$ level

of Ghana followed by the Fantis who constitute about 20 per cent. Within the Greater Accra region where this study was situated, the Akans constituted the largest ethnic group (39.8) followed by the Ga-Dangme (29.7%) and Ewe (18%).³³ The numerical advantage of Akans involved in business in the mobile telephony sector is not surprising considering the fact that the Ashanti and Kwahu sub-groups of the Akan population in Ghana are particularly noted for their active engagement in business and their entrepreneurial spirit.

Furthermore, over the past decades, Ghana has been experiencing an increasing pace of urbanisation largely driven by rural-urban migration of many young people to the major urban centres of Accra and Kumasi, as well as the natural increase of the population (ISSER, 2007; GoG/MoLG&RD, 2010).³⁴ Natural population increase is particularly high in these urban centres due to relatively high fertility rates, and partly because of a high proportion of rural-urban migrants who are composed of young people between 18 and 35 years. Particularly, the 18 to 35 year age group is a critical period in people's reproductive lives (ISSER, 2007). The combination of increasing urbanisation resulting from rural - urban migration and the natural growth of the population explains the ethnic dynamics as observed among the youth in the mobile telephony sector. About 75 per cent of the sample was born outside the Greater Accra region and many of these young people have spent, on the average, about 8 years of their lives in the city of Accra. The high incidence of rural urban migration and the youthful nature of the migrants therefore explain the high incidence of Akans, Ewes and other non-Ga Dangme ethnic groups in the sample.

³³ <http://www.ghana.gov.gh/index.php/about-ghana/regions/greater-accra>, accessed on 30.10.2012

³⁴ From 32 per cent in 1984, the urban population of Ghana increased to about 44 per cent in the year 2000 before increasing further to 50.9 per cent in 2010

4.8.5 Marital Status

A significant proportion (68%) of the sample was not married. Those who were married constituted 25 per cent while 6 per cent were living in consensual unions. Some gender differences were observed. For instance, among the females, 29 per cent were married compared to 25 per cent for males. About 13 per cent of females were in consensual unions compared to 5.3 per cent for the men. The proportion of the never married among males was 70 per cent compared to 56 per cent for females. Proportionally therefore, there were more women living in either marital relationships or in union compared to men. As observed by Langevang (2008), the present economic circumstances in Ghana make it difficult for many young people to be able to marry and sustain marital relationships and this explains the high proportion of the never married in the sample.

4.8.6 Nationality

The mobile telephony sector is not uniform with respect to nationality. Although Ghanaians clearly constitute majority of the sample (87%), there is also a heavy presence of Nigerians in the sector (13%) as can be seen on Table 4.1 above. Movement of people between Ghana and Nigeria, and as a matter of fact, within the West Africa sub-region as a whole for commercial purposes has a long history predating the modern state with its introduction of borders, customs and immigration regulations (Brydon, 1985). Before the turn of the twentieth century for instance, Hausa and Yoruba traders from Nigeria were moving in and out of Ghana for trade purposes while some settled and engaged in trade related activities. However, what makes this recent phenomenon interesting is the increasing number of Nigerians and the fact that the majority of them are very youthful. These young international migrants are entering different sectors of the Ghanaian economy including the mobile telephony sector.

4.9 Type of Youth Businesses in the Mobile Telephony Sector

Having explored the socio-economic backgrounds of the young business owners in the previous section, this section pays particular attention to the business types that engage the youth. Six different types of youth run businesses were observed. For analytical purposes however, these businesses are grouped under four main categories involving phone sales, phone repairs, phone accessories, and airtime as can be seen on Table 4.2.

Table 4.2: Business type and operational size

	Size of Operation					
	No-structure	Non-permanent structures				Permanent
	<i>Handheld</i>	<i>Table-top</i>	<i>Glass Cabinet/box</i>	<i>Push-truck</i>	<i>Car boot</i>	<i>Shop/Freight Container</i>
Sale of mobile phones	X	X	X		X	X
Mobile phone repairs		X				X
Sale of mobile phone accessories		X	X	X		X
Sale of top-up units	X	X				X

Source: Mapping Exercise, 2010/2011

4.9.1 Mobile Phone Sales

In the early to mid-1990s when liberalisation of the telecommunications sector brought about private mobile telephony operators into Ghana, usage of mobile phone was mainly limited to a few elite who had the means to afford the new technology. This group was made up of the politicians, business people and others who wanted to position themselves in a particular social class. As competition in the sector intensified with licensing of additional operators, cost of operating mobile phones began to decrease.³⁵ This decline contributed in widening the

³⁵ Cost of operating mobile phones decreased significantly as service operators began to shift their emphasis from contract or post-paid lines to pre-paid or *pay as you go* lines

customer base of mobile telephony operators. With the increasing taste of the new technology among Ghanaians, young business people identified an opportunity in the sector. Ghanaians travelled to Europe and Asia to import mobile phones into the market. It is worth noting that these Ghanaians included many students who transformed themselves into occasional entrepreneurs on return from vacation in Europe and imported mobile phones into the country. Many of the young traders brought in new and used mobile phones into Ghana as demand for the new technology was on the increase. With time, many young people entered into the mobile phone trade.

Currently, sale of mobile phones has become an important economic activity for many young people in the country and the trade involves sale of new and used phones. Though sale of mobile phones is wide spread in many parts of the country, the Tip-Toe Lane at Kwame Nkrumah Circle has become the hub of the mobile phone trade especially in the Greater Accra Metropolitan Area (GAMA).

Mobile phone sales constitute over 45 per cent of the sample and the business is heavily dominated by males who constitute about 91 per cent in all the study localities. The limited number of women in the phone sales business can be attributed to the relative ease of entering other businesses in the mobile telephony sector especially airtime where women dominate. In terms of spatial representation, there is heavy concentration of phone sale businesses in Kwame Nkrumah Circle compared to the other study localities. Size of operation of these businesses ranges from very small businesses that are operated in hand or on trays, to table-top, glass cabinet or *showcase*, car booth, and in shops which represent the higher echelons of the trade as indicated on Table 4.2 above.³⁶

³⁶ At the lower echelons of the phone sales trade, women usually display their phones on trays while their male counterparts sell in hand

4.9.2 Mobile Phone Top-Up Units or Airtime

At the early stages of the mobile revolution in Ghana, post-paid customers outnumbered prepaid customers. Hahn & Kibora (2010) have identified the limited economic capacity of most mobile phone owners as a consequence of the high popularity of prepaid customers who have overwhelmingly overtaken post-paid clients in recent times. Added to the above, is the issue of informal nature of economic transactions in Ghana and the difficulty in identifying and locating people which has contributed to the popularity of prepaid customers.³⁷ Although post-paid customers are still in existence, they are mostly among the political elite and business people, and the emerging middle income group. The majority of Ghanaians are prepaid customers and in order to be able to make calls, people have to buy airtime or top-up units onto their phone accounts. This has generated business opportunities for many young people who operate mostly in the informal sector. It is quite common for one to see many of these young people selling airtime at traffic intersections, lorry stations, markets, schools, and in communities as a way of earning a living.

The airtime trade enjoys heavy female presence with about 52 per cent of the female sample engaged in airtime trade compared to about 10 per cent for the male sample. The heavy presence of females in the airtime business can be attributed to the low capital requirements for start-up and also as no specialised skills are required for start-up. With just about GHC50, one could easily start a mobile phone airtime business.³⁸ Although some wholesale airtime businesses were observed, most of the young women were engaged at the retail end of the airtime value chain. The majority of the youth who operated airtime businesses operated mainly on table-tops, in glass cabinets or boxes or in hand as can be seen on Table 4.2 above.

³⁷ The unbanked population in Ghana is over 80 per cent (PricewaterhouseCoopers, 2011)

³⁸ With an exchange rate of 2.1 to the Euro at the time of data collection, GHC50 is equivalent €23

Of less prominence in recent times among the mobile telephony businesses in the informal sector in Ghana is the *space-to-space* or payphone concept (Richardson, 2000). The *space-to-space* is a model whereby young entrepreneurs buy airtime from network operators onto a phone and subsequently resell the airtime to substantive buyers who may either own or not own phones. With the increasing rate of phone ownership as well as the drop in call charges among network operators over the years, the payphone business has significantly declined.

4.9.3 Mobile Phone Repairs

Acquiring mobile phones is considered an expensive investment among a section of society. After investing in the handset, many people would go the extra mile to keep the phone going. This desire to fix or replace broken parts on the mobile phone has generated business or livelihood avenues for many young people in the phone repair business. Some of these young people were formerly people engaged in other trades such as repair of watches, radio and other electronic devices. Young people interviewed in the study indicated that with the mobile revolution, the watch repair business is no longer lucrative as people now access time on their phones and as a result, are less likely to invest in watches. With the technical knowhow in the watch repair business, it becomes less difficult for these young people to acquire the skills in repairing mobile phones. Some of the young people in the trade did however go through an informal apprenticeship system in acquiring the skills of repairing mobile phones.

The kind of services offered by mobile phone repairers varies from the most complex involving 'decoding' or 'unlocking' of phones to simple recharging of phone batteries. Some imported phones especially from Europe and North America are coded or locked to some specific networks in order to restrict access only to these networks (Hahn & Kibora, 2010). The youth in the decoding business use microcomputers with specialised software that enables them to decode these phones.

Other activities of the phone repair business involve simple technological repair or replacement of broken parts such as screen and microphone units, and recharging of phone batteries where the young people invest in cordless mobile phone charging devices in order to operate. Mobile phone recharging businesses are very popular around major markets and lorry stations where the youth enjoy high patronage among traders, drivers and their assistants, and passengers. Recharging businesses operates mainly on table-top.

4.9.4 Mobile Phone Accessories

As people's mobile phones age, the desire to keep the phone in good shape or appearance is high due to the status symbol associated with the mobile phone among a section of society. Some people also find it difficult to replace either old or faulty phones as they do not have the means to afford new phones. Added to the above, phone repairers often utilise mobile phone parts and other accessories in the process of repairing faulty phones that are brought to them. These activities have created business avenues among a section of the youth engaged in the sale of phone accessories. Basically, the phone accessories business involves the sale of phone accessories and replacement parts such as batteries, chargers, ear piece, phone covers, screen protectors etc. Concentration of these businesses is wide spread in many parts of the GAMA. However, among the study localities, concentration of these businesses can be found at Madina, Kwame Nkrumah Circle, Kaneshie Lorry station and the Tema Lorry station in Accra. Phone accessories businesses are often conducted on table-top, glass cabinet, push-truck and in shops or freight containers.

The youth engaged in phone accessories business at the Tema Lorry station in central Accra are of a special kind. They do not have fixed locations or posts where they ply their trade in the lorry station. As a result, they display their products on push-trucks within the lorry station. In

the station, they occupy temporarily vacant parking lots and often move their push-trucks in and out of these parking lots in order to allow access to vehicles coming to park and those about to take off. In circumstances where access to parking lots becomes difficult in the lorry station, the youth position their push-trucks in front of already parked vehicles and move the trucks whenever necessary in order to give access to the parked vehicles. Although the youth do not have permanently allocated slots in the Tema Lorry station, they have become an integral part of the station and they pay fees to the station authorities for the maintenance and upkeep of the station.

Generally, the phone accessories business is male dominated, although 19 per cent of the total female sample is composed of phone accessories traders, compared to 31 per cent for the male sample. On the whole, the accessories business comes second to phone sales in terms of mobile telephony businesses that engage males as can be seen on Table 4.3.

Table 4. 3: Business type by Gender (%)

Type of businesses	Male	Female	Total
Phone sales	48.0	29.2	45.3
Phone repairs	11.6	0.0	10.0
Phone accessory	30.8	18.8	29.1
Airtime	9.6	52.1	15.6
Total	100.0	100.0	100.0

Source: Mobile Telephony Survey 2011 (n=354) $P(x^2)$ significant at 0.001

4.10 Summary

This chapter has examined the philosophical orientation and methodological foundations of the study. Due to the nature of the research problem, the research objectives and the fact that the study subjects are young people operating business or livelihood activities in the informal sector, a multiple research approach was adopted. This approach involved a combination of

qualitative and quantitative techniques under the philosophical assumption that the two paradigms can indeed complement each other, rather than being antagonistic to each other. Added to the survey questionnaire, specific qualitative techniques discussed include life trajectory interviews, biographical life interviews, and in-depth interview techniques. An elaboration of Giddens' (1991) construct of 'fateful moment' and the concept of 'critical moment' developed by Thompson *et al.*, (2002) which were employed as analytical tools for the biographical data were discussed. *Probit* regression model as employed in analysing the determinants of opportunity and necessity entrepreneurship and linear multiple regression model as utilised in the analysis of business performance were also elaborated in the chapter. Finally, a profile of the youth and the type of businesses in the mobile telephony sector has been explored in the chapter. The next chapter discusses the motivation driving the establishment of business in the mobile telephony sector among the youth.

CHAPTER FIVE

YOUNG PEOPLE'S MOTIVATIONS FOR STARTING A BUSINESS AND GROWTH ASPIRATIONS IN THE MOBILE TELEPHONY SECTOR

5.1 Introduction

This chapter investigates the motivation behind business establishment in the mobile telephony sector and growth aspirations among the youth. Investigating motivations and growth aspirations of young entrepreneurs is important as entrepreneurship has been identified as a panacea to the youth unemployment challenge in Ghana (ISSER, 2010; Langevang and Gough, 2012). Added to the above, there is the assumption in the entrepreneurship literature that small-scale livelihood activities are mainly survivalists in nature with limited growth intentions. This makes it important to investigate the motivation and growth intentions of the youth run businesses or livelihood activities. The chapter is divided into seven sections. The next section investigates perceptions of the youth with respect to self-employment and selected entrepreneurial attributes. Section 5.3 explores whether the youth are motivated by survivalist inclinations while Section 5.4 explores whether the youth are opportunity driven with respect to establishing business in the mobile telephony sector. This is followed by a discussion on the factors that determine opportunity and necessity entrepreneurship and Section 5.6 which provides an exposé of multiplicity of motivations that drive the youth into establishing business in the mobile telephony. Section 5.7 explores aspirations or growth intentions of the youth with respect to business in the mobile telephony sector and Section 5.8 concludes the chapter.

5.2 Youth Perceptions about Self-Employment and Individual Entrepreneurial Attributes

The process of establishing and running a business is a difficult undertaking carried out by people living in specific cultural and social settings (Anderson & Miller, 2002; Jack & Anderson, 2001). This makes it difficult to decouple social and cultural aspects from the

entrepreneurial process. Consequently, the positive or negative perceptions that society has about entrepreneurship can strongly influence the motivation(s) of people including the youth to enter the world of entrepreneurship (Chigunta, 2006; Xavier *et al.*, 2012). Generally, if society has a positive attitude towards entrepreneurship, this can generate cultural and social support, financial and business assistance and networking benefits that will encourage and facilitate potential and existing entrepreneurs especially the youth.

Table 5.1 gives information about the proportion of the youth who answered 'yes' to selected questions about self-employment and other entrepreneurial attributes. It can be seen that the youth have a very strong positive perception towards self-employment with only 14 per cent responding in the affirmative that working for a boss is better than starting one's own small business. Eleven per cent (11%) again responded favourably that running a small business is a waste of time with 22 per cent also responding positively to the statement that most people who run their small businesses are poor. This finding is consistent with the high positive perception about entrepreneurship and the high status and positive media attention that is accorded to entrepreneurs generally in Ghana and SSA as a whole (Xavier *et al.*, 2012).

Table 5.1: Youth perceptions about self-employment and selected individual level entrepreneurial aptitudes (%)

	Phone sales	Phone repairs	Phone accessories	Airtime	Total
<i>Attitudes towards self-employment</i>					
Working for a boss is better than starting your own small business	8.4	20.6	16.2	22.6	14.1
Running a small business is a waste of time	5.8	17.6	14.1	17	11.2
Most people who run small businesses are poor	26.6	17.6	16.6	18.9	21.5
<i>Selected entrepreneurial attributes</i>					
I think I will succeed in life	98.1	100	100	100	99.1
I like taking carefully planned activities	100	100	99	100	99.7
I don't wait for other people to solve my problems	96.7	97.1	97	94.3	96.5
I am a confident person	99.4	100	100	100	99.7
The economy is bad, so there is nothing I can do to improve my life	9.1	14.7	10.1	11.3	10.3
If I do not succeed the first time, I try again until I succeed	96.1	100	93.9	92.3	95.3
I believe that you have to sacrifice in order to succeed in life	98.7	97.1	99	100	98.8
I plan and carefully organise everything I do	98.7	97.1	99	94.3	97.9

Source: Mobile Telephony Survey 2011 (n=354)

The overwhelming positive perception about self-employment and entrepreneurship among the youth can be explained by the fact that it has become very difficult for young people to gain access to formal employment especially over the past few decades (Langevang & Gough, 2010; ISSER, 2010). This is due to the implementation of neo-liberal policy reforms since the 1980s which has brought about significant cuts in public sector employment.³⁹ To compound the situation, the recent shift in emphasis towards the private sector as the engine of growth for the Ghanaian economy has not resulted in significant gains in employment for the youth in the private formal sector (ISSER, 2004; Langevang, 2008). What is being experienced is the phenomenon of 'jobless growth' since the 1990s (Anyidoho, 2013 p. 11; Aryeetey & Baah-

³⁹ The average age of respondents is 27.7 years and this implies that many of the youth were actually born in the era of the neo-liberal economic reforms

Boateng, 2013), where many young people now find it difficult to secure employment in the private and the public sector and majority have to resort to the informal sector as a means of gaining employment. For many of the young people operating in the mobile telephony sector, establishing self-employed businesses in the informal sector has become the main source of gaining a livelihood and developing a career path, hence, the positive perception about self-employment generally among the youth.

Moreover, the majority (79%) of the study respondents have either completed SHS or JHS level education and this makes it even more difficult for one to secure salaried employment in the formal sector in an era of increasing graduate unemployment in Ghana. The market value of a certificate in Ghana as observed by Langevang (2008) has decreased significantly. This implies that education in present day Ghana is no longer a guarantor for securing employment in the formal sector. As many of the youth have to turn to self-employment in an attempt at securing livelihoods, self-employment is held in high esteem and hence the strong positive perception that self-employment enjoys among the youth. Although the youth find it difficult to secure jobs, a section of the youth did indicate that they were working as salaried employees prior to starting their own businesses. For most of these young people, their current income from running their own businesses in the mobile telephony sector is better than what they were earning previously as salaried employees. Consequently, the youth expressed strong resentment against the statement that working for a boss is better than starting one's own business as they have had the experience and reward which goes with being one's own boss and working as a salaried employee.

A section of the youth explained their positive perception about self-employment by citing successful entrepreneurs in society who they identify as role models and sources of inspiration for going into business. This finding conforms to the generally high status (91%) accorded by

the Ghanaian society to successful entrepreneurs and the perceived high media attention that such individuals enjoy (Xavier *et al.*, 2012). The youth could easily identify with these role models as it is explained that these successful entrepreneurs started on a small scale just like them and yet have been able to build their businesses to successful heights. A typical example often mentioned by the youth as a source of motivation for going into business or self-employment is Osei Kwame, popularly known as Osei Kwame Despite.⁴⁰ The view of a 24 year old phone accessories dealer on successful role models as sources of inspiration is captured as follows:

Kwame Despite is my inspiration for going into business. He started in a very small way and with time he has been able to improve the business for the better. Formerly he was selling CD's, cassette and other items at Kantamanto market. Currently, he has moved into different businesses such as owning private radio stations and also produces Neat Fufu.⁴¹ (Kofi, 24 years, phone accessories dealer)

With these successful entrepreneurs in sight, the majority of the youth see no reason in agreeing with the statements that running a small business is a waste of time or most people who run small businesses are poor. The youth therefore have a strong positive perception about self-employment as a career choice and this finding is not distinct from the general perception with respect to entrepreneurship or self-employment in the country as a whole (Xavier *et al.*, 2012).

At the individual level, the youth also expressed very high personal entrepreneurial aptitudes with over 90 per cent expressing positive individual entrepreneurial attributes with respect to

⁴⁰ Osei Kwame Despite is 50 years of age and is essentially regarded as a successful entrepreneur in Ghana. He started business as a petty trader. Currently, he is the Chief Executive Officer of Despite Group of Companies - Despite stores (Distributors of Audio and visual cassette and CDs), three commercial radio stations, U2 Company Limited which produces iodated salt, and Neat Foods Company Limited which produces and markets NEAT Fufu, NEAT Banku, NEAT Abenkwan, NEAT Hausa Koko, NEAT Dairy Products. He also owns a TV station, United Television.

⁴¹ The Kantamanto market is one of the busiest markets located in the central business district of Accra and traders in the market sell all kinds of goods ranging from used clothing to food and auto spare parts.

selected entrepreneurial variables (See Table 5.1). From Table 5.1, it can be seen that 99 per cent of the youth think that they will succeed in life while almost all respondents alluded that they like taking carefully planned activities. Over 95 per cent of the youth perceive themselves to be confident people who do not wait for other people to solve their problems for them. During periods of economic difficulties in the country, the youth expressed positive sentiments that they can still do something to improve their lives. In an attempt to bring about improvements in their lives, whenever they do not succeed for the first time, the majority of the youth (95%) indicated that they most often try again until they succeed in specific activities that they find themselves doing. A very important attribute for successful entrepreneurship is sacrificing the gains of the moment for future success and the youth strongly demonstrated this belief. Ninety-nine per cent (99%) of the youth strongly believe in the idea that one was to sacrifice in order to succeed in life and 98 per cent also indicated that they plan and carefully organise everything they do in order to achieve success in life.

While it is difficult to conclude at this stage of the analysis using the positive individual self-assessment of entrepreneurial attributes and the equally strong positive perception towards self-employment that the youth are mainly growth oriented or opportunity driven, the result do give indications of the motivating factors for going into self-employment or business generally among the youth. The finding indicates that entrepreneurship or self-employment is identified by the youth as a career choice, hence, the motivation to go into business. In the following sections, I explore in detail whether the youth are necessity/survivalist motivated or opportunity/growth oriented with respect to inclinations for establishing business in the mobile telephony sector.

5.3 Motivation for Starting Youth Businesses in the Mobile Telephony Sector: 'Survivalist' Inclinations?

In an attempt to unravel the motivation behind the establishment of businesses in the mobile telephony sector by the youth, respondents were first of all asked to indicate the main reason why they went into business in the mobile telephony sector. In total, about 45 per cent of the youth stated the lack of employment generally in the country as the main motivating factor for starting a business in the mobile telephony sector. This can be compared to about 37 per cent who indicated the desire to accumulate wealth and less than a tenth who stated the desire to supplement household expenditure and the need to secure greater independence respectively (see Table 5.2). The finding can be said to conform with the popular assumption in the livelihood and entrepreneurship literature that most people in Africa including the youth go into business because of the difficult economic conditions which makes it difficult for them to find employment avenues elsewhere (Chigunta, 2006; Rosa *et al.*, 2006; Olomi, 2009; Yankson *et al.*, 2012; Langevang *et al.*, 2012).

Table 5.2: Main reason for starting business by business type (%)

Motivation factors	Phone sales	Phone repairs	Phone Accessories	Airtime	Total
Lack of employment	37.7	61.8	46.5	55.8	45.4
Accumulate wealth	46.1	20.6	35.4	25.0	37.2
Supplement household expenditure	10.4	8.8	8.1	7.7	9.1
Secure greater independence	5.8	8.8	10.1	11.5	8.3
Total	100.0	100.0	100.0	100.0	100.0

Source: Mobile Telephony Survey 2011 (n=354)

According to Olomi (2009), most business founders in Africa have been forced to start their own business activities in order to secure livelihoods. However, because opportunities for salaried employment are hard to come by, many people including the youth have to resort to informal livelihood activities for survival. The economic driven argument among young people for establishing business in Africa is again supported by Chigunta (2006) who argued that

young people in Zambia are driven into establishing business in the informal sector mainly due to the difficult economic conditions in the country. Thus, as the economic situation in the country becomes more difficult and many young people find it difficult to secure employment especially in the formal sector, the alternative left for these young people is to start business in the informal sector as a means of earning a living, and the mobile telephony sector serves as an avenue to secure employment for many young people in the GAMA.

Aside establishing their own businesses in the mobile telephony sector because of limited employment prospects elsewhere, close to two-thirds of the youth stated that they had been working as salaried employees in positions such as sales attendants, labourers in the construction sector, cooks, and cleaning staff prior to starting their mobile telephony businesses. Also, a half of respondents indicated that they used to run their own self-employed businesses in other sectors such as artisanal activities, dressmaking and tailoring, barbering, and driving, but had to start business in the mobile telephony sector as they were not earning enough from their previous self-employment activities. According to Olomi (2009), two set of choices confront people who have salaried jobs or self-employed jobs in the informal sector, but have inadequate salary or income to meet family or household demands. For these people, they either quit their jobs and start doing something of their own with the objective of generating increased income, or set up a business on part-time bases to supplement income from the salaried job. Majority of the youth who are operating businesses in the mobile telephony sector have opted for the former by establishing business in the mobile telephony sector with the objective of securing employment that will fetch them increased income.

Studying paths to respectable adulthoods in the city of Accra, Langevang (2008) argued that majority of the youth rely on setting up their own businesses in the informal sector for employment. Even for the youth who do not have the necessary resources in terms of business

start-up capital, they either start with petty trading which does not entail huge capital requirements or engage in casual wage labour. Some also engage in doing odd jobs that they are able to lay their hands on for survival. Sitting at home and doing nothing, which signifies unemployment is not an alternative for many of the youth as this is “considered irresponsible and immature” within Ghanaian circles (Ibid, p. 2044). As a result, the youth have to find work to do and many of them do find something doing.

The evidence brings into question the definition of employment and from whose perspective employment is defined. Fields (1990) in line with this thinking has argued that workers operating in the informal sector in many countries in Africa and other parts of the developing world are sometimes ordinarily classified as employed although the workers themselves and the statisticians who measure employment would be inclined to consider these workers underemployed. For majority of the youth interviewed in the mobile telephony sector therefore, the work they were doing prior to entering into the mobile telephony sector was not earning them enough income. As a result, when asked about the main reason for going into the mobile telephony sector, the youth did mention the lack of employment, although they were working, while some did indicate the desire to accumulate wealth. It is therefore not surprising that calls are being made for more attention to be given to the issue of underemployment within the developing world context and SSA to be specific (Aryeetey & Baah-Boateng, 2007).

This notwithstanding, the reasons for the establishment of business in the mobile telephony sector by the youth runs contrary to that of young people in the developed world. Scholarly work on the reasons for starting business among young people in the developed world have identified the desire to be independent; the need to gain control over one’s own life and work; the desire to become one’s own boss; the desire to obtain an alternative route for advancement

from a dead-end job; and the need to obtain extra income (McDonald & Coffield, 1991; Segal *et al.* (2005).⁴²

Some differences were observed with respect to reasons for going into business and business type. It can be seen from Table 5.2, while 46 per cent of the youth in the phone sales business identified the need to accumulate wealth as the main reason for starting business in the mobile telephony sector, 38 per cent stated the lack of employment avenues in the country while a tenth indicated the need to supplement household income and about 6 per cent stated the need to secure greater independence. This finding can be compared to the youth in the phone repair business where majority (62%) established their businesses due to the lack of employment avenues in the country with 21 per cent stating the desire to accumulate wealth while 9 per cent stated the need to secure greater independence and the need to supplement household income respectively (See Table 5.2).

The phone sales business, compared to other business types in the mobile telephony sector is perceived to be lucrative and as a result, many of the young people go into it in order to accumulate wealth. It is therefore uncommon for one to see young people who start at the lower echelons of the mobile phone sector, such as, selling airtime and then work their way up the ladder by saving and expanding their business operations into perceived high value activities such as mobile phone sales. The case of Patricia can be cited as a typical instance in this regard. Patricia is a 23 year old female who started business in the mobile phone sector in 2009 by selling airtime. After a two year operation in the airtime business, she diversified her business from airtime sales into the sale of mobile phones. She stated that “I went into the mobile business to make more money.” Apparently, Patricia was not satisfied with the amount of income she was earning from the airtime business and had to divert her operations into the

⁴² See Cassar (2007); Birley & Westhead (1994) for information on motivation for going into business in the developed world.

phone sales business because she, like many of the youth in the phone sales business, thought the activity could offer an opportunity to earn enough and accumulate wealth. As chapter six of the thesis will demonstrate however, this perception among the youth cannot always be reconciled with reality as earnings in other business activities in the sector tends to be higher compared to the phone sales business.

Statistically, there was no significant difference with respect to reasons for starting businesses by gender and age group, although there were relatively more women (13%) who indicated the need to supplement household income compared to about 9 per cent for men. This finding on the part of women is similar to Chigunta's (2006) finding in Zambia where more young women were identified to go into business to supplement household income while men went into business as a source of employment. In Ghana, men are traditionally looked upon as breadwinners in most households while women are expected to supplement the men's contributions. It is therefore not surprising that more women indicated the need to supplement household income compared to their male counterparts. However, there were more males (8.5%) compared to 4.3 per cent of females who indicated the desire to secure greater independence.

The above discussion appears to give some indication that the youth go into business in the mobile telephony sector for necessity/survivalist motives. However, in order to fully interrogate this survivalist driven motives, respondents were further asked to indicate whether they went into business in the mobile telephony sector in order to take advantage of a business opportunity or because they did not have better alternatives for work or they did so for both reasons. This will be discussed in the following section.

5.4 Motivation for Starting Businesses in the Mobile Telephony Sector:

‘Opportunity’ Driven?

Despite survivalist inclinations which appears to be the driving force behind the establishment of business by the youth in the mobile telephony sector, when posed with the direct question as to whether they started their businesses to take advantage of a business opportunity or because they had no better options for work, the result appears to be on the contrary. From Table 5.3, about two-thirds of the youth indicated that they entered into business in the mobile telephony sector to take advantage of a business opportunity while 15 per cent indicated they had no better alternatives for work. About one-fourth of the youth indicated a combination of taking advantage of an identified business opportunity and no better option for work and this falls in line with other studies which recognise the likelihood of an individual entrepreneur to be motivated by more than one motivation factor (Block & Sandner, 2009; Giacomini *et al.*, 2007).⁴³ This notwithstanding, the finding gives indication that majority of the youth in the mobile telephony sector are opportunity motivated entrepreneurs. For every necessity motivated entrepreneur in the mobile telephony sector, there are 4 opportunity motivated entrepreneurs. The finding is interesting especially when compared to the national situation of 35 per cent for opportunity motivated entrepreneurship and 37 per cent for necessity motivated entrepreneurship (Yankson *et al.*, 2011).

Table 5.3: Motivation for starting business by business type

	Phone sales	Phone repairs	Phone Accessories	Airtime	Total
Take advantage of business opportunity	65.8	44.1	64.7	47.2	60.4
No better choices for work	13.8	20.6	14.1	17.0	15.1
Combination of both	20.4	35.3	21.2	35.9	24.6
Total	100	100	100	100	100

Source: Mobile Telephony Survey 2011 (n=354)

⁴³ Most of these studies have focused outside sub-Saharan Africa

Some variations were however observed by way of business type and whether the youth established their businesses in order to take advantage of a business opportunity or because they had no better choices for work. About 66 per cent of the youth in the phone sales business established their businesses in order to take advantage of a business opportunity and this can be compared to 14 per cent who stated the lack of better choices for work and 20 per cent who indicated a combination of the two options (see Table 5.3). Thus, for every necessity motivated youth entrepreneur in the phone sales business, there are 4.7 opportunity motivated entrepreneurs with similar trends being observed among the youth in the phone accessories business as can be seen on Table 5.3. However, the result is different from the responses given by the youth in the phone repair and airtime business. For instance, about 44 per cent of the youth in the phone repair business stated that they started their businesses in order to take advantage of a business opportunity while 21 per cent stated the lack of better choices for work and about 35 per cent indicated a combination of the two options. For every necessity driven youth entrepreneur in the phone repair business, there are two opportunity driven entrepreneurs and similar trends were observed among the youth engaged in the airtime business. In terms of necessity or opportunity driven motives for starting business, the results are similar for the youth in the phone sales and phone accessories business while the result for the phone repair and airtime business are also similar.

The phone sales and accessories business as earlier noted are perceived to be lucrative and the youth aspire to go into the business because of the anticipated financial reward. As soon as the opportunity is identified and granted the resources for establishing the business is available, the youth are able to quickly establish their businesses. The opportunity identification process includes knowledge of the phone or accessories business which I will argue in the next chapter to be obtained mainly from friends and acquaintances already operating their own businesses in the phone sales and accessories sector.

The opportunity identification phase also includes identifying the ideal location where the phone sales and accessories business could succeed and the anticipated financial reward from the sector can be realised. It is therefore common for young people engaged in other business activities in the mobile telephony sector to either diversify or move completely into the phone sales or accessories business. “Opportunity diversification” or business diversification have been identified as a motivating factor driving individuals into business in the case of Uganda and Sri Lanka (Rosa *et al.*, 2006, p. 5). Nonetheless, the Ugandan and Sri Lankan scenario is more typical of individuals with regular jobs or those involved in large businesses who would like to earn more income or diversify their income sources. The main difference between opportunity diversification as identified in the Ugandan and Sri Lankan case on the one hand and the youth in the Mobile phone sector in the GAMA on the other hand is that the youth in the mobile phone sector often diversify into the same sector. Thus, the youth diversify their activities by moving from selling mobile phone airtime or repairing phones for instance, and after accumulating some amount of money then diversifies into selling mobile phones. In other instances, the youth also diversify from completely different sectors such as repairing watches and tailoring while others diversify from salaried jobs in the formal sector into establishing their own businesses in the mobile telephony sector. The main push factors under these circumstances are the low income from previous business activities or and low salary from previous salaried employment. This aside, the actual diversification more often than not depends on the amount of capital that the individual youth is bringing from other employment activities.

Aside opportunity identification, it is important to emphasize that the average price of mobile phones have reduced in addition to the cost of calls which has also seen significant reduction

especially after 2003 (Frempong & Stock, 2005).⁴⁴ This has led to claims of an existing mobile telecom price war in the country.⁴⁵ All these have made the mobile phone device affordable; hence, many people are able to afford the cost of the device unlike previously. As the price has reduced, demand for the device has increased as many people are getting connected for the first time and many more people are also acquiring additional mobile phones. It is therefore not uncommon for even the relatively poor people to hold at least a mobile phone device. Moreover, the drop in call charges in recent times due to increasing competition among operators in the mobile telephony sector has also influenced many people to acquire personal mobile phones as against utilising the services of payphone operators.⁴⁶ All these factors have influenced demand for mobile phone devices and the youth have identified an ideal business opportunity in the phone sales business which they are exploiting in order to realise the perceived financial reward that goes with the business. Added to the above, as more people acquire personal mobile devices, this creates avenues for increased demand in phone accessories such as ear pieces, batteries, chargers among others; thereby creating a market in the phone accessories business which the youth are exploiting.

The perceived financial reward is relatively low for the airtime and phone repair business, compared to that of the mobile phone sales and accessories business. With specific reference to the airtime business, the profit margin as I will argue in the next chapter is relatively lower and it takes an individual youth to sell several of the rechargeable airtime or units in order to make adequate income from the business. Moreover, the initial capital for starting the airtime business is lower compared to phone sales and accessories business. This is because the airtime

⁴⁴ For instance, in November, 2003, Areeba (currently MTN) reduced its call charges from eight to six units per minute for peak periods and six to four units per minute for off-peak. Due to this, Mobitel (currently Tigo), Kasapa (currently Espresso) and One Touch (Currently Vodafone) followed suit by reducing their call charges

⁴⁵ See <http://opinion.myjoyonline.com/pages/feature/201108/71775.php>, accessed on 02.05.2013

⁴⁶ Payphone operations within Ghanaian parlance is popularly referred to as *space-to-space*

comes in several denominations such as GHC 1, 2, 5, 7.5 and 10 etc. and the youth can initially invest relatively small amount of capital and plough back the profit in order to increase the capital base as the business expands. It is therefore much easier for the youth to start an airtime business and many young people who do not have other options in terms of employment do end up establishing airtime businesses.

From the above, it can be said that there are more opportunity driven young people in the phone sales and accessories business compared to the phone repair and airtime business. This notwithstanding, there are more young people in the repair and airtime business who are driven by a combination of taking advantage of the business opportunity and the lack of better alternatives for work. Thus, although the youth may be driven by the lack of better choices for work, they also indicated that they identified a business opportunity mainly because of the general demand for services and products in the mobile phone sector and are exploiting these opportunities.

It is important to note that among the business types, the youth in the phone repair business are the least (41%) driven into business in order to take advantage of a business opportunity compared to phone sales (66%), phone accessories (65%) and airtime (47%). The phone repair business unlike other business types in the mobile telephony sector is specialised in the sense that specific skills and knowledge base is required in order for one to establish such a business. Even though, the opportunity may be available, skills requirement acts as a barrier; limiting the number of people who would like to take advantage of available opportunities in the business.

In the following section, I explore the factors which influence opportunity and necessity motivated inclinations as identified above.

5.5 Factors Determining Opportunity and Necessity Entrepreneurship

Identifying the factors that influence opportunity and necessity entrepreneurship has become important due to the increasing role of opportunity and necessity entrepreneurship in influencing government policy with respect to support for entrepreneurship.⁴⁷ In identifying the determining factors of opportunity and necessity entrepreneurship, Probit regression model was employed in the analysis. The regression results are presented in Table 5.4 with opportunity entrepreneurship as the dependent variable in the first model and necessity entrepreneurship as the dependent variable in the second model.

