

# OPPORTUNITY **FOR ACTION**

PREPARING YOUTH FOR 21ST CENTURY LIVELIHOODS >>>>>>>

International Youth Foundation  
March 2012

Microsoft commissioned the “Opportunity for Action” paper to raise awareness of the opportunity divide—an emergent gap among youth between those who have the access, skills, and opportunities to be successful, and those who do not. Through this paper, Microsoft is generating a dialogue about how technology and other investments can help bridge the divide for youth around the world and is committed to working with businesses, the NGO community, and governments to help youth succeed in the global economy. The content of this paper is the responsibility of the International Youth Foundation and does not necessarily represent the views or opinions of Microsoft.

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## > PREFACE

At no time in history have the power and potential of the world's young people been so dramatically on display on the world stage. As Secretary of State Hillary Clinton put it recently in remarks at a youth forum in Tunisia: "Young people are at the heart of today's great strategic opportunities and challenges, from rebuilding the global economy to combating violent extremism to building sustainable democracies."

Each one of the world's 1.2 billion young people ages 15 to 24 holds the potential to lead productive independent lives and contribute positively to society. Yet far too many lack the skills and opportunities to stay in school, obtain and keep a decent job, and become constructively engaged in their community. Today's young people simply don't have the resources or support they need to succeed in an increasingly competitive, complex, and often threatening world.

Let's face it. Time is running out if we want to turn the global "youth bulge" into an economic and social asset. A "youth bonus" could well pay out dividends for decades to come in terms of productive lives; thriving families, communities, and local economies; and a more peaceful and equitable society. But to get there, we need concerted, organized action that will lift us beyond today's array of pilot youth development programs to a place where significant investments are made in proven practices and programs that can then be taken to scale. Only then can we develop long-term, systemic change that is the basis of true sustainability.

The *only* way to bring about this tipping point toward sustainable progress is through public-private partnerships. Fortunately, corporate, government, and civic leaders increasingly recognize the need to mobilize the necessary resources to defeat poverty and close the opportunity gap for the largest-ever youth cohort to enter the global marketplace. We are grateful to corporations such as Microsoft Corp. that are taking the lead in the private sector to help build multi-stakeholder alliances for youth development worldwide. But we must continue to make a compelling argument for many more partners, in every sector, to join those already committed to the cause.

It is in this spirit of making the case for dramatically greater investments in today's young people that we are releasing this paper. It presents an overview of the barriers that stand between young people and their opportunities for a decent livelihood. The powerful data summarized here are presented from a regional perspective to buttress our call for a global approach to action. We aim to dramatically expand opportunities in the areas of education, employment, and civic engagement.

We hope this paper will further encourage the efforts of policymakers, program implementers, development experts, and youth leaders alike, as together we build a society in which every young person has a real chance to learn, work, and lead.

Bill Reese  
President and CEO  
International Youth Foundation

March 2012



## > INTRODUCTION

Young people everywhere have a right to expect that their transition into adulthood will be accompanied by an opportunity to become engaged, healthy, and productive members of their communities. Although many youth are succeeding, millions of others are not. Many youth struggle to overcome the array of individual, community, national, and transnational disadvantages that deny them a fair chance at a decent livelihood. The primary message of this paper is that private-sector enterprises, governments, donors, development organizations, and youth themselves must join forces at every level and work in partnership to equip young people with the resources they need to succeed in 21st century labor markets. And we must do so quickly.

There are already more than 1 billion people ages 15 to 24 on the planet, comprising the largest youth cohort in history. This disproportionately high number of young people, known as the “youth bulge,” will swell to 1.5 billion by 2035. Whether the high number of youth represents a potential threat to global stability or a “demographic dividend” with which societies prosper depends on how decisively we act to ensure that young people have opportunities for dignified livelihoods.

A key challenge to preparing youth for viable livelihoods is the rapid pace at which new technologies are changing the nature of work in every economic sector from agriculture to industry to services. Young people today need resources that in the past may have been desirable and even advantageous, but today are simply essential. Manufacturing jobs that a generation ago required manual skills and perhaps basic literacy now require a more advanced set of skills. A February 2012 story in the *Washington Post*, for example, described a factory in Michigan that has been trying for seven months, with no success, to fill several vacancies with skilled workers who can operate and program computerized machinery.<sup>1</sup>

Preparing youth for productive employment in the 21st century means ensuring they have access to the following resources:

**A quality education.** In developing economies, secondary education is now considered the minimum level required to obtain employment that will pay an adequate wage. Youth in advanced economies need some form of post-secondary education. Yet globally, only 56 percent of students enroll in upper secondary school, and there are extreme disparities both among regions and within countries regarding school completion rates. Educational quality is another serious concern, as many youth complete their education lacking proficiency in basic skills, such as literacy and numeracy. These youth are highly disadvantaged in new economies.

**Marketable technical skills.** The need for a workforce that possesses a complete set of 21st century skills is critical in developing and advanced nations alike. To stay competitive, create jobs, and grow economies, employers around the globe depend on a workforce with the skills to exploit the

full potential of new technologies. According to employers, however, young people complete secondary school and even tertiary education lacking the level of technical skills that enterprises need.

**Life skills.** Young people today must be mentally and emotionally prepared to work in environments that require lifelong learning and frequent adaptation. The capacity to think critically, solve problems, communicate effectively, and work in teams are some of the life skills highly valued by employers, but these skills are not addressed effectively in most formal educational curricula.

**Jobs.** The economic crisis struck youth around the world with extreme force, and they face enormous challenges regaining their footing. Nearly 75 million young people were unemployed in 2011, and some countries saw a youth unemployment rate of 50 percent. In many parts of the world, more youth are entering the labor market than ever before. To make up for jobs lost during the economic crisis, and to provide productive opportunities for those in or entering the labor market, including youth, the ILO estimates that 600 million jobs will have to be created over the next decade.<sup>2</sup>

**Decent working conditions.** Approximately 50 percent of workers worldwide have jobs with long hours, low pay, and few or no benefits and protections. Young people, particularly women, are far more likely than adults to find themselves in such jobs. Such employment leaves young people at risk of exploitation and abuse, and it inhibits productivity and long-term growth. Low-quality jobs without advancement opportunities do not allow young people to work their way out of poverty. Globally, youth are nearly one in four of the working poor.<sup>3</sup>

**Entrepreneurship opportunities.** In parts of the world where the formal private sector is not developed enough to provide the number of jobs needed for those seeking work, entrepreneurship can be a means by which youth earn their livelihood. Many young people show the aptitude and desire to build their own businesses and could put to good use support for enterprises that enable them to escape poverty. But to create decent work for themselves and possibly for others, they need training, funding, mentoring, and a conducive policy environment.

Further, any individual youth's access to the above resources can depend on local manifestations of prejudices, stereotypes, and cultural expectations regarding age, gender, race, ethnicity, immigrant status, physical ability, and socioeconomic class, among others. These dynamics subtly and deeply influence the kind of work that young people believe is appropriate to undertake, regardless of their individual talents or actual community needs. Actions to provide opportunities for youth must include steps to combat prejudices and stereotypes so that young people are able to imagine and create positive futures for themselves and their societies.

This paper presents an overview of the above barriers to youth livelihoods as they appear in six regions. Although each barrier is discussed in the context of a particular region—we present the issue of educational quality in an overview of youth in Latin America and the Caribbean, for example, and we discuss working-poor youth in the context of Asia—it will be clear by the end of the paper that no barrier to opportunity is unique to any region or country. The collection of disadvantages that thwarts the dreams of youth exists in all countries, rich and poor alike, in varying proportions.

## 1

### LOW-QUALITY SCHOOLING IN LATIN AMERICA AND THE CARIBBEAN

Opportunity begins with education. According to the Economic Commission for Latin America and the Caribbean, completing secondary school is the educational threshold that dramatically increases the odds that youth will obtain jobs that pay well enough to keep them out of poverty, and it is a stepping-stone to higher education.<sup>4</sup> But to fulfill these purposes, education must be of high quality. In the Latin America and Caribbean region (LAC), more young people than ever have access to education, but too many drop out of school or graduate without having acquired even basic skills.

Young people in LAC have been the beneficiaries of a concerted effort over the past two decades to increase access to education.<sup>5</sup> Spending on education as a percentage of GDP has risen in most countries.<sup>6</sup> Most are close to achieving universal primary education, and on average, young people now complete nearly eight years of schooling.<sup>7</sup> Despite these important gains in access to primary education, the level of skills youth need to find decent work and to avoid poverty are generally imparted during secondary education. In this regard, LAC faces several challenges.

#### Low Educational Attainment and Achievement

One challenge is a low level of educational attainment, or completion rates. Approximately 89 percent of young people in the region enroll in secondary education, but fewer than one-half complete it.<sup>8</sup> Although there are variations among countries in the region regarding gender parity, on average young men and women in LAC complete secondary school at the same rate; in fact, young women are more likely to complete secondary school than young men. However, there are other persistent disparities in educational attainment that reflect social inequalities. For example, only 58 indigenous youth graduate from secondary school for every 100 nonindigenous youth, and only 44 youth who live in rural areas graduate for every 100 urban youth. Income inequalities in the region are the worst in the world—in 2010, incomes of the wealthiest 10 percent were 32 times that of the poorest 10 percent<sup>9</sup>—and income has the most drastic affect on levels of educational attainment: only 28

youth from low-income families graduate for every 100 youth graduating from high-income families.<sup>10</sup>

Another challenge for LAC is educational achievement, or ensuring that youth complete school with a level of knowledge and skills that will enable them to engage productively in society and in the workforce. One measure of educational achievement is the Programme for International Student Assessment (PISA), which makes international comparisons among 15-year-old student levels in reading, math, and science. The most recent results signal an urgent need to improve the quality of education while encouraging secondary completion. In the three subjects tested by PISA,

- Latin American and Caribbean countries ranked in the bottom third in all three subjects.
- 30–80 percent of students performed at the lowest level in all subjects.
- Poor students in the region performed more than two grade levels below their wealthier peers in reading.<sup>11</sup>

The region has a clear need to improve levels of educational attainment and achievement. But in the meantime, its national economies must continue to compete in global markets. Will secondary education provide young people in LAC with the advanced skills they need to compete in 21st century labor markets? A look at Brazil suggests an answer.

#### New Skills for New Markets in Brazil

Brazil is the world's sixth largest economy and accounts for 39 percent of wage earners in LAC.<sup>12</sup> Brazilian enterprises increasingly incorporate new technologies to stay competitive in global markets. The use of information and communication technologies (ICTs) in Brazil has potential for major growth, which could increase productivity across sectors.<sup>13</sup> The service sector is the traditional user of ICTs, but new technologies are increasingly important to other growth sectors in Brazil, as well, such as machinery manufacturing, transportation (including air transport), environmental technologies, agriculture, and mining.<sup>14</sup> Technology skills will also be in great demand as the country prepares to host the 2014 World Cup and the 2016 Summer Olympics.

Brazilian enterprises need a trained and educated workforce to innovate, grow, and generate well-paying jobs. But according to the World Bank, approximately 40 percent of firms in Brazil have difficulty finding qualified staff to fill their job vacancies. World Bank researchers found that a firm's difficulty in finding qualified people to fill vacant positions was directly associated with its use of new technologies.<sup>15</sup> Yet, although Brazilian employers have difficulty hiring qualified staff, nearly 18 percent of youth are unemployed.<sup>16</sup>

Not surprisingly, having a good job in Brazil is correlated with having a high level of education.<sup>17</sup> Youth who find jobs after

completing only their secondary education may not earn higher wages than workers with only a primary education.<sup>18</sup> On the other hand, those who complete tertiary education earn 156 percent more than those who complete secondary education.<sup>19</sup> Currently, tertiary students are only 3 percent of all students enrolled in Brazil.<sup>20</sup>

Preparing youth for decent employment in the changing workscape will mean exposing them to ICTs throughout their education. In 2010, 56 percent of Brazil's primary through upper secondary schools had Internet access, and national goals include ensuring that all schools with 100 or more students have Internet access.<sup>21</sup> These efforts notwithstanding, the digital divide remains wide in Brazil, particularly along income lines. Among middle school students, for instance, only 2.5 percent of poor students used computers at school, compared with 37 percent of students from wealthier families.<sup>22</sup> Similarly, among the 39 percent of Brazilians who had access to the Internet in 2009, only 0.5 percent were in Brazil's lowest income group, compared with 77 percent of wealthier people.<sup>23</sup>

Technical/vocational education and training may be one way for disadvantaged students to acquire the skills needed in today's labor market. In 2011, 401 federally financed vocational institutes in Brazil imparted technical skills to more than 400,000 students in an array of subjects, from plumbing to systems analysis. These institutes offer a continuum of courses, from remedial coursework in basic literacy and numeracy to educational tracks that culminate in doctoral degrees. The government hopes to open 150 more vocational institutes by 2015, and still others are being improved.<sup>24</sup> For another approach to preparing youth for 21st century labor markets, see box 1.