⁴⁷ See Meager (1996) for an overview of how opportunity and necessity driven entrepreneurship influences government policy with respect to support for entrepreneurship

Table 5.4: Probit regression estimates of the determinants of opportunity and necessity entrepreneurship

Variables	Dependent Variable	
	Opportunity	Necessity
Age Category(Ref. variable: 15 - 19 years)		
<i>20 - 24 years</i>	-0.077	0.002
<i>25 - 29 years</i>	-0.274	0.063
<i>30 - 35 years</i>	0.382	-0.122
Gender (Male)	0.428	-0.106
Marital Status (Ref. variable: Never married)		
<i>Married</i>	0.047	-0.024
<i>Divorced</i>	-0.252*	0.068**
Akan	-0.008	0.030
Location (Ref. variable: Madina)		
<i>Circle</i>	0.197**	-0.055*
<i>Keneshie</i>	0.202	-0.001
<i>Tema Station</i>	0.017*	-0.047
<i>Madina-Accra Road</i>	-0.034	0.032*
Business registered	0.253**	-0.031
Educational Attainment (Ref. variable: Higher level)		
<i>None</i>	- 0.082*	0.043**
<i>BECE</i>	0.244	- 0.040
<i>WASSCE</i>	0.051**	- 0.026
Business Experience	0.389*	-0.067
Facility Type (Ref. variable: <i>Container</i>)		
<i>Table-top</i>	- 0.342	0.318*
<i>Glass cabinet/box</i>	- 0.982	0.409**
<i>Push-truck</i>	0.086*	-0.009
<i>Car booth</i>	0.057**	-0.460**
<i>Wooden kiosk</i>	1.366	-0.459
<i>Hand-held</i>	- 0.382**	0.277**
<i>Block structure</i>	0.750**	-0.409
Bonding social capital	0.002	-0.002
Bridging social capital	0.028*	-0.005
Linking social capital	0.006**	-0.003*
Sig. * 0.1; **0.05; *** 0.01		
<i>Constant</i>	-0.860	0.614
<i>Number of observation</i>	344	344
<i>Probability > F</i>	0.000	0.000
<i>R-squared</i>	0.145	0.149

Source: Computations based on STATA and Mobile Telephony Survey (2011)

5.5.1 Explaining Opportunity Entrepreneurship

From the opportunity analysis presented in Table 5.4, location plays an important role as Circle is significant at 5 per cent. This gives the indication that relative to Madina, operating at Kwame Nkrumah Circle increases the chances of a young person becoming an opportunity entrepreneur by 19.7 percentage points. This finding is not surprising considering the dominant role of Kwame Nkrumah Circle as the main cluster of mobile telephony businesses in the GAMA and the strong desire among many young people to locate their businesses in the locality. Again, Tema Station was observed to be significant at 10 per cent meaning that relative to Madina, operating at Tema Station increases the chances of a young person to become an opportunity entrepreneur by 1.7 percentage points. Tema Station is an enclosed transport terminal and the young people who operate their businesses in the facility have to go through consultation processes by contacting the lorry station authorities before approval is given for them to start. The young people who operate at the station are therefore those who have identified an opportunity in the locality and have gone through the consultation processes unlike Madina where anybody at all could operate depending on one's influence through financial and social capital.

Social capital determines opportunity entrepreneurship as linking social capital was identified to be significant at 5 per cent while bonding social capital was observed to be significant at 10 per cent. This implies that having access to linking social capital improves the chances of a young person to become an opportunity entrepreneur by 0.6 percentage points while access to bonding social capital improves the chances of a young person to become an opportunity entrepreneur by 2.8 percentage points. Individuals with access to linking social capital are mostly those who have undergone some form of institutional training and as a result are more likely to identify opportunities in the mobile telephony sector to exploit to their benefit. Again, having access to bridging social capital gives a young person access to resources including

opportunities within the network of relations of the youth which can be exploited. In totality however, the results with respect to social capital and opportunity identification is consistent with Aldrich and Zimmer (1986) and Evans and Leighton (1989) who identified social capital to be positively related to the chances of an opportunity being exploited.

Registered business is significant at 5 per cent and this implies that registering a business increases the chances of a young person to become an opportunity entrepreneur by 25.3 percentage points. Registering a business involves money and time. It is mostly therefore the youth who have identified an opportunity to exploit who will go through the registration process. Like registered businesses, education is a major determinant of opportunity entrepreneurship. None or no education is significant at 10 per cent and carries a negative sign. The result indicates that relative to young people with higher or post-secondary education, being a youth without educational qualification reduces the chances of becoming an opportunity entrepreneur by 5.1 percentage points. Business experience is significant at 10 per cent meaning that having a prior business experience increases the chances of a young person to become an opportunity entrepreneur by 5.1 percentage points. These findings are consistent with Shane (2000) who identified education and experience to be important in the discovering opportunities for exploitation.

The type of facility in which business is operated does matter as hand-held is significant at 1 per cent, but carries a negative sign. Block structure and car booth were both significant at 5 per cent. This suggests that relative to container, operating a hand-held business reduces the chances of becoming an opportunity entrepreneur by 38.2 percentage points while operating in a block structure and car booth increases the chances of becoming an opportunity entrepreneur by 5.7 percentage points and 7.5 percentage points respectively. Operating in a block structure is relatively more expensive to start compared to the other facilities. Therefore, the youth who

have identified opportunities tends to invest heavily in block structures in order to realise the gains. Compared to operating in a block structure, operating hand-held businesses is not expensive and therefore many young people start their businesses in hand without necessarily identifying opportunities.

Finally, marriage influences the chances of a young person to become an opportunity entrepreneur as divorce was found to be significant at 10 per cent but carries a negative sign. This implies that being divorced reduces the chances of a young person to become an opportunity entrepreneur by 25 percentage points relative to the never married. The never married are mostly the younger category of the youth and are likely to be adventurous and embark upon a business in the mobile telephony sector in order to take advantage of an identified opportunity.

5.5.2 Explaining Necessity Entrepreneurship

The regression results on determinants of necessity entrepreneurship as presented in Table 5.4 shows location to be important in determining whether a young person becomes a necessity entrepreneur. The location variables indicate Circle to be significant at 10 per cent but carry a negative sign. This suggests that relative to Madina, operating at Kwame Nkrumah Circle reduces the chances of a young person to become a necessity entrepreneur by 5.5 percentage points. Kwame Nkrumah Circle houses mostly the upper end of the businesses in the mobile telephony sector such as phone repairs, phone sale and accessories. Moreover, the Kwame Nkrumah Circle has developed into a cluster of mobile telephony businesses in the GAMA. Many of the youth who operate at Kwame Nkrumah Circle therefore go into business in the locality because they have identified opportunity to exploit. This notwithstanding, the Legon-Madina road was found to be significant at 10 per cent meaning that operating at the locality increases the chances of a youth to become a necessity entrepreneur by 3.2 percentage points.

It is more challenging to operate on the street due to the fact that it is against the law and as a result, exposes the youth to the activities of AMA officials and the harsh conditions of the weather. These challenging conditions make it possible for young people without any better prospects for employment and those with the strong desire to survive to go into business on the street.

Social capital also plays an important role in determining necessity entrepreneurship as linking social capital was observed to be significant at 10 per cent, but carries a negative sign. This implies that having access to linking social capital reduces the chances of becoming a necessity entrepreneur by 0.3 percentage points. The young people with access to linking social capital have mostly acquired skills through institutional sources and are therefore less likely to go into business for necessity inclinations.

The type of facility in which business is operated influences necessity entrepreneurship. The regression result shows glass cabinet, hand-held and car-booth are all significant at 5 per cent, although car-booth carries a negative sign. This suggests that relative to operating in a container, operating in a car-booth reduces the chances of becoming a necessity entrepreneur by 46 percentage points while operating a hand-held business improves the chances of becoming a necessity entrepreneur by 27 percentage points. Table-top is also significant at 10 per cent suggesting that relative to operating in a container, operating on table-top improves the chances of becoming a necessity entrepreneur by 31.8 percentage points. The table-top business does not require significant capital requirements to establish compared to container where one has to invest heavily in the container and the land on which the container situates. Many young people with the desire to survive will therefore find it less difficult to establish a table-top business, hence, the necessity inclinations.

Education influences the chances of becoming a necessity entrepreneur as none or no education was found to be significant at 5 per cent (see Table 5.4). This means that relative to those with higher qualifications, having no education improves the chances of becoming a necessity entrepreneur by 4.3 percentage points. Increasingly, it is becoming more difficult for young people without any educational qualifications to secure better employment prospects considering the challenge with respect to employment among graduates (Langevang, 2008). In relation to the youth with post-secondary qualifications, those without educational qualifications are more likely to go into business because of limited employment prospects. This group of young people therefore go into business mainly for survival purposes.

Location is important in determining necessity entrepreneurship as both the Legon-Accra road and Circle are significant at 10 per cent, although Circle carries a negative sign. The implication is that relative to Madina, operating at Kwame Nkrumah Circle reduces the chances of becoming a necessity entrepreneur by 5.5 percentage points while operating on the Madina-Accra road improves the chances of becoming a necessity entrepreneur by 3.2 percentage points. Operating on the Legon-Madina road exposes the youth to the activities of the AMA officials. Therefore, the young people without any better prospects for employment often take the risk to operate on the street mainly for survival purposes.

Although it is important to identify the factors that determine opportunity and necessity entrepreneurship, it is important to note that the necessity/opportunity thesis has been criticised in recent literature for being overly simplistic by placing entrepreneurs into two distinct categories (Langevang, 2012; Rosa *et al.*, 2006; Williams, 2008). Moreover, the argument often advanced in favour of either necessity or opportunity driven entrepreneurship often fails to unravel the complex, dynamic and multiple nature of motivations that drive young people into business, especially in the informal sector. In the following section, I draw on qualitative

interviews to provide an exposé of the complex, dynamic and multiplicity of motivations that drive young people into establishing businesses in the mobile telephony sector.

5.6 Multiple Motivations for Starting Businesses in the Mobile Telephony Sector

Analysis of in-depth interviews conducted with respect to motivation for establishing businesses in the mobile telephony sector among the youth revealed that limiting the motivation argument to the necessity/opportunity dichotomy shields the multiple, complex and changing nature of motivations that drive the establishment of business among young people (Langevang *et al.*, 2012; Rosa *et al.*, 2006). Textual analysis of narratives of the youth revealed ten different motivations behind the decision to establish businesses in the mobile telephony sector in the GAMA. Although some of this multiplicity of motivation factors could easily be categorised under the necessity/opportunity thesis, there are others that could not easily fit into the thesis. Key among these multiplicity of motivation factors identified in the narratives of the youth include the following: the passion that the youth have about the mobile phone; taking advantage of acquired skills or talent; exploiting identified opportunities; establishing businesses in order to save money for further education; network of relations of the youth; structural factors such as the difficult economic circumstance which makes it difficult for young people to secure paid employment etc. (See Table 5.4). In many instances, these motivation factors tend to be connected and interrelated, and also change over time.

Table 5.5: Motivations driving establishment of business in the mobile telephony sector

Motivation Factors	Number respondents citing factor
Passionate about the mobile phone	11
Taking advantage of acquired skill or talent	9
Exploit identified opportunity	9
Saving money for school	8
To quit a low paying job	7
Migration	6
Network of relations	5
To build capital	5
No better job opportunities	5
Difficult economic circumstance	5

Source: Extracted from Biographical Life Course Interviews, 2012

Some similarities and differences were observed with respect to young people's motivation for going into business in the mobile telephony sector in the GAMA and that of young people in the city of Kampala, Uganda (Langevang *et al.*, 2012).⁴⁸ Motivation factors such as taking advantage of acquired skills and talent, no other employment opportunities, and saving money for further education are common among young people in the two localities. On the other hand, motivation factors such as passion for the mobile phone, exploiting identified opportunity, and building capital, are particularly unique to the young people running businesses in the mobile telephony sector in the GAMA while factors such as the desire to be independent or obtain freedom, critical or family event (for instance, childbirth, death or marriage), family tradition of running a business, supplementing wage income, making a difference at the community level are unique among young people in the city of Kampala (Ibid).

Among the motivation factors, the most frequently cited was the strong passion and interest that the youth have for the mobile phone. This sense of passion and interest is often linked to other motivation factors such as taking advantage of acquired skills or talent. The narrative of Kojo is illustrative of the strong passion and interest intertwined with acquired skill and talent

⁴⁸ Similar to the current study, the study by Langevang *et al.*, (2012) utilised in-depth interviews and textual analysis of narratives of the youth

that underpin the decision of young people to go into business in the mobile telephony sector. Kojo is a 28 year old male who currently runs a phone repair business. After completing his SHS, he went into apprenticeship training in computer hardware technology. He explained that although he occasionally works as a computer technician, his main line of business at present is mobile phone repair and he was motivated into establishing a business in the mobile telephony sector because of his strong passion for computers and mobile phones. Kojo explained that “I am very much interested in mobile phones and because of my skills and knowledge in computers; I got interested in repairing mobile phones.” In many instances, this strong sense of passion and interest for the mobile phone is often influenced by the fact that the youth see the mobile phone as a technological device for their generation. Kojo noted in this regard that “the mobile phone is for our generation and it has come to stay. We have to make the most of the technology.” Making the most of the technology gives indications of opportunity driven inclinations albeit this was not explicitly stated in Kojo’s narrative.

The strong passion and interest for starting business in the mobile telephony sector by the youth is again intertwined with clearly stated motives of identified “opportunity” and exploitation. This finding is to some extent different from that observed by Rosa *et al.*, (2006) and Langevang *et al.*, (2012) in the case of Kampala city where business people and the youth respectively did not mention the word “opportunity” or “necessity” in the narratives. On the contrary, some of the youth in the mobile telephony sector in the GAMA were emphatic in mentioning the strong passion intertwined with identification of opportunity as the main motivation for establishing businesses in the mobile telephony sector as exemplified by the statement below:

I have strong interest in mobile phones and very fascinated by the device. I got a job with Vodaphone and we were promoting products of the company. While working for Vodaphone, I realised that there are opportunities in the phone business to make money. Also, the Vodaphone job was on contract and I’ve

always wanted to establish my own business. After making a little savings, I quit to establish my own business.⁴⁹ (Charles, 32 years, mobile phone sales)

In addition to the combination of passion and opportunity, Charles's statement again demonstrates how some of the youth are able to move from a formal sector job to self-employment in the informal sector.

The motivation to establish business in the mobile telephony sector for a section of the youth is driven by a combination of skills, previous low paid job and migration. This is illustrative of the complex nature of motivations that drive the establishment of business by the youth in the mobile telephony sector. The case of Simon is a typical example of this complexity. Simon is 34 years old who is a trained electrician and worked as a paid employee with an electrical firm in Kumasi for a period of four years, but had to quit the job because the "pay was not good enough."⁵⁰ He stated that "rather than sit there [low paid job] and waste my time, I will rather do something on my own." With this strong desire to do something on his own, Simon migrated from Kumasi to the city of Accra. He did explain the decision to establish a mobile phone repair business as follows:

Repairing phones is a talent I developed on my own due to my knowledge in electronics. While in Kumasi, I used to repair mobile phones for people without charging them. When I came to Accra, I decided to go into the mobile phone repair business as people were buying phones and the China phones easily break down. (Simon, 34 years, phone repairer)

Simon did not migrate to Accra specifically to establish a mobile phone repair business. Migrating to Accra was mainly with the objective of "doing something" for himself. After few failed attempts to get an electrical job, he realised his talent for repairing mobile phones and he established his business in the sector. As illustrated, Simon's case initially depicts inclinations

⁴⁹ Vodafone is currently the third largest operator with respect to customer base in Ghana

⁵⁰ Kumasi is the second largest urban centre in Ghana

of necessity driven motives as the electrical job he was doing prior to migrating to Accra was not rewarding with respect to income and he decided to look for another job without any surety and this then prompted the decision to migrate to Accra. However, after migrating to Accra and after a few failed attempts at securing an electrical job, he identified an opportunity in the mobile phone repair sector which he exploited by establishing his business in the sector. Even though Simon can be described as necessity or survivalist driven entrepreneur because he could not secure any better job opportunity (Xavier *et al.*, 2012) in the city of Accra prior to establishing his mobile telephony business, he did identify an opportunity in the mobile phone repair business because of the ease with which the 'Chinese phones' break down. The talent and skill for repairing the mobile phone was already there and he took full advantage of it to establish his business in the sector. By recognising the opportunity in the phone repair sector and exploiting the opportunity by establishing his mobile phone repair business, Simon could to a large extent be described as opportunity motivated entrepreneur (Ibid). This notwithstanding, the case provides an exposé of the complex nature of motivations among the youth and the extent to which relying solely on the necessity/opportunity dichotomy hides the complexity of motivations that influence the establishment of businesses among the youth (Rosa *et al.*, 2006; Langevang *et al.*, 2012).

Motivation for going into business for some of the youth is not specific to a particular factor which remains constant at all times, but changes with time. The case of Obeng best demonstrates this changing nature of motivations for business establishment in the mobile telephony sector among youth. Obeng is a 29 year old who dropped out of school at the SHS level due to difficulties on the part of his parents to afford the cost of his education. He stated his motivation for establishing his mobile phone business as follows:

The main reason [for establishing a mobile telephony business] is how to get something to live on and get secure future for my children. I couldn't further my education because there was no help, but with this business in future when

I give birth I can see my children through school (Kwame Obeng, 29 years, mobile phone dealer).

Two key motivations stand out in Obeng's statement – the desire to survive by getting “something to live on” and “secured future for my children”. Having established his mobile phone business because of the need to get something to live on, Obeng's case could best be described as necessity or survivalist driven. Obeng had no better prospects for securing a job after dropping out of school and his brother introduced him into the mobile phone sales business. The mere idea of idleness at home and the desire to get something doing in order to survive was the main motivation for establishing his mobile phone business after being introduced to it by his brother. However, after establishing himself in the business, Obeng realised that the business is lucrative and this altered his motive for staying in the business: “I have to build security for my children. I could not further my education because there was no help, but with this business, I can take care of my children through school.” Obeng's fundamental motive for going into the mobile phone business has been altered because of his experience of business in the mobile telephony sector. Currently, Obeng's overriding motive for staying in the mobile phone business is the need to secure a better future for his children and this future, he envisions, should be better than his. Thus, for a section of the youth, although there is a fundamental motive for establishing their businesses, this fundamental motive is not the same at all times, but changes steadily with time, experience and reward that the business brings.

It is difficult to distinguish structural constraints from young people's agency as the two are often intertwined (Rudd & Evans 1998; Wyn & Dwyer, 1999; Punch, 2002). Along a similar line of thought, structural constraining factors appear to influence the decision to establish businesses in the mobile telephony sector among a section of the youth. Some structural constraining factors identified in the narratives of the youth include the generally difficult

economic circumstance in the country which offers limited opportunities for young people and the difficulties with respect to securing employment especially for young people. The case of Boakye exemplifies how structural constraints combine to influence young people's decision to establish business in the mobile telephony sector. Boakye is a 22 year old who completed JHS and currently trades in mobile phone accessories. He explained his motivation for going into business as follows: "There are no jobs for us [young people] to do so when you get something doing that can take care of you, you have to hold on to it well." Due to the difficulties involved in securing employment, many young people in Ghana especially taking cognisance of the need for survival under the challenging circumstance do resort to setting up business especially in the informal sector in order to make ends meet (Gough *et al.*, 2003; Tsikata 2008; Otoo *et al.*, 2009). However, this motive exhibits necessity or survivalist driven inclinations for going into business among young people. Thus, structural factors influence the decision of the youth to establish businesses in the mobile telephony sector.

Some of the youth did indicate that they were motivated to establish their businesses as a result of an opportunity which they identified in the mobile telephony sector and which they took advantage of by exploiting. Clearly identifying a business opportunity and exploiting such opportunities as motivation for going into business in the mobile telephony sector is exemplified by the case of 33 year old Eric. Eric started business in the mobile telephony sector by importing mobile phone accessories and diversified the business by adding mobile phone imports. He explained the motivation behind establishing a business in the mobile telephony sector as follows:

I was selling shoes before going into the mobile phone business. For a very long time, I have always been looking for opportunity to trade in goods that will be for every day usage. When the mobile phone companies⁵¹ started introducing phones into the system, I realised that once they were bringing

⁵¹ Mobile phone companies as used in Eric's narrative refers to the main operators at the time including Mobitel (currently Tigo), Kasapa (currently Expresso) and One Touch (currently Vodaphone)

their phones, people will definitely need the accessories. I paid particular attention to the phones brought into the market by the mobile phone companies and will go and bring accessories for these phones. At the time, I also realised that the phones brought in by the phone companies were much bigger, and people wanted cute phones, so I started importing small phones which very much caught up among people.⁵² (Eric, 33 years, phone importer)

Eric like some of the youth was engaged in business outside the mobile telephony sector before identifying an opportunity in the mobile phone and accessories market. He paid particular attention to the trends in the sector and identified opportunities in the areas where his business will thrive and exploited the opportunity by importing mobile phone accessories into the country. Having stayed in the business for a short while, he continued to explore for opportunities in the sector. Even though phone ownership in the early years of the introduction of mobile phones in Ghana attracted high social status, the size of one's phone did matter as well since Ghanaians were socially attracted to smaller sized phones. It is the strong social attachment to smaller phones which attracted Eric's attention and he diversified his business into the importation of "cute phones." Identifying business opportunities in the mobile telephony sector is therefore a major motivation behind the establishment of business in the mobile telephony sector among the youth and some of the youth although very well established in the sector, still continue to explore opportunities in the sector by studying the market trends.

A typical case in this regard is 24 year old Alex who trades in mobile phone accessories:

Because we are many over here, the more goods you have, the more people buy from you and you are able to make more sales. For instance, someone might be looking for a particular charger and if you have a lot of goods, the person may buy the charger from you. In case I don't have that particular charger, I record it in my notebook and I make sure that the next time I go to buy items, I get that particular charger.⁵³ (Alex, 24 years, mobile phone accessories dealer)

⁵² During the early years of the introduction of mobile phones into the Ghanaian market, most subscribers were using contract lines which came with operator supplied mobile phones

⁵³ This notebook which was showed to me is a foolscap sized with about 150 pages and it is just over 50 per cent complete

Alex meticulously records the request of customers who come to him for goods that he does not have in stock in his foolscap notebook in order to get to know what particular accessories are in demand by customers. This, as explained, is to help boost his sales and ultimately to keep him in business. Thus, by meticulously studying the market trends in order to identify opportunities in areas where there is demand for particular items or some particular kinds of services, Alex revealed the motivation to stay in business. Nonetheless, this group of young people who continue to explore opportunities to keep themselves in business in the mobile telephony sector can be categorised as opportunity driven entrepreneurs under the necessity/opportunity thesis.

Some of the youth are motivated into establishing businesses because they needed something doing which will accord them the opportunity to save money to further their education. According to Sedro who is 22 years old, “I am doing this business [airtime sales] because I want something doing; by this time next year I would have saved some amount of money in order to go back to school and further my education.” Business in the mobile phone sector for this group of people is only a stop-gap which enables them to save an appreciable amount of money in order to further their education and thus, exhibits necessity or survivalist motivated inclinations. For some of the youth who are able to save appreciably in order to go back to school, they do not entirely stop the business, but run the business alongside schooling by leaving the business in the care of trusted family relations during school hours. A typical example is Jane, 22 years, who trades in airtime. Jane after completing her SHS exams did not do well in order to further her education at the tertiary level. With little support coming from Jane’s family to enable her rewrite some of her failed papers, she decided to establish an airtime business in order to enable her further her education. She stated as follows:

My brother takes care of the business for me. I only come to take over the business after school. Currently, I am at Ideal College writing my Science and Maths. Sometimes, I go to school at 7:30 am and I come back at 5:30 pm.”
(Jane, 22 years, airtime sales)

Jane is fortunate enough to have a trusted family relation who takes care of the business in her absence. For some of the young people however, the lack of trust and suspicion of being exploited by either a family relation or an acquaintance drives them to lock-up the business during school hours and reopen after school. This scenario was explicitly stated by Gloria, 26 years who runs an airtime business:

With this kind of work, if you don't get a good person to take care of the business in your absence, you will lose your money. I know people whose businesses have collapsed because they couldn't get a good person to take care of the business in their absence. Because of this, whenever I'm going for classes, I lock the business and reopen when I come back as I don't trust anyone to take of the business in my absence."

The network of relations of young people serves as motivation for going into business (Langevang *et al.*, 2012). Some of the youth had to establish businesses in the mobile telephony sector because they had a relation – family, friend or an acquaintance who introduced them into business in the mobile telephony sector. Seth, 23 years, who trades in airtime noted that, "My elder brother is in the airtime business and he introduced me into the business." Similarly, Obeng's case as earlier illustrated also demonstrates the role of social networks of the youth in the decision to establish businesses in the mobile telephony sector. Obeng was introduced into the mobile phone sales business by his brother after he dropped out of school and was idling at home. For this group of young people, they initially enter the mobile telephony sector by working for their relations after which they are able to acquire the knowledge base and accumulate capital for establishing their own businesses.

Not all the youth were however motivated to establish business by close family relations. For some, they had to work as paid employees for distant relations or people they do not even know. Through these working relations over a period of time, the youth are able to acquire the knowledge and capital base for start-up and the case of David who is 32 years, is illustrative of this scenario. After completing JHS, David through the assistance of a neighbour, was able to secure a job selling airtime. After doing this job for close to two years, David was able to save

enough money which he utilised as capital for establishing his own airtime business. In totality, these cases demonstrate that motivation for establishing business in the mobile telephony sector among the youth is also influenced by one's social networks and this network of relations could come from either a close or distant associate as exemplified by the cases of David, Obeng and Seth.

The discussion so far has pointed to the multiple, complex and changing nature of motivations behind the establishment of businesses by young people in the mobile telephony sector. As a consequence, limiting the motivation behind the establishment of business by young people to the necessity/opportunity thesis is simplistic (Rosa *et al.*, 2006; Langevang *et al.*, 2012), and hides the manifold of motivations underlying business establishment by the young people. In the following section, I take the motivation argument further by exploring the growth intentions of the youth with respect to their businesses in the mobile telephony sector.

5.7 Growth Ambitions

In order to have a broader perspective on the motivation(s) that drive(s) entrepreneurs in establishing businesses, attempts have been made in a section of the enterprise and livelihoods literature to link entrepreneurial start-up motivations with growth prospects or aspirations (Hessel *et al.*, 2008; Olomi, 2009; Langevang, 2012). This linkage is established on the premise that necessity driven entrepreneurs are less likely to have growth aspirations, compared to opportunity driven entrepreneurs. On the basis of this assumption, a distinction is made between necessity motivated entrepreneurs who are perceived to be survivalist in nature and often operate at subsistence levels in the informal sector on the one hand, and opportunity motivated or growth oriented entrepreneurs who operate in the formal sector on the other hand (Gries & Naudé, 2010; Naudé, 2011). On the basis of this argument, I attempt to expand the motivation argument advanced earlier by looking into the growth aspirations of the youth operating businesses in the mobile telephony sector.

When asked about their aspirations regarding their businesses, 43 per cent of the youth were of the view that they have ambitions of expanding their businesses by moving into a relatively bigger premise while about a fifth would like to go into importation or wholesale of mobile phones and related accessories as presented on Table 5.6. About 13 per cent would like to open a new branch and employ someone to take care of the business. The proportion of the youth who expressed the desire to quit the sector is less than 7 per cent with majority of this group expressing the desire to go back to school while about 4 per cent wanted to accumulate savings which will be used as start-up capital in an attempt to move onto another business. Overwhelmingly, growth aspirations of the youth were very high with over 80 per cent of the youth expressing positive growth aspirations regarding their businesses. These positive aspirations are diverse; ranging from learning new skills and acquiring new equipment for running the business to include importation and wholesale of mobile phones and related products. This observation confirms the finding by Langevang *et al.*, (2012) that many young entrepreneurs operating businesses who might be classified as necessity entrepreneurs, may harbour and do indeed develop growth aspirations.

Table 5.6: Growth Aspirations by Age category

Growth aspirations	30-35	25-29	20-24	15-19	Total
Operate in a bigger facility	37.5	44.3	45.4	55.6	42.4
Import/wholesale of phone products	20.5	8.2	22.2	22.2	18.6
Open new branch	21.4	4.9	8.3	0	12.4
No aspiration	8	16.4	5.6	0	8.6
Expand product base	4.5	11.5	3.7	0	5.5
Save money and move on	3.6	1.6	4.6	11.1	3.8
Quit	1.8	3.3	5.6	0	3.5
Go back to school	0.9	8.2	1.9	11.1	3.1
Pick up new skills and equipment	0.9	1.6	2.8	0	1.7
Secure permanent location	0.9	0	0	0	0.3
Total	100	100	100	100	100

Source: Mobile Telephony Survey 2011 (n=354) $P(x^2)$ significant at 0.05

For the youth who indicated that they have aspirations of moving into a relatively bigger place of operation, the ultimate goal is either to operate in a shop or a freight container which is perceived by the youth to represent higher echelons of the mobile telephony business especially with respect to the facility of operation. Although owning a shop or freight container constitutes higher echelons with respect to operational structure within the mobile telephony sector, as it will be argued in chapter six of this thesis, the young people currently operating within shops and containers are not relatively better off in terms of performance of businesses compared to those operating at the lower end of the sector such as table top or glass cabinet. This notwithstanding, many of the youth who currently operate hand-held businesses expressed the ambition of moving just a step further by acquiring a glass cabinet. This again demonstrates high growth aspirations as well as gradual progression regarding growth aspirations of the youth.

Although no significant difference was observed with respect to growth aspirations of the youth by way of gender and business type, an interesting observation can be made regarding growth aspirations and age. From Table 5.6, it can be observed that there is a significant difference between growth aspirations and age. Over a half of the youth aged between 15 to 19 years expressed the desire to expand their current place of operation into either a shop or container, compared to 45 per cent for the 20 to 24 year olds, 44 per cent for the 25 to 29 year olds and 36 per cent for the youth aged 30 to 35 years. Not surprisingly however, there were relatively more (11%) of the 15 to 19 year olds who expressed the desire to quit the mobile telephony sector and go back to school, compared to other age categories. This finding seems to suggest that the younger category of the youth appear to be more ambitious with higher aspirations and at the same time they seem to be more volatile in terms of staying in the sector. This is mainly as a result of the need to secure funding to realise their educational aspirations.

5.8 Summary

This chapter has examined motivations behind the establishment of businesses by young people in the mobile telephony sector. Despite the contrary view in the enterprise and livelihood literature that many people including the youth in SSA go into business mainly for survivalist or necessity driven inclinations, the chapter has demonstrated that motivation behind the establishment of business by the youth in the mobile telephony sector is exclusively not survivalist or opportunity in orientation. This is irrespective of identified factors such as education, social capital, location, etc. which influence both opportunity and necessity entrepreneurship. Rather, the motivation driving the youth into business in the mobile telephony sector is complex, multiple in nature and changes with time. Nonetheless, the youth exhibited very strong entrepreneurial attitudes and positive perception towards self-employment, and again demonstrated positive growth prospects or intentions. Thus, focusing exclusively on the necessity/opportunity dichotomy tends to oversimplify the actual motivation that drives the establishment of business in the urban informal sector generally among the youth (Rosa *et al.*, 2006; Langevang *et al.*, 2012). The chapter has therefore challenged the conventional orthodoxy with respect to motivations which often hides the plethora, complexities and changing nature of motivations that drives the youth into business in the urban informal sector.

CHAPTER SIX

EXPLORING YOUTH LIVELIHOODS, SOCIAL CAPITAL AND PERFORMANCE IN THE MOBILE TELEPHONY SECTOR

6.1 Introduction

This chapter addresses the second objective of the study – to analyse the diversity of resources available to the youth and how these resources affect the performance of their businesses. As noted in Chapter One, the role of ICT, and more specifically mobile telephony in Ghana’s rise to a middle income economy, is influential though very little is known about many of the young people who run informal businesses in the sector.⁵⁴ Key among the questions addressed in the chapter includes the following: What are the key resources that the youth draw on in establishing and running their businesses? How are the businesses of the youth performing and how can this performance be explained? The chapter is structured under four main sections: Section 6.2 investigates the resources that the youth rely on in the establishment and operation of their businesses while Section 6.3 discusses the performance of the youth businesses and the factors that drive this performance. Section 6.4 discusses challenges that confront the youth in the operation of their businesses and the final section provides a summary of the chapter.

6.2 Social Capital and Youth Access to Resources for Establishing and Operating Business

In Chapter Two, a closer look was paid to the concept of social capital by discussing the three main types – bonding, bridging and linking social capital- and how the concept has been applied in analysing businesses especially within developing country contexts. While bonding social capital draws attention to the importance of family relations, close friends and individuals belonging to the same ethnic grouping, bridging social capital guides our focus on networks that cut across a broader spectrum of ties including acquaintances and distant friends,

⁵⁴ Rebasings of the Ghanaian economy in 2006 actually placed the country in a lower middle income category

and linking social capital allows exploration of the supportive capacity of those occupying different economic and social positions, as well as the broader institutional context as a whole (Granovetter, 1983; Putnam, 2000; Woolcock 2001; Turner, 2005; Turner & Nguyen, 2007). This section draws more on this conceptual classification of social capital to analyse the processes that the youth go through in establishing and operating their businesses. Specifically, the study has utilised the three classifications to analyse at the micro level how key resources, such as ideas for start-up, physical space for business operation and capital (financial and non-financial) are acquired in the establishment and operation of youth businesses in the mobile telephony sector and also to explore broadly the kinds of support that the youth rely on in operating their businesses.

6.2.1 Social Capital and Ideas for Starting and Operating Businesses

In discussing ideas for starting and operating business among the youth in relation to social capital, attention is focussed mainly on the source of business ideas for start-up or the initial conceptualisation of business, and the source of advice or assistance often utilised in the operation of businesses.

6.2.1.1 Ideas for Start-up

Entrepreneurs are noted to interact with the networks available to them in starting, nurturing, and in the successful operation of businesses. From the conceptualisation stage throughout the life course of the enterprise, entrepreneurs continue to seek not only resources of monetary capital to start and operate, space in which to operate, and equipment to use in operating their businesses, but also ideas about how to start and run their enterprises, advice and information that will move the enterprise forward, and reassurance from networks in keeping faith with a desired course of action (Birley, 1985). Consequently, the help, assistance and guidance received from both formal (banks, lending agencies and MFIs) and informal networks (family

relations, friends and business associates) are vital in ensuring successful operation of businesses.

Table 6.1 gives results of the source of ideas for starting business among the youth. From the Table, it can be observed that close to two-thirds (65%) of the youth indicated their own sources or initiative as their source of ideas for starting businesses while 16 per cent and 14 per cent respectively obtained ideas from friends and family relations respectively. Interestingly, only 3 per cent of the youth obtained start-up ideas from traditional apprenticeship schemes and less than 1 per cent of the youth obtained business ideas from formal skills and entrepreneurship training schemes. The findings indicate that bonding; bridging, and linking social capital are not the most important resources with respect to ideas for starting mobile telephony businesses among the youth. On the contrary, self-generated ideas overwhelmingly dominate. Among the three social capital categories however, bonding and bridging social capital are identified to be important for sourcing ideas for starting business compared to linking social capital. This is mainly due to the influence of family relations, close friends and acquaintances as against business start-up ideas obtained from traditional apprenticeship schemes and formal skills training and entrepreneurship training programmes.

Table 6.1: Ideas for starting a business by type

Sources of ideas	Phone sales	Phone repairs	Phone accessories	Airtime	Total
Own ideas	63.8	67.7	64.3	69.8	65.3
Family relations and close friends	13.4	5.9	14.3	22.6	14.4
Acquaintances	20.8	2.9	18.4	7.6	16.2
Apprenticeship (traditional)	0.7	20.6	3.1	0.0	3.3
Formal skills and entrepreneurship training	1.3	2.9	0.0	0.0	0.9
Total	100	100	100	100	100

Source: Mobile Telephony Survey 2011 (N=354)

Many of the youth interviewed did indicate that in establishing their businesses, they did not have a wide array of individuals within their network of relations with the requisite ideas in the business areas of interest to them. As a result, they had to rely on their own ingenuity in establishing their businesses. Moreover, for some of the businesses that engage the youth such as airtime, and phone sales, it is relatively easy to come out with the ideas for establishing as soon as an opportunity is identified. For these business types, opportunity identification is often done by observing what others are doing through copycat procedures. Through these practices, the youth are able to generate the necessary ideas to start similar or copycat businesses without necessarily relying heavily on their network of relations.

Although the finding regarding the source of ideas for starting a business is gender neutral, some differences were observed with respect to the types of businesses that engage the youth. The majority (68%) of the youth in the phone repair business indicated obtaining their source of ideas for start-up from own sources while about a fifth obtained their ideas through traditional apprenticeship schemes. Only 6 per cent of the youth in the repair business obtained ideas for starting business from family relations and close friends. The phone repair business is a specialised trade which requires some amount of technical knowhow to perform. As earlier noted, many of the youth in the phone repair trade have prior knowledge in the repair of electronic products such as watches, calculators, alarm clocks, electric irons etc. Acquiring ideas and technical knowhow in repairing mobile phones therefore becomes easier for this group. It is not uncommon for these youth to nurture and develop ideas for starting phone repair business on their own. Moreover, for the one-fifth, who obtained ideas for starting phone repair businesses through apprenticeship schemes, it is not surprising as the technicalities required for establishing and operating involves some amount of training and skills acquisition before start-up. This group of young people therefore acquired the ideas for starting their businesses through traditional apprenticeship schemes under the tutelage of a master craftsman.

Specific to the phone repair business therefore, linking social capital becomes more important as a source of obtaining ideas for start-up as against bonding and bridging social capital.

The situation is however different when the other business types are brought into perspective. For the phone accessories business, close to two-thirds of the youth obtained ideas for starting their businesses from their own sources while 18 and 14 per cent obtained their initial business ideas from family relations and close friends, and acquaintances respectively. Similar trends were as well observed for the phone sales business. This implies that bonding and bridging social capital are more important for acquiring initial ideas for starting business compared to linking social capital for the youth involved in these businesses. For the phone sales and accessories business, one does not need to go through an apprenticeship training scheme in order to acquire the skills and ideas for start-up. On the contrary, one could easily pick-up ideas for start-up from close friends and acquaintances making bonding and bridging social capital ties important in this respect.

Focusing on the airtime business, close to a fourth of the youth obtained the ideas for start-up from family relations and close friends whereas over two-thirds of them obtained ideas from their own sources. Thus, for the youth in the airtime business, bonding social capital is important, although the influence of self-generated ideas is overwhelmingly dominant. The airtime business is visible in the GAMA and many parts of the country as well. Consequently, it becomes relatively easy for one to obtain the ideas for starting without necessarily relying much on one's network of relations. Moreover, as visibility of the airtime business is undoubted, and the business is widely practiced at the household level, it is feasible for one to pick-up ideas for the business from family relations and close friends; thereby giving some importance to bonding social capital as a source of resource for acquiring ideas for starting an airtime business. Most importantly, the airtime business is not very sophisticated and does not

require one to undergo any training or apprenticeship scheme to acquire ideas for starting. Thus, making linking social capital less important compared to bonding and bridging ties. Despite these trends, generally for majority of the youth in the mobile telephony sector, self-generated ideas for starting business is very much dominant as against the influence of ideas that are acquired from the network of relations of the youth.