As technologies become increasingly important in jobs in every sector, underserved youth, particularly those from poor families, could be further disadvantaged if they are not offered opportunities that help them overcome educational deficits and prepare them for jobs in the new marketplace.

#### Box 1

#### Bridging the Gap between Market Needs and Youth Skills

Launched in 2001, *entra21* demonstrates how combining market-driven youth training and comprehensive support services can meet the needs of youth, employers, and developing economies. Funded by the Multilateral Investment Fund of the Inter-American Development Bank, the International Youth Foundation, and other partners, *entra21* provides disadvantaged Latin American and Caribbean youth ages 16 to 29 with the employment training and job placement services they need to increase their employability and secure decent jobs. By the end of phase 1 in 2007, 75 percent of *entra21*'s 19,650 participants were either back in school or working six months after program completion, 78 percent of those employed had formal contracts, and 74 percent earned minimum wage or better.<sup>25</sup> By the end of phase 2 in 2011, *entra21* had provided 116,000 youth with job training, life skills and job-seeking skills, and internships.

Assessments of *entra21*'s effectiveness cited the following factors as key to its success:

- Tailoring training programs specifically to market needs and trends and adjusting those programs as market changes occur.
- Helping young people acquire the skills, attitudes, and confidence needed to succeed in the workplace.
- Including an ICT component to help close the digital divide.
- Providing internships and job placement services.

## 2

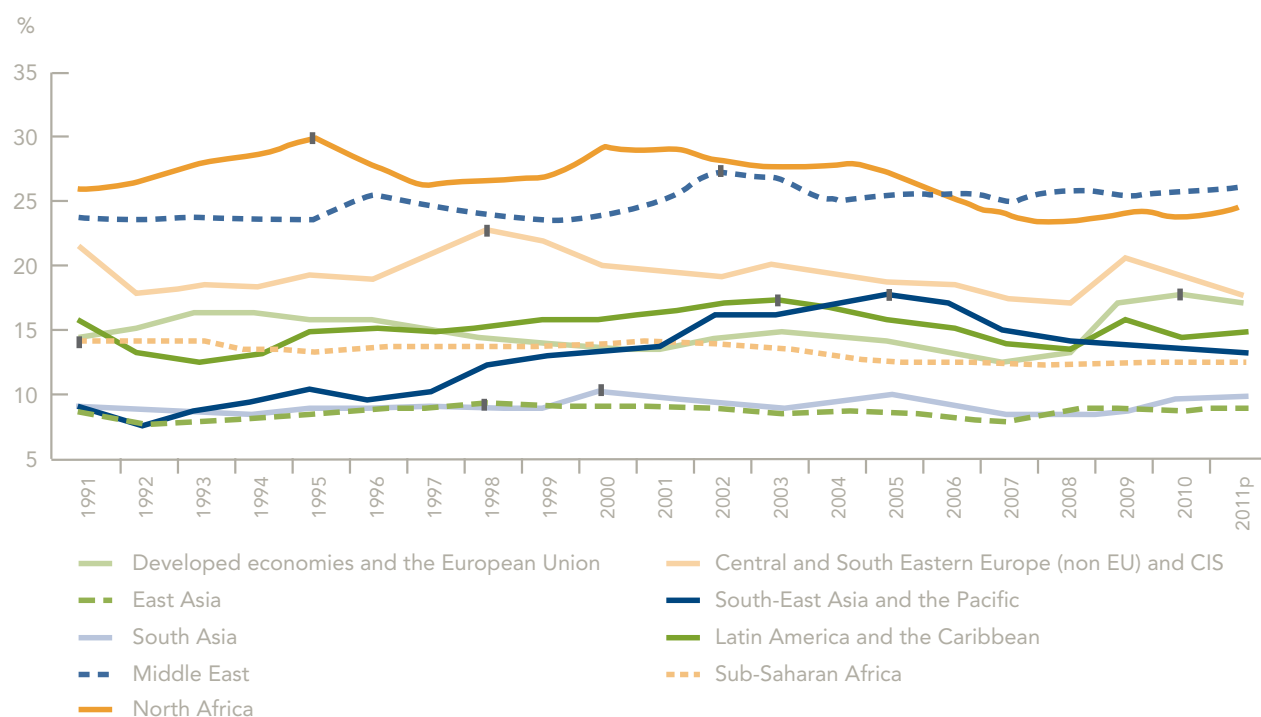
### A SKILLS MISMATCH ACROSS THE MIDDLE EAST AND NORTH AFRICA

In contrast to Latin America and the Caribbean, where higher education increases opportunities for employment, youth in the Middle East and North Africa region (MENA) who have a university degree are more likely to be unemployed than their less-educated peers.<sup>26</sup> The situation in part reflects a mismatch between the jobs young people prepare for and the realities of local job markets. Civil service jobs in MENA are declining, but many young people continue to invest in education that readies them for administrative work in the public sector, while the private sector struggles to expand.

### Young, Educated, and Unemployed

The youth unemployment rate in MENA is the highest in the world (see figure 1).<sup>27</sup> As the figure shows, youth unemployment in the region is not an effect of the global recession but has been a constant for two decades, despite advances in educational attainment.<sup>28</sup> Gender disparities in employment are also the highest in the world. Among women 15 to 24 years old, only 15 percent are working in the Middle East and 16 percent are working in North Africa.<sup>29</sup> To avoid increases in unemployment rates, the ILO estimates that 15 million new jobs will have to be created in the region *each year* for the next decade.<sup>30</sup>

Figure 1. Global youth unemployment rate, 1991–2011



Source: *Global Employment Trends for Youth, 2011 Update*. © International Labour Organization 2011. Reprinted with permission.

Ninety-five million people in the region—one out of every five—are youth.<sup>31</sup> The disproportionate number of people ages 15 to 24 in MENA offers a window of opportunity to boost economic growth in the region—but only if young people have access to decent work.

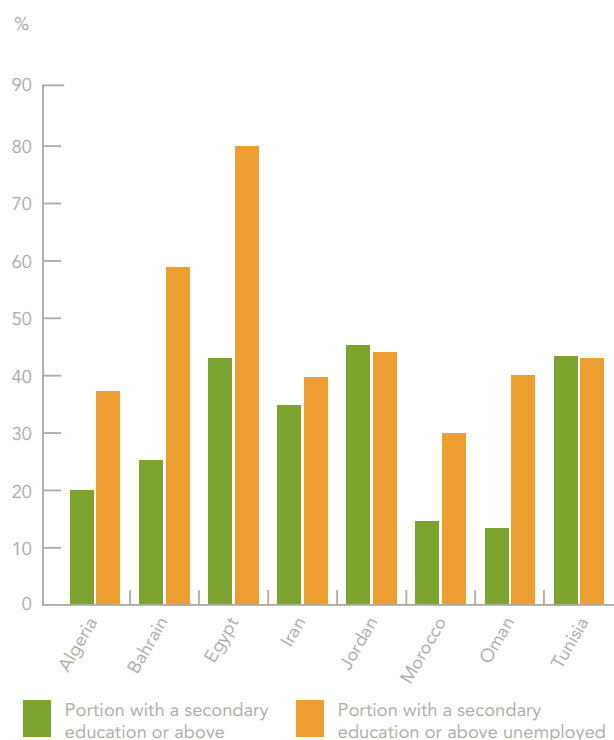
However, the private sector is not yet developed enough to generate the number of jobs needed in the region, and not enough of the jobs created require advanced skills. Therefore, the private sector cannot fully capitalize on the region's university graduates. Figure 2 shows rates of unemployment among people with more than a secondary education in several countries in the region.

### Informal Sector Employment

Many of the jobs that are available to youth in the region are in the informal sector. In the Middle East and North Africa, informal sector jobs tend to be unregulated, so they pay less than similar jobs in the formal sector and involve worse working conditions, such as few or no benefits or protections. Not surprisingly, there is enormous dissatisfaction in the region over the quality of jobs available. Among youth surveyed by the ILO, 58 percent reported dissatisfaction with the availability of good jobs.<sup>32</sup>

Informal sector employment, also known as vulnerable employment, has been rising in the region. Since 2007, the number of workers in such jobs increased by more than 1 million in the Middle East. Women's employment is especially likely to be in

Figure 2. Unemployment rates among populations with secondary education or above (various years)



Source: *The Road Not Traveled: Education Reform in the Middle East and North Africa*, Washington, DC: World Bank, 2008, table 7.1.

this sector. In North Africa, 55 percent of women were in vulnerable work, compared with 32 percent of men; in the Middle East, these rates were 42 percent for women and 27 percent for men.<sup>33</sup> According to the World Bank, young people in the region have high rates of informal sector employment, which begin to fall when they reach age 25, stabilizing at 20–30 percent for workers 45 and older. Many youth in the region are entering the labor market through informal employment and transitioning into public-sector—not private-sector—employment.<sup>34</sup>

### The Lure of Public-Sector Employment

The combination of an underdeveloped private sector and an undesirable informal sector leads many youth to seek work in the public sector, which historically has been the largest employer in nations in the region. Research confirms that young people prefer to seek work from government employers because these jobs offer relatively high pay as well as better benefits, working hours, and job security. Many youth also note that government employers adhere to employment laws better than private-sector employers. A survey of youth in the Jordan Valley, for example, found that more than 70 percent hoped for a government job.<sup>35</sup> Women, in particular, value public-sector employment.<sup>36</sup>

Unfortunately, the number of public-sector jobs has been decreasing for three decades as nations in the region take steps to encourage job creation and to compete in the global marketplace.<sup>37</sup> At the same time that public-sector jobs are contracting, expansion of the private sector is hindered in part because young people, anticipating government jobs, study humanities or social sciences at tertiary levels, rather than subjects that could better support growth of the private sector. ILO research concluded that IT skills and entrepreneurship training would better serve the region.<sup>38</sup> High-level technical training in science, technology, and engineering are particularly needed. Private-sector engagement with universities can help educators develop forward-looking curricula that address the region's development needs (see box 2).

In addition to jobs that require university degrees, the region also needs workers in the skilled trades, such as mechanics, electricians, and plumbers. These skills could be transmitted through vocational training at the tertiary level. However, educators and employers in the region confront a social dynamic called “the culture of shame,” which refers to an aversion by youth to train for and accept jobs in the trades, which are considered inferior and of low prestige. Men in particular may avoid these jobs, believing it will hurt their chances at marriage. Although there is a clear need for these types of workers and other skilled manual laborers, there are few interventions in the region aimed at transforming the culture of shame so that young people feel free to pursue these types of careers. Although women may feel freer than men to accept jobs with low prestige, gender expectations prevent women from training for many types of needed vocations.

#### Box 2

#### Private Sector / University Partnerships

Under the USAID seed-funded Education and Employment Alliance, Egyptian NGO Nahdet El Mahrousa launched the Career Entrepreneurship and Development Office (CEDO) at Cairo University's Faculty of Engineering in 2007.

CEDO was established to supplement the academic education of engineering students and recent engineering school graduates with life-skills and workplace readiness training. As a result of substantial contributions from the Egyptian public sector (office space for the center) and support from numerous international and Egyptian private-sector partners (including Samsung, Cisco, Procter & Gamble, SODIC, Vodafone, and Mobinil), CEDO has expanded beyond the Faculty of Engineering and now serves multiple campus faculties on Cairo University's campus. Importantly, CEDO's many corporate partners also provide internships and work opportunities for center beneficiaries.

Nahdet El Mahrousa has begun to generate income to help cover the center's operating costs and is in the process of expanding the CEDO model throughout the Egyptian public university system.

### POOR LIFE SKILLS IN CENTRAL AND EASTERN EUROPE

3

The situation in central and eastern Europe is in many ways opposite from that of the Middle East and North Africa. Instead of facing a rapid increase in its youth population and the need to create jobs for them, the region has been experiencing a dramatic decline in its working age population. The Russian Federation alone currently loses 700,000 people a year, in part through emigration and poor health outcomes. Compared with many other parts of the world, central and eastern Europe also has a legacy of high access to education from primary through the tertiary level.<sup>39</sup> Ninety-four percent of boys and girls are enrolled in primary education, and the region has the lowest percentage of out-of-school children (2 percent) outside of North America and Western Europe.<sup>40</sup> (There are notable exceptions, however, as shown in box 3). Further, the region has high rates of university graduates in the fields of science, technology, engineering, and mathematics, highly coveted by employers worldwide.