6.2.1.2 Social Capital and Assistance or Advice for Business Operations

Advice and assistance are essential to the entrepreneur in ensuring the successful operation of the business venture. This advice and assistance could come from several sources including formal and informal sources. However, in many countries in sub-Saharan Africa where support from the formal sector for many young entrepreneurs operating especially in the informal sector is lacking, support in the form of advice and assistance that comes from informal sources are imperative for business operations. When asked to indicate whether they have discussed or sought advice or assistance from any source over the past twelve months in relation to their business operations, only about a fifth of the youth answered in the affirmative. There was no significant difference by way of gender and business type. Again, this gives the indication that majority of the youth mostly rely on their own resources in the operation of their businesses. Among the youth who had benefited from any advice or assistance over the past twelve months with respect to their businesses, about a third indicated that they received such advice or assistance from a good friend whereas 32 per cent indicated a family relation with 18 per cent and 12 per cent indicating acquaintances and close friends respectively as indicated on Table 6.2.

Table 6.2: Source of advice or assistance received by business type

Relationship	Phone sales	Phone repairs	Phone accessories	Airtime	Total
Acquaintance/colleague	19.4	40.0	12.5	11.1	17.6
Family relation	25.0	0.0	41.7	55.6	32.4
Distant friend	5.6	0.0	4.2	0.0	4.1
Good friend	27.8	60.0	37.5	33.3	33.8
Close friend	22.2	0.0	4.20	0.0	12.2
Total	100.0	100.0	100.0	100.0	100.0

Source: Mobile Telephony Survey 2011 (n=354)

The implication of this finding is that for many of the youth, bonding social capital becomes very important when there is the need for advice or assistance in the operation of their businesses and over 78 per cent of the youth resort to close and good friends, and family relations. Bridging social capital in the form of advice or assistance that comes from acquaintances or work colleagues is important as well, but not as important as bonding social capital ties for many of these youth.

Interviews conducted with the youth give the indication that when it comes to advice or assistance beyond the individual means, the first point of call is trusted sources such as close family relation where confidentiality can be guaranteed. More often than not, these trusted sources are exploited before other sources within the network of relations of the young entrepreneurs are called upon. This notwithstanding, some differences were observed regarding the source of advice or assistance sought or discussed over the past twelve months and the type of businesses that engage the youth. Among the phone repairers, 40 per cent reported seeking advice or assistance from acquaintances or colleagues. This can be compared to 19 per cent for those operating phone sales businesses and 13 and 11 per cent for the youth operating phone accessories and airtime businesses respectively. This indicates that although bonding social capital constitutes the most important network with respect to advice or assistance across all businesses, for the youth operating phone repair businesses, bridging social capital is equally

important. This can be explained by the specialised nature of the phone repair business. Some of the more recent phones that are brought for repairs may require specialised skills and knowledge to repair. What the youth in the repair businesses do is to seek advice, assistance or expert knowledge from colleagues or acquaintances in the phone repair business. Moreover, on a day-to-day basis, new technologically advanced phones emerge on the market; yet, not all the youth in the trade have the knowledge or technical knowhow in repairing them. Again, not all repairers have the necessary software for decoding some of the new and technologically advanced phones on the market. Also, the software used in decoding phones is mostly purchased online, but not many of the youth in the repair business have access to credit or debit cards in order to be able to purchase software for decoding phones. As a result, the youth in the repair business have to rely on colleague repairers who have the software for assistance.

Added to the above, the software for decoding is specific to particular phones. In order not to lose customers, the youth accept all phones that are brought to them by customers irrespective of whether they have the required software or technical knowledge for fixing such phones. After accepting these phones, they consult or give the phones to colleague repairers who have access to specific software for fixing such phones. Bridging social capital is therefore crucial for the youth in the phone repair sector when it comes to seeking advice or assistance for business operations as confirmed in the following quote from a 28 year old phone repairer:

Sometimes if I'm not able to repair a phone I don't give it to the repairers around. Rather, I'll give it to my friends I trust to teach me how to repair such phones or repair it for me and I'll give it to the customer after the phone has been repaired. If I give it to the other repairers around, they will repair it, take the money and take my customers and I also don't get the chance to learn as they'll not teach me. When any of my friends is having difficulties in repairing phones, they also bring it to me and we work together. (Sowah, 28 years, phone repairer)

The intense competition and desire to keep hold of one's customers in the phone repair business has made it possible for some of the youth to form working relations with trusted friends through the sharing of technical knowhow and ideas for repairing phones as

exemplified by the statement of Sowah above. Within these working relations, it is not only advice or technical knowhow that is shared, but money obtained from repairing phones through these bridging social capital ties is also shared through giving of what is popularly referred to as *tip*. Under this arrangement, the repairer who initially obtained the phone from the customer gets a relatively larger share of the money paid by the customer depending on the nature of problem that brought the phone for repairs. At times, the money obtained from the customer is shared equally and this is specific to situations where the problem on the phone is of a complex nature that requires considerable period of time or special software to fix. For the phone repair business therefore, bridging social capital ties becomes very important especially when it comes to sharing advice or knowledge of a technical nature.

6.2.2 Social Capital and Access to Business Operating Space

Access to business space is very important for the establishment and successful operation of business among informal sector operatives. Despite its importance, access to business operating space has been identified as one of the key bottlenecks that confront informal enterprises in Sub-Saharan Africa and Ghana to be specific (House, 1984; Anyidoho, 2013) and many entrepreneurs go to great lengths to secure trading space that will enable them operate their businesses. Entrepreneurs operating in the informal sector rely heavily on their network of relations in an attempt to secure access to space for running their businesses.

When asked about how they obtained access to the current premise in which they are operating their mobile telephony businesses, over a third of the youth indicated obtaining access through their close friendship ties while over a fifth cited acquaintances (see Table 6.3). About 18 per cent got access to their current business operating space through family relations while 13 per cent utilised their own initiative and 11 per cent cited the metropolitan assembly or local authority. This finding indicates that bonding social capital ties proves to be the most important

resource for obtaining access to business operating space with over a half of the youth obtaining access to trading space through friendship and close family ties. This notwithstanding, bridging social capital ties as indicated by resources that are obtained through acquaintances of the youth is also important with respect to access to business operating space among the youth, albeit not as important as bonding ties. Linking ties as indicated by resources obtained from institutional sources such as metropolitan assembly or local authority is the least important among the social capital ties with respect to access to business operating space among the youth in the mobile telephony sector.

Table 6. 3: Source of business operating space by gender

Source of business space	Male	Female	Total
Close friend	38.6	18.4	35.8
Family relation	15.3	34.2	17.9
Acquaintance	20.3	34.2	22.3
AMA/local council	11.4	7.9	11.0
Individual initiative	14.4	5.3	13.1
Total	100	100	100

Source: Mobile Telephony Survey 2011 (n=354) $P(x^2)$ significant at 0.01

Ideally, metropolitan or district assemblies are supposed to provide trading or market spaces for traders. However, as observed by Anyidoho (2013), metropolitan and district assemblies such as the AMA and the Madina Zonal Council⁵⁵ which constitute the two local authorities within which the five study localities were located have failed to provide adequate designated trading spaces with attendant amenities that provide a healthy and conducive environment for work by operatives in the informal sector.⁵⁶ Due to the failure on the part of the local authority to adequately provide these trading spaces, most operatives in the informal sector, including

⁵⁵ Under the decentralised system of governance in Ghana, Zonal Councils are units of districts, and districts constitute second-level administrative units, below regions

⁵⁶ These amenities include, among others, electricity at designated trading places, pipe-borne water, toilet facilities and refuse disposal facilities

the youth, rely heavily on their network of relations, mostly involving bonding and bridging ties (Hanson, 2005) while a section of the respondents (13%) also rely on their individual initiative. For this group of young people, because they lack reliable family, friendship and other distant relations to resort to, they tend to rely mostly on their individual initiative as they go about the process of accessing business operating space. The narrative of Alex, 34 years who trades in mobile phone accessories at the Tema Lorry Station is a typical example of how the youth without resourceful networks rely on their individual initiative(s) to obtain access to business operating space. Alex operates from a table-top at the Tema Lorry Station and explained how he managed to secure access to his current business space as follows:

When I needed a place for this business [mobile phone accessories], I have to come here on my own without knowing anyone here. I went to talk to the officials at the station myself and thankfully, I was able to secure this location. (Alex, 34 years, phone accessories)

Alex's narrative mirrors the situation of many young people who find themselves in isolated urban settings of Accra without resourceful networks to rely upon to enable them practice their businesses. In situations where bonding and bridging ties prove difficult to come by, compounded by the inability of the metropolitan and local authority to provide adequate market spaces, many of the youth often resort to individual initiative or what is popularly referred in the literature as self-support thesis (Chigunta, 2006). Utilising individual initiative sometimes involves practicing business at unauthorised locations which consequently results in harassment, loss of business operating capital and extortion of money from the youth and traders generally by the metropolitan or district assembly officials (Anyidoho, 2013).

Although the youth identified bonding and bridging social capital ties to be very important with respect to access to business operating space, a significant relationship was observed by way of gender and source of access to business operating space. From Table 6.3, it can be observed that while the young men in the mobile telephony sector tend to rely more on

friendship ties (39%) their female counterparts tend to resort to family relations (34%) and acquaintances (34%). Customarily in Ghana, husbands, fathers, brothers and in-laws tend to look after or offer support to women especially when it comes to accessing resources for business generally. Stated differently, female respondents tend to enjoy support from family or close relations compared to their male counterparts when it comes to securing access to business operating space. This scenario comes about because of the cultural practice whereby close relations such as husbands, fathers, brothers and in-laws often offer support to female relations who are engaged in business especially in the informal sector. However, this is not to argue that women do not enjoy support from other close female relations in their network as some female respondents did allude to obtaining support from a sister-in-law or mother with respect to access to business operating space. A typical example is 29 year old Patience who recharges mobile phone batteries at Kaneshie Lorry station. Patience explained how she managed to obtain access to her current business operating space as follows:

Before moving to this location, I used to sell second-hand clothing in front of the Fire Service Station at Makola [Market].⁵⁷ When they [AMA] said that they were taking us to Circle, it became difficult for me as I didn't know how the market was going to be like at Circle.⁵⁸ At the time, my sister-in-law was selling over here [Kaneshie Lorry Station] and through my sister-in-law's assistance we were able to contact the station authorities who gave me this place to position my table. (Patience, 29 years, phone recharging)

The statement of Patience reflects those of many female respondents who rely on other female relations and close network of relations in their attempt at securing space for business. Aside gender, a significant relationship was again observed between source of business operating space and the type of facility within which the youth operate their businesses. Not surprisingly, the majority (58%) of the youth who operate hand-held businesses alluded to securing access to trading space through their individual initiative and this was followed by a quarter who

⁵⁷ Makola market is one of the oldest markets in Ghana and located in the Central Business District of Accra

⁵⁸ The AMA constructed the pedestrian Shopping Mall at Kwame Nkrumah Circle in 2006 for displaced hawkers and petty traders in the assembly's 2005 decongestion exercise of the Central Business District (CBD) of Accra, the Kwame Nkrumah Circle and Kaneshie

relied on friendship ties (see Table 6.4). This finding can be explained by the ambulatory nature of operating hand-held phone business. Because they do not have a permanent place of business, the youth stand by the roadside and at traffic intersections in order to approach on-coming customers. At the Kwame Nkrumah Circle Tip-Toe area where a section of this group of young people operate, the youth stand by the roadside or on the pedestrian walkways to ply their businesses in contravention of the metropolitan authority bye-laws⁵⁹. Because trading at places such as streets and pedestrian walkways are prohibited by the metropolitan authority and also due to the ease of getting access to customers by trading on the street and pedestrian walkways the youth without better alternative to operate their business do take the risk through their own individual initiative to operate by the roadside. For the youth who do not have designated market spaces to trade in, but have friends and other family relations who mainly operate on the street, they do contact these friends in an attempt at securing business operating space:

When I started this [phone] business, I didn't have anywhere to sell and I have a former classmate who sells phones at Tip-Toe-Lane. I discussed my difficulty to secure a place to sell and he invited me to come and sell over here. The business has been good since I came here, but the only problem is the Aabayei⁶⁰ people who come to harass us.

Table 6. 4: Source of business operating space by facility type

	Hand-held	Table-top	Glass cabinet	Push-truck	Wooden kiosk	Freight container	Block structure	Total
Friend	25	27.9	35.9	40	45.7	41.7	41.2	35.6
Family relation	8.3	20.6	18.5	0	20	16.7	17.7	17.8
Acquaintance	8.3	26.5	22.3	40	14.3	16.7	35.3	22.6
Local authority	0	13.2	10.7	20	8.6	12.5	5.9	10.7
Individual initiative	58.3	11.8	12.6	0	11.4	12.5	0	13.3
Total	100	100	100	100	100	100	100	100

Source: Mobile Telephony Survey 2011 (n=354) $P(x^2)$ significant at 0.05

⁵⁹ Under the approval of the Ministry of Local Government, the AMA released a new set of bye-laws which came into effect on April 1st, 2011. Under these bye-laws, no person is allowed to sell any merchandise to a driver of a vehicle or passenger

⁶⁰ Aabayei is a Ga phrase literally meaning 'they are coming'. Aabayei is often used among the traders to signal to each other when the AMA officials or task force are approaching

For other business operating facilities such as wooden kiosks, freight containers and store/block structures, the youth tend to rely more on friendship ties and acquaintances which make bonding and bridging social capital ties relevant in this respect. This finding is however not surprising because wooden kiosks, freight containers and block structures are relatively more difficult to access compared to table-top and glass cabinets for instance. As these facilities are relatively difficult to come by in the city, the youth often resort to bridging ties which offer a wide array of resources. As noted by Putnam (2000), bridging networks nurture linkages to external resources beyond the immediate or close networks of homogenous groups or associations often provided by bonding network ties. Because of the difficulties with respect to getting access to land to situate kiosks and freight containers within which business is conducted, the youth who operate in these facilities often resort to friendship ties because of the diverse nature of resources within these ties.

About 40 per cent of the youth who operate their businesses on push-trucks utilised friendship ties and acquaintances in securing access to their current operating space. Most of the youth who operate their businesses on push-trucks are located at Tema Lorry Station in Accra. To operate at this transport terminal, one needs to seek the approval of authorities at the station. Most of the youth therefore got access to the station authorities through their friendship ties already operating business in the station and in most instances are known by the station authorities. For the youth who do not have friends operating in the station, they usually utilise acquaintances by getting in touch with people they do not know or who are not within their close network. These people who were already operating in the station will either direct or lead the youth to the station authorities. By utilising resources embedded in the close and distant ties the youth are demonstrating the significance of bonding and bridging ties. However, the finding runs contrary to Granovetter's (1983) thinking that bridging social capital ties tend to be more resourceful compared to bonding ties.

There was a significant relationship between sources of business operating space by study locality as can be seen in Table 6.5. From the table, it can be observed that 47 per cent of the youth who plied their businesses at Kwame Nkrumah Circle utilised friendship ties in seeking their current business operating space while 23 per cent, 11 per cent, and 8 per cent utilised family relations, acquaintances and the AMA respectively. For Madina, 38 per cent of the youth utilised relations within their acquaintances with 19 per cent, and 14 per cent making use of friendship and family ties and family relations respectively. Fifty per cent (50%) of the youth operating at the Kaneshie Lorry Station obtained access through acquaintances and 23 per cent utilised friendship ties and individual initiative respectively with none of the youth going through the AMA. Forty-four per cent (44%) and 33 per cent of the youth who operated on the Madina-Accra Road utilised friendship ties and individual initiative respectively with none of the youth citing the AMA or local council. This finding is not surprising as street hawking, as earlier noted, is against the AMA bye-laws. This notwithstanding, the finding demonstrates the seemingly limited support that comes from institutional sources or linking ties generally with respect to access to business operating space as against support that comes from close and distant associates or bonding and bridging ties respectively.

Table 6.5: Source of business operating space by locality

	Circle	Madina	Kaneshie	Tema station	Madina Accra Rd	Total
Friend	47.3	18.8	23.1	24.1	44.4	35.8
Family relation	23.3	14.1	3.9	13.8	11.1	17.9
Acquaintance	11.0	37.5	50.0	24.1	11.1	22.3
AMA/local council	8.2	10.9	0.0	37.9	0.0	11.0
Individual initiative	10.3	18.8	23.1	0.0	33.3	13.1
Total	100	100	100	100	100	100

Source: Mobile Telephony Survey 2011 (n=354) $P(x^2)$ significant at 0.001

6.2.3 Source of Capital for Starting and Operating Business

Typical of most funding sources among the youth, and especially young people operating businesses in the informal sector in sub-Saharan Africa, funding sources in the mobile telephony sector among the youth is heavily dependent on own savings or sources. As can be seen from Table 6.6, the majority (74%) of the youth relied on their personal savings in establishing their businesses while 18 per cent obtained funding from family relations and close friends and 4 per cent obtained funding from acquaintances. Put together, less than 3 per cent of the youth secured funding from banks, microfinance institutions and informal money lenders. This finding is again supportive of the self-support or funding thesis which is very much evident in the in the informal sector literature especially among the youth in sub-Saharan Africa and many parts of the developing world (Tripp, 2001; Chigunta, 2006). Although funding from own sources is very dominant, the general finding gives indication of the importance of bonding social capital compared to bridging and linking social capital when it comes to securing funding for business start-up.

Table 6.6: Initial sources of capital for starting business by business type

Initial Sources of Capital	Phone sales	Phone repairs	Phone accessories	Airtime	Total
Own savings/sources	77.2	82.1	75.7	58.3	74.2
Family relations and close friends	16.8	12.8	17.7	26.7	18.1
Acquaintances	2.4	0.0	4.7	5.0	3.6
Informal money lenders	1.2	2.6	0.0	0.0	0.8
Bank	1.8	0.0	0.9	0.0	1.0
Microfinance institutions	0.6	2.6	0.9	0.0	0.8
Goods on credit	0.0	0.0	0.0	10.0	1.6
Total	100.0	100.0	100.0	100.0	100

Source: Mobile Telephony Survey 2011 (n=354) $P(x^2)$ significant at 0.001

By way of gender, about 71 per cent and 75 per cent of males and females respectively utilised their own savings for starting their mobile telephony businesses. Although 24 per cent of males

and 18 per cent of females obtained their initial capital from family relations and close friends, the difference is not statistically significant and 4 per cent for both males and females secured initial start-up capital from acquaintances. These findings are similar to the situation of young entrepreneurs operating in the informal sector in Zambia (Chigunta, 2006). Not surprisingly, reliance on banks, informal money lenders and microfinance institutions was very rare among the youth. Thus, indicating the limited influence of linking social capital ties, although bonding social capital is more important in this respect compared to both bridging and linking social capital ties. In the view of the youth, interest rates⁶¹ charged by financial institutions are too high and the terms of the credit facilities are not favourable enough. This aside, the banks are noted to charge processing fees on loans that are granted to all borrowers including the youth. This makes it difficult for the youth to access funding from these sources.

On the other hand, interviews conducted with some banks and microfinance institutions which was also corroborated by perspectives of the youth gives indication that the focus of banks in assessing applicants have indeed shifted in recent times from credit needs to the debt service capabilities of borrowers. What this implies is that the banks focus a lot more attention on ensuring that borrowers are credit worthy; thereby minimising their risks. This has contributed to stringent measures on the part of many financial institutions; which many of the youth who operate generally in the informal sector find difficult, if not impossible, to meet. Moreover, many of the financial institutions do not have specific packages targeting the youth who operate their own businesses especially in the informal sector. The banks in particular have SME units, in addition to the services offered by many of the microfinance institutions in the GAMA and other jurisdictions across the country. Interestingly, the products offered by these institutions do not specifically target the youth who are mostly treated as risky borrowers.

⁶¹ The Bank of Ghana Annual Percentage Rates (APR) (the true interest rate banks and non-bank financial institutions charge the public on loans and advances) as of December 2011 ranges from 19.66 per cent to as high as 38.02 per cent

The consequence is that many of the youth shy away from approaching the banks and microfinance institutions for funding for their businesses. When asked whether they have borrowed for their businesses over the past twelve months, close to about 85 per cent of the youth responded in the negative while over 77 per cent were not aware of any government, non-bank financial institution and NGO funding for SMEs in the GAMA. This finding gives further credence to the self-generated sources of funding within the informal sector in Africa (Tripp, 2001; Chigunta, 2006) and also gives indication of the limited influence of bonding, bridging and linking social capital ties especially in recent times compared to funds generated from personal savings for starting businesses.

Whereas the few men who have actually borrowed into their businesses borrowed from microfinance institutions and banks, the females actually borrowed from their spouses and boyfriends. What looks attractive to majority of the youth in terms of borrowing is obtaining goods on credit from suppliers to sell and repay at a later date. Despite its appealing nature among the youth, interviews conducted with some suppliers of goods to the young people in the mobile telephony sector revealed that suppliers are not ready to yield to such terms as goods are sold on 'cash and carry basis'. This phenomenon is well captured on an inscription in the shop of 34 year old Frederick who deals in mobile phone accessories at the wholesale level: "For credit, come tomorrow." The alternative for majority of the youth is to rely on self-generated savings or sources for funding their businesses and relying less on their networks.

Taking a closer look at the business types and the sources of funding, some few observations can be made. Many of the youth relied on their own savings in starting their businesses. Over 75 per cent of the youth in the phone sales, repairs and accessories businesses relied heavily on their own savings with the rest relying on family relations and close friends in starting their businesses. For the youth in these businesses therefore, bonding social capital becomes

somehow important compared to bridging and linking social capital ties. As earlier observed, these three business types mostly engage males in the sector. This can be compared to the airtime business where 58 per cent of respondents indicated obtaining their initial sources of capital from their savings while about 27 per cent obtained initial capital from family relations and close friends. As earlier indicated, phone sales, repair and accessories businesses are heavily dominated by men while the airtime business primarily occupies females in the sector. Proportionally, this gives an indication that males tend to rely more on their personal savings or sources while a sizeable number of females tend to rely on family relations and friends in funding their businesses. Nonetheless, this does not in any way deny the fact that self-generated funding in the mobile telephony sector is very strong. If anything at all, the observation gives further credence to the strong sense of self-generated funding in the sector compared to the influence of bonding, bridging and linking social capital ties in funding businesses among the youth.

6.3 Social Capital and Performance of Youth Business in the Mobile Telephony Sector

Having discussed the significance of social capital as far as the process of establishing and running business among the youth is concerned, it is imperative to analyse the performance and the extent to which social capital influences performance of businesses owned by the youth.

6.3.1 Businesses Performance in the Mobile Telephony Sector

Table 6.7 report results of linear multiple regression analysis of business performance in the mobile telephony sector using the logs of sales, profit and profit margin as dependent variables. The combination of these performance measures provides a comprehensive picture of business performance especially among small enterprises (Fairlie & Robb, 2009). In order to ensure that

multicollinearity is not an issue, multicollinearity diagnosis was conducted using STATA (see Appendix 8a and 8b for results).

The regression estimates show education to be important in influencing performance of businesses owned by young people. Using sales as a dependent variable, no educational qualification, BECE and WASSCE were all found to be significant at 1 per cent, but carried a negative sign. This suggests that relative to those owned by young people with higher educational qualifications, sales of businesses owned by young people without educational qualification is 45.7 percentage points less while that of young people with BECE qualifications also fell short by 31.5 percentage points. Again, young people with no educational qualification experience 18.7 percentage points less in terms of profit margin compared with those with higher qualifications, while those with BECE qualification background also make 12.2 percentage points less relative to those with higher educational qualifications. Essentially, the result shows better business outcomes with each higher level of education and this is consistent with previous small enterprise studies that identified business outcomes to have a positive relationship with educational levels of the business owner (Astebro and Bernhardt, 2003; Headd, 2003; Robb, 2008; Fairlie & Robb 2009).

Table 6.7: Results of Linear Multiple Regression with Profit, Sales (Turnover) and Profit Margin as Dependent Variables

Factors	Sales	Profit	Profit margin
Age category (15-19=Ref.)			
20-24	0.419	0.067	0.004
25-29	0.007	0.279	0.146
30-35	-0.016	0.012	0.055
Sex (Male=Ref.)	-0.367***	-0.220*	-0.108**
Marital status (Never married=Ref.)			
Married	1.212	0.125	-0.097
Consensual union	-4.170	0.361	-0.063
Business registered (Not registered=Ref.)	1.612	0.354***	0.057*
Education level (Higher level=Ref.)			
None	-0.457***	-0.143*	-0.187**
BECE	-0.315***	-0.171*	-0.122*
WASSCE	-0.192***	-0.326	-0.075
Business type (Phone sales=Ref.)			
Phone repairs	0.036	-0.188	0.041*
Phone accessories	-0.158*	-0.180*	0.275
Airtime	-0.483**	0.069*	-0.209**
Location of business (Circle=Ref.)			
Madina	-0.092*	0.122	-0.115*
Kaneshie	-0.045**	0.051*	-0.088*
Tema Station	0.478	0.171	0.043
Legon-Madina road	-0.093**	0.052	-0.320**
Facility type (Shop=Ref.)			
Table-top	0.165***	0.107*	0.159
Glass cabinet/Push truck	0.122***	0.061**	0.040**
Hand-Held	-0.482**	-0.054	-0.126*
Bridging social capital (None=Ref.)			
Intermediate	0.126	-0.110	0.115
High	0.068	-0.148	0.126
Bonding social capital (None=Ref.)			
Intermediate	-0.202**	-0.102*	0.211
High	0.454***	0.332**	0.304*
Linking social capital (None=Ref.)			
Intermediate	-0.129**	-0.146*	-0.095*
High	0.092	-0.056	-0.019
Constant	0.097	0.044	-0.032
Sig. * 0.1; **0.05; *** 0.01			
Obs	333	333	333
Prob > F	0.000	0.000	0.000
R-squared	0.3411	0.251	0.217

Source: Computations based on STATA and Mobile Telephony Survey (2011)

The results again show gender to be significant on the sales, profit and profit margin models at 1 per cent, 5 per cent and 1 per cent respectively, but carry a negative sign on all the three performance measures (see Table 6.7). This suggests that female businesses perform poorly compared to males. The coefficients indicate that compared to males, females make 36.7 percentage points less with respect to sales, 22 percentage points less on profit and 10.8 percentage points less on profit margin. The gendered nature of sales, profit, and profit margin can be explained by some differential background characteristics of males and females in the sample. For instance, there were more males with previous business experience compared to females. Nonetheless, this result is similar to other studies which show disparities with respect to sales and profits among enterprises owned by females and males (Robb, 2008; Fairlie & Robb 2009).

Business performance in the mobile telephony sector is dependent on the type of business as the estimation shows airtime and phone accessories to be significant at 5 per cent and 10 per cent respectively on the sales model, but carries a negative sign. This suggests that compared to phone business, sales in airtime is 48.3 percentage points less while that of phone accessories is 15.8 percentage points less. Again, using profit as a measure of performance, airtime was observed to be significant at 1 per cent but carries a negative sign while phone repair was found to be significant at 10 per cent. This means that relative to phone sales, profit among airtime businesses is 20.9 percentage points less compared to phone sales while profit in the phone repair business is 4.1 percentage points higher compared to phone sales. The better performance of phone repair business compared to phone sales is mainly as a result of the high operational cost of running phone sales business. With the phone repair business, one needs to invest in the initial capital outlay such as acquiring business operating space, software, and tools. The software and tools could be used for years before replacement and this makes performance better relative to phone sales, although the phone sales business performs better

compared to airtime and phone accessories. This can be attributed to the high values of phones relative to airtime and accessories.

The regression results again indicate that location matters with respect to performance of businesses in the mobile telephony sector. Using profit margin as a measure of business performance, the Legon-Madina Road was found to be significant at 5 per cent while Kaneshie was significant at 10 per cent and Madina was also significant at 5 per cent, but, all the three variables carry a negative sign. This means that relative to Circle, profit margin among businesses on the Legon-Madina Road performs at 32 percentage points less while that of Kaneshie is 0.8 percentage points less and 11.5 percentage points less for Madina. The better performance of businesses that operate at Kwame Nkrumah Circle is not surprising as the area as earlier noted is the main cluster of mobile telephony businesses in the GAMA and businesses tend to be vibrant there compared to the other localities.

The type of facility from which business is operated was observed to influence performance as the regression results show glass cabinet/push truck to be significant at 1 per cent, 5 per cent and 5 per cent using the sales, profit and profit margin analysis respectively. This suggests that profit among businesses that are operated within glass cabinet or on push-truck is 6.1 percentage points better compared to shops while the profit margin is also 4 percentage points better for businesses operating from glaze cabinets or push-trucks compares to shops. The finding can be explained by the relatively high operational cost of operating in shops relative to the other facilities where rental charges and other expenditures such as electricity are lower or possibly non-existent. For instance, shop owners at the Tip-Toe Lane at Kwame Nkrumah Circle pay business operating permit of GHC300 per annum to the AMA which includes payment for advertising posts or inscriptions in front of shops while Table-top operatives pay GHC30.00. Moreover, the majority of the youth who operate in glass cabinet or push-truck do not incur rental charges, and for those who rent space, the amount paid as rent tends to be

lower compared to that paid by shop owners. Despite these advantages which comes with operating from glass cabinet and push-truck, results of the analysis on business aspirations and growth prospects as discussed in Chapter Five indicate that the youth have intentions of growing their business from either a table-top or a glass cabinet/box/push-truck into a shop. Clearly, many of the youth have not taken cognisance of the relatively high expenses which affect the output of businesses that operate in shops. This notwithstanding, operating in a shop comes with some benefits such as security from AMA officials, the rains, and comfort from the scorching sun which the other operatives do not enjoy.

Recently, concerns are being raised about the increasing rental charges for shops in the metropolis, a phenomenon partly fuelled by the increasing number of foreigners who continue to open businesses in the informal sector in Ghana. Concern about the activities of foreign nationals and their effect on rental charges for shop owners is amply captured by an Executive Member of the Circle Tip-Toe Traders Association as follows:

About four to five years ago, these foreigners were bringing the goods to us. They were selling the goods at wholesale prices, and give us some time, probably two or three weeks to sell and pay back their money. I don't know what happened. Suddenly, most of them started acquiring shops and started competing with us by selling at the retail level. Now, it is difficult to even rent a shop here as the landlords prefer renting to foreigners. (Executive Member, Circle Tip-Toe Traders Association)

Landlords prefer dealing with the foreigners mainly because they tend to have the financial clout to be able to afford the high rental charges. Nonetheless, this brings into question the issue of sustainability of these livelihoods for the young people.

The result again shows hand-held businesses to be significant on the sales model at 5 per cent and significant at 10 per cent on the profit margin estimates, but carries a negative sign on both results. The suggestion is that sales estimates for hand-held businesses is 48.2 percentage points less compared to shops and 12.6 percentage points less with respect to profit margin.

Two explanations can be attributed for this trend. First, the hand-held sector is dominated by airtime businesses which tend to perform the least among the business types in the mobile telephony sector. Secondly, businesses that operate in shops are more organised with respect to proper record keeping and finally, shops are protected from the negative activities of the AMA official in the businesses of traders including young people.

Business outcomes are also influenced by registration as the regression estimates show sales of registered businesses at 36.7 percentage points higher compared to unregistered. Again, profit among registered businesses is 22 percentage points better compared to unregistered while profit margin is 10.8 percentage points better. This result can be explained by the relatively better record keeping practices among owners of registered businesses as against the unregistered.

Linking social capital affects performance of businesses. From the results, businesses owned by young people with intermediate access to linking social capital was found to be significant on the sales analysis at 5 per cent and 10 per cent on the profit analysis, but carry a negative sign on both estimations. This suggests that compared to those without access to linking social capital, sales of businesses owned by those with intermediate access to linking social capital was found to be 12.9 percentage points less. Again, profit margin of businesses owned by young people with intermediate access to linking social capital is 9.5 percentage points less compared to those without access to linking social capital. The majority of the youth with access to linking social are mostly those who have had some support from institutional sources such as banks and other financial institutions. The high interest rates charged by these lending institutions negatively affect the performance of businesses.

Bonding social capital influences performance of businesses as the sales and profit margin analysis shows intermediate bonding social capital to be significant at 5 per cent and 10 per

cent respectively. This shows that sales figures of businesses owned by young people with intermediate access to bonding social capital is 20.2 percentage points better compared to those without access to bonding social capital. Also, profit margin among businesses owned by young people with intermediate access to bonding social capital ties was found to be 10.2 percentage points higher compared to young people without access to bonding social capital.

An interesting observation that came out from the analysis when the social capital variables were interacted with selected covariates as presented in Table 6.8 is the result with respect to gender, as female is significant at 1 per cent under the linking social capital interaction. The result suggests that of the businesses owned by young people with access to linking social capital, profit margin is 1.1 percentage points better for females compared to males.

Table 6. 8: Results of Linear Multiple Regression (interaction) with Profit Margin as Dependent Variable

Factors	Profit margin
Marital status (Never married=Ref.)	
<i>Married</i>	-0.134*
<i>Consensual union</i>	-0.088*
Business registration (registered=Ref.)	0.035
Educational qualification (None=Ref.)	
<i>BECE/MSLC</i>	0.101**
<i>WASSCE</i>	0.014**
<i>Higher</i>	-0.098***
Location of business (Circle=Ref.)	
<i>Madina</i>	-0.100
<i>Kaneshie</i>	-0.086
<i>Tema Station</i>	-0.057
<i>Madina-Accra road</i>	-0.225***
Business type (Phone sales=Ref.)	
<i>Phone repairs</i>	0.383**
<i>Phone accessories</i>	0.260
<i>Airtime</i>	-0.339*
<i>Facility type interacted with bonding social capital ties</i>	
Bonding_Ties #Hand-held	0.110
Bonding_Ties #Table-top	0.235
Bonding_Ties #Glass cabinet/Push truck	0.298**
Bonding_Ties #Shop	0.173***
<i>Facility type interacted with bridging social capital ties</i>	
Bridging_Ties #Hand-held=Ref.	0.269
Bridging_Ties #Table top	0.369
Bridging_Ties #Glass cabinet/Push truck	0.108
Bridging_Ties #Shop	0.058
<i>Facility type interacted with linking social capital ties</i>	
Linking_Ties #Linking_Ties #Hand-held=Ref.	0.199
Linking_Ties #Table top	0.072
Linking_Ties #Glass cabinet/Push truck	-0.013
Linking_Ties #Shop	0.038
<i>Bonding social capital ties interacted with gender</i>	
Bonding_Ties #Male	0.334
Bonding_Ties #Female	-0.021
<i>Bridging social capital ties interacted with gender</i>	
Bridging_Ties #Male	0.237
Bridging_Ties #Female	-0.002
<i>Linking social capital ties interacted with gender</i>	
Linking_Ties #Male	0.323
Linking_Ties #Female	0.011**
Constant	0.085
Sig. * 0.1; **0.05; *** 0.01	
Obv.	333
Prob > F	0.000
R-Squared	0.222

Source: Computations based on STATA and Mobile Telephony Survey (2011)

6.3.2 Discussing Social Capital and Business Performance

Discussion on the results of the performance analysis is focussed mainly on the key variables of interest - bonding, bridging and linking social capital ties as the influence of covariates such as education, facility type, location, and business registration have been expatiated in the preceding section.

6.3.2.1 Linking Social Capital and Business Performance

From the analysis, linking social capital ties was observed to have a negative effect on business performance. This finding is not particularly surprising as majority of the youth who indicated having benefited from institutional support alluded to support in the form of credit facility either from a financial institution or a lending agency. This kind of support or assistance often comes at higher costs due to the high interest rate payments that accompany such credit access. The challenge of credit access as a result of high interest rate charges and its constraining effect on enterprises in the informal sector is well documented in the literature (Asamoah, 2006; Yankson *et al.*, 2010; Yankson *et al.*, 2013). Many of the youth indicated that although it is difficult to come by institutional support such as credit facility from banks or microfinance institutions mainly due to the stringent requirements of these institutions, getting access to credit facility from such institutions serves to constrain their businesses as they have to spend at times more than double the actual amount borrowed in servicing the loan and interest on the loan. There are particular instances cited of individuals whose businesses are on the verge of collapsing and have been taken to court because of their inability to repay loans borrowed from financial institutions or credit agencies. As noted by Tachie, a 32 year old mobile phone dealer, “There’s a young man who owns a shop on this street [Circle Tip-Toe Lane]. I went to guarantee a loan for him from a bank and they have taken us to court because he hasn’t been able to pay the money”. The youth who go in for these credit facilities therefore spend significant amounts of money servicing these loans. The result of this is the sluggish

performance among the youth who have borrowed from institutional sources or through their linking social capital ties. Many of the youth have hence decided against borrowing from financial institutions or credit agencies. Rather, they resort more on their bonding social capital ties when it comes to accessing credit likely to enhance the performance of their businesses.

Although institutional support is generally weak for many of the young people, the youth are also not prepared to take advantage of training opportunities from institutional sources that will facilitate the performance and growth of their businesses. This point was well captured by an executive member of the Circle Tip-Toe Traders Association as follows:

They [the youth] need to be trained, but they wouldn't allow themselves. With this association, we have contacted GUTA.⁶² They are prepared to come in and help us with training that will improve our work. We go to meetings and we do tell them that GUTA is prepared to train them, but they are not interested. (Executive Member, Circle Tip-Toe Traders Association)

Associational life among the youth that can lead to advocacy on the kinds of institutional support necessary to promote growth of businesses among the youth is weak. For instance, over 95 per cent of the youth do not belong to any registered business association; neither do they belong to any informal business association. Consequently, although there is a traders' association, such as, the Circle Tip-Toe Traders Association which occasionally organises training programmes in conjunction with the Ghana Union of Traders Association (GUTA) which is likely to bring about improvements in the businesses of the youth, many of the youth have decided not to associate themselves with the association and to take advantage of this institutional support. In totality therefore, linking social capital ties is not a significant factor in influencing the performance of businesses in the mobile telephony sector among the youth.

⁶² GUTA is the Ghana Union of Traders Association

Another factor which explains the limited role of linking social capital ties in explaining the performance of businesses in the mobile telephony sector is the limited interaction between the youth and institutions. While financial institutions are risk averse when it comes to making credit accessible to young people, which partly explains the high interest rates that are charged by the financial and lending agencies, other national level institutions that engage the youth often do so with their own interests but not with the interests of the youth and their businesses. For instance, while the foremost engagement of the AMA with the youth is to collect tolls, levies and to enforce regulations such as business operating permits and other regulations regarding specific trading places, the Ghana Revenue Authority (GRA) often engage the youth mainly for revenue mobilisation or tax purposes. Generally, there are limited organisations which seek to promote enterprise development especially among the youth in the informal sector. This is not to discount the activities of programmes such as the Local Enterprise and Skills Development Programme (LESDEP) and the Social Development Fund (SDF). However, targeting of these programmes as far as the youth in the informal sector is concerned is limited since the target of these programmes often cuts across various age categories and the coverage as far as the informal sector is concerned is not extensive enough. The result of all these is the limited influence of linking ties or institutional support with respect to performance of the youth businesses studied.

Despite the limited institutional support for the youth, among the few who have benefited from institutional support mainly in the form a loan facility from a microfinance institution or some NGO support, businesses owned by female beneficiaries tend to perform better compared to those of males. This is because most females often utilise institutional support or credit to be specific to either start-up or expand upon an existing business (Asamoah, 2006) while men tend to utilise such support for purposes other than the purpose for which the institutional

support was granted. Women therefore tend to be better at managing resources from institutional sources that enhance the performance of their businesses compared to men.

6.3.2.2 Bonding Social Capital and Performance of Youth Businesses

Bonding social capital ties as earlier explained is captured in the form of support from kinship ties or close family relations and associates (Granovetter 1973; Davidson & Honig, 2003; Kavanaugh *et al.*, 2007; Turner, 2007). From the analysis, bonding social capital is observed to be significant in influencing performance of youth businesses as businesses owned by individuals with intermediate access to bonding social capital tend to perform relatively better compared to those with very little or no access to bonding social capital ties⁶³. Again, businesses owned by the youth with significant or high volume of bonding social capital tend to perform better compared with businesses owned by young people with very little or no amount of bonding social capital ties. This scenario is particularly so, because there is limited institutional support for young people. Consequently, the youth have to resort to support from family relations or kinship ties and close associates while others rely on their individual initiative in generating various kinds of support that will influence performance of their businesses. Support from close family relations and associates which positively impact upon business performance among the youth include capital for starting and operating and advice in operating.

Young people's reliance on bonding social capital mainly through familial ties is an age old phenomenon in Ghana and government seems to have left the social safety net for young people in the hands of families and kinship ties. Some researchers have argued in the era of post structural adjustment and liberalisation policies with tremendous strain on families, that support for young people from kinship ties and close associates have been stretched to its

⁶³ Social capital is found to be significant although the level of significant is at 10 per cent

fullest limits and young people are running short of material resources necessary to exercise economic agency (Clark, 1999). Nonetheless, the findings of the research do indicate that young people are still receiving appreciable amount of support from their close network of relations which influence the performance of their enterprise activities.

This is not to discount the increasing role of self-support as a result of limited support from bonding social capital ties among a section of the youth as revealed in the life course interviews. The evidence is captured by a 31 year old phone accessories dealer as follows: “my parents died many years ago and I don’t have anyone to look up to.” However, it is not only the youth who have lost close relations who expressed the view about the limited support from bonding social capital ties. There are others who currently find themselves in situations where by their close relations or associations do not have resources that they can rely upon in order to propel their businesses or livelihood activities for higher performance. This scenario was echoed by the 24 year old Mavis who trades in airtime: “My parents don’t have the money that I can rely on to grow this business. I have to rely more on myself to grow my business. I have to work extra hard to make more profit from this business.” Consequently, a section of the youth has to rely more on their individual effort in order to sustain their businesses towards the path of profitability and growth.

6.3.2.3 Bridging Social Capital and Performance of Youth Businesses

Bridging social capital ties involve support from individuals who are distant within the network of relations of the youth. Such connections involve connections with acquaintances and distant relations. From all the analysis, bridging social capital ties do not appear to play a significant role in driving the performance of businesses among the youth in the mobile telephony sector. This finding is similar to other observations in South East Asia where bridging social capital ties have been proven to be less influential in propelling the growth of businesses among young

entrepreneurs (Turner & Nguyen, 2005; Turner, 2007). The limited influence of bridging social capital in the performance of youth businesses in the mobile telephony sector can be attributed to the competitive nature of businesses which results in limited collaboration among the youth. The effect of bridging social capital ties depends to a large extent on trust among individuals which has been built over a considerable period of time (Hart, 1985; Turner, 2007). Many of the youth alluded to having more trust in individuals within their close or familial relations than in distant relations or acquaintances. As a result, the youth tend to rely more on such close relations when it comes to business dealings likely to bring about improvements in the performance of businesses.

The only group that demonstrated some collaboration is the youth involved in the phone repair sector, although this collaborative effort was not significant enough to influence the performance of businesses. Nonetheless, the collaborative effort was largely driven by the technical nature of the phone repair business and trust that has been built over long working relations among the youth. This collaborative effort based on trust is supportive of the view in a section of the literature that social capital is a “potentially long-lived asset that is not costless to produce or acquire, but rather may be invested with the expectation of a future flow of benefits” (Policy Research Initiative, 2003, p. 16, cited in Turner, 2007). In situations where the youth encounter difficulties in repairing specific phones that are brought to them, they do resort to their friends that they can confide in and collaborate in repairing the phone. Proceeds from such collaborative efforts are shared between the individuals or parties involved in such collaborated effort.

Aside sharing technical expertise, the youth in the phone repair sector also share software used in repairing phones. This pool of resources through bridging social capital ties among the youth in the phone repair sector often comes about as some of the youth do not have access to the required software for repairing the more sophisticated phones as earlier observed. As a result,

the youth in the phone repair sector often utilise their bridging social capital ties in sharing software needed for repairing smart phones in particular.

The youth involved in the phone repair sector again utilise the bridging social capital ties because at times the nature of the phone repair business is such that one person cannot fix all repair challenges that come with phones that are brought to them. For instance, at times after repairing some of the phones, there is the need to do *flashing* on the repaired phone. *Flashing* as used by the youth basically involves connecting the phone to software on a computer which returns the phone to its factory state. However, not all the repairers possess the skill, the computer or laptop and the necessary software for *flashing*. In a typical phone repair shop therefore, one is likely to come across two young people. While one is involved in actual repair, the other will be involved in either *flashing* or unlocking activity. Because of this interdependent activity of the repair sector, the youth rely more on individuals who are not within their close network of relations, but with the requisite skill base and then collaborate in running the business. Despite this collaboration, trust still plays an important role in facilitating the collaboration. The youth therefore work closely with individuals who are not necessarily in their close or bonding ties, but are people with specific skills who can be trusted.

6.4 Challenges Confronting the Youth in Mobile Telephony Sector

One of the key challenges confronting the youth in the mobile telephony sector is severe competition. About two-thirds of the youth identified the nature of competition in the sector to be very high compared to 14 per cent who thought competition was high and 12 per cent who saw completion in the sector to be moderate. Only 1 per cent of the youth saw the competitive nature of the sector to be low while 6 per cent saw competition to be very low (See Table 6.16). This finding cuts across gender, age and business type. The only variation identified is with respect to study locality. For instance, 77 per cent of the youth who operate at Tema

Station saw competition in the sector to be very high, compared to 74 per cent for those operating at Kwame Nkrumah Circle, 68 per cent for Kaneshie, 53 per cent for Madina and 33 per cent for those operating on the Legon Madina road. This is mainly because the youth who operate at Kwame Nkrumah Circle, Kaneshie and Madina operate mostly at fixed locations as against the Legon Madina road where the operations tends to be ambulatory in nature. There is therefore the tendency for the youth to move ahead of the competition on the Legon Madina road as against the other locations.

Table 6. 9: Perceived Competition by Locality

	Circle	Madina	Kaneshie	Tema Station	Madina Accra Rd	Total
Very high	73.6	53.5	68.2	76.7	33.3	66.8
High	12.1	14.0	13.6	13.3	33.3	13.6
Moderate	8.1	20.9	11.4	10.0	8.3	11.9
Low	1.2	1.2	2.3	0.0	8.3	1.5
Very low	5.2	10.5	4.6	0.0	16.7	6.4
Total	100	100	100	100	100	100

Source: Mobile Telephony Survey 2011 (n=354) $P(x^2)$ significant at 0.05

The intense competition is brought about as a result of ease of entry into the sector as well as ease with which goods are sold. Fields (1990) has noted that a characteristic feature of the informal sector is the free entry to all who wish to enter the sector and find some work to do. This perspective is rooted in the dualist thinking of the informal sector which assumes free entry which attracts excess labour from other sectors into the informal sector (Hart, 1973; ILO, 1972; Chen, 2004). To a large extent, there are no restrictions of entry into the mobile telephony sector. Many of the youth who complete school either at the JHS or SHS levels find it easier to enter the mobile telephony sector as self-employed or work on behalf of others. With the exception of the phone repair business which requires some specialised skills in electronics or software applications, for most of the businesses, no specialised skills are required to enter.

Like most activities in the informal sector, capital requirements for start-up are minimal. For the airtime business for instance, one could easily start work with a few of the airtime denominations, sell and reinvest the profit into the business. Even for the phone sales business which represents the higher echelons of the sector, one could start in hand with a couple of phones, sell and plough back the returns into the business. Stephen, a 32 year old who sells mobile phones in a shop at Kwame Nkrumah Circle started his business with a mobile phone sent to him by a family relation abroad which he sold and used the money as start-up capital in 2004. He stated that, “out of the GHS50.00...., I bought five phones On a daily basis, I would take one of the phones and bring it to Circle to sell.” Ease of entry into the mobile telephony sector therefore makes it possible for many young people to enter and thereby bring intense competition to the sector. Many of the youth have alluded that the competitive nature within the sector, due to the increasing number of people starting up businesses, is driving down sales and profitability.

Perhaps, the most constraining factor which could serve to restrain access to entry for the teeming young people is access to business operating space. For the youth who sell on the street, this is not a very big issue, although officials of the AMA do occasionally harass them because street hawking is prohibited under AMA by-laws which came into effect on April 1st, 2011. A way out for these youth is to bribe the AMA officials. Some of the youth who operate at Circle for instance, indicated having established contact with some of the AMA officials who regularly visit them and through this friendship (which is facilitated by regular bribing) these youth are able to sell their products without much hassle from the AMA officials, thereby making competition in the sector very keen.

6.5 Summary

This chapter has examined youth enterprise activities in the mobile telephony sector, the resources available to the youth as they go about the process of establishing and operating their businesses and the performance of these businesses. Four key business types were identified: mobile phone sales, accessories, and phone repair and airtime businesses. In the process of establishing and operating businesses, the youth rely on various resources including resources embedded in their social relations. However, the Chapter has revealed that the youth are mostly self-reliant due to the limited support from their bonding, bridging and linking social capital ties. Nonetheless, when it comes to business operating space, the youth were found to rely more on their close friendship and family ties, although some gender variations were observed. For instance, while many of the young males tend to rely on their friendship ties females rely on their familial relations.

With respect to social capital and business performance, the chapter has observed that linking social capital has a negative effect on business performance mainly due to high interest rates charged by banks and other non-bank financial institutions on credit facilities that are granted to the youth. Irrespective of this, the chapter has proven that performance of businesses owned by women who have benefited from institutional support perform better compared to their male counterparts. On the whole, the limited support from linking social capital ties has resulted in the situation where by many young people have to rely more on their bonding social capital ties in an effort to grow their businesses. However, difficulties brought about by neoliberal policies have meant that many families are unable to provide young people with the needed support that will boost performance of their business or livelihoods activities. Consequently, the youth tend to be self-reliant.

Focusing exclusively on performance, the chapter observed the phone repair business to perform relatively better compared to accessories, phone sales and airtime mainly due to the

relatively low operational cost of the phone repair business. With specific reference to location, businesses located at Kwame Nkrumah Circle perform better compared to Tema Station, Kaneshie and Madina as the Kwame Nkrumah Circle area has gradually developed into a hub of mobile telephony businesses in the GAMA. Finally, businesses operating on table-top perform better compared to shops due to relatively high cost of operating businesses in shops.

CHAPTER SEVEN

YOUTH LIVELIHOODS IN THE MOBILE TELEPHONY SECTOR AND THE TRANSITION TO ADULTHOOD

7.1 Introduction

This chapter addresses the third objective of the study: to investigate how engagement in business in the mobile telephony sector influences the transitions of the youth to adulthood. The chapter argues that the youth may not appear as much of a “lost generation” as have been portrayed in a section of the literature, but are experiencing some positive gains in social mobility as a result of their engagement in business in the mobile telephony sector.⁶⁴ The discussion is structured into five sections: Section 7.2 presents reconstructed biographies of four selected youth with particular focus on transitions in the life course. Drawing on Gidden’s (1991) construct of ‘fateful moments’ and Thompson *et al.*’s, (2002) concept of ‘critical moment’ as analytical tools, Section 7.3 follows up on the selected biographies by discussing the key events shaping transitions in the life course of the youth followed by a discussion on the extent to which business in the mobile telephony sector influences transitions in the life course of the youth. The final section summarises the chapter.

7.2 Youth Transitions to Adulthood – Selected Biographies of Youth Involved in Business in the Mobile Telephony Sector

In all, twenty-five biographical interviews were conducted over a two-month duration in addition to fifteen young people whose life trajectory was tracked over a period of three years. In the analysis however, six cases that best represents the totality of the biographical interviews and the life trajectory tracking have been selected. These cases were carefully chosen to include a youth who has gone through formal institutional training in mobile phone repairs

⁶⁴ See for instance, O’Brien (1996: 56-60) who characterised the youth as a “lost generation” and Vigh (2006, p. 43) who captured the situation of the youth as a ‘social moratorium’

conducted by RIg Communications.⁶⁵ Other criteria include gender, business type, age category and the number of years in the sector.

The biographical interviews were personally conducted by the researcher and with the consent and approval of respondents digital recorders were used to record the interviews. Respondents were very open in sharing their biographies essentially due to the trust that the researcher had built with the respondents over the course of the study. On rare occasions where a respondent refused to accept the interview to be recorded, the services of a research assistant was used in note taking. All interviews were transcribed prior to the analysis.

In the following, the six cases are presented and attention is focussed on the key events, incidents or moments that have shaped transitions of the youth including factors culminating in business establishment in the mobile telephony sector. Attention is also focussed on significant transitions or milestones that have been achieved by the youth as a result of running their own businesses in the mobile telephony sector. It should be noted that pseudonyms have been used in order to protect the identity of respondents.

Stephen

I met Stephen for the third time during the early business hours of the day; he appeared smartly dressed in a striped blue and white shirt with black trousers.⁶⁶ Perhaps, his appearance reveals the vibrancy and the positive spirit with which he is starting the day and his whole approach to his business as he cleans the dust particles off the phones on display in his shop. He trades in mobile phones at Kwame Nkrumah Circle in Accra. Stephen's case illustrates the non-synchronicity of transitions (Langevang, 2008; Johnson-Hanks, 2002), as he traverses the life

⁶⁵ RIg Communications is a Ghanaian-owned Limited Liability Company which is engaged in the production of communications equipment such as mobile handsets, electronic notebooks, tablets, laptops, LCD TV monitors among others

⁶⁶ The first encounter was during the listing exercise and the second encounter was during the survey work

course from different positions of highs and lows before finally landing into the mobile telephony sector which seems to have instilled some amount of agency in his life.

Stephen is 32 years old and was born in Kumasi in the Ashanti region of Ghana, but grew up in Accra. Interestingly, his father who was a contractor had emigrated outside the country, as many professionals did in the late 1970s and 1980s due to the difficult economic circumstances in Ghana at the time. In 1984, his father returned to Ghana for good, but decided to settle in Accra after buying a property in the city. As a result, Stephen and his mother moved to Accra to settle with his father. Stephen's parents did not stay together for long though, and they separated when he was only seven years old. He stayed with his father who got married to another woman after the divorce.

Stephen's educational background was straight forward as he went through primary, junior and senior high schools in Accra without repeating a class while living with his father, stepmother and siblings throughout the period. His final SHS results were not good enough however to enable him to proceed further with his educational aspirations. As a result, at the age of 18 years, he started working in his father's construction company as a labourer – a position he occupied for three years before being made a supervisor on site. During this period, his father's health started deteriorating and the company had to fold up eventually as his father did not have a clear succession plan for the company. The father's ill-health and consequent fold-up of the company brought a fundamental change in Stephen's life course as he had to fend for himself.

With the little savings he had accrued from working for his father, Stephen rented a parcel of land at Mamprobi – a suburb of Accra, where he started operating a car washing business. He described the strenuous nature of the car washing business as follows: “In fact, the [car]

washing bay was not an easy job because we were running everything by man power - be it fetching water, lying under the vehicle and we even wash engines with our hands.” Stephen operated the car washing business for over a year and the business brought some amount of stability into his life. All seem to be going well for Stephen at this stage, but all of a sudden, a critical event happened which turned his life course to one of the lowest ends that he could recount. The owner of the land on which he was operating the car washing business demanded the land back as he needed it for development. Stephen described the period following the takeover of the land and consequent loss of his business as follows:

That was the most difficult challenge in my life. After losing my business, life really went very bad. I was in the house and I had no work to do. I come to town to look for a job, but it doesn't work out and then I go home. It was a very frustrating period in my life.

Stephen stayed at home for close to two years enduring the frustrations and difficulties typical of many young people in the city of Accra as they move about in search of jobs (Langevang, 2008). On one of his errands in town looking for work, a critical event occurred in 2004 which fundamentally altered Stephen's life course. He met a friend at Kwame Nkrumah Circle who had come there to buy a mobile phone. He narrated the events after meeting the friend as follows:

When I saw him [the friend], he told me that he was looking for a phone to buy. I had no money on me at the time, and one of my sisters had sent me a phone from London which I had on me. It was Nokia 3310, I remember. I sold it to him for GHC50.00 at the time. There was a man across the street holding two phones. I asked if I could buy one of the phones and he told me he was from Togo and he had brought the phones to sell. I asked how much he was selling the phones and he said one was going for GHS 8.00. Out of the GHS50.00, I could get at least 5 phones. I bought five of the phones from the man and took them home. On daily basis, I would take one of the phones and bring it to Circle to sell by the roadside. I sold those five phones in a week after which I realised that the phone business was good. I used all the money including my profit to buy new phones and that was how I started this phone business.

The statement shows the haphazard and uncoordinated nature of entering business for a section of the youth. Nonetheless, with the little amount of money that was coming into the business,

Stephen was able to rent a glass box in which he displayed the ten phones he had at the time by the Circle-Achimota road in front of the Vodafone building. Within a few months, Stephen was able to buy the glass box he had been renting and “that was when the business actually took shape”, as he put it. Not too long after establishing himself in the phone business, another critical event occurred which brought significant improvement in Stephen’s life course and the business. He described the incident in the following:

An incident happened in my life in 2005 that completely changed my life, but since then I have not been able to see the person involved in this incident. It was one lady who came from the UK. When she came, she had about 40 phones. It was just sheer coincidence because I was just sitting there when she came to me and told me that she had phones to sell. I didn’t have enough money to buy all the forty phones so I took her to someone who had money to buy. When we got to the guy, she told me frankly that looking at the guy she didn’t feel he was someone she could do business with. Instead, she told me to sell the phones and she would come for her money later. I was able to sell the phones within three weeks and I gave her the money.

The incident shows the significance of distant individuals in the life course of the youth. Through this transaction however, Stephen was able to expand his capital base as he reinvested the profit into the business. Stephen’s life course after entering into the phone business is not all about highs, there are nadir experiences as well. One such low point occurred in 2007, when the AMA undertook a decongestion exercise on the Kwame Nkrumah Circle-Achimota Road where Stephen was then operating by the roadside. Reconstruction works had just been completed on the road and the AMA undertook one of the numerous decongestion exercises to get rid of traders who sell along the side of the newly reconstructed road. The decongestion exercise brought Stephen’s business to a standstill and he recounted the difficulties during the period:

When the decongestion exercise came up, the AMA officials evicted all the traders by the roadside. The AMA didn’t give us anywhere to sell and that was very difficult. All my phones were at home in a bag. I would come here and walk around and if I meet a customer, I would go with him somewhere and sell to him.

The statement shows the impact of the city authority in the businesses of many young people. In an attempt to find a suitable place to sell his phones, Stephen gave GHC120.00 to the leadership of the traders association who had promised giving the traders allocations at the Kwame Nkrumah Circle area. This promise never materialised and Stephen lost his money. Consequently, he had to come to Kwame Nkrumah Circle daily with his phones in his bag and loiter around in search of people in need of mobile phones to buy. At times, he had to take the risk by selling at places designated by the metropolitan authority as illegal to trade. In 2008, the AMA subsequently constructed shelves and allocated it to the traders. Stephen had to use GHC500.00 of his capital to pay directly to the AMA in order to acquire a permanent place where he now sells his phones in a small container. However, the amount spent in acquiring the space to operate his business is money worth spending as he indicated that, “After getting this place, I’ve become very stable and every time, people come here, I am here. It is unlike the days when I was selling on the street. Since I moved here, my business has been developing faster than before.”

When I asked Stephen about some of the specific achievements as a result of running of running his own business in the mobile telephony sector, his response reflects the agency he now exercises in his life and some responsibilities he has been able to assume in his life.

What can you say has been specific achievements that you have made from running your own business in the mobile phone centre?

Through the business, I’ve been able to acquire this place [current business operating space] and things are looking in the upward direction for me and that's one. Secondly, through this same business, I was able to acquire a plot of land at Botiano last year and I’ve started building my own house.⁶⁷ As a result of this business, I’m able also to take care of my mother who is not working, and I pay school fees for my younger siblings from this same business.

⁶⁷ In Ghana, housing is acquired on an incremental bases and this could take as long five to ten or in extreme cases, a whole working life for one to complete a housing development

Looking into the future, Stephen summed his aspirations as follows: “I see a very bright future for myself, if I’m able to handle this business well. Everything is looking bright for me. With this business my destiny is in my hands.”

In the next five to ten years, he hopes to complete his building and move into his own house as he is currently renting. Interestingly and as a common aspiration among many young people in Ghana, Stephen has intentions of traveling outside the country.⁶⁸ However, this travel intention is directly linked to his current business as he aspires to travel to Europe and East Asia to import mobile phones into the Ghanaian market.

Stephen’s case has demonstrated the unsteady and fragmented path towards adulthood among the youth in the GAMA. The case highlights the multiplicity of events or incidents that are shaping the transition of the youth as they strive towards achieving the status of adulthood. While some of these events fall within the purview of the youth, others, such as losing the land on which a person’s business is operated, completely fall outside the control of the youth. In the midst of the fragmented and unsteady path towards achieving the status of adulthood, the case has further demonstrated that running his own business in the mobile telephony sector has instilled some amount of agency to his life course and Stephen is able to assume responsibilities such as acquiring a land, building a house, and taking care of his parents and siblings.

Jane

Jane’s case essentially demonstrates the importance of risk taking, opportunity, and making informed choices and their consequential nature in defining the life course. In another realm, the case demonstrates complexities in youth transitions to adulthood and the strong desire to

⁶⁸ See also Langevang (2008).

make meaningful headways in the life course through the assumption of multiplicity of roles involving education and work. Jane is 24 years old and trades in airtime at the Kaneshie Lorry Station. Although she has had varied range of business experiences mainly acquired through working for her mother, she started her mobile telephony business three years ago. Jane was born in Côte d'Ivoire in 1988 to Ghanaian parents, but had to move to the Central Region of Ghana with her parents in 1992 as a result of an African Cup of Nations final football match between Ghana and Côte d'Ivoire which brought about tension and pockets of violence between the two countries. At the age of ten years, a critical event occurred in Jane's narrative which fundamentally altered her life course. After a short illness, Jane lost her father and she narrated the consequences of this event as follows:

My dad was a principled and disciplined person. After my dad died, we grew up with our mum alone and we were doing whatever we like because there was no man at home to control us. When we vacate, I would just come to Accra to sell, not because my mum couldn't help. I felt that my friends were coming to Accra to sell so I would just follow them here, sell and go back. I never really took my studies serious. I still feel that had my dad been around, I would have been out of the university or probably be in level 300 by now.

While in SHS, two critical events occurred in Jane's life course with contrasting effects.⁶⁹ The first of these incidents which comes close to Giddens' (1991) fateful moment occurred in 2009 when Jane was accused of stealing an amount of GHC 80.00 from the store room in her dormitory. She happened to have had momentary access of the key to the store room prior to the money getting missing. The key was however given to her by one of the store keepers to be given to another teacher. She did give the key to the teacher, but after a short while, the money was found to have gone missing from the room and she was accused of stealing the money which she denied. Unfortunately, the news spread in the school and some of her friends started calling her a thief. After this incident, she was not attending classes and as the final exams approached, she had not prepared enough to write. Eventually, she had to attend another school

⁶⁹ Jane attended a boarding school for her SHS

and repeated a class before writing her final exams. Unfortunately, the results were not good enough to enable her further her education.

The second event which falls squarely under Giddens' (1991) fateful moment occurred when Jane was in SHS form two. Her brother who was responsible for paying her school fees had travelled and she was not allowed to attend classes because she had not paid her school fees. A gentleman who stayed close to the school after questioning her about why she was not attending classes gave her GHS120.00 for the school fees. The man refused to accept the money back when her brother returned and gave her the fees. Jane could have returned the money to her brother, but she did not. Instead, she decided to start a business with the money while in school:

While in school, I had always wanted to engage in something [business] that I don't have to get out of the school to sell. Some of my friends were having phones secretly. They don't sell credit in the school and you can't go out and that was how I started this business. When someone was going out, they asked her to buy credit so I thought why don't I bring some to the school to sell?

After selling airtime in the school for a while and discovering that it was profitable, she decided to engage the services of a family relation to manage the business in order to avoid being expelled. Jane noted that through her business, she has been able to mobilise money to initiate renovation of her family home in the Central Region in 2010. She started the renovation work by buying five bags of cement, before her uncles came in to support the exercise. She described the house and the fulfilment of getting this house renovated in the following:

The house is a six bedroom mud house. Even though it was in the village it had always been my dream since childhood to develop the house into a good shape. I got some money from my business and I bought five bags of cement to renovate the house. This has changed my house into something different. At first, the house was just a normal village house. Now, it has changed with a wall around it and looking very nice now. I feel very happy whenever I go there.

Not only has the renovation of the family house brought joy to Jane's life, she also narrated some of the responsibilities she has been able to assume as a result of running her own business in the mobile telephony sector as follows:

I feed myself from this business and I get a little to give to my mum at the end of the month. I've always had the good feeling of helping the children in my village. Every year when I go for the Akwanbo festival, I throw a little party for the children.⁷⁰ There's this slippers that is sold for GHS1.50 and in the course of the year, I buy the slippers in bits with second hand clothing. I share these items to the children at the party. That's what I do every year with the little I get from my business and this makes me feel very happy.

This shows that not only do the young engage in business for survival aims, but also respect. Jane further noted that she supports a JHS pupil who is a family relation with school fees. Again, she has been able to rent a small portion of land at Swan Lake in Accra. Although Jane described the area as a slum, she has been able to put-up a wooden structure on the land and that is where she is stays. Though the landlord is threatening to increase her rent from GHC5.00 per month to GHS10.00, she has vehemently vowed to resist this increment.

On the whole, Jane's case demonstrates the risks as well as opportunities that confront many young people in the GAMA and the choices they make and the consequential nature of these choices. Some of the risks, opportunities and choices that are made by the youth come with major consequences. An example of this in Jane's narrative is the decision to engage in business while in school. Although a clear opportunity had been identified as some of the students use mobile phones and they need airtime to top-up their phones, she did not weigh the consequences of embarking on these risks, which could lead to expulsion from school which could bring about far more disastrous outcomes in the life course. The case shows how the youth may decide to embark on risky ventures. Finally, the case demonstrates that in their own

⁷⁰ Akwanbo festival is an annual festival celebrated in the month of August by the chiefs and people of Agona Nyakrom and Agona Swedru in the Central region of Ghana

small ways, the youth through their business are able to assume responsibilities for themselves, such as, taking care of themselves and also taking care of family and other relations.

Patricia

Patricia's case demonstrates the difficulties that young women especially go through after unplanned pregnancy without the support of a father. The case is also illustrative of how one's network of relations does influence the life course and young people's transitions generally. Patricia sells airtime at the Kwame Nkrumah Circle. She is 31 years and was born and grew up in the Brong Ahafo region of Ghana. Patricia completed JHS and although she passed her final exams, she could not further her education as her family background is poor. A series of critical moments occurred in Patricia's life within the first three years of completing JHS which fundamentally altered her life course. A few months after completing school, she entered into a relationship with a gentleman and became pregnant. Three years after delivery, Patricia lost her husband after prolonged illness. She described the period during the illness and death of her husband as follows:

I had not married before, and I had to take care of a sick person as young as I was at the time and he finally died. He left me with a very young child who was just about 3 years old. I suffered a lot. He had a shop but due to the illness we had to spend all the money we had on his treatment. Finally, I resorted to gathering firewood from the bush to sell before we could get some money to buy food. The sickness really made me suffer (Patience, 31 years, airtime business)

With the help of her sister, she migrated to Accra to work while leaving the child in the care of her mother. Patricia engaged in series of odd jobs such as caring for a 75 year old stroke patient, frying plantain for someone, and petty trading. This period was equally difficult as the income from these jobs were hardly enough to survive. In an attempt to improve her situation, she kept moving from one job to another although these changes did not bring the desired results with respect to improvement in her life course.

In the midst of her difficulties, another critical event happened in Patricia's life which further complicated her already complex life course. Patricia entered into another relationship while in Accra, moved in to settle with her partner, and got impregnated, before realising that her partner is married to a lady who stays outside Accra. Patricia entered the relationship with the hope that the relationship could bring about an improvement in her situation, but regrettably her partner abandoned her after she confronted him over his marital status. Patricia's partner has refused to take responsibility for the upkeep of the child and thereby creating the situation where by Patricia has found herself taking care of two children without a father, and a decent job that pays well. This shows the difficulties women face when entering a relationship with men who are not trust worthy.

After doing several odd jobs, Patricia got a job managing an airtime business for someone at Kwame Nkrumah Circle. During this period, a critical event occurred which has altered her life course and the fundamental meaning that she attaches to herself. Patricia met a male friend who trades in mobile phones at the Kwame Nkrumah Circle. Through the assistance of this friend, Patricia got to know about an MTN scheme where airtime vendors register with the company and they are supplied airtime at wholesale prices which they sell and repay after the sales.⁷¹ However, for the registration process to be completed, interested venders have to come with a guarantor. The friend who gave Patricia information about the scheme guaranteed for her which enabled her to sign on with MTN. Patricia talked about the changes that have come into her life since starting her mobile telephony business as follows:

I never had money to trade. Since I completed the forms with MTN, I now have my own business. I'm now able to do all that I want to do, and also able to pay school fees for my children. This has made me very happy. Since I started with MTN, I'm able to do susu.⁷² I now sell face towels in addition to what I'm

⁷¹ MTN is the biggest mobile telephony operator in Ghana with a subscriber base of about 11 million

⁷² Susu, as has been used refers to informal savings scheme run by a microfinance organisation which gives operators limited access to credit facility after a period of saving on the scheme.

doing now. It wasn't like this before. It has brought a lot of changes in my life. Prior to this business, I couldn't even take care of my children. There was no help either from behind or in front. I had to fight for myself. However, now I can see improvement in my life.

Again, this shows the impact of individuals outside one's close network of relations can have in the life course of the youth. After long period of staying with friends and sleeping on people's verandas, Patricia has now been able to rent a room. She paid a two year rent advance payment of GHS 720.00. She has also been able to buy some nice clothing for herself.

Regarding her future aspirations, Patricia wants to expand the business gradually into a shop and expand the range of products she deals in as well. This will enable her give her children better education in order not to go through the difficult experience she went through. Her greatest fear is the temptation of mismanaging the small amount of money that currently comes to her.

Alex

Alex's case which comes from the perspective of a phone accessories dealer demonstrates the complexities in young people's transitions and how social capital plays a critical role in shaping transitions of the youth. In the midst of the complexities in the life course, the case again exemplifies how running business in the mobile telephony sector does instil tremendous amount of agency in the life course. The case is replicated with series of critical events, but Alex has been able to successfully turn these critical events into positives in the life course. Alex is a 34 year old who trades in phone accessories at Tema Lorry Station. He grew up in the Central region, but by JHS 2 he had lost both of his parents and he had to migrate to join his brother in Accra after completing JHS as his results were not good enough to enable him go further in education. However, losing both parents at such a tender age has rather given Alex the confidence to put all his efforts into his business as he has no one to call upon in times of difficulties.

While in Accra, Alex started petty trading in insecticides. After engaging in petty trading for a couple of years, he realised that he was not earning much income and needed to learn a trade. After successfully completing apprenticeship training, Alex started working as a tailor but the income he was earning from the tailoring business was far less compared to what he earned while working as a petty trader. Consequently, he decided to go back to the petty trading business.

One of the greatest influences in Alex's biography is a pastor he came into contact with in Accra after being introduced to the church by his brother. Through the pastor's sermons, Alex has inculcated the habit of saving from every little that comes to him. He also learnt the trait of managing friendship, not engaging in womanising and the strong belief in God and one's self. These values are what guide Alex in his daily relations with people and through his entire approach to life.

Alex has always had the ambition of travelling abroad as many young people in Ghana aspire to better their lives. To realise this ambition, he had been saving money over the years from his petty trading business. By 2002, he had been able to save GHS150 which he was going to use to pay a 'connection man' who would help him travel illegally to Libya.⁷³ He had indeed informed close family relations about his travel ambition and even set date to embark on the journey. However, an incident which comes closest to Gidden's fateful moment occurred in Alex's life which confronted him with series of choices with several consequences. Just about the time he was going to pay the money to travel, his girlfriend got pregnant. Having weighed the various options confronting him, Alex decided to put his travel ambitions aside and use the money to cater for the pregnant lady and the unborn child. He saw his entire world crushing on

⁷³ A 'connection man' is an individual who facilitate traveling outside the country for interested persons mainly through illegal procedures

him as he decided not to travel to Libya. In 2007, the little girl died at the age of three year after a short illness. He narrated the situation that confronted him as follows:

That was the saddest day in my life and I will never forget this event. Anytime I pass by the Korle Bu Teaching Hospital, I remember my little girl. I loved her dearly and had my hopes in her that at least, if I had not travelled and things didn't go well for me [in Ghana], she would be the evidence of my sacrifice and the legacy I would leave behind.

Two years after the loss of his daughter in 2009, another major turning occurred in Alex's life when he fell ill and had to undergo a major surgery and then stay at home for about nine months recuperating from the surgery. As he was unable to work, he had to live on the little capital he had on him for the petty trading business. During the recuperating period, a friend who was engaged in phone accessories business visited him at home and having observed the difficult situation Alex was going through, introduced him to the mobile phone accessories business. After recovery from the surgery, through the assistance of his friend, Alex started his mobile telephony business with a personal savings of GHC70 and an amount of GHC50 given to him by his sister. He described his illness as moving him "from a low-earning job to a high-earning one." Alex narrated how his life has changed completely after going into the mobile telephony business as follows:

In the first place, this work has enabled me to perform the necessary rites of marriage for my wife. Secondly, it has helped me purchase a piece of land, on which I am building my own house. Thirdly, it has given me some form of security. Unlike in the past, when I easily feared for my life, I feel more secured now. This business has helped me in a lot of other ways as I can say that I now have financial freedom.

Alex's future aspiration is to grow the business from a push-truck into a shop or freight container where he will be travelling outside the country to import mobile phone accessories. His greatest fear is the AMA driving them away or serving them with notice of eviction to vacate the Tema Lorry Station in Accra, a situation he fears will shatter his dreams and future

aspirations. This notwithstanding, the case shows the significance of bridging social capital in helping young people move up the social ladder.

Agya

Agya's case demonstrates the influence of social capital in the life course of the youth and the negative effect of structural constraints on young people's transitions. Agya is a 32 year old male who has been working in the mobile phone sector as an employee as well as a business owner for the past ten years. Currently, he trades mainly in mobile phones. Agya dropped out of school at primary school class six due to poor academic performance and through the assistance of his brother-in-law he migrated to Accra from Asante Bekwai in the Ashanti region of Ghana.⁷⁴ Agya was 12 years when he migrated to Accra and he lived with his brother-in-law for close to ten years during which he worked mostly as a sales assistant in his brother-in-law's mobile phone shop.

A critical event in Agya's narrative is marriage. When he decided to get married aged 23, his brother-in-law gave him a loan of GHC 500 to start a business of his own. Even though he was not expected to repay the loan, he indicated that he was able to repay his brother-in-law within a year after successfully establishing his own mobile phone business. Life was going very well for him, with his wealth of experience in the mobile phone sector as well as the support and assistance from his wife and father-in-law, Agya was able to grow and expand the business by opening another branch at Madina. He narrated the positive turnings in his life as a result of getting married in the following:

I would say that my life completely changed when I got married. After the marriage, my father-in-law gave me money which I used to expand my business and the business was flourishing. When you get married, there are several things that you stop doing such as going out with friends to drink and going after women which make you waste money. With the little amount of

⁷⁴ Primary six is equivalent to 6 years of schooling

money I get, I reinvest into the business and the business was growing very fast.

All seems to be going well until 2007 when a critical event occurred in Agya's life course. A good friend of Agya introduced him to his brother who was staying in the United Kingdom to supply him with mobile phones. On a couple of occasions, the gentleman was able to supply him with mobile phones worth over GHS5000 which Agya was able to sell and repay. A business relationship therefore developed between Agya and the brother of his friend and the gentleman became supplier to Agya. However, on one occasion, the gentleman demanded that Agya send him an amount of GHS8000 to enable him supply the next consignment of mobile phones. He noted that because of the previous business transactions and the fact that the supplier is a brother to a good friend of his, he gave in to the request by transferring the amount of GHS8000 to the gentleman in the United Kingdom. Unfortunately however, the gentleman failed to honour his part of the agreement and several phone calls did not yield any positive result:

When he received the money, he called to confirm receipt and promised sending the goods, but he didn't and till now, I have not heard from him again. Whenever I call him, he doesn't answer. His brother who is my friend is here and he was with me when I went to send the money. I couldn't call the police to arrest him because he's my friend and I don't think he would be able to pay me my money. (Agya, 32 years, phone sales)

This shows how individuals can negatively impair on the business of young people. Agya lost a significant amount of his working capital through this failed transaction and this resulted in the closure of his second outlet as he did not have money to keep the shop running. Having lost his capital base, Agya had to start all over again in an attempt to rebuild the business, but he indicated that he had not been able to fully recover from the loss. In an attempt to get his business on track, Agya borrowed money from a friend and he started travelling to Nigeria to import mobile phones and other accessories. He was able to travel to Nigeria on two occasions to import phones; however he ran into loses due to the depreciation of the Cedi to other

currencies such as the CFA, Naira and the US dollar. He narrated the effect of the Cedi depreciation on his business as follows:

When the currency [Niara and CFA] goes high like that and your money is small, you can't go again. If you go and take things, you would make losses. The rich people have gone for the goods in bulk packages and would sell them at cheaper prices. Those of us who travel to import small quantities make losses. What we do now is to buy from them. (Agya, 32 years, phone sales)

Agya noted that his business is not doing very well and life has become difficult as he has to pay school fees for his two children and maintain his household. Despite these challenges, Agya has strong ambitions of turning things around by injecting money into the business. What he is not very clear about is where the needed amount of money is going to come from in order to revitalise the business. As typical in many of the cases, a successful transition in Agya's life course is very much tied to successful operation of his business. Whenever the business is going well, the life course takes a positive turn. On the contrary, during periods when business is not doing very well, the life course is stagnated or takes a negative turn.