Despite these comparative advantages, employers in the region make an observation that sounds all too familiar: Young people are not adequately prepared for work opportunities.<sup>41</sup>

### Box 3

#### Roma Face Marginalization

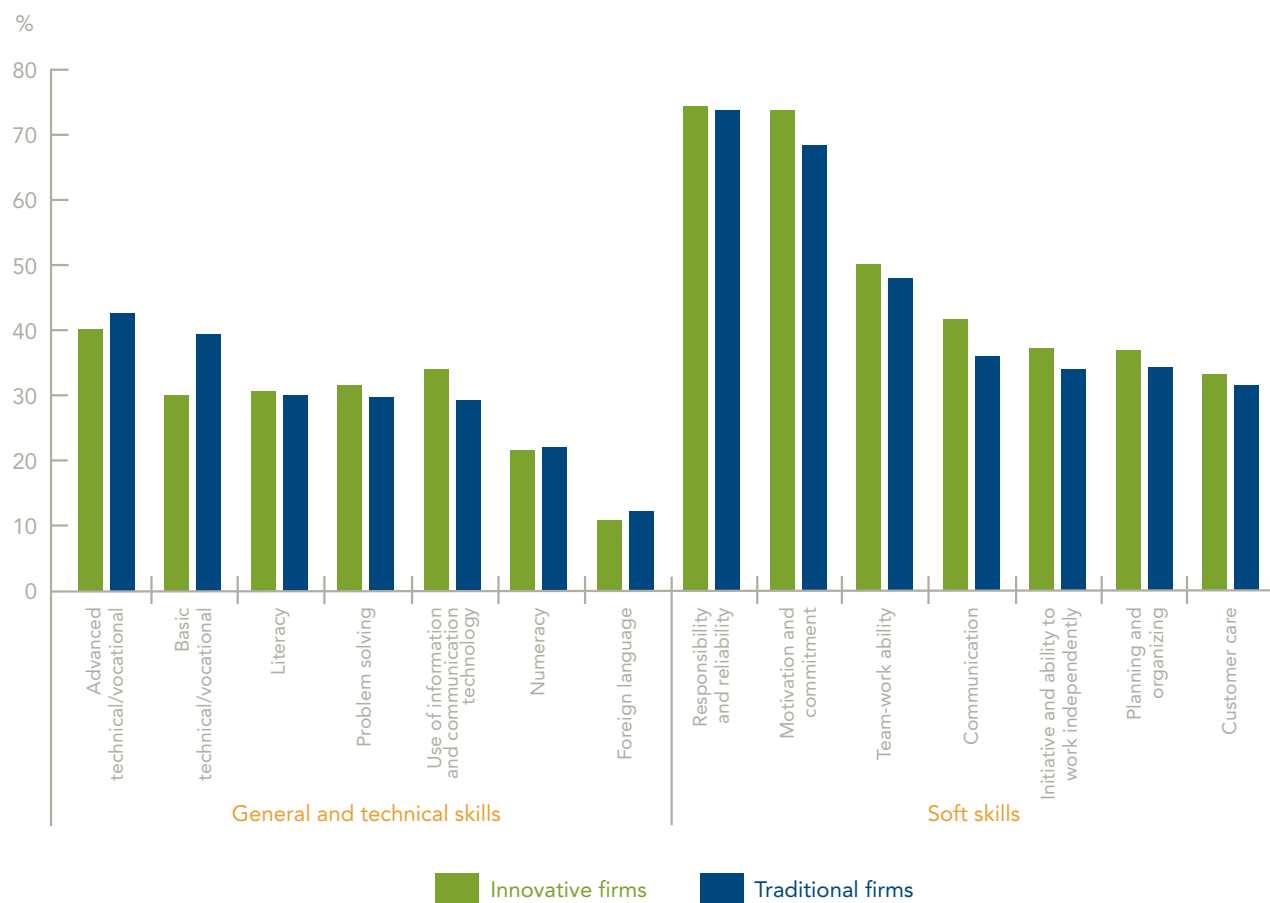
One of the largest minorities in Europe, Roma confront the effects of widespread marginalization. Although most youth in the region enjoy high access to education, Roma youth experience poor access to quality education and have levels of educational attainment that are far below regional averages. In Romania, for instance, an estimated 30 percent of Roma children do not enroll in fifth grade, and in the majority of central and eastern European countries, only 20 percent to 25 percent of Roma enroll in secondary school.<sup>42</sup>

Although job growth in central and eastern Europe is increasingly in skilled positions in the service sector, the mismatch of skills between young people and available jobs in the region is not merely technical in nature.

#### Life Skills in Demand

In 2008, 40 percent of the region's private-sector employers in middle-income countries believed that low skills in the workforce were a constraint on economic growth.<sup>43</sup> Traditional and innovative enterprises alike especially value life skills (also known as soft skills) in employees (see figure 3). Skills that employers believe enhance workplace effectiveness include critical thinking, problem solving, conflict management, showing respect for self and others, making healthy life choices (such as avoiding substance abuse), and civic responsibility. But these are not skills traditionally addressed by the curricula of central and eastern European schools.

Figure 3. Employers' valuation of worker knowledge and skills in Poland, 2009



Source: *Skills, Not Just Diplomas: Managing Education for Results in Eastern Europe and Central Asia*, Washington, DC: World Bank, 2012. ©World Bank. Reprinted with permission.

No formal studies aptly quantify gaps in life skills, but anecdotal evidence suggests that if youth do not possess these skills before they apply for jobs, they have few opportunities to acquire them. Most enterprises in the region have little capacity to provide in-service training of any kind to employees; in fact, rates of employer-based training in the Russian Federation are some of the lowest in the world.<sup>44</sup>

Providing opportunities to learn life skills—particularly to people who are unemployed and economically inactive, as well as to those who slipped through the cracks (such as school dropouts)—is a World Bank priority recommendation for most nations in the region.<sup>45</sup>

### Poor Health Threatens Russian Federation's Economy

The Russian Federation has an urgent need to equip young people with the life skills to avoid risky behaviors that may diminish their capacity to be productive adults. Russia's demographic decline, which is resulting in an increasingly older population, puts enormous pressure on youth to maintain national productivity through consistent lifetime participation in the workforce. At the same time, Russian youth are coming of age in a culture in which poor—even deadly—health behaviors are normalized. Poor health in the Russian Federation threatens more than individuals and families; it also threatens the nation's economic growth. The World Bank states unequivocally that “the poor health status of Russia's economically active adult population—its human capital—is imperiling sustainable economic and social development.”<sup>46</sup> Poor health habits diminish productivity through absenteeism, job loss, decreases in labor supply, and death.