Bernard

Bernard is 17 years old who has completed SHS, typical of a number of young people currently running their own businesses in the mobile telephony sector.⁷⁵ He stands out as an example of how young people struggle to raise capital in order to be able to start business even though they have been able to successfully go through the skills acquisition process. The case again demonstrates the difficulty of institutional support for young people and the sustenance of this support base.

On completing SHS, Bernard obtained three passes which could qualify him for admission into a polytechnic institution. However, three passes were not good enough to enable him make the transition to the university. Although he had the ambition of furthering his education at the

⁷⁵ Agya represents one of the ten young people whose life trajectory was tracked in the course of the study

polytechnic level, he could not fulfil this ambition as his parents were unable to mobilise the necessary funds to enable him enrol. Having been at home for close to half a year, with the assistance of a close friend, Bernard got to know about an Rlg Communications training scheme in mobile phone repairs which was being sponsored by a Non-Governmental Organisation. Although it was not what he had intended to do after school, he took up the opportunity presented to him because he was idling at home. His interest in mobile phone repairs really took shape after he started the training.

Having successfully completed the training in the year 2010, Bernard was confronted with the difficulty of raising capital to be able to acquire the necessary tools and equipment to start operating a mobile phone repair business of his own. He indicated that the NGO in charge of sponsoring the training had promised to give all trainees the necessary tools and equipment to be able to start-up their own mobile phone repair businesses after the training programme; however this promise is yet to be fulfilled. He lamented on this unfulfilled promise as follows:

While training, they [NGO] told us they would give us all the tools and equipment to start business, but unfortunately, when we finished, they did not give us the tools. When we went to ask the heads, they told us that they would give it to us. Up till now, they have not given us the tools and that is why I have not been able to start the business. (Bernard, 17 years)

Because he could not mobilise funds to start a business after the training, Bernard went into a series of jobs – teaching children in the neighbourhood, working for a paint manufacturing firm etc. all with the objective of saving money in order to buy the necessary equipment and tools to start a mobile phone repair business. He managed to save some money through these activities, however, he had to pay his former school outstanding fees in order for his SHS certificate to be released.

Currently, Bernard is assisting his aunty who trades in food items at the Agboglobshie market in Accra central in addition to teaching children in his neighbourhood, all with the objective of

building a capital base in order to start his mobile telephony repair business. An important moment which falls in the category of Giddens's fateful moment is the advice he received from his mother's friend to start teaching children in his neighbourhood as he was doing nothing at home after undergoing the Rlg training. Thus, through this teaching activity, in addition to assisting his aunt in the market, Bernard is able to earn some income which he intends to use to set up his phone repair business. Added to the above, Bernard has been able to wean himself from his parent's support in terms of daily upkeep, although he still resides in his parent's house as he is not able to afford the cost of renting a room on his own.

Another significant influence in Bernard's biography is the training he received at Rlg. Although he is not directly running his own mobile telephony repair business, he noted that the training has enabled him to acquire computer skills which he is also impacting on the children in his neighbourhood and he sees that as a fulfilled need as he has always had the ambition of learning computer hardware. Although not currently operating his own mobile telephony repair business, Bernard has a strong ambition to open his own mobile phone repair business after he had been able to save enough money to be able to start-up. Nonetheless, the case shows problems and training not leading to jobs among young people.

7.3 Critical Events Shaping Young People's Transitions to Adulthood

The biographies of the youth presented in the preceding section have indicated that the life courses of the youth and the various transitions within these are unfolding not in isolation, but within a social space. Although the engagement in business might influence the transitions or social mobility of the youth, other events or occurrences within the social space have equal influence as well. As argued by Stanley (1993, p. 45), "people are located in a social and cultural environment which constitutes and shapes not only what we see, but also how we see."

There is a relationship between the individual life, including the key moments of biographical significance and the wider sociological processes in which the life is situated (Thompson *et al.*, 2006). Therefore, in order to be able to delineate the effects of the young people's engagement in business in the mobile telephony sector and the transitions unfolding in their lives, it is important to take a closer look at the key moments shaping the life course of the young people in the context of the wider social processes in which the young people live their lives. This gives a better understanding of transition in the life course of young people and the dynamic processes of social change, including the changes that are shaping the lives of the youth (Thompson *et al.*, 2006). According to Punch (2002), youth transitions are embedded in wider social contexts and can only be fully appreciated within the interconnecting arenas of the lives of the youth.

In the following therefore, Gidden's (1993) construct of 'fateful moments' and Thompson's *et al.*, (2006) concept of 'critical moment' are further employed as analytical optics to highlight the key events that are shaping transitions of the youth and how the youth respond to these events. The discussion is focussed on the six selected cases presented above, in addition to the remaining nineteen biographical interviews and the ten young people whose life trajectories were tracked over the course of the study.

Table 7.1 presents details of critical events shaping transitions of the youth as extracted from the narratives of the youth and the life trajectories tracked. From the table, it can be seen that the key events have been categorised into six major themes involving family, education, social relations and social networks, business, and structural factors. It must be emphasized that although the events have been grouped under particular themes, some events cut across or are interlinked with other events under separate themes. For instance, a young person could drop out of school (education), but the cause of the dropout could be as a result of poverty on the part of his/her parents (family) or due to the death of a parent or guardian (death and illness).

This demonstrates the complex nature of some of the events which shapes transitions of the youth as they go through the life course. A discussion of each of these themes is provided in the following:

Table 7. 1: Critical events shaping transitions among young people

Critical Events		
<i>Education (38 factors)</i>	<i>Death and illness (18 factors)</i>	<i>Business (19 factors)</i>
Passing/failing BECE	Death of a parent	Starting a business
Passing/WASSCE	Losing a child	Buying stolen goods
Accusation of theft in school	Death of grandparents	Securing business operating space
Not attending classes	Death of an aunt/uncle	Existing family business
Bullying at school	Being diagnosed with a major illness	
	Death of a partner	
<i>Family (29 factors)</i>	<i>Social relations and social networks (16 factors)</i>	<i>Structural factors (15 factors)</i>
Poverty of parents	Having a relation abroad	Decongestion exercise by AMA
Child birth	Meeting a connection man	Road construction
Maltreatment by a close relation	Meeting old friend	Cedi depreciation
Pregnancy	Buying stolen goods	Seizure of goods by AMA officials
Marriage	Migration	
Parental divorce		

Source: Extracted from Mobile Telephony biographical and life trajectory interviews (2012)

7.3.1 Education Related Critical Events

Education related events were significant in their effect on almost all the young people whose life course were studied. The education related critical events manifests in the lives of the youth through for instance dropping out of school, sitting BECE and passing or failing, sitting WASSCE and either passing or failing, and being accused of theft in school as can be seen on Table 7.2. Among the education related critical events, the most recurrent in all the narratives of the youth is the ability of a young person to pass the final exams either at the JHS or SHS level. In cases where the youth are able to pass the final exams, they are able to successfully make the transition to the next level of the education ladder. However, in the event where the youth are unable to pass the final exams, it becomes a major turning point (Mandelbaum, 1973) in the life course as the youth have to re-evaluate the entire life course as well as the choices or options available to them.

In Ghana, young people complete JHS and SHS at the ages of 15 and 18 years respectively and many are confronted with major decisions as to what to do with their lives at this stage of the life course. In the event of available support either from family or other individuals in the network, some of the youth do manage to rewrite the final exams. When successful, they are able to make the transition to the next level. In many of the cases however, the youth have to start a business in the informal sector because they were unable to pass the final exams and are therefore unable to realise their desired educational aspirations. The cases of Stephen, Jane, Okai, Patience, Barnard etc. are all illustrative of the scenarios where failing the BECE or WASSCE serves as a critical event shaping transitions of the youth. All these individuals have found themselves starting business in the informal sector as a career option or having gone into some form of paid employment mainly because they have failed or they have not done well in the final exams at the JHS or SHS level.

Apart from failing the final exams, another critical event which shapes transitions of the young people as far as education is concerned is accusation of theft in school as exemplified by the case of Jane. After being accused of theft while in SHS2, Jane completely lost interest in her school and started being truant. Her situation was obviously not helped by her friends who started making mockery of her for being a thief. The consequential effect of this accusation is captured as follows:

Because of that [accusation of theft] I wasn't attending classes. When it got to the registration time for the WASSCE, I didn't know what I was going to write so I didn't register. I decided to go to another school because I wasn't happy in the school. I didn't take part in most of the activities in the school. (Jane, 24 years, airtime)

Jane stayed in the school for some time after being accused of stealing money, but she was unable to recover from this incident and gradually got herself detached from the school. She lost interest in the school as her friends ridiculed her for being a thief and was not attending classes. Eventually, Jane had to leave for another school as she was unable to recover from this accusation, even though; the damaging effect had already been caused. After repeating class in the new school to get prepared for the final exams, Jane was not able to pass her WASSCE.

7.3.2 Family Related Critical Events

Family related critical events constitute one of the key events shaping young people's transitions in the GAMA. Key among this category includes parental divorce, maltreatment by a close family relation (especially by a stepmother, aunt, and uncle), pregnancy, marriage and parental or familial poverty. During the occurrence of divorce or separation in a relationship for instance, who the child or young person stays with, becomes a critical factor which shapes his/her transitions. In many of the cases observed, during the process of divorce the child either stays with the father or mother. In scenarios where the father takes custody of the child, the father's decision to remarry or enter into another relationship tends to influence transitions of

the young person or child. In some particular instances, the support, care and attention that the young person receives from the father are reduced as the father's attention tends to be more focussed on the new wife and children from the new relationship. There is also the difficult relationship that often develops between the child or young person and the new wife or stepmother. These factors present several risks and challenges which the young person has to confront and make choices which influences the life course.

Stephen's case is illustrative of how divorce shapes transitions of young people and the choices that confront the youth in such scenarios. Stephen's parents divorced when he was four years old. In a typical example of a fateful moment which completely falls outside the control of the individual, Stephen had no choice in which of the parents to live with at the age of four years when his parents divorced. He cited the difficult relationship he had with his stepmother as follows: "I felt like I have to stay outside the home in order to feel happy". Eventually, this affected his performance in school and he did not also receive the needed support from his father as well. It is important to emphasize that, upon all the critical events that occurred in Stephen's narrative, the most crucial which shaped his formative years was the marital break down, his father remarrying, the strange relation he experienced with his stepmother and the eventual dwindling of support from his father. These critical incidents and his response to them fundamentally shaped the life course upon which other events occurred such as starting his own business occurred.

Poverty on the part of parents constitutes another critical familial event shaping young people's transitions. This often tends to be very much connected to other events in the life course of the youth thereby demonstrating the complexity with respect to critical events and transitions generally in the life course of young people (Langevang, 2008). The strongest connection identified in the observed cases is the connection between poverty and education among the

youth. Many of the young people particularly cited instances where either they could go higher in education or had to temporarily stop schooling or dropout entirely from school because of the inability on the part of their parents to provide the needed financial support to enable them go to further in realising their educational aspirations. Apt (2007) has observed the limited financial resources confronting families especially in the era of neoliberal policy reforms which makes it difficult for family members to provide support for each other in times of financial difficulty. With the limited financial resources from other family members, complicated by the almost non-existent public sector support as government continue to shelve the responsibility of citizenry social protection to safety networks provided by families and friends (Clark 1999; Hanson, 2005; Langevang, 2008), many young people find it difficult to be able to make the necessary transitions with respect to education. Okai's case is illustrative of the difficulties on the part of parents to offer financial support to young people in school. Okai had to stay at home and repeat class when he was in JHS 2 because his parents did not have the money to pay his school fees. He elaborated on this predicament in his life course as follows:

When I was in JHS2, I was sent home to go and collect school fees from my parents. I went to my mother and she said she hasn't got money so I should stay at home and wait. As my mother didn't have the money, I sat home for months while waiting for my mother to get the money for my school fees. My mother eventually got the money, but when I went back to school, my friends were already in JHS3 and I had to repeat JHS form two. I told my mother my friends will laugh at me and I cannot stay in the same class with those from form one. I also had the thought that my friends will say that it is because of school fees that is why I was not able to go to form three.

To avoid the ridicule of repeating class as a result of the inability of his parents to afford the cost of his school fees, Okai was eventually moved to a different school in Takoradi where he stayed with his grandmother. He was able to pass his BECE exams and proceeded to secondary school. However, the difficulties on the part of his parents to afford the cost of his education worsened with time and Okai had to drop out of secondary school when he was in form two. Hunt (2008) has observed that among children from a poorer background, the pressure to

withdraw from school increases with age particularly as the children are confronted with competing demands for their time. While in school, Okai was working at the Takoradi harbour as a labourer in order to get some money to support himself as well as his household before finally taking the decision to stop entirely to focus on working in the harbour.

Aside poverty at the household level, experiencing maltreatment constitutes one of the critical events shaping the life course of young people in the GAMA. This usually happens when the person does not live with his or her biological parents, but with other close family relations such as an aunt, uncle, etc. Grace's narrative provides an illustration of how living with a close family relation who is not a biological parent and the resultant suffering from maltreatment affects transitions of the youth. After completing SHS, Grace migrated from Koforidua to Accra to stay with her uncle who had promised to assist her further her education. Despite her educational aspirations, however, her main motive for migrating to Accra was to look for work to do after she had completed secondary school. While living with the uncle, Grace did not get on well with the uncle's wife whom she accused of maltreating and peddling lies about her to her uncle. She narrated the incident which triggered the estranged relations in the following:

I woke up one day very late into the night to urinate and I saw my uncle's wife standing outside in the dark with another man. When I came into the house, she thought I had told my uncle about the incident, but I've never told him till now. After the incident, her attitude changed towards me and at a point, it even became a problem for her to give me food to eat. She was never happy about anything I do in the house. I realised that the woman just wanted me out of the house. She started telling lies about me to my uncle who also accused me of disrespecting his wife. Because of this, my uncle changed his attitude towards me and the wife was always fighting me in the house. Looking at how they were treating me, I realised I could no longer live in the house so decided to leave to look for a place to stay. (Grace, 26 years, airtime)

The difficult relations she experienced with her uncle's wife made it challenging for Grace to feel happy in the house. The circumstance presented her with limited options than to leave the uncle's house despite her uncle's promise of supporting her education. Leaving the uncle's house however entails looking for another place to stay. With the little amount of money she

has been able to save from working as a paid employee, Grace was able to confront her choices by going to rent a room. This did not come without consequence as she has to work very hard in order to be able to pay for the cost of her rental accommodation. Renting a room has however given her a new found freedom and independence which she cherishes a great deal: “If you’re staying with someone, you don’t really have your freedom but now that I live on my own, I’m able to do whatever I want and without restrictions.” This notion however confirms Punch’s (2002) view that the ultimate goal of many young people is to attain independence, although there is no straight pathway to attaining independent status and the young people often move in and out of independence in different contexts and in their relationship with different people.

7.3.3 Death and Illness

Death and illness represents one of the critical events that shape transitions of young people in the GAMA. Death or illness and the influence of this in the lives of young people depend largely on the nature of relationship between the young person and the deceased. Deaths identified in the narratives with monumental effect in the life course of the youth involve the death of a parent, partner, and child. The impact of death on transitions of young people is mostly felt when the deceased happens to be responsible for the upkeep of the young person. This often creates a void in the lives of young people and in particular instances where a suitable person is not available to fill the void, the young person’s transitions tends to be affected the most.

Among the death related critical events, the most recurrent in the narratives of the youth is the loss of a parent, particularly a mother. The impact of such a loss in the life course of the youth is mostly felt in the area of education and also the maltreatment that is brought about by guardians who are entrusted with the responsibility of taking care of the youth after the demise of the parent. In many instances, the youth cited situations where the death of a parent or a

relation who is responsible for their upkeep has contributed to their inability to further their education as there is no one to take over the responsibility for the payment of school fees. This confirms the finding by Ampiah and Adu-Yeboah (2009) that identified death as a major contributor to school dropout among young people in Ghana.⁷⁶

Losing a parent or other relations falls outside the control of the youth. Nonetheless, the consequential effect of death in transitions of the youth depends to a large extent on the nature of family support network available for the young person after the shock of losing a relation. There are instance where the death of a parent, mostly a mother and consequent remarrying of the father brings about several consequences in the life course of the youth.

In the most severe of death related critical events, some of the youth have suffered multiple deaths with severe consequences in the life course. A typical instance of multiple deaths and its consequential effect in the life course of the youth is the case of Foster who is 18 years of age. Foster has a well-educated family background as his father is a circuit court judge and the mother was a secondary school teacher. Foster was living happily with his parents and a sibling until the year 2005 when he lost his mother after a short illness. After three years of struggling to come to terms with the loss of his mother, Foster lost his junior brother as well. He narrated these shocking events and the consequential effect in his life course as follows:

The day my mother died was the saddest day in my life. Also, on 7th March, 2007 when the nation was celebrating Ghana at 50, I lost my junior brother as well. I loved them dearly, but now they are no more. My life has never been the same again.

Foster went further by explaining the void in his life as a result of losing his mother and brother as in the following:

One thing that I really admire is seeing a whole family together, [parents] escorting the children to school, and when the child comes back, he's well taken

⁷⁶ Ampiah and Adu-Yeboah's (2009) study specifically focussed on six communities in the Savelugu-Nanton District in the Northern Region of Ghana

care off by his mother. It is really painful for me that I didn't get to experience that. (Foster, 18 years, airtime)

After the loss of his mother and brother, Foster's father remarried, however, in a decision which again completely falls outside his control, Foster was taken to live with an aunt. He described some of the experiences of leaving with his aunt and how he has responded to such experiences in the following:

After my mother died, I was taken to live with my aunt and she maltreated me. There were occasions when I had to sleep on empty stomach and my father was also not paying attention to me. As a result of this treatment, if I go anywhere and I am disliked, it doesn't bother me because even my close relative didn't like me. I don't trust anyone.

Foster has been able to take some positives out of the treatment he received from his aunt and father by developing habits which help him to withstand difficult circumstances in his life such as not paying particular attention to how people treat him, however he has lost the trust in people generally.

7.3.4 Social Relations and Social Networks

Critical events identified in the narratives of the youth that falls under the category of social relations and social networks include having a relation abroad, meeting old and new friends, coming into contact with a 'connection man', and buying stolen goods from either close or distant relation. These events on some occasions serve as spring board by presenting the youth with opportunities which facilitate social mobility or transitions in the life course. On other occasions, they can serve to bring stagnation in the life course. In some particular scenarios, critical events in the nature of social relations and social networks work in association with other events, particularly business to bring about gains in transitions of the youth or otherwise. There are particular instances where transitions of the youth come to a standstill with minimal progress with respect to social mobility, but suddenly meeting a close or distant relation or

receiving resources from such relations serves to bring about turnings in the life course. Such events present the youth with opportunities which calls for re-evaluation of the life and making decisions with consequential effects on the life course. The case of Stephen exemplifies how events in the nature of social relations or social networks present opportunities and resultant decision which brings about both gains as well as stagnation in social progress of the youth. Stephens encounter with his friend after his sister had sent him a phone from abroad led to him developing a business in the mobile telephony sector. Not all encounters with people within or outside one's network of relations bring about positive outcomes in the transitions of the youth. As further demonstrated in Stephen's case narrative, there are events or some particular encounters which bring about negative consequences and stagnation in the life course. This often happens when careful evaluation does not go into decisions that are taken by the youth from encounters with close or distant relations. Stephen narrated the negative consequence from such events in his narrative as follows:

A friend of mine sold a phone to me. Unknowingly, he had stolen the phone from class. He was at Legon. I put the phone in the show case and the person whose phone had been stolen came to buy the same phone. Later on, the person brought the police saying that his laptop and phone had been stolen. It was a whole story and I lost a lot of money. I lost almost all my capital and this could have collapsed my business.

Stephen could have thought carefully and questioned his friend about the source of the phone before buying. However he did not and the consequence of this is the loss of business capital which nearly collapsed his business. The narrative however shows the problem of deceit and how it affects young people and their businesses.

Social relations and social networks serve as repository of resources that are presented to the youth by individuals within their network of relations, and thus bring about progress in the life course. The case of Esi is a clear example of this. Esi is 26 years who completed apprenticeship training in hairdressing, but did not have money to open her own shop. In order to avoid the

situation of idling at home, her boyfriend provided her with a shop and an amount of GHC 100.00 to start-up an airtime business:

When I finished the apprenticeship training, he [boyfriend] told me that he had a shop and that he would give it to me. This showcase belongs to him. So, he decided to give it to me so that I would use it to sell [airtime]. When I started the business, he was well pleased because I didn't waste the money and the business keeps growing. (Esi, 26 years, airtime)

Through the assistance of the boyfriend, Esi has overcome the challenge of unemployment and currently running her mobile telephony airtime business. She noted her excitement as follows: "I'm glad that I am not sitting at home doing nothing. Most people thought I wouldn't get money to open a shop, but my boyfriend assisted and I'm very happy whenever I come to work." Esi's case confirms the observation by Langevang and Gough (2009) that while both men and women utilize the resources within their network of relations, women often rely more on the support accorded to them by their partners in meeting economic needs. In totality however, the availability of resources within the network of relations of the youth contributes in boosting the social mobility of the youth.

7.3.5 Business Related Critical Events

There are other critical events related to business identified in the narratives that shape transitions of the youth. Key among these events is starting or operating a business, securing a business operating space, buying stolen goods into business and the existing family business. The consequential effects of these events or activities in the transitions of the youth are manifested in both positive and negative ways. Starting one's own business constitutes one of the key events shaping transitions in a positive way. With the increasing incidence of unemployment among the youth, starting one's own business was identified as a major event which shapes transitions of the youth in many significant ways. As demonstrated by the case of Esi, the decision to start a business accords the youth the fulfilment of staying employed and

also grants the youth agency to be able to assume other responsibilities in the life course such as marriage as demonstrated in the case of Alex who stated that his involvement in business has enabled him to be able to “perform the necessary rites of marriage to his wife.”

Starting or operating a business does not always bring about a positive influence in the transitions of the youth. There are instances where starting or operating a business and some of the related activities that goes with it brings about stagnation in the life course of the youth. A typical instance is running a business and buying stolen goods as exemplified by the case of Stephen and Charles, 32 year old phone dealer, who also purchased a stolen phone from a friend. In both scenarios, acquiring stolen phones from friends landed both Stephen and Charles in the grip of the police and they lost a significant proportion of their business operating capital.

In addition to purchasing stolen goods which brings about negative consequences to business and transitions generally, some of the youth experienced burglary in their businesses which ends up retarding progress in the life course. The case of Stella is an example of how burglary affects businesses of the youth and consequent stagnation in the life course. Stella is 28 years who operates an airtime business. She narrated the burglary and the consequential effect of it as follows:

About a month ago, I was robbed of all my daily sales. In all, I lost over GHC 400.00 and this has brought the business to a standstill as I don't have money to invest in the business. We are approaching the Christmas season and I don't have money to invest in the business.

Stella, like many of the youth strongly identifies the life course with their businesses. Progress in business correspondingly brings about progress in the life course as business progress brings about agency in the life course. On the other hand, during periods when the business is not doing well, there is limited progress in the life course. Progress in Stella's life course was stagnated as a result of losing her daily sales and most of her capital. Consequently, she was

unable to get money to invest in the business during the coming Christmas season – one of the busiest seasons in the calendar for informal sector operatives.

Coming from a family that owns an established family business contributes in shaping transitions of the youth. With an existing family business, a youth could gain employment in the family business in order to earn income which can bring about upward mobility in the life course. However, existing family business does not always produce positive outcomes as some of the youth alluded to not taking their education serious because of the possibility of securing employment in the family business. Richard's case exemplifies how an existing family business could have a detrimental effect in the life course of the youth. Richard is 29 years and currently operates a phone accessories business:

I didn't really take schooling seriously. I felt that even after I had completed my schooling, I would still come and work in the family business. When my results came, I had to rewrite some of the papers, but I still couldn't pass. My parents told me to go and rewrite but I didn't want to write again as I felt I would still come and work in the family business. Right now, when I think about it, I really regret about my actions. I know that if I had gone to school, I would have been a better person than I am today. I see some of my mates and I don't even want them to see me.

Richard feels he has not been able to make significant progress in his life course as he placed tremendous amount of emphasis on working in his father's business rather than taking his education serious.

7.3.6 Structural Factors

Some of the critical events of structural nature that shape transitions of the youth as identified in the narratives include decongestion exercises conducted by the AMA, road construction works, and depreciation of the Cedi against the major international currencies. In some of the cases, these events are connected to one another. A typical instance is decongestion exercise which paves the way for the construction of a road network and this is often accompanied by

seizure of goods by the AMA officials. When this happens, the youth sometimes lose their business capital while others lose their livelihoods entirely. A typical example representative of this scenario among the youth is the case of Stephen whose mobile telephony business had just taken off and the business was doing very well as he continued to plough back profits into the business. In 2007 however, completion of construction works on the Kwame Nkrumah Circle to Achimota road and subsequent decongestion exercise on the road halted progress in his business and the life course.

Critical events of a structural nature which come in the form of a decongestion exercise by the metropolitan authority and its implication on transitions of the youth could be looked at within a bigger framework of access to trading operating space for people including the youth within the GAMA. As discussed in Chapter Six, access to space is a critical factor that determines the success or otherwise of young people's businesses. The youth being mindful of this significance of business operating space to their livelihoods will go at length in order to secure space for their businesses. This notwithstanding, the city authorities have not been successful at integrating the physical infrastructural needs of informal sector operatives and the youth in the planning of the city (ISSER, 2012). The result is the recurrent policy of decongestion exercise in the city and consequent clashes between the city authorities and operatives in the informal sector including many young people. The decongestion exercise comes with destruction and disruption of businesses and livelihoods of the many young people who operate in the informal sector. This contributes to the limited progress with respect to social mobility of the youth.

Aside decongestion and its effects on the businesses and transitions of young people, depreciation of the cedi to the major international currencies constitutes a critical event which shapes transitions especially through businesses. Most goods traded by the youth in the mobile telephony sector are imported goods and the cedi depreciation and consequent hikes in prices affect the capital base of businesses. When this happens, the youth are unable to purchase as

much as they had previously purchased and this affects profitability of businesses. A typical example is the case of Agya, a 32 year old phone dealer, who had to stop going to Nigeria to import phones because of the depreciation of the cedi to the Naira. Similarly, Fred, 22 years, who trades in phone accessories noted that, ‘the price of the accessories keep going up and when I go to the importers, I can no longer buy in high quantities like I used to buy.’ In both cases, depreciation of the cedi contributed to increasing prices and resultant stagnation in the businesses and the life course of the youth.

7.4 Business Influence and Youth Transitions to Adulthood

Having highlighted the key events that shape transitions within the bigger social context, I now draw on the six selected cases in addition to the other biographical and life course interviews to analyse the business influence in these transitions with a close eye on the specific business types, gender dynamics and age. The specific transitions or social mobility that have occurred in the life course of the youth as a result of their engagement in business in the mobile telephony sector can be grouped into financial independence, inner satisfaction, access to land, rental accommodation, marriage, etc.

7.4.1 Achieving Financial Independence

Achieving financial independence is identified as a significant milestone in the life of many young people (Arnett, 2001; Petrogiannis, 2011). However, for many young people in the city of Accra, achieving the status of financial independence often proves difficult to come by as job opportunities that will engage the youth in order to earn decent to facilitate financial independence is simply not available. Added to the above, about two decades of improved economic growth in the country has not been accompanied by improvements in job creation and this has brought about the phenomenon of jobless growth being experienced in the country (Aryeetey & Baah-Boateng, 2013). Many young people have limited options, but to resort to

the informal sector for employment. However, employment in the informal sector is not always a guarantee for financial independence as some of the selected cases have proven. Alex, for instance, started work in the informal sector as a trader selling insecticides for a period of two years. In the year 1997, he realised that trading in insecticides would not guarantee him the social mobility he needed in his life course. As a result, he went into apprenticeship in tailoring over the period 1997 to 2002. After working in the tailoring business for a period of two years, “I realised that the profession was not lucrative.” Alex therefore went back to trading in insecticides before changing into trading in household goods such as sponge, towels etc. Patricia’s case is another example that can be cited as she started work in the informal sector by frying yam after which she went to work in a restaurant. She described the restaurant experience as “a very difficult work and the pay was not good so I stopped and went into trading.” Trading again did not provide the needed financial independence as “the trading business does not belong to me and I worked and got paid while the profit from the business goes to the owner of the business.” Eventually, she has to quit this job to go into other activities such as domestic care giving for a 75 year old lady. After working in the informal sector for many years doing different activities involving working as self-employed as well as working as paid employees, many of the youth indicated that they did not secure financial independence until they started work in the mobile telephony sector. Achieving financial independence is very important for the achievement of other transition markers such as commanding respect in society, marriage, running a household etc. With respect to the new found financial independence that is coming from business engagement in the mobile telephony sector, Alex had this to say:

I’ve been through a lot in my life.....When I changed over to phone accessories business, I have seen that it is lucrative, but not so much but by God’s grace, I would say life is going well. I’am married with three kids.⁷⁷ (Alex, 34 years, airtime business)

⁷⁷ There is a tendency on the part of many Ghanaians to be humble with respect to the reward that comes from the job they do or even how good the job is

Alex further noted that, “This business has helped me in a lot of other ways as I can say that I now have financial freedom.” This evidence is supported by the case of Patience who emphasized the new found agency in her life course as a result of running her own business in the airtime sector:

The influence of business in the attainment of financial independence cuts across business type, gender and age. The attainment of financial independence as a result of engagement in business in the mobile telephony sector among the youth is unlike ability to acquire land which tends to be influenced by business type and gender. Most of the young people studied indicated that their engagement in business in the mobile telephony sector has enabled them to be financially independent. Achieving financial independence is very important in the life course of the youth, but even more important is the need to sustain the new found status. Sustaining this new found status depends to a large extent on how well or the innovativeness that goes into managing the business and the vision of the youth as far as the business is concerned. This was very well captured in Stephen’s narrative when he stated that, “I see a very bright future for myself, if I’m able to manage this business well. Everything is looking bright for me. With this business my destiny is in my hands.”

Although the youth demonstrated very positive growth aspirations as far as the business is concerned as discussed in Chapter Six, it appears this may not necessarily be enough in order to sustain the financial independence being experienced by the youth. There are other structural factors which largely fall outside the control of the youth and this could serve as a threat to the new found status of financial independence which the youth are currently enjoying. A typical example is the activities of the AMA, which was well captured in Alex’s narrative: “What I fear most is that, one day they [AMA] might drive us out of here [Tema Lorry Station where business is located] and if they do, all my plans, hopes and dreams will be shattered.” Alex,

like many of the youth who operate at the Tema Lorry station have secured their trading place through careful management of the relationship they have with the authorities at the transport terminal where they operate. However, the AMA serves as the final authority and so long as the AMA does not come to interfere with their operations, the new found financial freedom will not be threatened. However, in the uneventful scenario of the AMA deciding to get rid of the youth who trade at the station, then the new found financial freedom will be threatened if the youth fail to find a suitable location for their businesses.

7.4.2 Providing Support for Social Relations

Social relations and social networks are identified as critical resource base for most people including the youth (Clark, 1999; Chant & Jones, 2005; Hanson, 2005; Langevang, 2008). In Ghana, the influence of social relations and social networks is even more crucial for young people as a result of the limited public sector social safety net for young people. Either implicitly or explicitly, government continue to rely on safety net accorded by the family to absorb the human cost of neoliberal policy reforms and to arrange for informal sector work among people (youth inclusive) (Clark, 1999). Through associational, kinship, ethnic, neighbourhood, religious as well as employment based ties, many young people are able to exchange vital information, labour, goods, money and social support which is important for sustenance and in moving up the social ladder. The value of social relations and social networks to young people is amply demonstrated by Chant and Jones (2005. p.195) who observed employment in Ghana among young people to be a function of “‘know who’ not ‘know how’, with the ‘knowing who’ involving a complex array of familial, ethnic and religious contacts.” Similarly, the lack of parental economic support is identified as the main reason for the failure on the part of young people in the city of Accra to follow their desired futures (Langevang, 2008). These observations were further confirmed by the study cases where the lack of parental economic support as a result of deprivation was identified as a key

reason why many of the young people studied were unable to make a successful transition from one level of education to another.

None the less, it must be emphasized that although social relations and social networks are important for young people's livelihoods and transitions generally, the discussion on this role and the nature of relations tends to be unidirectional in the sense that there is undue emphasis placed on the benefits there is in social relations and social networks for the youth as elaborated in the preceding paragraph, without much emphasis on what the young people offer within the network of relations in which they are connected. In discussing the value of engaging in business in the mobile telephony sector as far as transitions are concerned, a section of the youth revealed that they are currently capable than ever before in providing various kinds of support to their social relations and social networks. This support often comes in the form of financial assistance to close family relations such as offering financial support to a mother, father, brother and paying school fees for siblings. Stephen captured this kind of support offered by the youth within the network of relations in his narrative as follows: "[Because of this business] I'm able to take care of my mother who is not working, and I pay school fees for my younger siblings from this same business." In other instances, the kind of support that the youth offer to their social relations and social networks extends beyond the immediate or close relations to include persons within kinship and neighbourhood networks of the youth as captured by Jane as follows:

I get a little [from airtime business] to give to my mum at the end of the month. Again, I've always had the good feeling of helping the children in my village. Every year when I go for the Akwanbo festival, I throw a little party for the children. There's this slippers that is sold for GHS1.50 and in the course of the year, I buy the slippers in bits with second-hand clothing. I share these items to the children at the party. (Jane, 24 years, airtime)

Jane went further by stating that:

Sometimes I would be here and people call from the village to say they need money to pay school fees for their children or buy them uniform, and if I have the money, I give to these people. Had it not been this business, I wouldn't

have been able to provide this support to the children in my village. (Jane, 24 years, airtime)

Clark (1999) has observed that the difficult economic circumstance in Ghana has made it challenging for young people to support themselves by earning appreciable amount of income that will enable them to function as marital adults in a lineage or marital relations. Consequently, the older generation has been found to shoulder the responsibility of the youth by supporting two or possibly three generations of dependants, and thereby serving as a threat to respectable family relations.⁷⁸ Contrary to these observations however, many of the youth involved in business in the mobile telephony sector are offering tremendous amount of support to persons within their social relations and social networks. This support which often comes in the form of financial assistance and it extends to close family relations, such as, financial assistance that the youth are able to provide at the end of each month to a mother, father, brother, and children. The support offered by the youth to individuals within their network of relations as proven in the study cases also extends to kinship, friendship and other relations and cuts across gender dynamics in the sense that both males and females, irrespective of the kind of business involved indicated having been able to offer the necessary financial support to persons within their network of relations. Offering this support has been made possible largely as a result of the engagement of the youth in business in the mobile telephony sector.

7.4.3 Ability to Acquire Land

Ghanaians have a strong socio-cultural attachment to land, although this is not exclusively a Ghanaian phenomenon.⁷⁹ Even though the 1992 Constitution of the Republic of Ghana does not allow outright sale of land, many Ghanaians aspire to acquire land mostly for residential

⁷⁸ Clark (1999), specifically questioned what is going to happen to familial relations in the eventual collapse of the elderly generation

⁷⁹ History shows that in many parts of the world including Europe and the Middle East, wars have been fought due to the strong attachment people or nations have had to land. A classic example in this regard is the age-old Israeli-Palestinian conflict

purposes. As noted by GoG/MLG&RD (2010) however, the increasing population, rapid urbanisation and the strong socio-cultural attachment to land ownership among Ghanaians have contributed to a situation of increasing land prices and speculation. In the cities of Accra and Kumasi for instance, the price of land has increased significantly above all other cities and communities in the country (Owusu & Agyei, 2008). The increasing land prices in the major urban centres of Accra and Kumasi has meant that many young people have found it difficult to be able acquire land for housing. Although there is strong desire for land acquisition among young people, many of them are unable to acquire land as a result of the increasing land values which have sky rocked beyond the reach of many young people. In the city of Accra where this study is located, the intense competition for land and increasing price of land have resulted in a situation where usufructual rights over land under customary land tenure regimes are no longer guaranteed as many people (including many young people in land-owning families or indigenes) are left to compete for less land with ‘migrants’ or ‘indigenes’ (GoG/ MLG&RD, 2010, p. 14).

Despite all the challenges with respect to land access and ownership among people including the youth, some young people interviewed in this study indicated that their engagement in business in the mobile telephony sector has enabled them to be able to acquire land and some people have started building houses on the acquired lands. As a result of running a mobile phone sales business, Stephen noted that: “I was able to acquire a plot of land at Botiano last year and I’ve started building my own house.” This point was again confirmed by Alex who stated that: “It [phone accessories business] has helped me purchase a piece of land, on which I am building my own house.”

Within the Ghanaian socio-cultural setting, acquiring a parcel of land and building a house is often seen as a status symbol of one’s social standing. By acquiring land and starting building, the youth are making gains with respect to social mobility, however, it is worthy of note that

the gains or transitions with respect to land acquisition among the youth engaged in business in the mobile telephony sector is mostly dominated by males and the youth involved in phone sales, accessories and repair businesses. As discussed in Chapter Six, these three business types constitute the most lucrative among the business types. Moreover, they constitute business types where the young men enjoy heavy dominance over their female counterparts. It is therefore not surprising that the young men who are involved in the phone repair, phone sales and accessories businesses have been able to acquire parcels of land in the city of Accra and some have started building on these lands.

In all the biographical interviews analysed, none of the women alluded to having been able to acquire a parcel of land as a result of their engagement in business in the mobile telephony sector. This therefore means that only a section of the youth, mostly males who work in specific business activities in the sector have been able to acquire land from their business engagement. This is however not to confirm the view in a section of the literature that transitions among the youth are stagnating or the youth are in a social moratorium (O'Brien, 1996; Langevang, 2008). As earlier indicated, land values in the city of Accra have significantly increased and this has made it difficult for majority of the youth to be able to acquire land. This aside, some of the youth has been able to make gains in land ownership from their businesses. Moreover, the increased prices of land have meant that it will take more time for one to be able to accumulate adequate savings in order to be able to afford the cost of land in the city. With conscious savings on the part of youth in the airtime business, they should be able to acquire land in the city, albeit this may take a relatively longer duration compared to the youth in the phone repair, phone sales and accessories sector.