Russia has the highest youth mortality in Europe; nearly 36,000 people ages 15 to 24 die each year.<sup>47</sup> The probability that a 15-year-old Russian male will die before he is 60 is more than 40 percent. Russian youth have high rates of death from violence related to the use of alcohol and illicit drugs.<sup>48</sup> A UN report indicates that youth who use illicit drugs begin using at around age 14. As in other parts of the world, drug use is associated with addiction, prostitution, homelessness, and other threats to individual and community safety.<sup>49</sup>

Arguably a bigger problem among youth is the use of legal substances. Youth in the Russian Federation have high rates of alcohol and tobacco use. This is not surprising, given that the Russian Federation as a whole has the world's highest rates of risky drinking as well as the highest percentages of alcohol-related deaths: One of out five deaths among men is related to alcohol abuse.<sup>50</sup> The legal age to buy tobacco and alcohol is 18, yet 27 percent of boys ages 15 to 18 smoke (76 percent are exposed to secondhand smoke at home), and 30 percent of teenagers drink.<sup>51</sup> A WHO study observed that using legal substances is “an integral part of day-to-day life” for Russian youth,

and that many young people in Russia approved the use of tobacco and alcohol among their peers.<sup>52</sup> What's more, substance use is associated with mental health issues. Approximately one in five Russian Federation youth have depression, and suicide rates are increasing for boys and girls. Russian Federation men ages 15 to 19 have a very high suicide rate of 39 per 100,000.<sup>53</sup>

Giving youth the information and life skills they need to make healthy choices is essential, as few youth-friendly services are available. According to the WHO, “In general, the health care system as it is today is not equipped to address the specific needs of adolescents and young people in the area of reproductive and sexual health, mental disorders and risky behavior prevention.”<sup>54</sup> For one way to serve youth, see box 4.

#### Box 4

#### Empowering Youth to Protect Their Health

The *Youth Empowerment Success* program, funded by the Wm. J. Wrigley Jr. Company Foundation, brings life-skills training to underserved youth in the Russian Federation, Poland, and elsewhere, helping young people acquire the personal resources they need to transition into adulthood as healthy, productive citizens. Life-skills training includes helping youth develop health awareness, confidence and effective communication skills.

One participant in the Wrigley Y.E.S. program said that he learned crucial “refusal skills” as a result of the training. “Previously I had been asked to participate in dangerous situations and I could not say no,” he said. “Now I can.”<sup>55</sup>

## DISENGAGED YOUTH IN NORTH AMERICA AND WESTERN EUROPE

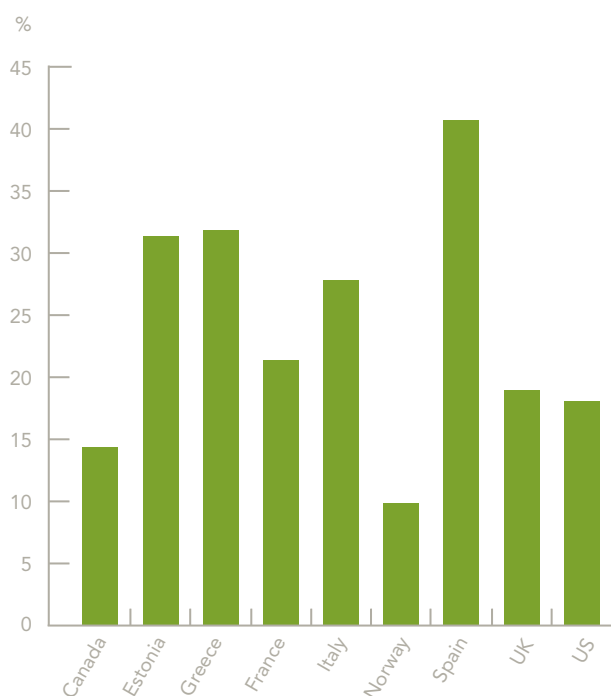
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Even should young people possess the education, technical training, and life skills discussed above, they remain extremely vulnerable to unemployment and long-term joblessness. This is clearly demonstrated in North America, Western Europe, and other developed economies where, as a result of the 2007 economic crisis, unemployment rates for youth soared from 13 percent in 2008 to 18 percent in 2010, the sharpest rise on record for any part of the world.<sup>56</sup> Large numbers of young people without connections to work or school are at risk of becoming disengaged from society.

## High Unemployment

Youth unemployment was high throughout the Western region as a result of the economic crisis, and youth in some countries were hit especially hard. European youth experience higher unemployment than youth in the United States, for example (see figure 4). Nine European countries had youth unemployment rates of more than 25 percent in 2010. In Spain, unemployment among 15- to 24-year-olds reached 42 percent, a twenty-one point increase since 2008. In the United States, the Bureau of Labor Statistics reported that fewer than one-half of youth aged 16 to 24 were working during the summer of 2011, the lowest rate since 1948.<sup>57</sup> Unemployment rates varied significantly within countries, as well, with some youth more at risk than others (see box 5).

**Figure 4. 2010 youth unemployment rates, selected countries (% of labor force)**



Source: OECD Employment and Labour Market Key Tables, 2011.

Western youth not only faced high rates of joblessness, they also experienced long-term unemployment. In 2010, nearly 23 percent of unemployed youth in the region had been out of work for one year or more.<sup>58</sup> Many have given up and have left the labor market altogether. Some, perhaps, went back to school. But a significant portion of young people in developed economies are entering adulthood disengaged from any productive activity whatsoever. There are so many of these young people that a new phrase has been coined to describe them: Not engaged in employment, education, or training (NEET).

## Box 5

### North African Immigrants in France

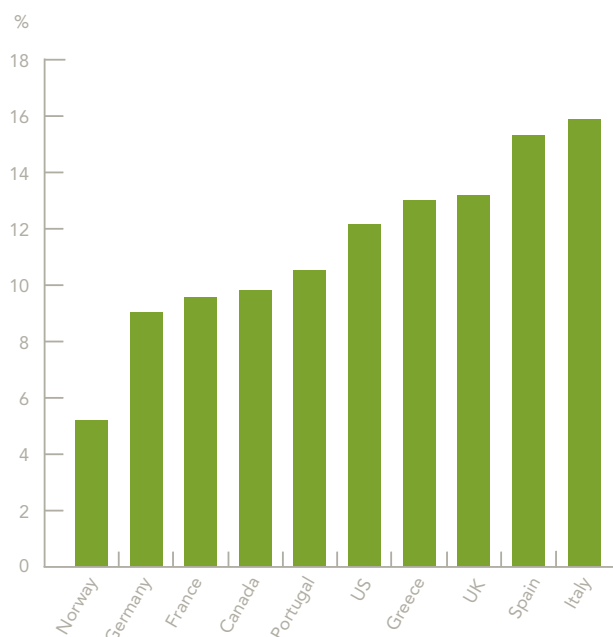
French youth have endured high unemployment for some time. During the years 2003–2008, youth unemployment ranged from 18 percent to 23 percent.<sup>59</sup> Approximately one-third of youth in France—nearly 4 million youth—were unemployed for more than one year in 2010.<sup>60</sup>