7.4.4 Ability to Rent Residential Accommodation

In many large towns and cities such as Accra where this study situates, rapid population growth, urbanisation and globalisation have made housing one of the critical challenges confronting these areas (ISSER, 2013). Although challenges with respect to quality have been recognised, housing availability is still an issue which has exacerbated the housing challenge. ISSER (2013) has noted that although the challenge of housing deficit appears to be declining in many regions in the country, in the Greater Accra Region where this study is located in addition to the Northern, Ashanti Region, the challenge appears to be relatively higher in these regions.⁸⁰ The phenomenon of rural urban migration, natural population increase and a growing middle class and the preference for small household sizes have all contributed to the situation whereby rapid demand for housing far exceeds the supply.⁸¹ This has consequently resulted in a situation of increasing rental values generally in the urban centres and cities in the country and thereby making it difficult for many young people to be able to afford the cost of rental accommodation in the city. Further complicating the plight of the youth is the tendency on the part of landlords and landladies to charge rent advance payments. In many areas therefore, rent advance payments are often charged from at least two years to as high as five years and thereby making it difficult for many young people to accumulate significant amount of money in order to be able to pay these rent advance payments.

In spite of difficulties with respect to housing and rental accommodation specifically for young people as demonstrated above, many of the youth interviewed in this study indicated that they have been able to afford the cost of rental accommodation where they are currently residing and this milestone in transition is attributed to their involvement in business in the mobile

⁸⁰ The only exception is the Volta Region where the housing deficit declined from 44,623 in 1960 to 8,119 in 2000

⁸¹ Many urban areas in Ghana have experienced very high growth rates mainly influenced by the fact that these areas continue to be major destinations for migrants (see, Briggs and Yeboah, 2001; GoG/ MLG&RD, 2010)

telephony sector. The ability to afford the cost of rental accommodation among the youth is unlike previously where many of the youth have to resort to leaving with friends, family relations, and sleep within public spaces in the city. It is also interesting to note that the ability to be able to rent accommodation from one's business engagement in the mobile telephony sector cuts across the various business types and by gender:

I was initially living with a friend and I moved to a veranda at a police station only because the officer was from my hometown. During those days, we [with friends] have to wait for them to sleep and then we sleep on the corridor. I later went to stay with a friend for about eight months, but for about 4 years now since I started this business, I have been able to rent a room where I stay with my two children. (Patience, 31 years, airtime business)

Patience trades in airtime and has two children, but was unable to afford the cost of rental accommodation in the city of Accra. Patience had to rely on her social relations through friendship and hometown ties in order to secure a sleeping place with friends and on the corridor of a police station mainly because one of the police officers at the station happens to come from her hometown in the Brong Ahafo Region. Having benefited from an MTN credit scheme which enables traders airtime to have access to airtime at wholesale prices after which they sell and repay the operator, Patience over the past four years has been able to rent an accommodation at Fadama in Accra, where she currently resides with her two children without the support of a father. She last paid a rent advance payment of GHC 720 for a period of two years. Although the neighbourhood of Fadama has been classified as a low income neighbourhood, her joy is the ability to be able to rent a place for herself and her children. The ability to rent accommodation was again confirmed by Michael, 27 years who trades in phone accessories:

In the past, we [with friends] were sleeping in people's kiosks. What made me extremely happy in Accra was when I was able to save money from this business to rent my first room. My ability to rent a place to live was the first thing that made me happy and it has spurred me on that I could do something in my life. (Michael, 27 years, phone accessories)

Involvement in business in the mobile telephony sector has therefore helped many of the youth to afford the cost of rental accommodation in the city of Accra. This new agency has been instilled in the life course of the youth mainly as a result of the new and relatively more income stream to the youth as a result of their involvement in business in the mobile telephony sector.

7.4.5 Marriage

Marriage, as in other African societies remains one of the key markers of the transition to adulthood among the youth in the city of Accra (Langevang, 2008), although the youth do prioritise other transition markers such as accepting responsibility for one's actions, financial independence, commanding respect in society etc. ahead of marriage as earlier demonstrated in the Chapter. Marriage is often seen to place tremendous amount of reasonability on the part of the man and woman as well, although it has been argued within Ghanaian settings that responsibilities involved in marriage tends to be heavy on the man as the man has to "lay the material foundations for the household" (Langevang 2008, p. 2044). The material foundation in most instances may include a room where the couple will stay, a fridge, cooking stove, some furniture among others. Moreover, during the actual marriage ceremony, the man has to provide the bride price to the woman, which includes a suitcase and some amount of money in addition to the amount of money that is paid to the woman's family. Although the woman's family provides for the drinks and other food items on the day of the marriage, it is the role of the woman to provide for utensils for the kitchen, bed sheets and her own clothing (Langevang, 2008).

Due to these huge responsibilities especially on the part of the man, most men spend considerable amount of time to mobilise resources in order to perform the marital rites and in maintaining the household after marriage. This has led to prolonged nature of marriage on the part of many young people. In many instances therefore, it is uncommon for young people to

cohabit with their partners and mobilise the necessary resources that will enable them perform marital rights for their partners.⁸² Despite the prolonged nature of marriage among many young people leading to cohabitation, some of the youth have been able to marry and maintaining their households as a result of their engagement in business in the mobile telephony sector. The case of Alex exemplifies this point as he stated that, “this work [accessories business] has enabled me to perform the necessary rites of marriage for my wife.” Prior to starting business in the mobile telephony sector, Alex was cohabiting with his partner with a child without performing the marital rites for the woman. For the youth who are cohabiting without having to have performed the marital rites for their partners as Alex’s case has proven, engaging in business in the mobile telephony sector accords the opportunity to earn a decent income which is used to perform the marital rites and in maintaining the household.

Within Ghanaian socio-cultural settings, it is the man who marries the women and not the other way round. This is attested by the relatively heavy responsibility placed on the part of the man as earlier elaborated. It is therefore not surprising that most of the youth who alluded to having been able to successfully perform marital rites for their partners as a result of their engagement in business in the mobile telephony sector are men. However, this is not to argue that women do not contribute at all with respect to marriage and in maintaining a household as the study cases proves otherwise. The case of Gladys who deals in airtime at Madina is a typical example that can be cited. Commenting on the benefits of her engagement in the airtime business, Gladys stated that, “through this business, I have been able to offer support to my husband at home. Most of the time, I use the profit from my business to buy food items for the household and I support in the payment of our children’s school fees.” Unlike Alex who was emphatic in stating that his mobile telephony accessories business has enabled him to perform the marital rights for her partner, for Gladys, the value as a result of her engagement in business in the

⁸² The prolonging is not specific to marriage alone, but to transitions generally among young people with some attributing this to preference (see for example, Wallace & Kovatcheva, 1998)

mobile telephony sector can be seen in the support that she is able to provide for the household. Making the transition to marriage as a result of business engagement in the mobile telephony sector is therefore gendered in the sense that while the businesses of the young men gives them the agency to be able to perform the marital rites for their partners, the benefits on the part of the young women tends to be supportive generally to the household.

7.5 Summary

The Chapter has identified conceptions of the transition to adulthood from the perspective of the youth. Out of the various transition markers, the youth identified individualistic tendencies such as accepting responsibility for the consequence of one's actions, financial independence etc. as the most significant markers of the transition to adulthood. This is followed by transition markers that signify family criteria and role transitions. Aside business influence in the transitions of the youth, biographical analysis of the youth have revealed other transition markers in the nature of education, social relations and networks, family etc. to be shaping transitions of the youth. Nonetheless, the Chapter identified specific achievements in the life course of the youth due to their engagement in business in the mobile telephony sector. These achievements include financial independence, ability to acquire land, supporting social relations, marriage and ability to afford rental accommodation. The youth have been able to make significant gains with respect to gains in transitions and social mobility generally as a result of engagement in business in the mobile telephony sector. This finding thus contradicts the negative posturing with respect to young people and their transitions within Africa context.

CHAPTER EIGHT

SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS

8.1 Introduction

This research has examined youth livelihoods and entrepreneurship, and transitions of the youth using the mobile telephony sector as a case study. The study employed multiple research methods in investigating the key research questions. This study is of immense relevance due to the dearth of information on youth livelihoods and entrepreneurship; especially in the informal sector in Ghana and SSA as a whole - a situation which has led to neoliberal dominated policies which are often not based on grounded realities of work among young people in the urban informal sector. Again, as observed by Aker and Mbiti (2010, p. 3), the emergence of the mobile phone in Africa “has shifted the development paradigm surrounding mobile phones from one that simply reduces communication and coordination costs to one that could transform lives through innovative applications and services.” Informal entrepreneurial activities in the mobile telephony sector represent a critical core of the livelihood transformation and service delivery implications of the mobile phone.

The study was grounded on the social capital theory and the theory of youth transitions with three key objectives driving the study. First, the study examined motivation(s) that drives the establishment of businesses in the mobile telephony sector among the youth. Secondly, the study examined social capital in the context of access to resources and its relevance in the establishment, operation, and performance of businesses owned by the youth in the mobile telephony sector. Finally, the study examined the implications of running business in the mobile telephony sector on transitions or social mobility of the youth. Having examined these objectives and the gender dynamics in each of these objectives, it is imperative to situate the key findings of the study in the generality of the urban youth and their livelihoods in the

informal sector.⁸³ In this chapter the key findings of the study are summarised and an attempt is made to raise policy issues which are geared towards the promotion of youth livelihoods through entrepreneurship, and the improvement of social mobility generally among young people.

8.2 Motivations Driving the Establishment of Youth Businesses in the Mobile Telephony Sector

Despite the view in the enterprise and livelihood literature that many people (including the youth) in SSA go into business or take up the entrepreneurial route as a career choice mainly for survivalist or necessity driven inclinations (Frese & De Kruif, 2000; Langevang *et al.*, 2012), this research has demonstrated that motivation behind the establishment of business among the youth operating in the mobile telephony sector is not entirely survivalist in orientation. On the contrary, motivation behind business establishment in the urban informal sector is complex and transcends the necessity/opportunity thesis. Limiting the motivation discourse to the necessity/opportunity or the push-pull hypothesis therefore hides the plethora of motivations, their interconnectedness and the changing nature that drives and sustains the urban youth and their livelihoods in the informal sector. Some of the motivation factors which go beyond the necessity/opportunity thesis include the passion and interest the youth have with respect to the mobile phone (which they see as a technological device for their generation), social networks, migration etc.

Notwithstanding the complex nature of motivations, the youth exhibited very strong entrepreneurial attitudes and positive perceptions towards self-employment. This strong perception and positive attitudes are mainly influenced by structural constraining factors which have made it difficult for young people to secure employment especially in the public and

⁸³ It must however be emphasized that some of these generalisations can be seen in the context of propositions, and further tests might be required in order to clearly ascertain the generalizability of such findings

private formal sector (Chigunta, 2006; Anyidoho, 2013). Hence, young people have to rely on entrepreneurship and self-employment as a career choice. The strong entrepreneurial attitudes by the youth towards self-employment are again influenced by the existence of role models in society who are often portrayed as successful entrepreneurs in the media.

Taking cognisance of the link between motivations and growth intentions or aspirations for business or livelihood activities among the youth, the study observed positive growth intentions among the youth which confirms with general view among Ghanaian society towards self-employment and entrepreneurship (Xavier *et al.*, 2012). Key reasons cited which portray positive growth intentions included the desire to expand businesses into a bigger facility or place of operation, expand into importation and wholesale of mobile phones and accessories, and expand businesses by opening new branches. This demonstrates that the youth are not exclusively survivalist in orientation, but harbour clear growth intentions for their businesses. The study has therefore challenged the conventional wisdom in the enterprise and livelihoods literature that the motivation of many young people involved in business in the informal sector is survivalist driven with limited growth intentions. By this, the study joins a growing body of literature (Rosa *et al.*, 2006; Langevang, 2012) which expands the discourse on motivation beyond the necessity/opportunity thesis.

8.3 Social Capital and Access to Resources for Establishing and Operating Youth Businesses

The study conceptualised social capital with respect to three main types - bonding, bridging and linking ties (Putnam, 2002; Woolcock, 2001). While bonding social capital connects the youth to resources within kinship and other close relations, bridging social capital connects the youth to a diverse network of relations which are often distant in orientation. Linking social capital avails the youth to resources within institutional sources and this tends to take a vertical

posturing unlike bonding and bridging social capital ties which are horizontal in nature (Turner & Nguyen, 2005; Turner, 2007).

In generating ideas for starting and in operating business, the study revealed that the youth tends to rely more on their own resources rather than depend on their bonding, bridging and linking social capital ties. The finding thus confirmed the popular view in the enterprise and livelihoods literature in SSA that institutional support for young people operating business in the urban informal sector is weak while support that comes from family relations and connections outside the close network of relations of the youth is dwindling (Clark, 1999; Chigunta, 2006). The majority of the youth do not rely heavily on advice be it from close or distant ties, although the few who utilised this resource tend to rely more on their kinship and close relations mainly as a result of the trust that often exists within these network of relations. This finding confirms the view with respect to the significance of trust in the creation of strong network of relations among individuals (Adler & Kwon, 2002). With specific reference to business type, phone repairers were observed to utilise advice or assistance from their bonding social capital ties as a result of the specialised⁸⁴ nature of their business which calls for some collaboration among the youth. With respect to access to business operating space, the finding indicates that the youth relied more on their close friendship and family ties. However, while many of the young males rely on their friendship ties, the females utilise family relations in accessing their business operating space. What is particularly clear is the limited influence of the metropolitan authority in the provision of space for young people operating in the urban informal sector. Compounding the situation is the frequent decongestion exercises by the city authority and its negative impact on informal businesses. Essentially, the findings point to the

⁸⁴ The phone repair sector is specialised in the sense that it is the only skill based activity among the business types in the mobile telephony sector

inability of planning system to take care of informal activities with respect to the question of space (ISSER, 2010; 2013).

In discussing the source of capital for starting and operating business, the finding was that the youth rely more on their own savings rather than on institutional sources such as banks and MFIs. This finding confirms the view in the youth enterprise literature with respect to increasing self-reliance or self-support generally among young people in the urban informal sector (Chigunta, 2006). Nonetheless, two reasons account for this particular trend among young people in the mobile telephony sector. First many of the young people were either working as self-employed in other business activities while others were employed. Secondly, interest rates charged by financial institutions are very high in addition to the stringent checks especially by banks. Accessing credit facility from microfinance institutions (MFIs) does not require such stringent checks. However, the implication of this is that the youth have to pay relatively higher interest rates on such credit facilities. There are no specific credit facilities from either the banks or MFIs targeting young people in the urban informal sector as the youth are often treated as high risk borrowers by financial institutions. The consequence of this is heavy self-reliance by the youth through gradual savings mobilisation.

8.4 Social Capital and Business Performance

The findings of the study indicate that linking social capital has a negative effect on business performance. Generally, support from institutions to young people running business in the urban informal sector in Ghana and SSA generally is weak (Chigunta, 2006; ISSER, 2010). The available support from institutional sources to the young people often comes in the form of credit facilities from banks and MFIs which come at higher interest rates.⁸⁵ Consequently, the

⁸⁵ The highest Annual Percentage Rates (APR) (the true interest rate charged by banks and non-bank financial institutions on loans and advances) as published by the Bank of Ghana as at July 2013 was 36.26 while the lowest was 22.23 per cent.

youth who go in for such support have to spend significantly more in servicing the loan and the interest on the loan. Going for such credit facilities tend to have a detrimental effect on the performance of youth business. However, despite the negative relationship between linking social capital and business performance, the findings of the research has proven that performance of businesses owned by women who have benefited from institutional support is better compared to their male counterparts.

As support from linking social capital ties is weak, the regression results indicate bonding social capital ties to play a significant role in influencing performance of businesses among young people. Thus, the youth tend to rely more on their bonding social capital ties in growing their businesses. This notwithstanding, the competitive nature of the youth businesses have made bridging social capital ties to play a less influential role with respect to performance of youth businesses in the mobile telephony sector.

In totality however, performance of the phone repair business is relatively better compared to accessories, phone sales and airtime mainly due to the relatively low operational cost of the phone repair business. Also, businesses located at Kwame Nkrumah Circle perform better compared to Tema Station, Kaneshie and Madina since the Kwame Nkrumah Circle area has gradually developed into the hub of mobile telephony businesses in the GAMA. Businesses operating from glaze cabinets perform better compared to shops due to the relatively high cost of operating business in shops.

8.5 Youth Businesses and the Transition to Adulthood

The findings of the study again revealed that although running business in the mobile telephony sector is having a positive influence on transitions in the life course of the youth, youth transitions usually occur within a bigger social framework (Stanley, 1993), and there are other events which also shape these transitions . Using the concept of ‘critical moments’ and

'fateful moments' as analytical tools, critical events which were identified to be shaping transitions in the life course of the youth include family related events (for instance, parental divorce, pregnancy etc.). The findings also revealed events in the nature of education (for instance, a young person dropping out of school which stalls transitions, passing or failing BECE/WASSCE, accusation of theft in school etc.). Other events shaping transitions in the life course of the youth can be categorised under death and illness (for instance, death of a parent, losing a child, death of a partner etc.). Added to the above, some of the critical events are very much related to social relations or networks of the youth (for instance, having a relation abroad, buying stolen goods etc.) and others are structural in nature (for instance, decongestion exercise by the AMA, road construction, depreciation of the Cedi etc.). All these events were observed to be shaping transitions of the youth in either a constraining or enabling manner.

Aside these events, the findings of the study further revealed that the youth have been able to make significant gains in social mobility as a result of their engagement in business in the mobile telephony sector. Specific achievements from business include the ability to acquire land, although this achievement is largely influenced by business type and gender with the youth in the phone sales, accessories and repair business making the most significant gains while more men have been able to acquire land relative to women. Added to land acquisition, the youth have been able to rent accommodation where they are currently residing while many alluded to having been able to achieve financial independence as a result of their engagement in business in the mobile telephony sector and this is a common aspiration with respect to conceptions of adulthood among many young people in both the developed and the developing world (Arnett, 2001; Petrogiannis, 2011). However, achieving financial independence cuts across gender and business type. The findings again indicate that some of the youth have been able to marry due to their business engagement in the mobile telephony sector. For instance, while males have been able to perform rites of marriage for their partners, females are able to

support their partners at the household level. Finally, engagement in business in the mobile telephony sector has helped the youth to be able to support individuals within their network of relations. For instance, many of the youth are able to offer financial support to their parents, siblings, and other family relations while others have been able to offer support with respect to payment of school fees to distant relations within their network of relations. This finding is however contrary to the popular assumption in the youth literature that young people are mostly recipients of support from their network of relations (Clark, 1999).

8.6 Policy Implications

The findings of the research have presented a gloomy picture with respect to supportive policies either at the national or metropolitan levels towards the youth and their livelihoods or enterprise activities in the urban informal sector. Simply put, the youth have, to a large extent, been neglected by policy makers over the years. The few policies with focus on the youth and their livelihood have also been approached from neoliberal inclinations without adequate input from the youth. A typical instance of neoliberal dominated policies are policies at the metropolitan level which perceive entrepreneurs (including the youth) in the urban informal sector as individuals who needed to face proper incentive structures to lift themselves out of poverty, informality and illegality, and into the realm of legal job-creating micro entrepreneurship (Roever, 2006). This orientation has contributed to the formulation of antagonistic policies, such as, policies of decongestion which often limit the potential of the youth and their livelihoods for growth. It is therefore not surprising that calls are being made in recent times for the promotion of youth livelihoods through entrepreneurship. These policy calls must however necessarily take on board the views and concerns of the youth operating especially in the urban informal sector.

The Ghanaian population is very youthful and is growing at a faster rate. This, in addition to the increasing pace of urbanisation is posing severe employment challenges for the youth.

Although many of these young people continue to find employment avenues in the informal sector mainly as self-employed, the lack of a coherent national youth entrepreneurship policy has meant that the concerns of the youth have mostly been approached from a perspective which can best be described as piecemeal and unstructured. These observations therefore amplify the call for a national youth entrepreneurship policy which needs to approach concerns of the youth in a much more focussed manner.

In spite of the popular assumption that the youth in the urban informal sector are necessity/survivalist driven entrepreneurs with limited growth intentions, the findings of this research have proven that these assumptions are flawed. Moreover, some of the youth in the urban informal sector may start-up as necessity driven entrepreneurs, but gradually grow their businesses to become growth oriented establishments. The findings have thus demonstrated that excluding the youth in the urban informal sector from policy debate on the wrong assumption that they are necessity driven entrepreneurs and therefore cannot contribute significantly towards growth of the economy is flawed. Policy should therefore target these entrepreneurs in an effort to promote their growth which will go a long way in boosting the growth of the economy.

Recently, it has been suggested that entrepreneurship policy should focus exclusively on opportunity driven entrepreneurs at the neglect of necessity driven entrepreneurs (Naude', 2011). Added to the above, some specific national level policies and programmes, such as, the SDF under the umbrella of COTVET, which specifically excludes entrepreneurs involved in commerce, may be operating on flawed assumptions. Although some of the youth are operating commercial activities such as phone and accessories sales, the findings of the research have indeed demonstrated that they have clear growth intentions which when supported by policy could contribute positively towards the growth of these business activities.

Since businesses owned by women who have received support from institutional sources tend to perform better compared to that of males, it is recommended that national level entrepreneurship development programmes such as the Local Enterprise and Skills Development Programme (LESDEP) and the SDF should specifically target more women. This support could come in the form of credit access that will enable the young women expand their businesses to be able to employ additional labour. Aside financial assistance, institutional support from national level sources to the young women could again come in the form of business management skills. Such support should target as many young business owners as possible including the young men since the research has proven that the young men have the greatest challenge to effectively manage institutional support in the form of credit access. With the improvements in business management skills especially among the young men, they will be able to efficiently manage all kinds of credit support that will lead to success in their business operations.

In order to effectively promote the livelihoods of the informal sector operatives generally in a sustainable manner, it is essential to first of all, address the issue of government corruption at the metropolitan, municipal and district assembly levels. By this effort, the activities of the metropolitan authority officials who extort money from operatives in the informal sector might be substantially reduced. Secondly, the city authorities must rethink about their approach to providing business operating spaces for operatives in the informal sector. Due to the significant number of young people who continue to fall on the informal sector for livelihoods, the city authorities must adopt a proactive approach in the creation and management of business operating space for informal sector operatives. A typical example could be the initiation of Saturday, Sunday or even night markets at designated public spaces.

8.7 Conclusion

Challenges confronting the youth have attracted increasing debate and discussion in recent times. It is rather unfortunate to note that the recent discourse on the youth and their livelihood situation is conducted without detailed understanding of the grounded realities of the situation of the youth and their livelihoods especially in the urban informal sector. Using the mobile telephony sector as a case study, this research has provided evidence of the livelihood situation of the youth in the urban informal sector, and has demonstrated that many of youth have been able to make significant gains with respect to social mobility mainly as a result of their engagement in business in the informal sector. The findings of the research have therefore revealed that informal enterprises in mobile telephony sector and the informal economy generally have the potential to contribute to economic growth, employment creation, poverty reduction and improvements in social mobility among young people. Given the needed support base, from bonding, bridging and linking social capital ties, many young people can indeed improve upon their livelihoods and significantly move up the social ladder through their enterprise activities.

8.7.1 Contribution to Knowledge

Based on the results, the study has contributed to the youth and enterprise literature in the following ways: First, because the study objectively investigated motivations for business establishment among the youth by utilising quantitative and qualitative grounded approaches, the study has contributed to the emerging literature with respect to motivations among young people. Second, by unravelling the multiple, complex and interconnected nature of motivations, the study has contributed to the entrepreneurship motivation literature especially from the perspective of young people, but more importantly, beyond the opportunity/necessity dichotomy. Third, having investigated social capital through its distinctive types – bonding, bridging and linking ties, and linking these social capital types to wider framework of support

among young people, the study has contributed to the social capital literature. Finally, the study has challenged the conventional wisdom that young people especially in SSA are passive or in a state of social moratorium with limited gains in social mobility. By proving that young people are making gains with respect to social mobility, the study has contributed to the youth transitions literature.

8.7.2 Areas of Further Research

Considering the positive influence of business in the transition situation of the young people as revealed by the study, it becomes imperative to investigate how sustainable these gains are. This brings into question the issue of sustainability entrepreneurship among operatives in the mobile telephony sector and the informal economy generally. An investigation into sustainability entrepreneurship in the mobile telephony sector and the informal economy is even more important considering the increasing influence of foreign nationals particularly the Nigerians and Chinese in the sector.

Finally, it must be emphasized that the limited time frame within which the young people's life course were tracked over the course of the research and given the interesting revelations with respect to gains in social mobility as a result of business engagement in the urban informal sector, this research therefore calls for a longitudinal study using life trajectory approaches to monitor the life course of the youth in the urban informal sector generally. This will provide a good ground for generalising on the implications of the engagement in business or livelihood activities on transitions or social mobility generally among the youth.

REFERENCES

- Acs, Z. J., & Kallas, K. (2008). State of literature on small-to medium-sized enterprises and entrepreneurship in low-income communities. In *Entrepreneurship in Emerging Domestic Markets* (pp. 21-45). Springer US.
- Adler, P. S., & Kwon, S. W. (2002). Social capital: Prospects for a new concept. *Academy of management review*, 27(1), 17-40.
- Africa Commission. (2009). *Realising the Potential of Africa's Youth: Report of the Africa Commission*. Africa Commission.
- Agyapong, D. (2010). Micro, Small and Medium Enterprises' Activities, Income Level and Poverty Reduction in Ghana—A Synthesis of Related Literature. *International Journal of Business and Management*, 5(12), p196.
- Aker, J., & Mbiti, I. (2010). Mobile phones and economic development in Africa. *Center for Global Development Working Paper*, (211).
- Aldrich, H., & Zimmer, C. (1986). Entrepreneurship through social networks. In: Sexton, D., Smilor, R. (Eds.), *The Art and Science of Entrepreneurship*. Ballinger, Boston, MA.
- Ampiah, J. G., & Adu-Yeboah, C. (2009). Mapping the incidence of school dropouts: a case study of communities in Northern Ghana. *Comparative Education*, 45(2), 219-232
- Anderson, A. R. (2000). Paradox in the periphery: an entrepreneurial reconception. *Entrepreneurship Reg. Dev.* 12(2), 91 – 110.
- Anderson, A. R., & Miller, C. (2002). “Class Matters”: Human and Social Capital in the Entrepreneurial Process. *Journal of Socio-Economics* 32(1), 17–36.
- Antonicic, B., & Hisrich, R. D. (2001). Intrapreneurship: Construct refinement and cross-cultural validation. *Journal of Business Venturing*, 16(5), 495-527.
- Anyidoho, N. A. (2013). *Informal Economy Monitoring Study City Level Report: Accra street vendors. WIEGO*.
- Apt, N. A. (2007). Health and aging in Africa. *Global Health and Global Aging*, 187.
- Arnett, J. J. (2001). Conceptions of the transition to adulthood: Perspectives from adolescence through midlife. *Journal of adult development*, 8(2), 133-143.
- Aryeetey, E., & Baah-Boateng, W. (2007). *Growth, investment and employment in Ghana*. Geneva: The International Labour Organisation.
- Aryeetey, E., & Baah-Boateng, W. (2013). Unemployment, underemployment and joblessness in Africa: Can entrepreneurship solve the problem? Paper presented at the *International Conference on Entrepreneurship and Employment in the Global South*, Copenhagen, June 24-25, 2013.
- Asamoah, M. (2006). *Empowering women economically through microcredit- Prospect and challenges: The case of some selected credit schemes in the eastern region of Ghana*. Available at <http://www.cepa.org.gh/researchpapers/Empowering72.pdf> (Assessed 26th June, 2013).
- Asare, K. (2010, August, 21). JHS – SHS Transition – Any Lesson Yet? *Daily Graphic*, p.14.
- Aseidu, A. B., & Agyei-Mensah, S. (2008). Traders on the run: Activities of street vendors in the Accra Metropolitan Area, Ghana. *Norsk Geografisk Tidsskrift – Norwegian Journal of Geography*, 62, 139-148.

- Astebro, T., & Bernhardt, I. (2003). Start-up financing, owner characteristics and survival. *Journal of Economics and Business*, 55(4), 303–320.
- Atchoarena, D., & Delluc, A. (2001). *Revisiting technical and vocational education in Sub-Saharan Africa: An update on trends, innovations, and challenges*. Paris: International Institute for Educational Planning.
- Awusabo-Asare, K., & Tanle, A. (2008). Eking out a living: Women's entrepreneurship and poverty reduction strategies: The case of palm kernel oil processing in the Central Region of Ghana. *Norsk Geografisk Tidsskrift – Norwegian Journal of Geography*. Vol. 62, 139-148.
- Baah-Boateng, W., & Ewusi, K. (2013). Labour and Employment. Paper presented at a one day workshop on 'Policies and options for Ghana's economic development' held at the Institute of Statistical Social and Economic Research on April 16th, 2013.
- Baah-Boateng, W., & Turkson, F. E. (2005). 'Employment'. In E. Aryeetey, (Ed.), *Globalisation, employment and poverty reduction: A case study of Ghana*, Accra: Institute of Statistical, Social and Economic Research (ISSER).
- Baron, S., Riddell, S., & Wilson, A. (1999). The secret of eternal youth: identity, risk and learning difficulties. *British Journal of Sociology of Education* 20 (4), 483–499.
- Barr, A. (1998). *Enterprise performance and the functional diversity of social capital*. Working Paper Series 98-1. University of Oxford, Institute of Economics and Statistics, Oxford, U.K. Processed.
- Barr, A. (2000). Social capital and technical information flows in the Ghanaian manufacturing sector. *Oxford Economic Papers*, 52(3), 539-559.
- Baumol, W. J., Litan, R. E., & Schramm, C. J. (2009). *Good capitalism, bad capitalism, and the economics of growth and prosperity*. New Haven, CT: Yale University Press.
- Bellu, R. R., Davidsson, P., & Goldfarb, C. (1990). Toward a theory of entrepreneurial behaviour; empirical evidence from Israel, Italy and Sweden. *Entrepreneurship & Regional Development*, 2(2), 195-209.
- Bennell, P. (2000). *Improving youth livelihoods in SSA: a review of policies and programmes with particular emphasis on the link between sexual behaviour and economic well-being*. Report to the International Development Center (IDRC).
- Bennell, P. (2007). Promoting livelihood opportunities for rural youth. *Knowledge and Skills for Development Paper*. IFAD.
- Bennett, R., & Robson, P. (1999). The use of external business advice by SME's in Britain. *Entrepreneurship & Regional Development*. 11, 155–180
- Benzing, C., Hung M., & Chu, H. M. (2009). A comparison of the motivations of small business owners in Africa. *Journal of Small Business and Enterprise Development*, 16 (1) 60 – 77.
- Bertaux, D., & Thompson, P. (1997). *Pathways to Social Class: A Qualitative Approach to Social Mobility*. Oxford: Clarendon.
- Bewayo, E. (1999). 'Will entrepreneurship lead to national development in Africa?' Available at: <http://www.sbaer.uca.edu/Research/1999/SBIDA/99sbi224.htm>. (24th May, 2010).
- Bhaskar, R. (1989). *Reclaiming Reality*, London: Verso.

- Birley, S. (1985). The role of networks in the entrepreneurial process. *Journal of Business Venturing* 1, 107–117.
- Birley, S., & Westhead, P. (1994). A taxonomy of business start-up reasons and their impact on firm growth and size. *Journal of Business Venturing*, 9, 7–31.
- Block, J., & Sandner, P. (2009). Necessity and opportunity entrepreneurs and their duration in self-employment: evidence from German micro data. *Journal of Industry, Competition and Trade* 9, 117-137.
- Boadi, R. A., Boateng, R., Hinson, R., & Opoku, R. A. (2007). Preliminary insights into m-commerce adoption in Ghana. *Information Development*, 23(4), 253-265.
- Bosma, N., Acs, Z., E., Coduras, A., & Levie, J. (2008). *Global Entrepreneurship Monitor 2008 Executive Report*. Global Entrepreneurship Research Association (GERA).
- Bosma, N., Coduras, A., Litovsky, Y., & Seaman, J. (2012). *GEM Manual: A report on the design, data and quality control of the Global Entrepreneurship Monitor*. Babson
- Park, MA, US: Babson College, Santiago, Chile: Universidad del Desarrollo. UK: Global Entrepreneurship Research Association.
- Botchwey, K. (2010). *The relevance of Kwame Nkrumah's legacy in Ghana's contemporary political economy: The evolution and content of the legacy*. Kwame Nkrumah Memorial Lecture Series, University of Cape Coast.
- Bourdieu, P. (1983). Forms of capital. In: Richardson, J. (Ed.), *Handbook of Theory and Research for the Sociology of Education*. Greenwood Press, New York, pp. 241–258. Brighton: IDS.
- Bourdieu, P. (1986). The forms of capital. In J. G. Richardson (Ed.), *Handbook of theory and research for the sociology of education* (pp. 241–258). New York: Greenwood.
- Boyce, C., & Neale, P. (2006). *Conducting in-depth interviews: A guide for designing and conducting in-depth interviews for evaluation input*. Retrieved from http://www.cpc.unc.edu/measure/training/materials/data-quality-portuguese/m_e_tool_series_indepth_interviews.pdf
- Briggs, J., & Yeboah, I. (2001). Structural adjustment and the contemporary sub-Saharan African city. *Area* 33:18–26.
- Brouwer, R. (2010). Mobile Phones in Mozambique The Street Trade in Airtime in Maputo City. *Science Technology & Society*, 15(1), 135-154.
- Brouwer, R., & Brito, L. (2008). *Cellular phones in Mozambique: Who has it and who doesn't*. RESIST Working Paper, Universidade Eduardo Mondlane, Maputo.
- Brown, R. A., Worthman, C. M., Costello, E. J., & Erkanli, A. (2006). The Life Trajectory Interview for Youth (LTI-Y): Method development and psychometric properties of an instrument to assess life-course models and achievement. *International Journal of Methods in Psychiatric Research*, 15(4), 192–206.
- Brydon, L. (1985). Ghanaian responses to the Nigerian expulsions of 1983. *African Affairs*, 84(337), 561-585.
- Brydon, L. (1999). With a little bit of luck. . .': coping with adjustment in urban Ghana, 1975–1990. *Africa* 69(3), 366–385.
- Campbell, S., & Kwak, N. (2010). Mobile communication and social capital: an analysis of geographically differentiated usage patterns. *New Media & Society* 12(3), 435–451

- Cassar, G. (2007). Money, money, money? A longitudinal investigation of entrepreneur career reasons, growth preferences and achieved growth. *Entrepreneurship and Regional Development*, 19(1), 89-107.
- Chambers, R. (1995). Poverty and livelihoods: whose reality counts?. *Environment and Urbanization*, 7(1), 173-204.
- Chambers, R., & Conway, G. (1992). *Sustainable rural livelihoods: practical concepts for the 21st century*. Institute of Development Studies (UK).
- Charmes, J. (1990), "A Critical Review of Concepts, Definitions, and Studies in the Informal Sector", in: D. Turnham, B. Salome, and A. Schwarz (eds.) *The Informal Sector Revisited*. Paris: OECD.
- Chant, S., & Jones, G. A. (2005). Youth, gender and livelihoods in West Africa: Perspectives from Ghana and the Gambia. *Children's Geographies* 3 (2), 185–199.
- Chea, A. C. (2008). Factors that influence the survival of women-owned small busienss startups in the city of Tema, Ghana. *International Business Research* 1(3), 130-144
- Chen, M. A. (2005). *Rethinking the informal economy: Linkages with the formal economy and the formal regulatory environment*. United Nations University, World Institute for Development Economics Research.
- Chigunta, F. (2001). Youth Livelihoods and Enterprise Activities in Zambia. *Report to IDRC, Canada*.
- Chigunta, F. (2002). *Youth entrepreneurship: Meeting the key policy challenges*. Wolfson College, Oxford University, England.
- Chigunta, F. (2006). *An Investigation into Youth Livelihoods and Entrepreneurship in the Urban Informal Sector in Zambia*. (Unpublished doctoral thesis). Oxford University, Oxford, United Kingdom.
- Chigunta, F., Schnurr, J., James-Wilson, D., Torres, V., & Creation, J. (2005). Being “real” about youth entrepreneurship in Eastern and Southern Africa. *SEED Working Paper*, 72.
- Chong, L., & Gibbons, P. (1997). Corporate entrepreneurship: The roles of ideology and social capital. *Group and Organization Management*, 22, 10-30.
- Christiansen, C., Utas, M., & Vigh, H. E. (2006). Introduction: navigating youth, generating adulthood. In: Christiansen, C., Utas, M., Vigh, H.E. (Eds.), *Navigating Youth, Generating Adulthood: Social Becoming in an African Context*. The Nordic Africa Institute, Uppsala, pp. 9–28.
- Clark, G. (1999). Negotiating Asante family survival in Kumasi, Ghana. *Africa* 69 (1), 66–86.
- Coleman, J. (1961). *The adolescent society: The social life of the teenager and its impact on education*. New York: The Free Press of Glencoe, Inc.
- Coleman, J. S. (1988). Social capital in the creation of human capital. *American Journal of Sociology* 94 (S), S95–S120.
- Coleman, J. S. (1990). *Foundations of Social Theory*. Belknap Press, Cambridge
- Coleman, J. S. (1991). *Parental involvement in education*. Washington, DC: U.S.Department of Education, U.S. Government Printing Office.

- Coleman, J. S. (1994). A rational choice perspective on economic sociology. In: *Handbook of economic sociology*. (Ed.) N.J. Smelser, R. Swedberg, pp. 166-180. Princeton, NJ: Princeton Univ. Press.
- Coleman, J. S., Campbell, E. Q., Hobson, C. J., McPartland, J., Mood, A.M., Weinfeld, F. D., & York, R. L. (1966). *Equality of educational opportunity*. Washington, DC: U.S. Government Printing Office.
- Coleman, J. S., Hoffer, T., & Kilgore, S. B. (1982). *High school achievement: Public, Catholic, and Other private schools*. New York: Basic
- Coleman, J.S., Hoffer, T. (1987). *Public and private high schools*. New York: Basic Books.
- Colletta, N. J., & Cullen, M. L. (2000). *Violent conflict and the transformation of social capital: Lessons from Cambodia, Rwanda, Guatemala, and Somalia* (Vol. 795). World Bank Publications.
- Cresswell W. J. (2007). *Qualitative Inquiry & Research Design: Choosing Among Five Approaches*. (2nd ed.). Sage Publications Inc.
- Curtain R. (2002). *Tackling the Knowledge Divide to generate employment for young people: addressing the objections raised at the Youth Employment Summit*.
- Curtain, R. (2002, June). Strategies for creating employment for urban youth, with specific reference to Africa. In *Paper for Expert Group Meeting on "Strategies for Creating Urban Youth Employment: Solutions for Urban Youth in Africa* (pp. 21-25).
- Davidsson, P., & Honig, B. (2003). The Role of Social and Human Capital Among Nascent Entrepreneurs. *Journal of Business Venturing*, 18, 301-31.
- Davies, S. (1996). *Adaptable livelihoods: Coping with food insecurity in the Malian Sahel*. London: Macmillan Press.
- De Haan, L. J., & Zoomers, A. (2005). Exploring the frontier of livelihood research. *Development and Change*, 36 (1), 27-47.
- De Herdt, T., & Marysse, S. (1997). Against all odds: coping with regress in Kinshasa, Zaire. In Kay, C. (Ed.), *Globalisation, competitiveness and human security*. London and Portland: Frank Cass
- De Soto, H. (1989). *The Other Path: The Economic Answer to Terrorism*. New York: Basic Books.
- Debrah, Y. (2007). Promoting the informal sector as a source of gainful employment in developing countries: insights from Ghana. *The International Journal of Human Resource Management* 18 (6), 1063–1084.
- Denzin, N. K. (1989). Interpretative Biography. *Qualitative Research Methods Series*, No. 17. London: Sage.
- Dershem, L. & Gzirishvili, D. (1998). Informal social support networks and household vulnerability: Empirical findings from Georgia. *World Development* 26: 1827-1838.
- Donner, J. (2008). Shrinking Fourth World? Mobiles, Development, and Inclusion (Ed.). In James E. Katz, (Ed.), *Handbook of Mobile Communication Studies*. Cambridge, MA: Massachusetts Institute of Technology Press, pp. 29–42.
- Downing, T. (1990). Assessing socioeconomic vulnerability to famine. *USAID FEWS Working Paper. Paper 2.1*.

- Du Bois-Reymond, M. (1998). "I Don't Want to Commit Myself Yet": Young People's Life Concepts'. *Journal of Youth Studies* 1(1), 63–79.
- Eguavoen, I. (2010). Lawbreakers and livelihood makers: Youth-specific poverty and ambiguous livelihood strategies in Africa. *Vulnerable Children and Youth Studies: An International Interdisciplinary Journal for Research, Policy and Care*, 5(3), 268-273.
- Ellis, F. (1998). Household strategies and rural livelihood diversification. *Journal of Development Studies*, 35 (1), 1-38.
- Ellis, F. 2000. *Diversity in developing countries*. Oxford University Press.
- Ellis, F., & Freeman, A. (2004). *Rural livelihoods and poverty reduction strategies in four African countries*. *Journal of Development Studies*, 40 (4), 1-30.
- Emerson, R. (1972). Exchange theory: Part I. A psychological basis for social exchange. In: Berger, J., Zelditch, M., Anderson, B. (Eds.), *Sociological Theories in Progress*. Houghton Mifflin, Boston, pp. 38–57.
- Erikson, E. (1950). *Childhood and Society*. W.W. Norton & Co., New York
- Espinoza, V. (1999). Social networks among the urban poor: inequality and integration in a Latin American city", In B Wellman (Ed.), *Networks in the Global Village*, Westview, Boulder, CO, pp. 147-184.
- Etzo, S., & Collender, G. (2010). The mobile phone "revolution" in Africa: Rhetoric or reality? *African Affairs*, 109 (437), 659–668
- Evans, D. S., & Leighton. S. L. (1989). Some empirical aspects of entrepreneurship, *American Economic Review*, 79, 519-535.
- Evans, D., & Leighton, L. (1989). Some empirical aspects of entrepreneurship. *American Economic Review* 79, 519–535.
- Fafchamps, M. (1996). The enforcement of commercial contracts in Ghana. *World Development*, 24 (3), 427-448.
- Fafchamps, M. (2000). Ethnicity and credit in African manufacturing. *Journal of Development Economics*, 61, 205-235.
- Fafchamps, M., & Bart Minten. (1999). Social capital and the firm: Evidence from agricultural trade. *Social Capital Initiative Working Paper 17*. World Bank, Social Development Department, Washington, D.C.
- Fairfield, P., & Yohn, T. (2001). Using asset turnover and profit margin to forecast changes in profitability. *Review of Accounting Studies* 6, 371–385.
- Fairlie, R. W., & Robb, A. M. (2009). Gender differences in business performance: evidence from the Characteristics of Business Owners survey. *Small Business Economics*, 33(4), 375-395.
- Farrington, J., Carney, D., Ashley, C., & Turton, C. (1999). Sustainable livelihoods in practice: Early applications of concepts in rural areas. *Natural Resource Perspectives* 42. London: ODI.
- Feige, E. L. (1990). Defining and estimating underground and informal economies: The new institutional economics approach. *World Development* 18, No. 7: 989-1002.
- Field, J. (2003). *Social Capital*. London: Routledge.

- Fields, G. S. (1990). Labour market modelling and the urban informal sector: Theory and evidence [Electronic version]. In D. Turnham, B. Salomé, & A. Schwarz (Eds.), *The informal sector revisited* (pp. 49-69). Paris: Organisation for Economic Co-operation and Development.
- Foster, R. (1986). *Innovation: The attacker's advantage*. New York: Summit Books.
- Frempong, G. K., & Atubra, H. (2001). Liberalization of telecoms: The Ghanaian experience. *Telecommunications Policy* 25(3), 197–210.
- Frempong, G., & Stork, C. (2005). Towards an African e-Index: Household and individual ICT access and usage across 10 African countries'. In Research ICT Africa. A Gillwald, Ed. The LINK Centre, Wits University School of Public and Development Management
- Frese, M., & de Kruif, M. (2000). Psychological success factors of entrepreneurship in Africa: A selective literature review. In M. Frese (Ed.), *Micro business owners in Africa: A new psychological approach*. Westport, CT: Greenwood Publishers.
- Furlong, A., & Cartmel, F. (2007). *Young People and Social Change: New Perspectives*. Open University Press: Berkshire.
- Garcia, M., & Fares, J. (2008). Transitions to working life for Africa's youth', in Garcia, M. and Fares, J. (Eds.): *Youth in Africa's Labour Market*. Washington DC: The World Bank, pp. 14-25.
- Gartner, W. B. (1989). Some suggestions for research on entrepreneurial traits and characteristics. *Entrepreneurship Theory Practice*. 14 (1), 27 – 38
- Giacomin, O., Guyot, J-L., Janssen, F., & Lohest, O. (2007). Novice creators: personal identity and push pull dynamics. CRECIS Working Paper 07/2007, Center for Research in Change, Innovation and Strategy, Louvain School of Management, downloadable through www.crecis.be.
- Giddens, A. (1991). *Modernity and self-identity: Self and society in the late modern age*. Cambridge: Polity.
- Gillies, V. (2000). Young people and family life: analysing and comparing disciplinary discourses. *Journal of Youth Studies* 3 (2), 211–228
- Gnyawali, D. R., & Fogel, D. S. (1994). Environments for entrepreneurship development: Key dimensions and research implications'. *Entrepreneurship Theory and Practice*, 18, 43–62.
- Gomez, G. M. (2008). Development of micro enterprises into small and medium enterprises: *Report prepared in Partnership for Learning*. The Hague: Institute of Social Studies.
- Gough, K. V. (2010). Continuity and adaptability of home-based enterprises: a longitudinal study from Accra, Ghana. *International Development Planning Review*, 32, 45–70.
- Gough, K. V., Tipple, A. G., & Napier, M. (2003). Making a living in African cities: The role of home-based enterprises in Accra and Pretoria. *International Planning Studies* 8 (4), 253–277.
- Government of Ghana/Ministry of Local Government & Rural Development. (2010). *Draft national urban policy*. Accra: MLG&RD.

- Government of Ghana/Ministry of Youth and Sports. (2010). *National youth policy of Ghana: Towards an empowered youth, impacting positively on National Development*. Accra: GoG/MYS.
- Granovetter, M. (1973). The strength of weak ties. *American Journal of Sociology*, 78, 1360–1380.
- Granovetter, M. (1983). The strength of weak ties: A network theory revisited. *Sociological Theory*, 1 (1983), 201-233.
- Granovetter, M. (1985). Economic action and social structure: The problem of embeddedness. *American Journal of Sociology*, 91 (3), 481-510.
- Grant, R., & P. Yankson (2003). City Profile. Accra. *Cities* 20, 65–74.
- Gray, K. R., Cooley, W., Lutabingwa, J., Mutai-Kaimenyi, B., & Oyugi, L. A. (1996). *Entrepreneurship in micro-enterprises: A strategic analysis of manufacturing industries in Kenya*. Lanham, MD: University Press of America.
- Green, G. P. (1987). *Finance capital and uneven development*. Boulder, CO: Westview Press.
- Greene, P., & Brown, T. (1997). Resource needs and the dynamic capitalism typology. *Journal of Business Venturing*, 12 (3), 161–173.
- Grierson, J. (2000). Youth, entrepreneurship, livelihoods and reproductive health: planning and assessment tools for practitioners. *Report Prepared to IDRC, Canada*.
- Gries, T., & Naudé, W. (2010). Entrepreneurship and structural economic transformation. *Small Business Economics*, 34, 13–29.
- Grootaert, C. (1999). *Social capital, household welfare and poverty in Indonesia* (Vol. 2148). World Bank, Social Development Department.
- GSS (Ghana Statistical Service (GSS), (2013a). *2010 Population & housing census: National analytical report*. GSS.
- GSS (Ghana Statistical Service) (2003). *Ghana child labor survey*. Accra: GSS.
- GSS (Ghana Statistical Service) (2005). *Ghana population data analysis report: socio-economic and demographic trends*. Vol. One, Accra: GSS.
- GSS (Ghana Statistical Service) (2012). *2010 population & housing census: Summary report of final results*, Accra: GSS.
- GSS (Ghana Statistical Service), (2013b). *2010 Population & housing census: Children, adolescents & young people in Ghana*, Accra: GSS.
- GTUC (Ghana Trade Union Congress) (2005). *Policies on employment, earnings and the petroleum sector*. Accra: GTUC/UNDP.
- Gyekye, K. (1997). *Tradition and modernity: Philosophical reflections on the African experience*. New York: Oxford.
- Hahn, H. P., & Kibora, O. L. (2008). The domestication of the mobile phone. Oral society and new ICT in Burkina Faso. *Journal of modern African studies*, 46 (1), 87 – 109.
- Hanifan, L. J. (1916). The Rural School Community Centre. *Annals of the American Academy of Political and Social Science*, 67,130-38
- Hanson, K. (2005). Landscapes of survival and escape: social networking and urban livelihoods in Ghana. *Environment and Planning A*, 37 (7), 1291–1310.
- Hart, D. M. (2003). Entrepreneurship policy: What it is and where it came from. In Hart, D.M. (Ed.), *The Emergence of Entrepreneurship Policy: Governance, Start-ups and Growth in the US Knowledge Economy*. Cambridge: Cambridge University Press:

3-19.

- Hart, K. (1988). Kinship, contract, and trust: The economic organization of migrants in an African city slum. In D. Gambetta (Ed.), *Trust: Making and Breaking Cooperative Relations*. New York: Basil Blackwell, pp. 176-193.
- Hartmann, D., & Swartz, T. S. (2006), 'The New Adulthood? The Transition to Adulthood from the Perspective of Transitioning Young Adults', *Network on Transitions to Adulthood Research Network Working Paper*
- Heinz, W. R., & Krüger, H. (2001). Life course: innovations and challenges for social research. *Current Sociology*, 49, 29-54.
- Helve, H., & Bynner, J. (2007). *Youth and Social Capital*. Tufnell Press, London.
- Hessels, J., Van Gelderen, M. W., & Thurik, A. R. (2008). Drivers of entrepreneurial aspirations at the country level: the role of start-up motivations and social security. *International Entrepreneurship and Management Journal*, 4, 401–417.
- Holland, J., Reynolds, T., & Weller, S. (2007). Transitions, networks and communities: the significance of social capital in the lives of children and young people. *Journal of Youth Studies*, 10 (1), 97–116.
- Homans, G. (1961). *Social behaviour: Its elementary forms*. New York: Harcourt, Brace and World.
- Honig, B. (1996). Education and self-employment in Jamaica. *Comparative Education Review*, 40(2), 177-193
- Honig, B. (1998). What determines success? Examining the human, financial, and social capital of Jamaican Microentrepreneurs. *Journal of Business. Venturing*, 13 (5), 371–394.
- House, W. J. (1984). Nairobi's informal sector: dynamic entrepreneurs or surplus labor?. *Economic Development and Cultural Change*, 32(2), 277-302.
- Humphrey, R. (1993). Life Stories and Social Careers: Ageing and Social Life in an Ex-Mining Town', *Sociology* 27(1), 166–78.
- Hunt, F. (2008). Dropping out from school: A cross country review of literature. *CREATE Pathways to Access Research Monograph No. 20*. Brighton: University of Sussex.
- Hunter, G. (1962). *The New Societies of Tropical Africa*. London: Oxford University Press.
- ILO (2005). *Youth: Pathways to decent work*. Report VI International Labour Conference, 93rd Session,
- Inhelder, B., & Piaget, J. (1958). *The Growth of Logical Thinking from Childhood to Adolescence*. Basic Books, New York
- ISSER (Institute of Statistical, Social and Economic Research) (2005). *The State of the Ghanaian Economy in 2004*. Accra: ISSER.
- ISSER (Institute of Statistical, Social and Economic Research) (2006). *The State of the Ghanaian Economy in 2005*. Accra: ISSER.
- ISSER (Institute of Statistical, Social and Economic Research) (2007). *The State of the Ghanaian Economy in 2006*. Accra: ISSER.
- ISSER (Institute of Statistical, Social and Economic Research) (2010). *The State of the Ghanaian Economy in 2009*. Accra: ISSER.

- ISSER (Institute of Statistical, Social and Economic Research) (2012). *The State of the Ghanaian Economy in 2011*. Accra: ISSER.
- ISSER (Institute of Statistical, Social and Economic Research) (2013). *Ghana Social Development Outlook 2012*. Accra: ISSER.
- Jack, S., & Anderson, A. (2001). The effects of embeddedness on the entrepreneurial process. *Journal of Business Venturing*, 17, 1–22.
- Jacobs, J. (1961). *The Life and Death of Great American Cities*. New York: Random House.
- Jeffrey, C., & McDowell, L. (2004). Youth in a comparative perspective: global change, local lives. *Youth and Society*, 36, 131–42.
- Jenkins, P. (1992). *Pierre Bourdieu*. London: Routledge.
- Johnson-Hanks, J. (2002). On the limits of life stages in ethnography: toward a theory of vital conjunctures. *American Anthropologist*, 104, 865–880.
- Johnson-Hanks, J. (2002). On the limits of life stages in ethnography: Toward a theory of vital conjunctures. *American Anthropologist*, 104, 865–880.
- Jolliffe, I.T. (1986). *Principal Component Analysis*. New York: Springer-Verlag.
- Kanothi, R. N. (2009). *The dynamics of entrepreneurship in ICT: Case of mobile phones downstream services in Kenya*. Institute of Social Studies Working Paper No. 466, Hague: ISS.
- Kelley, D. J., Bosma, N., & Amoros, J. E. (2011). *Global Entrepreneurship Monitor: 2010 Global Report*. London: GERA.
- Khalaf, S., & Shwayri, E. (1966). Family Firms and Industrial Development: The Lebanese Case. *Economic Development and Cultural Change*, 15 (1), 59-96.
- Killick, T. (2010). *Development Economics in Action Second Edition: A Study of Economic Policies in Ghana*. Routledge, NY: New York.
- King, K., Palmer, R., & Hayman, R. (2005). Bridging research and policy on education, training and their enabling environments. *Journal of International Development*, 17 (6), 803–817.
- Kirzner, I. M. (1973). *Competition and Entrepreneurship*. Chicago: University of Chicago Press.
- Klonner, S., & Nolen, P. (2008). *Does ICT Benefit the Poor? Evidence from South Africa*. University of Essex - mimeo.
- Konadu-Agyemang, K. (Ed.) (2002). *IMF and World Bank Sponsored Structural Adjustment Programmes in Africa: Ghana's Experience, 1983–1999*. Aldershot: Ashgate.
- Konadu-Agyemang, K., Baffour, K., & Takyi, K. B. (2001). Structural Adjustment Programs and the Political Economy of Development and Under-Development in Ghana. In Konadu-Agyemang, K. (Ed.) *IMF and World Bank Sponsored Structural Adjustment Programs in Africa: Ghana's experience, 1983–1999*, London: Ashgate.
- Kristiansen, S. (2004). Social networks and business success: The role of subcultures in an African context. *The American Journal of Economics and Sociology*, 63(5), 1149–1172.
- Langevang, T. (2008). We are managing!' Uncertain paths to respectable adulthoods in Accra, Ghana. *Geoforum*, 39, 2039–2047.

- Langevang, T., & Gough, K. (2009). Surviving through movement: the mobility of urban youth in Ghana. *Social and Cultural Geography*, 10 (7), 741–756
- Langevang, T., Namatovu, R., & Dawa, S. (2012). Beyond necessity and opportunity entrepreneurship: Motivations and aspirations of young entrepreneurs in Uganda. *International Development Planning Review*, 34
- Langevang, T., & Gough, K. V. (2012). Diverging pathways: young female employment and entrepreneurship in sub-Saharan Africa. *The Geographical Journal*, 173(3), 439-459
- Law, P., & Yinny, P. (2008). Mobile Networks: Migrant Workers in Southern China', in James E. Katz, ed., *Handbook of Mobile Communication Studies*. Cambridge, MA: Massachusetts Institute of Technology Press, pp. 55–64.
- Lee, J., & Chan, J. (1998). Chinese entrepreneurship: a study in Singapore. *The Journal of Management Development*, 17 (2),131-7.
- Lin, N. (2001). *Social capital: A theory of social structure and action*. Cambridge, U.K.: Cambridge University Press.
- Lin, N., Ensel, W., & Vaughn, J. (1981). Social resources and strength of ties: structural factors in occupational status attainment. *Am. Sociol. Rev.* 46 (4). 393–405.
- Lourenco-Lindell, I. (2002). How do the urban poor stay alive? Modes of food provisioning in a squatter settlement of Bissau. *African Urban Quarterly*, 11 (2), 163-168
- Lourenco-Lindell, I. (2002). *Walking the Tight Rope: Informal Livelihoods & Social Networks in a West African City (Unpublished doctoral thesis)*. Stockholm University, Stockholm
- Loury, G. (1987). Why should we care about group inequality? *Soc. Philos. Policy*, 5, 249–271.
- Lund, R., Dei, L. A., Boakye, K. A., & Opoku-Agyemang, E. (2008). *It is all about livelihoods: A study of women working in stone chip production in Cape Coast Municipality, Ghana*. *Norsk Geografisk Tidsskrift – Norwegian Journal of Geography*, 62, 139-148.
- Lyon, F. (2000). Trust, Networks and Norms: The Creation of Social Capital in Agricultural Economies in Ghana. *World Development*, 28 (4), 663-681
- Lyons, M., & Snoxell, S. (2005). Sustainable urban livelihoods and marketplace social capital: Crisis and strategy in petty trade. *Urban Studies*, 42 (8).
- MacDonald, R., & Coffield, F. (1991). *Risky business? Youth and the enterprise culture*. Brighton, UK: Falmer Press.
- Mandelbaum, D. G. (1973). The Study of Life History: Gandhi. *Current Anthropology*, 14(3), 177–93.
- Meager, N. (1996). From unemployment to self-employment. Labour market policies for business start-up, in: G. Schmidt, J. O'Reilly & K. Schömann (Eds.), *International Handbook of Labour Market Policy and Evaluation*, Cheltenham: Edward Elgar, 489-519.
- Meagher, K. (2006). *Social capital, social liabilities and political capital: Social networks and informal manufacturing in Nigeria*. *African Affairs*, 105 (421), 553-582.

- Mingers, J. (2001). Combining Is Research Methods: Towards a Pluralist Methodology. *Information Systems Research*, 12(3), 240-259.
- Ministry of Youth and Sports (2010). 'National Youth Policy of Ghana: Towards an Empowered Youth, Impacting Positively on National Development', Ghana.
- Misztal, B. A. (2000). *Informality: Social Theory and Contemporary Practice*. London: Routledge.
- Moser, C. O. (1996). *Confronting crisis: a comparative study of household responses to poverty and vulnerability in four poor urban communities*. ESD Monograph 8, The World Bank, Washington, DC.
- Moser, C., & Lister, S. (Eds) (1999). *Violence and social capital*. Urban Peace Program Series, Latin America and Caribbean Region Sustainable Development Working Paper No. 5. World Bank, Washington, DC.
- Mudimbe, V. Y. (1993). *Review: Reading and Teaching Pierre Bourdieu*. *Transition*, 61, 144-160
- Munive, J. (2008). *The African Commissions focus on youth*. DIIS Brief, Copenhagen: DIIS
- Namatovu, R., Balunywa, W., Kyejjusa, S., & Dawa, S. (2011). *Global Entrepreneurship Monitor: GEM Uganda 2010 Executive Report*. Kampala: MUBS.
- Narayan, D. (1997). *Voices of the Poor: Poverty and Social Capital in Tanzania*. World Bank, Washington DC, USA.
- Naudé W. (2008). *Entrepreneurship in Economic Development*. Research Paper No. 2008/20 UNU-WIDER
- Naudé, W. (2011). Entrepreneurship is not a binding constraint on growth and development in the poorest countries. *World Development*, 39, 33–44.
- Newton, K. (1997). *Social capital and democracy*. *American Behavioural Scientist*, 40, 575–586.
- O'Brien, D. C. (1996). A lost generation? Youth identity and state decay in West Africa. In: Werbner, R., Ranger, T. (Eds.), *Postcolonial Identities in Africa*. Zed Books, London, pp. 55–74.
- O'Higgins, N. (2001). *Youth unemployment and employment policy: A global perspective*. ILO: Geneva
- OECD (2001). *Putting the young in business: Policy challenges for youth entrepreneurship*. London: OECD Publishing
- Oksman, V., & Turtiainen, J. (2004). Mobile communication as a social stage: Meanings of mobile communication in everyday life among teenagers in Finland. *New media & society*, 6(3), 319–339
- Olomi, D. R. (2009). From economic necessity to entrepreneurship. In D. R. Olomi (Ed.), *African Entrepreneurship and Small Business Development: Context and Process*, Dar es Salaam, University of Dar es Salaam Press, 46–58.
- Olsen, W. K. (2004). Triangulation in social research: qualitative and quantitative methods can really be mixed. In Holborn, M. (Ed.), *Developments in Sociology: An Annual Review*, Ormskirk, Lancs, UK, Causeway Press.
- Oswald, J., & Dilani, J. (2010). Resourcing new businesses: social networks, bootstrapping and firm performance. *Venture Capital*, 12 (2), 127 — 152

- Overá, R. (2008). Mobile Traders and Mobile Phones in Ghana', in James E. Katz, ed., *Handbook of Mobile Communication Studies*. Cambridge, MA: Massachusetts Institute of Technology Press, pp. 43–54.
- Owusu, G., & Agyei, J. (2008). *Changes in land access, rights and livelihoods in periurban Ghana: The case of Accra, Kumasi and Tamale metropolis*. ISSER Technical Publication No. 83. Accra: ISSER.
- Palmer, R. (2007). Skills for work? From skills development to decent livelihoods in Ghana's rural informal economy. *International Journal of Educational Development*, 27 (4), 397–420.
- Palmer, R. (2009). Formalising the informal: Ghana's National Apprenticeship Programme. *Journal of Vocational Education & Training*, 61,1, 67-83
- Panford, K. M. (2001). *IMF-World Bank and Labor's Burdens in Africa: Ghana's Experience*. Westport, CT: Praeger.
- Petrogiannis, K. (2011). Conceptions of the transition to adulthood in a sample of Greek higher education students. *International Journal of Psychology and Psychological Therapy*, 11(1), 121-137.
- Policy Research Initiative (2003). *International Conference: The opportunity and challenge of diversity: A role for social capital?* Conference Issue Paper, Ottawa.
- Porter, G., Hampshire, K., Abane, A., Munthali, A., Robson, E., Mashiri, M., & Tanle, A., (2012). Youth, mobility and mobile phones in Africa: findings from a three-country study. *Information Technology for Development*, 18 (2), 145-162.
- Porter, R., & Lloyed-Evans, S. (1998). *The city in the developing world*. Essex. Addition Wesley Longman Limited.
- Portes, A. (1994). The Informal Economy and Its Paradoxes. In Neil J. S. and Richard S. (Eds.), *The Handbook of Economic Sociology*. Princeton: Princeton University Press.
- Portes, A., & Landolt, P. (2000). Social Capital: Promise and Pitfalls of its Role in Development. *Journal of Latin American Studies*, 32, 529-547
- Portes, A., (1998). Social Capital. *Annu. Rev. Sociol.* 23, 1–24.
- PricewaterhouseCoopers (2011). *The Ghana Banking Survey 2011: Sustaining growth: Challenges and opportunities*. Accra: PwC.
- Punch, S. (2002). Youth transitions and interdependent adult–child relations in rural Bolivia. *Journal of Rural Studies*, 18 (2), 123–133.
- Putnam, R. (1993). *Making democracy work: Civic traditions in modern Italy*. Princeton, NJ: Princeton University Press.
- Putnam, R. (1995). *Tuning in, tuning out: The strange disappearance of social capital in America*. PS: Political Science and Politia: (December):664-8
- Putnam, R. (2000). *Bowling Alone: The collapse and revival of American community*. New York: Simon and Schuster.
- Rajan, R. G., & Zingales, L. (1998). Which capitalism? Lessons from the East Asian crisis. *Journal of Applied Corporate Finance*, 11(3), 40–48.
- Rakodi, C. (1999). A capital assets framework for analysing household livelihood strategies: Implications for poverty. *Development Policy Review*, 17, 315-342.

- Rakodi, C. (2002). A livelihood approach – Conceptual issues and definitions. In Rakodi, C. and Lloyd-Jones, T. (Eds). *Urban Livelihoods: A People Centred Approach to Reducing Poverty*. London: Earthscan Publications Ltd.
- Revsine, L., Collins, D. W. & Johnson, W. B. (1999). *Financial Reporting and Analysis, Upper Saddle River, NJ: Prentice-Hall*.
- Reynolds, P. (1997). Who starts firms? Preliminary explorations of firms in gestation. *Small Bus. Econ.* 9, 449–462.
- Richardson, D. (2000). Rural access: How can connectivity contribute to social and agricultural development? *TechKnowLogia*, 2(2), 16–20
- Robb, A. (2008). An investigation of new firm performance by owner race, ethnicity, and gender. Working paper.
- Robinson, P., & Sexton, E. (1994). The effect of education and experience on self-employment success. *J. Bus. Venturing* 9, 141–156.
- Rooks, G, Szirmai, A., & Sserwanga, A. (2009), The Interplay of Human and Social Capital in Entrepreneurship in Developing Countries. The Case of Uganda, WIDER Research Paper No.2009/09, Helsinki, 2009.
- Rosa, P. J., Kodithuwakku, S., & Balunywa, W. (2006). Entrepreneurial motivation in developing countries: What does “necessity” and “opportunity” entrepreneurship really mean? *Frontiers of Entrepreneurship Research*, 26, 1–14.
- Rouse, J. R., & Ali, M. (2000) *Waste pickers: using the sustainable livelihoods approach in Dhaka. Key findings and field notes*. WEDC, Loughborough University, UK.
- Rudd, P., & Evans, K. (1998). Structure and agency in youth transitions: Student experiences of vocational further education. *Journal of Youth Studies*, 1 (1), 39–62.
- Sahlins, M. (1984). *Stone age economics*. New York: Aldine de Gruyter.
- Sandefur, R. L., & Laumann, E. O. (1998). A paradigm for social capital. *Rationality and Society*, 10, 481-501.
- Sayer, A. (2000). *Realism and Social Science*, London: Sage Publications.
- Schoof, U. (2006). *Stimulating youth entrepreneurship : Barriers and incentives to enterprise start-ups by young people*. International Labour Organisation, Geneva.
- Schraven, B., Hinz, A., Renaud, P., Rumke, C., Schommers, A., & Sikorski, A. (2012). *Youth poverty in Accra: livelihood challenges and perspectives in the context of urbanisation*. Deutsches Institut für Entwicklungspolitik (DIE) / German Development Institute
- Schultz, T. (1959). Investment in man: an economist’s view. *Soc. Serv. Rev.* 33 (2), 69–75.
- Schultz, T. (1975). The Value of the Ability to Deal with Disequilibria. *Journal of Economic Literature*, 13(3), 827-46.
- Schumpeter, J. A. (1950). *Capitalism, Socialism and Democracy*. New York: Harper & Row.
- Schumpeter, J.A. (1961). *The Theory of Economic Development*. New York: Oxford University Press.
- Scoones, I. (2009). Livelihoods perspectives and rural development. *Journal of Peasant Studies*, 36, 1, 171-196
- Seeley, J. R., Alexander, R. S., & Elizabeth, W. L. (1956). *Crestwood Heights: A Study of the Culture of Suburban Life*. New York: Basic Books.

- Seeley, J. R., Sim, A. R., & Loosley, E. W. (1956). *Crestwood Heights: A Study of the Culture of Suburban Life*. New York: Basic Books.
- Segal, G., Borgia, D., & Schoenfeld, J. (2005). Motivation to become an entrepreneur. *International Journal of Entrepreneurial Behavior and Research*, 11 (1),42-57.
- Shane, S. (2000). Prior knowledge and the discovery of entrepreneurial opportunities, *Organization Science*, 11, 448-469.
- Sommers, M. (2010). Urban Youth in Africa. *Environment and Urbanization*, 22, 317.
- Soto, H. D. (2000). *The mystery of capital: Why capitalism triumphs in the West and fails everywhere else*. New York: Basic Books.
- Staber, U. (1998). Inter-firm co-operation and competition in industrial districts. *Organisational Studies*, 19 (4), 700–726.
- Stanley, L. (1993). On Autobiography in Sociology. *Sociology*, 27(1),. 41–52.
- Stickney, C. P., & Brown, P. R. (1999). *Financial reporting and statement analysis: A strategic perspective*. NY: Dryden Press.
- Sztompka, P. (1999). *Trust: A sociological theory*. Cambridge: Cambridge University Press
- Tan, J. (2001). Innovation and risk-taking in a transitional economy: a comparative study of Chinese managers and entrepreneurs. *Journal of Business Venturing* 16, 359–376.
- Taormina, R. J., & Lao, S. K. (2007). Measuring Chinese entrepreneurial motivation: Personality and environmental influences. *International Journal of Entrepreneurial Behaviour & Research*, 13(4),200 – 221
- Tellegen, N. (1997). *Rural Enterprises in Malawi: Necessity or Opportunity?* Ashgate: African Studies Centre Leiden.
- Thomson, R., Bell, R., Holland, J., Henderson, S., McGrellis, S., & Sharpe, S. (2002). Critical moments: choice, chance and opportunity in young people’s narratives of transition. *Sociology*, 36 (2), 335–354.
- Tripp, A. M. (2001). *Non-formal institutions, informal economies, and the politics of inclusion*. World Institute for Development Economics Research Discussion Paper 2001/108, pp. 1-17.
- Tsikata, D. (2008). Informalization, the Informal Economy and Urban Women's Livelihoods in Sub-Saharan Africa since the 1990s. In Razavi, S. (Ed.), *The Gendered Impacts of Liberalization: Towards “Embedded Liberalism”?* New York: Routledge.
- Turner, S. (2007). *Small-Scale Enterprise Livelihoods and Social Capital in Eastern Indonesia: Ethnic Embeddedness and Exclusion*. *The Professional Geographer*, 59(4) 2007, pages 407–420
- Turner, S., & Nguyen, P. A. (2005). Young entrepreneurs, social capital and Doi Moi in Hanoi, Vietnam. *Urban Studies* 42 (10), 1–18.
- UNFPA (2007). *UNFPA State of World Population 2007: Unleashing the Potential of Urban Growth*. New York: UNFPA.
- UNFPA (2009). *UNFPA State of World Population 2009: Facing a Changing World – Women, Population and Climate*. New York: UNFPA.
- UN-Habitat (2012). *State of the World Cities 2010/2011: Bridging the Urban Divide*. UN, New York.

- Valentine, G. (2003). Boundary crossings: transitions from childhood to adulthood. *Children's Geographies* 1(1), 37-52.
- Van der Geest, S. (1997). Money and respect: the changing value of old age in rural Ghana. *Africa* 67 (4), 534–559.
- Vigh, H. E. (2006). Social death and violent life chances. In: Christiansen, C., Utas, M., Vigh, H.E. (Eds.), *Navigating Youth, Generating Adulthood: Social Becoming in an African Context*. The Nordic Africa Institute, Uppsala, pp. 31–60.
- Walby, S. (2001). Against epistemological chasm: The science question in feminism revisited. *Signs*, 26, 485-509.
- Walker, G., Kogut, B., & Shan, W. (1997). Social capital, structural holes and the formation of an industry network. *Organization Science*, 8, 109-125.
- Wallace, C., & Kovatcheva, S. (1998). *Youth in society: The construction and deconstruction of youth in East and West Europe*. London: Macmillan.
- Wasswa-Matovu, J. (2012). Youth livelihoods and Karoke work in Kampala's Nightlife. In M. F. C. Bourdillion, M. F. C and A. Sangare (Eds.). *Negotiating the Livelihoods of Children and Youth in Africa's Urban Space*. CORDESTRIA, Dakar.
- Watson, K., Hogarth-Scott, S., & Wilson, N. (1998). Small business start-ups: success factors and support implications. *International Journal of Entrepreneurial Behaviour and Research*, 4(3), 217-38.
- Weick, K. (1996). Drop your tools: an allegory for organizational studies. *Adm. Sci. Q.* 41, 301–314.
- Wellman, B. (1992). Which types of ties and networks gives what kinds of social support. *Advances in Group Processes*, 9, 207-235.
- Wennekers, S., & Thurik, R. (1999). Linking Entrepreneurship and Economic Growth. *Small Business Economics*, 13(1), 27-55.
- Westerlund, M., & Svahn, S. (2008). A relationship value perspective of social capital in networks of software SMEs. *Industrial Marketing Management*, 37, 492-501.
- White, S., & Kenyon, P. (2000). *Enterprise-based youth employment policies, strategies and programmes*. Draft report to ILO, Geneva.
- Williams, C. C. (2008). Beyond necessity-driven versus opportunity-driven entrepreneurship: a study of informal entrepreneurs in England, Russia and Ukraine. *Entrepreneurship and Innovation*, 9, 157–165.
- Woolcock M. (2001). The place of social capital in understanding social and economic outcomes. *Canadian Journal of Policy Research*. 2, 11–17.
- Woolcock, M. (1998). Social Capital and Economic Development: Toward a Theoretical Synthesis and Policy Framework. *Theory and Society* 27(2), 151-208
- Woolcock, M., & Narayan, D. (2000). Social Capital: Implications for development theory, research, and policy. *The WOTU Bank Research Observer*, 15, 2
- World Bank (2004). *Skills development in sub-Saharan Africa*. World Bank, Washington.
- World Bank (2009). Youth and Employment in Africa: The Potential, the Problem, the Promise', Africa Development Indicators 2008/2009.
- Worth, N. (2009). Understanding youth transition as 'becoming': identity, time and futurity. *Geoforum* 40, 1050–1060.

- Wrigley-Asante, C. (2008). Men are poor but women are poorer: Gendered poverty and survival strategies in the Dangme West District of Ghana. *Norsk Geografisk Tidsskrift – Norwegian Journal of Geography*, 62, 139-148.
- Wyn, J., & Dwyer, P. (1999). New directive in research on youth in transition. *Journal of Youth Studies*, 2 (1), 5-21.
- Wyn, J., & White, R. (1997). *Rethinking Youth*. Allen and Unwin, St. Leonards.
- Xavier, S. R., Kelley, D., Kew, J., Herrington, M., & Vorderwulbecke, A. (2012). *Global Entrepreneurship Monitor: 2012 Global Report*. Santiago, Universidad del Desarrollo.
- Yankson, P. W. K., Owusu, G., Bawakyillenuo, S., & Osei, R. D. (2013). *Global Entrepreneurship Monitor: GEM Ghana 2010 Executive Report*. Accra: ISSER.
- Yankson, P. W. K., Owusu, G., Gough, K., Osei, R. D., & Langevang, T. (2011). *Global Entrepreneurship Monitor: GEM Ghana 2010 Executive Report*. Accra: ISSER.
- Zachariadis, M., Scott, S., & Barrett, M. (2013). Methodological Implications of Critical Realism for Mixed-Methods Research. *MIS Quarterly*, 37(3), 855-879.

APPENDICES

Appendix 1: Selected Youth Entrepreneurship Programmes and Projects

Government/Public Initiatives

- *National Youth Employment Programme (NYEP)* has many modules promoting youth entrepreneurship, for instance, the Youth-in-Agriculture business module. While the initial focus was mainly to employ the youth directly in various public sector agencies, recent efforts have been directed at producing self-employment.
- *Council for Technical and Vocational Educational and Training (COTVET)*, with a key goal of ensuring that the unemployed, particularly the youth, are given competitive, employable and entrepreneurial skills within the formal and informal sectors. It is also to ensure that graduates coming out of the formal, informal and non-formal TVET institutions are endowed with employable and entrepreneurial skills.
- *Business Advisory Centres (BACs)* entrepreneurship and enterprise development programmes: provides tailored-made training for existing and start-up entrepreneurs (including the youth) in three main areas: small business management training; technical training and; entrepreneurship (entrepreneurship awareness seminars, entrepreneurship development programmes, start your own business programme).
- *National Board for Small Scale Industries (NBSSI)* support to micro and small enterprises, and entrepreneurship development.
- *Integrated Community Centres for Employable Skills (ICCES)*: Located in 91 centres throughout the country, ICCES provide training in various trades to the youth for a duration of 2 to 3 years. The aim of the ICCES training is to produce self-employment.
- *Opportunities Industrialisation Centre (OIC)*: provides training to disadvantaged youth, mainly Junior High School (JHS) and Senior High School (SHS) dropouts and graduates. Its graduates include both non-literate and semi-literate youth. The Centres can be found in Accra, Kumasi and Sekondi-Takoradi.