For youth with at least one immigrant parent, the employment outlook is even worse. On average, the employment rate in France is 18 points lower for these youth.<sup>61</sup> Immigrants with African origins are especially likely to have difficulty transitioning from education to work in France. University graduates with North African backgrounds have a 27 percent unemployment rate. One study found that young people with North African backgrounds were more likely to be unemployed, or, if employed, were more likely to have only short-term contracts compared with people who have native French or Southern European backgrounds.<sup>62</sup> Similarly, an ILO study measured discrimination in numerous employment sectors and found that young people with African origins were summarily rejected for consideration approximately 50 percent of the time, and bias was in favor of the applicant with perceived European origins four out of five times.<sup>63</sup>

## Out of Work, Out of School

In 2010, an estimated 11 percent of young people ages 15 to 24 in North America and Western Europe were not engaged in education, employment, or training (see figure 5).<sup>64</sup> Although NEET youth are diverse in many respects, in general, they are more likely than other youth to live in a poor household, have low levels of educational attainment, have immigrant or ethnic minority status, or have a disability.<sup>65</sup> Many NEET youth have parents who are illiterate in local languages, have low levels of education, or may have never worked in the formal sector. These young people, therefore, may lack role models for the life skills that are required in formal sector employment, and they are unlikely to have access to the social networks through which work opportunities are often found.

**Figure 5. Youth not in education, employment, or training, selected countries, 2010 (% of age group)**



Source: OECD Project on Jobs for Youth, 2010.

NEET youth can quickly become disengaged and marginalized from society. As one woman in the UK remarked, “If you are not working, in training, or in college, you might as well be a thief.”<sup>66</sup> Long-term unemployment and social marginalization puts these youth at risk of teen pregnancy, substance abuse, and of perpetrating or becoming victims of crime. At the very least, these young people are at risk of never developing their talents and capacities.

When young people become disengaged from school and work, the present and future costs to society are large in terms of government services, criminal justice expenditures, and lost tax revenue, among other costs. A conservative estimate that considers only the costs of NEET youth alienation from the European labor market shows that absorbing just 20 percent of NEET youth into the labor market would save nations in the European Union more than €21 billion a year collectively.<sup>67</sup>

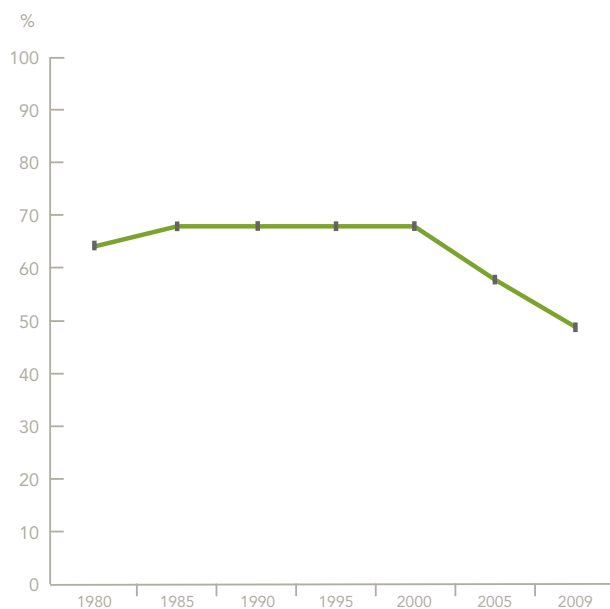
Similarly, a 2012 study by Belfield, Levin, and Rosen on NEET youth in the United States estimated that for each disengaged youth, the immediate social burden amounted to \$37,450 per individual per year, until the individual turned 25, at which point other costs accrued. The social burden includes lost earnings, public expenditures on health (such as Medicaid), and other factors. Belfield and colleagues calculated that the social burden for the 2011 cohort of 6.7 million NEET youth will amount to \$4.75 trillion.<sup>68</sup>

## School, Socioeconomics, and Success: A Look at the United States

The multifaceted, self-perpetuating nature of disadvantage is perhaps more clearly revealed when looking at a country that enjoys a global advantage on many fronts. More than 4 million young people were unemployed in the United States in 2011, and although rates for men and women were similar (approximately 18 percent), rates among racial groups reflected vast disparities. Fifteen percent of Asian youth were unemployed in 2011, compared with 16 percent of white youth, 20 percent of Hispanic youth, and 31 percent of black youth.<sup>69</sup>

Levels of educational attainment have a great influence on the likelihood of finding a job. People who do not complete secondary education are not only far less likely than those who graduate from high school to find work, they are also far less likely to find work in today’s economy than they were in years past (see figure 6). This trend is continuing. Georgetown University estimates that by 2018, 62 percent of the U.S. workforce will require some college, up from 28 percent in 1973.<sup>70</sup> The market’s need for skilled workers further disadvantages youth who have not completed at least a secondary level of education.

**Figure 6. U.S. labor force participation rate of high school dropouts (in year they dropped out)**



Source: *America’s Youth: Transitions to Adulthood*, National Center for Education Statistics, 2011.

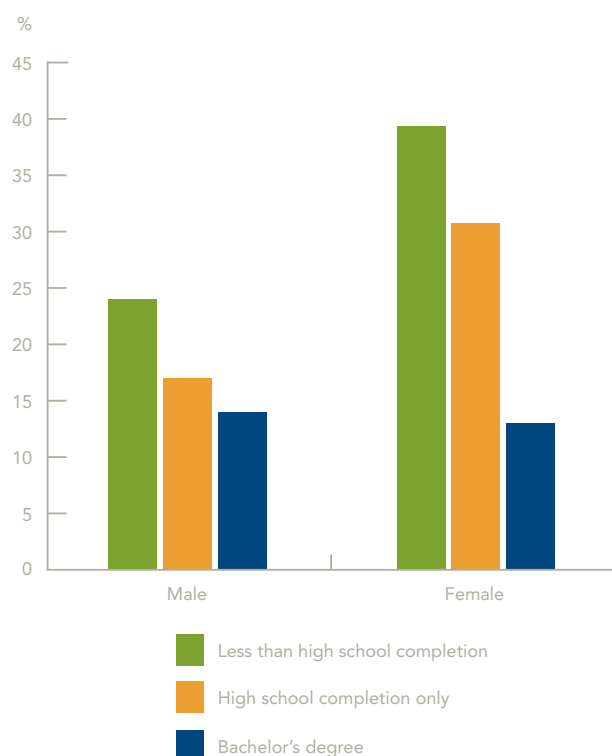
Approximately 16 percent of youth ages 18 to 24 in the United States—more than 6 million young people—have not completed high school. Risk of dropout is associated with household poverty, race, and immigrant status. For example,

5 percent of white students drop out of high school, compared with 18 percent of Hispanic youth.<sup>71</sup>

Success in school, in turn, is associated with income. In the United States, the gap in standardized test scores between youth from high- and low-income families has been growing for fifty years and now is nearly two times the achievement gap between black youth and white youth.<sup>72</sup> However, it is important to remember that poverty disproportionately affects racial minorities. Compared with the 14 percent of white youth who live in poverty, rates among nonwhite youth are dramatic: 21 percent for Asians and Pacific Islanders, 27 percent for Hispanics, 29 percent for American Indian and Alaska Natives, and 31 percent for blacks.<sup>73</sup> For older youth, the chances of living in poverty are directly associated with levels of academic attainment, particularly for women (see figure 7).