Private sector and NGO Initiatives

- *TechnoServe (TNS): Believe Begin Become – Business Plan Competition* developed to support and grow new businesses by providing training, networking opportunities, and access to capital for business expansion.
- *African Young Entrepreneurs (YES) Business Plan Competition*, an initiative of the international student organization, Association Internationale des Etudiants en Sciences Economiques et Commerciales (AISEC) to promote youth entrepreneurship as an important source of innovation and creativity, a solution for unemployment, and a catalyst for social and economic development in Africa.
- *Junior Achievers Trust International (JATI): Students starting businesses in school* programme, works with Senior High School (SHS) youth and includes entrepreneurial training and insurance to cushion the student against the death of his or her parents.
- *EMPRETEC's Personal Entrepreneurial Competencies (PECs) programme* is based on dealing with "risk taking and opportunity seeking", and involves start-up programmes (human resource management for those who have started, effective sales strategy, financial management, productivity management, business survival programmes and growth programmes).

Multilateral and Bilateral Development Organisations' Initiatives

- *Youth Employment Network (YEN)*, an initiative established in 2001 as an alliance between the United Nations, The International Labour Organisation (ILO) and the World Bank to

develop and implement strategies that give young people everywhere a real chance to find decent and productive work. Focus of the initiative includes employment creation, employability, entrepreneurship and equal opportunities for the youth.

- *Danish Development Assistance, 2010-2014*, focuses broadly on poverty through measures such as improving the conditions for business operations, private sector development, enterprise growth and job creation and skills development. It also includes the provisions of grants, training and technical support to Business Associations, Trade Unions and Business Media with the aim of helping them to advocate more effectively for a better business environment, presenting evidence-based arguments and solutions.
- The World Bank's support in Ghana is guided by the Country Assistance Strategy (CAS), which is aligned with Ghana's medium-term development framework, GSDA (2010-2013) operating through three areas, which directly and indirectly support youth entrepreneurship and employment issues, i.e. education, medium, small and micro-enterprises (MSMEs) development and budget support.

Appendix 2: Locations covered by mapping exercise

Community	Market	Transport terminal	Road networks
Abeka Lapaz	Kaneshie	37 Lorry Station	Accra Tema Beach Road
Achimota	Madina	Dansoman Lorry Station	Accra Tema Motorway
Adenta	Makola market	Kaneshie Station	Cantonments road
Ashaiman	UTC area	Neoplan Station	Legon Madina road
Ashaley-Botwe	Tema Community One market	Tema Lorry Station	Nsawam road to Central Accra
Awoshie		Tudu Central Station	Winneba road through Kaneshie to Accra central
Dome			
La			
Madina			
Mallam			
Nima Maamobi			
North Kaneshie			
Odorkor			
Osu			
Sakumono			
Taifa			
Tema Community One			
Teshie			

Source: Mapping Exercise, December, 2010 to March 2011

Appendix 3: Survey Questionnaire

Entrepreneurship and Youth Livelihoods in the Mobile Telephony Sector in the Greater Accra Metropolitan Area (Gama), ISSER, University Of Ghana

Introduction

This questionnaire is being used to elicit information about youth entrepreneurship and livelihoods in the mobile telephony sector in the Greater Accra Metropolitan Area (GAMA). *The survey is targeting business owners aged 15 to 35 years.* It is not meant to find out which particular response is right or wrong, but what is actually pertaining in either your business or line of business. As a result, you are kindly advised to be candid in your responses. I must assure you that all responses you give will be treated with the strictest confidentiality.

Thank you.

Name of Interviewer:	
Study Area	1. Circle [<input type="checkbox"/>]; 2. Madina [<input type="checkbox"/>]; 3. Kaneshie [<input type="checkbox"/>]; 4. Tema Station [<input type="checkbox"/>]; 5. Madina- Accra road [<input type="checkbox"/>]
Name of Interviewee:	
Contact Number:	
Date of Interview:	
Business Name:	

SECTION A: BACKGROUND INFORMATION

A1. Demographic Profile

1. Age.....
2. Sex: 1. Male []
 2. Female []
3. What is your nationality?

1. Ghanaian [<input type="checkbox"/>]	6. Togolese [<input type="checkbox"/>]
2. Nigerian [<input type="checkbox"/>]	7. Liberian [<input type="checkbox"/>]
3. Ivorian [<input type="checkbox"/>]	8. Other ECOWAS [<input type="checkbox"/>]
4. Burkinabe [<input type="checkbox"/>]	9. Other African [<input type="checkbox"/>]
5. Malian [<input type="checkbox"/>]	10. Other (specify).....
4. If Ghanaian, which ethnic group do you belong to?

1. Akan [<input type="checkbox"/>]	9. Grussi/Frafra [<input type="checkbox"/>]
2. Ga [<input type="checkbox"/>]	10. Dagati [<input type="checkbox"/>]
3. Dangme [<input type="checkbox"/>]	11. Kusasi [<input type="checkbox"/>]
4. Krobo [<input type="checkbox"/>]	12. Kassena-Nankani [<input type="checkbox"/>]
5. Ewe [<input type="checkbox"/>]	13. Nanumba [<input type="checkbox"/>]
6. Guan [<input type="checkbox"/>]	14. Builsa [<input type="checkbox"/>]
7. Dagomba [<input type="checkbox"/>]	15. Other (specify).....
8. Mamprusi [<input type="checkbox"/>]	
5. What is your current marital status?

1. Married [<input type="checkbox"/>]
2. Consensual union [<input type="checkbox"/>]
3. Separated [<input type="checkbox"/>]
4. Divorced [<input type="checkbox"/>]
5. Widowed [<input type="checkbox"/>]

6. Never married []

6. How many children do you currently have?

1. One []
2. Two []
3. Three []
4. Four []
5. Five and above []
6. None []

7. How many dependants do you have including dependants who are your children?

A2. Place of Residence and Household Characteristics

8. Were you born in Accra?

1. Yes [] **If yes, SKIP TO Q12**
2. No []

9. If no, where were you born?

10. How long have you been living in Accra?

11. Why did you move to Accra?
.....
.....

12. Where do you currently reside?

13. How long (in years and months) have you been staying in this area?

14. Who do you currently live with?

1. Parents [] **SKIP to Q17**
2. Spouse []
3. Other relatives [] **SKIP to Q16**
4. Friends [] **SKIP to Q16**
5. Alone [] **SKIP to Q16**
6. Other (Specify).....

15. If staying with your spouse, how long (in years and months) have you been staying with your spouse?
.....
.....

16. Are you the head of your household?

1. Yes [] **If, Yes, SKIP to Q19**
2. No []

17. Who is the head of the household?

18. What is the employment status of the head?

1. A paid employee []
Self-employed (Non-agric. sector)
2. with employees []
3. without employees []
Self-employed (Agric. sector)
4. with employees []
5. without employees []
6. Domestic employee (househelp) []
7. Apprentice []

8. Contributing family worker
9. Other (Specify).....
19. Do you contribute money towards meeting household needs?
1. Yes
2. No
19. Who provides most of the money to meet household needs?
1. Self
2. Spouse
3. Other (Specify).....
20. What is your proportion in the money used in meeting household needs?
.....

A3. Education

21. What was the highest educational grade attained?
- | | | | |
|---------------|--------------------------|---------------------------|--------------------------|
| 1. None | <input type="checkbox"/> | 11. JHS3 | <input type="checkbox"/> |
| 2. Pre-School | <input type="checkbox"/> | 12. SHS1 | <input type="checkbox"/> |
| 3. P1 | <input type="checkbox"/> | 13. SHS2 | <input type="checkbox"/> |
| 4. P2 | <input type="checkbox"/> | 14. SHS3 | <input type="checkbox"/> |
| 5. P3 | <input type="checkbox"/> | 15. Voc./Tech./Comm. | <input type="checkbox"/> |
| 6. P4 | <input type="checkbox"/> | 16. Training College | <input type="checkbox"/> |
| 7. P5 | <input type="checkbox"/> | 17. Poly/Other tertiary | <input type="checkbox"/> |
| 8. P6 | <input type="checkbox"/> | 18. University | <input type="checkbox"/> |
| 9. JHS1 | <input type="checkbox"/> | 19. Other (specify) | |
| 10. JHS2 | <input type="checkbox"/> | | |
22. What was your highest educational qualification?
- | | |
|-----------------------------|--------------------------|
| 1. None | <input type="checkbox"/> |
| 2. BECE | <input type="checkbox"/> |
| 3. Voc./Comm. | <input type="checkbox"/> |
| 4. Teacher Training Cert. A | <input type="checkbox"/> |
| 5. WASSCE/SSCE | <input type="checkbox"/> |
| 6. Tech./Prof. Cert. | <input type="checkbox"/> |
| 7. HND | <input type="checkbox"/> |
| 8. Bachelor | <input type="checkbox"/> |
| 9. Masters | <input type="checkbox"/> |
| 10. Other (specify) | <input type="checkbox"/> |
23. Are you currently attending school?
1. Yes
2. No **If No, SKIP to Q25**
24. What qualification are you studying for?
- | | |
|-----------------------------|--------------------------|
| 1. BECE | <input type="checkbox"/> |
| 2. Voc./Comm. | <input type="checkbox"/> |
| 3. Teacher Training Cert. A | <input type="checkbox"/> |
| 4. WASSCE/SSCE | <input type="checkbox"/> |
| 5. Tech./Prof. Cert. | <input type="checkbox"/> |
| 6. HND | <input type="checkbox"/> |
| 7. Bachelor | <input type="checkbox"/> |
| 8. Masters | <input type="checkbox"/> |
| 9. Other (specify) | <input type="checkbox"/> |

SECTION B: EMPLOYMENT HISTORY**B1. Previous Work Experience**

25. Do you have work experience?

1. Yes
2. No **If No, SKIP to Q34**

26. Please state your previous work experience

1.
2.
3.

27. What was your status in your last work? (*Most recent*)

1. A paid employee
2. Self-employed in non-agric. sector with employees
3. Self-employed in non-agric. sector without employees
4. Self-employed in agric. sector with employees
5. Self-employed in agric sector without employees
6. Domestic employee (househelp)
7. Apprentice
8. Contributing family worker
9. Attachment
10. Other (Specify).....

28. What were your specific tasks? (*Most recent*)

.....

29. How long (in years and months) did you undertake this job?

30. Did you undergo any training for your last job?

1. Yes
2. No **If No, SKIP TO Q34**

31. How was the training for your last job organised?

1. On the job
2. At a training centre
3. Other (specify)

32. How long did the training for your last job last?

33. Why did you quit your last job?

B2: Apprenticeship

34. Have you ever trained as an apprentice before?

1. Yes
2. No **If No, SKIP TO Q39**

35. What was the main trade you were learning?

36. How long did you train as an apprentice?

37. Did you work in this trade related activity?

1. Yes
2. No

38. How long did you work in this trade?

B3: Previous Business/Managerial Experience

39. Do you have a previous business experience?
1. Yes []
 2. No [] **If No, SKIP TO Q43**
40. Which business were you previously involved in?
41. How long (years and months) did you undertake this business?
42. Why did you quit this business?

SECTION C: CURRENT BUSINESS ACTIVITIES**C1: Business Type and Start**

43. What is your main/core business activity? (*Multiple responses apply*)
1. Sale of new mobile phones []
 2. Sale of used mobile phones []
 3. Mobile phone repairs []
 4. Sale of mobile phone accessories []
 5. Sale of airtime/top-up-units []
 6. Recharging of mobile phones batteries []
 7. Mobile phone decoding/unlocking []
 8. Other (specify).....
44. How long (years and months) have you been running this business?
45. Is your business registered with the Registrar Generals Department?
1. Yes [] **If Yes, SKIP to Q47**
 2. No []
46. Why have you not registered this business?
.....
.....
.....
47. What is the major reason why you went into this business?
1. Lack of employment..... []
 2. To accumulate wealth..... []
 3. To supplement household expenditure..... []
 4. To secure greater independence..... []
 5. Other (specify).....
48. Did you start this activity to take advantage of a business opportunity or because you had no better choices for work?
1. Take advantage of business opportunity..... []
 2. No better choices for work..... []
 3. Combination of both of the above..... []
49. From where did you get ideas to start your business?
1. Own ideas []
 2. Parents []
 3. Relatives/guardians []
 4. Friends []
 5. Apprenticeship []
 6. Skills training []
 7. Entrepreneurship training []
 8. Other (Specify).....
50. Are you currently involved in another business activity?
1. Yes []
 2. No [] **If No, SKIP to Q53**
51. Which other business activity are you involved in?
.....

52. Why are you involved in this other business?

1. To accumulate wealth
2. Supplement household expenditure
3. Secure greater independence
4. Other (specify).....

C2: Business Ownership and Relations

53. Are you the sole owner of this business?

1. Yes **If Yes, SKIP TO Q56**
2. No

54. If No, how are you related to the other partner(s)?

1. Acquaintance/colleague
2. Family relation
3. Distant friend
4. Good friend
5. Close friend

55. What proportion of the business do you own?

C3: Business Location and Structure

56. What kind of facility do you operate from?

1. Hand-held
2. Table-top
3. Glass cabinet/Box
4. Push-truck
5. Car booth
6. Wooden kiosk
7. Container
8. Block structure
9. Other (specify).....

57. Why do you operate from this facility?

.....

58. What is your main reason for operating from your current location?

1. Strategic location
2. Affordable rent
3. Lack of suitable business premise
4. Lack of market space
5. To avoid rental charges
6. Other
 (specify).....

59. How did you get access to this location?

.....

C4: Working Hours and Employees

60. How many hours do you work per day?
61. How many days in a week do you work?
62. How many months in a year do you work?
63. Excluding you, how many people does this business employ (paid employees)?
1. None [] **If None, SKIP to Q67**
 2. One []
 3. Two []
 4. Three []
 5. Four []
 6. Five and above []
64. Do you hire casual workers?
1. Yes []
 2. No []
65. Do you have unpaid family workers?
1. Yes []
 2. No [] **If No, SKIP to Q67**
66. How many workers offer unpaid family support?

C5: Business Capital (Financial)

67. What was the major source(s) of your initial capital? (*Multiple responses apply*)
1. Own savings/sources []
 2. Parents []
 3. Relatives []
 4. Friends []
 5. Loan from informal money lenders []
 6. Loan from a bank []
 7. Microfinance institution/other formal lenders []
 8. Other (Specify).....
68. If own savings/sources, how did you raise this money?
1. Previous formal job []
 2. Previous informal job []
 3. Casual work []
 4. Other (Specify).....
69. How much money did you start your business with?
70. Did you obtain some goods on credit to start your business?
1. Yes []
 2. No [] **If No, SKIP to Q72**
71. What was the value of these goods?
72. During the past 12 months, how much altogether have you borrowed into the business? (**If None, SKIP to Q75**)
73. From which source(s) did you borrow? (*Multiple responses apply*)
1. Bank []
 2. Individual savings []
 3. Income from family property []
 4. Money lenders []
 5. Family relation []
 6. Friend []
 7. Other partners []
 8. Micro finance institution []
 9. Other (specify).....

74. Why did you borrow from this particular source(s)?

.....

75. Are you aware of the existence of any Government of Ghana, non-governmental organisation or non-bank financial institution funding scheme for small and medium scale enterprises in the city of Accra?

<i>Funding sources</i>	<i>Awareness</i> <i>1. Yes 2. No</i>
Government of Ghana	
Non-governmental organisation	
Non-bank financial institutions	

76. What are these funding sources?

<i>Funding sources</i>	<i>Specific funding schemes</i>
Government of Ghana	
Non-governmental organisation	
Non-bank financial institutions	

C6: Social Capital and Business

77. From time to time, entrepreneurs seek assistance/advice on important business matters. Looking back over the past 12 months, have you discussed any assistance/advice with someone regarding your business?

1. Yes []
2. No [] **If No, SKIP to Q79**

78. Who are the people with whom you have discussed an important business matter?

No.	Nature of relationship	Nature of assistance obtained	Frequency of contact
	<ol style="list-style-type: none"> 1. Acquaintance 2. Family relation 3. Distant friend 4. Good friend 5. Close friend 		<ol style="list-style-type: none"> 1. Daily 2. Weekly 3. Once or twice a month 4. Rarely
1.			
2.			
3.			
4.			

79. Over the past year, have you sought any material/financial support from other entrepreneurs?

1. Yes []
2. No [] **If No, SKIP to Q81**

80. If, Yes, who are these entrepreneurs?

No.	Nature of relationship	Nature of resources obtained	Frequency of contact
	1. Acquaintance 2. Family relation 3. Distant friend 4. Good friend 5. Close friend		1. Daily 2. Weekly 3. Once or twice a month 4. Rarely
1.			
2.			
3.			
4.			

81. Do you belong to any registered business association?

1. Yes []
 2. No [] **If No, SKIP to Q83**

82. What type of support does this group provide to your business? (*Multiple responses possible*)

1. Financial support (credit, savings, insurance) []
 2. Marketing assistance []
 3. Bulk purchase of inputs []
 4. Information/advice []
 5. Advocacy services []
 6. No support []
 7. Other (specify).....

83. Do you belong to any informal business support group such as those formed by friends?

1. Yes []
 2. No [] **If No, SKIP to Q85**

84. What type of support does this group provide to your business? (*Multiple responses apply*)

1. Financial support (credit, savings, insurance) []
 2. Marketing assistance []
 3. Bulk purchase of inputs []
 4. Transport assistance []
 5. Information/advice []
 6. Advocacy services []
 7. No support []
 8. Other (specify).....

85. Do you belong to any social club/association?

1. Yes []
 2. No [] **If No, SKIP to Q88**

Which type of association?

1. Religious association []
 2. Sports association []
 3. Youth club []
 4. Other (specify)

86. What benefit do you derive from belonging to this association?

87. From which of the following institution(s) have you received support for your business?

(Multiple responses apply).

- 1. The State (central government) []
- 2. Religious group []
- 3. NGOs []
- 4. Private businesses []
- 5. Local community []
- 6. None [] **If None, SKIP to Q91**
- 7. Other (Specify).....

88. State the type of service/ utilities you have received

Institution	Type of support received
1.	
2.	
3.	
4.	

89. Do you have to pay fees for these services/utilities?

- 1. Yes []
- 2. No []

C7: Business Operations

90. Do you keep business records?

- 1. Yes []
- 2. No []

91. Do you separate business accounts from personal accounts?

- 1. Yes [] **If Yes, SKIP to Q94**
- 2. No []

92. If No, why?

93. Who are your major suppliers or source(s) of items for your business? *(Multiple responses apply)*

- 1. Acquaintance []
- 2. Family relation []
- 3. Distant friend []
- 4. Established/well known dealer []
- 5. Good friend []
- 6. Close friend []
- 7. NGO []
- 8. Other (specify).....

94. Why do you obtain your supplies from this particular source(s)?

.....

95. How much does the business spend on average in a month on the following?

<i>Expenditure Items</i>	<i>Amount spent (GHC)</i>
Taxes	
Rent	
Travelling and Transport (T & T)	
Electricity	
Water	
Telephones & internet	
Printing / stationery / postage / packing	
Repairs / maintenance	
Advertising / computer services	
Training	
Treatment / disposal of waste products	
Other (specify)	

96. Who are the main customers for your goods and/or services?

1. Friends []
2. Neighbours []
3. Church members []
4. Fellow club members []
5. General public []

97. How do you obtain information about markets for your goods or service? (*Multiple responses apply.*)

1. Friends []
2. Family []
3. Club or association []
4. Other (specify).....

98. What is your turnover on an average day when the market is good?

99. What is your turnover on an average day when the market is average?

100. What is your turnover on an average day when the market low?

101. Over the past six months, has your turnover been?

1. Rising [] Why?
2. Falling [] Why?
3. The same [] Why?

102. Do you sell some of your items on credit?

1. Yes []
2. No []

103. Do you keep financial records of your business transactions?

1. Yes []
2. No []

104. Do you conduct your business according to a clearly defined business plan?

1. Yes []
2. No []

C8: Business Competition

105. How would you describe competition in your area of business?

1. Very high []
2. High []
3. Moderate []
4. Low []
5. Very low []

106. Who do you see as your main competitors in this business?

107. What are your major advantages over your competitors? (*Multiple responses apply*).
1. Lower product prices []
 2. Higher quality products []
 3. Better product reputation []
 4. Well established relations with regular customers []
 5. Better location []
 6. Other (Specify).....
108. Compared to your business, what are the major advantages of your competitors? (*Multiple responses apply*).
1. Lower product prices []
 2. Higher quality products []
 3. Better product reputation []
 4. Well established relations with regular customers []
 5. Better location []
 6. Other (Specify).....
109. What are you doing to bridge the competitive advantage of your competitors?

C9: Skills and Acquisition Process

110. What skills have you acquired from running this business?

111. Have you received any skills training since you started your business?
1. Yes []
 2. No [] **If No, SKIP to Q118**
112. What was the nature of this training?

113. How was this training organised?
1. On the job []
 2. At a training centre []
 3. Other (specify).....
114. Who organised the training?
1. Government []
 2. NGO []
 3. Church []
 4. Experienced entrepreneur []
 5. Business association []
 6. Other (specify).....
115. How long did the training last?
116. How useful is the training you received in running your business?
1. Very useful []
 2. Useful []
 3. Less useful []
 4. Not useful []
117. Do you think you need additional skills in running your business?
1. Yes []
 2. No [] **If No, SKIP to Q121**

118. State the kind of skills you would like to obtain?

.....

119. Who should provide such training?

1. Government []
2. NGO []
3. Church []
4. Experienced entrepreneurs []
5. Business association []
6. Other (specify).....

C10: Investment and Savings

120. On which of the following do you spend most of your earnings?

1. Re-investing in the business []
2. Supporting the household []
3. Entertainment []
4. Other (Specify).....

121. Do you make savings on your earnings?

1. Yes []
2. No [] **If NO, SKIP to Q126**

122. How much savings do you make on an average month?

123. Who do you save with?

1. Formal bank/financial institution []
2. Informal association (such as *susu* scheme) []
3. Keep at home []
4. Other (Specify).....

124. Why do you save at this particular source?

.....

SECTION D: REGULATIONS AND LAW ENFORCEMENT

125. Are you subject to any form of regulations in your business operations?

1. Yes []
2. No [] **If No, SKIP to Q130**

126. By who are you subjected to these regulations? (Multiple responses apply)

1. AMA []
2. State []
3. Local community []
4. Informal []
5. Other (Specify).....

127. What is the nature of these regulations?

1.
2.
3.

128. How do these regulations affect your business?

.....

129. How would you describe your relationship with the AMA?

.....

SECTION E: VULNERABILITY, OPPORTUNITIES AND CAPITALS

130. Does your work affect your health?

1. Yes []
2. No []

131. How many times have you visited the hospital or clinic over the past twelve (12) months?
(If None, SKIP to Q134)

132. What was the nature of the problem?

No. of Visits	Nature of problem
1.	
2.	
3.	
4.	
5.	

133. How would you describe changes that have come the way of your business over the years in the following:

a. Quality of business location:

1. Improved [] 2. Remained same [] 3. Deteriorated [] 4. Don't know []

b. Quality of products/services:

1. Improved [] 2. Remained same [] 3. Deteriorated [] 4. Don't know []

c. Customer base:

1. Improved [] 2. Remained same [] 3. Deteriorated [] 4. Don't know []

d. Profit margin:

1. Improved [] 2. Remained same [] 3. Deteriorated [] 4. Don't know []

e. Financial management:

1. Improved [] 2. Remained same [] 3. Deteriorated [] 4. Don't know []

f. Investments in the business:

1. Improved [] 2. Remained same [] 3. Deteriorated [] 4. Don't know []

134. What have been the major challenges in your line of business over the years?
.....
.....

135. How have these challenges affected your business?
.....
.....

136. How have you responded to these challenges?
.....
.....

137. List three major problems currently facing your business?

1.
2.
3.

138. Would you like to change your business activity?

1. Yes []
2. No [] If No, SKIP to Q143

139. Which activity would you like to undertake?
.....

140. Why would you like to change your business activity?

141. What would you require in order to undertake the new business activity? (Please rank the requirements in order of importance)
1. Credit []
 2. Technical skills training []
 3. Entrepreneurship skills []
 4. Other (specify).....
142. Would you stop the business you are currently involved in if you were offered a full-time job in the formal sector?
1. Yes []
 2. No [] **If No, SKIP to Q146**
143. Why would you stop?

144. How much would you want to get as a monthly salary?
145. What is your vision for this business?

146. How do you intend to achieve this vision?
147. What would you require to achieve this vision?
1. Working capital/fund []
 2. Land/site/suitable location []
 3. Tools/equipments []
 4. Business registration []
 5. Paid workers []
 6. Other (specify).....
148. What do you intend doing in the next ten years from now?

.SECTION F: ENTREPRENEURIAL ATTITUDE AND POLICIES

F1: Attitudes towards self-employment

149. Working for a boss is better than starting your own small business
1. Strongly agree []
 2. Agree []
 3. Indifferent []
 4. Disagree []
 5. Strongly disagree []
150. Running a small business is a waste of time
1. Strongly agree []
 2. Agree []
 3. Indifferent []
 4. Disagree []
 5. Strongly disagree []
151. Most people who run small businesses are poor
1. Strongly agree []
 2. Agree []
 3. Indifferent []

- 4. Disagree []
- 5. Strongly disagree []

F2: Entrepreneurial Attitude

152. I think I will be successful in life:
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []
153. I like taking carefully planned activities:
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []
154. I don't wait for other people to solve my problems:
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []
155. I am a confident person:
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []
156. The economy is bad, so there is nothing I can do to improve my life:
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []
157. If I do not succeed the first time, I try again until I succeed:
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []
158. I believe that you have to sacrifice in order to succeed in life
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []
159. I plan and carefully organize everything I do:
- 1. Strongly agree []
 - 2. Agree []
 - 3. Indifferent []
 - 4. Disagree []
 - 5. Strongly disagree []

F3: Government Policies and Programmes

160. Are you aware of the existence of the National Youth Policy for Ghana?
 1. Yes []
 2. No []
161. Are you aware of the existence of any government youth enterprise development programme?
 1. Yes []
 2. No [] **If No, SKIP to Q166**
162. If Yes, which government youth enterprise development programme (s) are you aware of?

163. Have you benefited from any of these programmes?
 1. Yes []
 2. No [] **If No, SKIP to Q166**
164. What benefit did you receive?

165. What do you expect the business environment to be like in the next three to five years?

SECTION G: LIVELIHOODS & YOUTH TRANSITIONS ADULTHOOD

166. Indicate the extent to which you think the following must be achieved before a young person can be considered an adult.

Indicators	1. Very important 2. Important 3. Indifferent 4. Somehow important 5. Not important
<i>Role Transition</i>	
Financial independence (from parents or other relations)	
Not living in parents' household	
Ability to rent a room or house	
Finished with education	
Employed full-time	
Self-employed	
Settled in a long term career	
Married/consensual union	
Contributing money to household needs	
Have at least one child	
Taking care of family relations	
Own a house	
Own land	
<i>Responsibilities</i>	
Accept responsibility for the consequences of individual actions	
Make lifelong commitments to others	
Capable of keeping family physically safe	
Supporting family financially	
Caring for children	
Running a household	
Capable of taking care of others	
Commanding respect in society	
Other	

Indicators	167. Have you achieved this status? 1. Yes 2. No	168. Did you achieve this status before or after starting your business? Before starting 1. After starting	169. How would you describe the extent of this achievement? 1. Highly achieved 2. Achieved 3. Indifferent 4. To a lesser extent 5. Not achieved	170. To what extent does engaging in this business contributed in achieving this status? 1. Highly achieved Achieved Indifferent 2. To a lesser extent Not achieved
Financial independence (from parents or other relations)				
Not living in parents' household				
Rents a room or house				
Finished with education				
Employed full-time				
Settled in a long term career				
Married/consensual union				
Contributing money to household needs				
Have at least one child				
Taking care of family relations				
Own a house				
Own land				
Accept responsibility for the consequences of individual actions				
Make lifelong commitments to others				
Capable of keeping family physically safe				
Supporting family financially				
Caring for children				
Running a household				
Capable of taking care of others				
Commanding respect in society				

Appendix 4: Life Course Interview Guide

Entrepreneurship and Youth livelihoods in the Mobile Telephony Sector, ISSER, University of Ghana

Introductory Comments

This is an interview about the story of your life and especially your business. We are asking you to play the role of storyteller about your own life and work - to construct for us the story of your own past, present, and what you see as your own future especially with regard to running your own business. People's lives vary tremendously, and people make sense of their own lives in a tremendous variety of ways. Social scientists do collect information about many different life stories in order to begin the process of making sense of what is shaping the lived experiences of people and how people make sense of their own lives. Therefore, we are collecting and analysing life stories of young people age **15 to 35 years** who are running their own businesses in the mobile telephony sector. We are particularly looking for significant events that has shaped or shaping the lives of these young people especially with respect to their assumption of some adult responsibilities. The interview is divided into a number of sections. I think that you will enjoy the interview. Most people do. Any question?

A. Life Chapters

We would like you to begin by thinking about your life as a story. All stories have characters, scenes, plots, and so forth. There are high points and low points in the story, good times and bad times, heroes and villains, and so on. A long story may even have chapters. Think about your life story as having at least a few different chapters. What might those chapters be? I would like you to describe for me each of the main chapters of your life story. You may have as many or as few chapters as you like, but I would suggest dividing your story into at least 2 or 3 chapters and at most about 7. If you can, give each chapter a name and describe briefly the overall contents in each chapter. As a storyteller here, think of yourself as giving a plot summary for each chapter. This first part of the interview can expand forever, so I would like you to keep it relatively brief. You don't want to tell me "the whole story" now. Just give me a sense of the story's outline – the major chapters in your life.

[The interviewer may wish to ask for clarifications and elaborations at any point in this section. This is the most open-ended part of the interview. It has the most projective potential. Thus, we are quite interested in how the subject organizes the response on his or her own. Be careful not to organize it for the subject.]

B. Critical Events

Now that you have given us an outline of the chapters in your story, we would like you to concentrate on a few key events that may stand out in bold print in the story. A key event should be a specific happening, a critical incident, a significant episode in your past set in a particular time and place. It is helpful to think of such an event as constituting a specific moment in your life story which stands out for some reason. Thus, a particular decision you made sometime in the past or a particular conversation you may have had with your mother, father, girlfriend/boyfriend, or business colleague

might qualify as a key event in your life story. These are particular moments set in a particular time and place, complete with particular characters, actions, thoughts, and feelings.

I am going to ask you about **5** specific life events. For each event, describe in detail what happened, where you were, who was involved, what you did, and what you were thinking and feeling in the event. Also, try to convey what impact this key event has had in your life story and what this event says about who you are as a person at present. Please be very specific here.

Event #1: Peak Experience

A peak experience would be a high point in your life story. It would be a moment or episode in the story in which you experienced extremely positive emotions, like joy, excitement, great happiness, uplifting, or even deep inner peace. It could also be a major achievement or breakthrough that has really changed or transformed your life. Today, the episode would stand out in your memory as one of the best, highest, most wonderful scenes or moments in your life story.

Please describe in some detail a peak experience, or something like it, that you have experienced sometime in the past or currently experiencing that has really changed your life. Tell me exactly what or how it happened, where it happened, who was involved, what you did, what you were thinking and feeling, what impact this experience may have had upon you, and what this experience says about who you were or who you are as a person at present.

Event #2: Nadir Experience

A "nadir" is a low point. A nadir experience, therefore, is the opposite of a peak experience. It is a low point in your life story. Thinking back over your life, try to remember a specific experience or event in which you felt extremely negative emotions, such as despair, disillusionment, sense of fear, guilt, etc. You should consider this experience to represent one of the "low points" in your life story. Even though this memory is unpleasant, I would still appreciate an attempt on your part to be as honest and detailed as you can be. Please remember to be specific. What happened? When? Who was involved? What did you do? What were you thinking and feeling? What impact has the event had on you? What does the event say about who you are or who you were as a person?

Event #3: Turning Point

In looking back on one's life, it is often possible to identify certain key "turning points" -- episodes through which a person undergoes substantial change. Turning points can occur in many different spheres of a person's life - in relationships with other people, in work and school, in business, in outside interests, etc. I am especially interested in a turning point in your understanding of yourself. Please identify and describe a particular episode in your life story that you now see as a turning point. If you feel that your life story contains no turning points, then describe a particular episode in your life that comes closer than any other to qualifying as a turning point.

[Note: If subject repeats an earlier event (e.g., peak experience, nadir) ask him or her to choose another one. If the subject already mentioned an event under the section of "Life Chapters", it may be necessary to go over it again here.

Event #4: Specific Achievements Resulting from Running Own Business

Looking into your life, it is possible to identify some key achievements or milestones as a result of running a business in the mobile telephony sector. These achievements may include financial independence, ability to rent a room or house, marriage, maintaining a household, own a parcel of land, own a house, commanding respect in society etc. I am particularly interested in achievements chalked in your understanding of yourself as a result of running your own business in the mobile telephony sector. Please describe a particular milestone or achievement in your life story that you can attribute to running your own business in the mobile telephony sector.

Event #5: One Other Important Scene

Describe one more event, from any point in your life that stands out in your memory as being especially important or significant.

C. Life Challenge

Looking back over the various chapters and scenes in your life story, please describe the single greatest challenge that you have faced in your life. How have you faced, handled, or dealt with this challenge? Have other people assisted you in dealing with this challenge? How has this challenge had an impact on your life story?

D. Influences on the Life Story: Positive and Negative**Positive**

Looking back over your life story, please identify the single person, group of persons, or organization/institution that has or have had the greatest positive influence on your story. Please describe this person, group, or organization and the way in which he, she, it, or they have had a positive impact on your story.

Negative

Looking back over your life story, please identify the single person, group of persons, or organization/institution that has or have had the greatest negative influence on your story. Please describe this person, group, or organization and the way in which he, she, it, or they have had a negative impact on your story.

G. Other

What else should I know to understand your life story?

**Appendix 5: Interview Guide for the Accra Metropolitan Assembly (AMA)
Institute of Statistical, Social and Economic Research (ISSER, University of Ghana)**

Entrepreneurship and Youth livelihoods in the Mobile Telephony Sector

1. How is the AMA involved in the creation of a supportive business environment in the metropolis?
2. What role is the AMA playing in promoting enterprise development?
3. How has the AMA placed on board the needs of young people running businesses in its attempt at promoting enterprise development in the metropolis?
4. What specific policies or issues the AMA has with regard to running businesses in the metropolis?
5. Does the AMA have a deliberate policy aimed at promoting youth enterprises?
6. How would you describe the relationship between AMA and young people running businesses especially in the informal sector in the metropolis?
6. If yes, are there particular kinds of youth enterprises that the AMA seeks to promote?
3. Are there particular forms of enterprise that your organisation seeks to promote?
4. What type(s) of business support services do you give to these enterprises?
5. Any particular criteria for qualifying enterprises?
9. What prospects are there for the growth of youth enterprises?
10. What should be done to promote youth enterprise development?
11. What role should the following play in the promotion of youth enterprises?
 - a) Private businesses
 - b) The Government
 - c) Local NGOs
 - d) Foreign NGOs
 - e) International agencies
 - f) MDAs/MMDAs
 - g) The local community/CBOs
 - h) Youth themselves

Thank you!

Appendix 6: Interview Guide for Financial and Other Credit Institutions

Institute of Statistical, Social and Economic Research (ISSER, University of Ghana)

Entrepreneurship and Youth livelihoods in the Mobile Telephony Sector

1. What is your credit policy?
2. Who are the eligible borrowers?
3. How do you assess loan applicants?
4. What is your scope or how extensive is your credit coverage?
5. What are the lower and upper limits on borrowing?
6. How is the stock or availability of credit?
7. What is the back ground of loan applicants (both successful and unsuccessful) over the past couple of years?
8. How soon are the loans repayable? (Short-term, medium-term or long term?)
9. How would you describe loan repayment?
10. Is there any deliberate attempt in your institution to finance micro, small and medium enterprises?
11. If yes, do you have any particular types of business that you finance? Why?
12. Do you have any business support services? What is the nature of this support service? How does one qualify to access this service?

Thank you!

Appendix 7: Interview Guide for Associations and Institutions

Institute of Statistical, Social and Economic Research (ISSER, University of Ghana

Entrepreneurship and Youth livelihoods in the Mobile Telephony Sector

1. How is your organisation involved in the creation of a supportive business environment?
2. What role is your organisation playing in promoting enterprise development?
4. What type(s) of business support services do you give to members of your organisation?
5. Any particular criteria for qualifying enterprises?
6. What is your position/policy on the promotion of enterprise activities in the mobile telecoms sector?
7. What prospects are there for the growth of youth enterprises in the mobile telephony sector?
8. What should be done to promote youth enterprise development?
9. What role should the following play in supporting youth businesses?
 - a) Private businesses
 - b) The Government
 - c) Local NGOs
 - d) INGOs
 - e) International agencies
 - f) MDAs/MMDAs
 - g) The local community/CBOs
 - h) Youth themselves

Thank you!

Appendix 8a: Selected variables for multicollinearity test

A	Age category
B	Gender
C	Married
D	Business registration
E	Educational attainment
F	Business experience
G	Facility type
H	Bonding social capital index
I	Bridging social capital index
J	Linking social capital index
K	business type
L	Study locality
M	Ethnicity
N	Nationality

Source: Author's construct

Appendix 8b: Correlation matrix on some selected variables

Variables	A	B	C	D	E	F	G	H	I	J	K	L	M	N
A	1.00													
B	-0.13	1.00												
C	-0.39	-0.10	1.00											
D	-0.18	-0.03	0.04	1.00										
E	-0.03	0.12	-0.26	0.24	1.00									
F	-0.29	-0.01	0.20	-0.05	-0.13	1.00								
G	-0.16	0.06	0.04	0.40	0.22	0.01	1.00							
H	-0.10	0.09	0.02	0.16	0.00	-0.01	0.08	1.00						
I	0.13	-0.12	-0.03	-0.14	-0.03	-0.03	-0.09	-0.51	1.00					
J	0.15	-0.28	0.01	-0.02	-0.12	-0.08	-0.11	-0.16	0.00	1.00				
K	-0.13	0.08	0.05	0.16	0.03	0.06	0.19	0.46	-0.42	-0.14	1.00			
L	0.00	0.06	-0.04	0.06	0.07	-0.04	0.10	0.35	-0.30	-0.11	-0.22	1.00		
M	0.01	0.01	-0.01	-0.03	-0.08	-0.04	-0.03	0.20	-0.18	-0.07	-0.13	-0.09	1.00	
N	-0.01	0.05	-0.08	0.08	0.11	0.02	-0.04	0.11	-0.12	0.00	-0.07	-0.05	-0.03	1

Sources *Author's calculation based on Mobile Telephony Survey Data (2011)*