Box 6 presents one group's work to help disadvantaged young people prepare for and access good jobs.

**Figure 7. Percentage of 18- to 24-year-olds in poverty, by sex and educational attainment, 2009**



Source: *America's Youth: Transitions to Adulthood*, National Center for Education Statistics, 2011.

## Box 6

## Partnering for Youth

Year Up, a U.S. nonprofit organization, collaborates with corporations and governments to provide low-income youth ages 18 to 24 with the skills and opportunities they need to obtain decent work. Young people enter the intensive one-year training program with a high-school degree or equivalency. During the first 6 months in the program, participants receive classroom training on an array of business and ITC-related technical skills, such as using Microsoft Office and Outlook, hardware repair, and network support. Youth also receive life-skills training in classes such as working in teams, conflict resolution, and work/life balance.

Qualified participants then embark on a 6-month internship, in which they earn college credits and a stipend. They receive an array of other supports, as well, including mentoring and access to social services. More than 5,000 youth have graduated from the program since 2000, of whom 84 percent were employed or attending college within 4 months of completing the program. The average wage of those employed is \$15 per hour.

Source: [www.YearUp.org](http://www.YearUp.org)

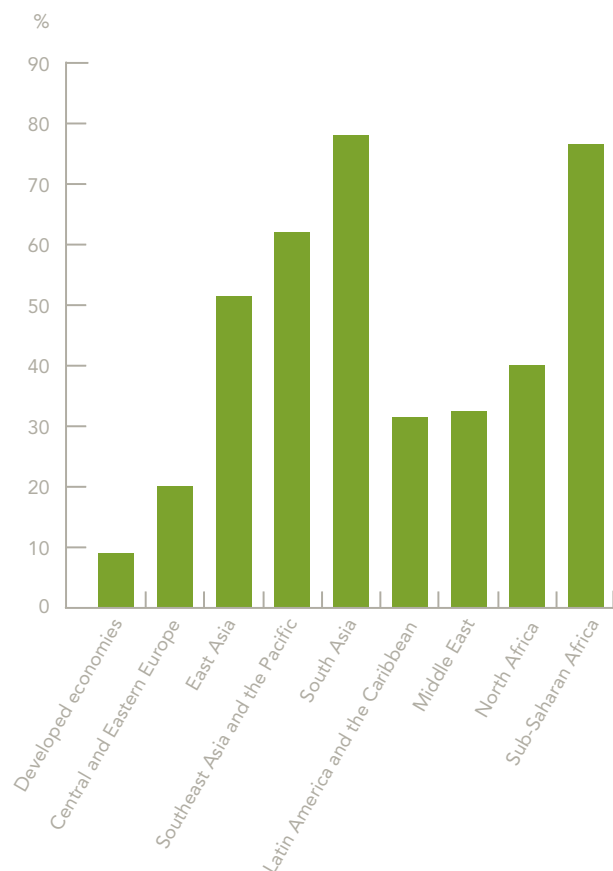
## YOUNG, WORKING, AND POOR IN ASIA

5

For Asian youth, access to decent work is a serious challenge. Twenty-four percent of working youth in Asia live in poverty. One factor is the region's highly uneven levels of education and literacy, which are strongly predicted by gender, geography, and caste. Another reason for high rates of working poverty among youth is the region's large share of vulnerable work, which is prevalent across Asia (see figure 8).

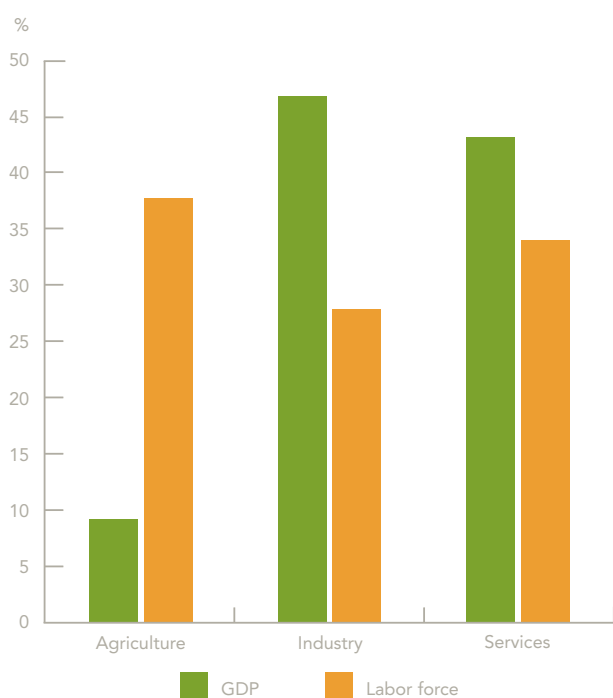
The ILO estimates that 70 percent of working-poor youth are engaged in the agricultural sector, which remains the largest sector in Asia. Jobs in the agricultural sector are frequently informal, may offer no protections or access to safety nets, and may put workers at risk of exploitation and abuse. Agricultural work requires low skills and may be dangerous, seasonal, and insecure. Although agriculture is crucial to rural economies, productivity is relatively low. In China, for example, more than 38 percent of the nation's workforce is in agriculture, although the sector is the smallest portion of the GDP (see figure 9). In such economies, significant disparities can separate residents of urban and rural areas, as is the case in China.

Figure 8. Vulnerable employment shares, by region (%)



Source: *Global Employment Trends 2011*, Geneva, ILO, table A12.

Figure 9. GDP and labor force in China, 2011



Source: Data from CIA World Factbook.

## China's Rural-Urban Divide

China became the world's second largest economy in 2010. Its rapid growth has led to major reductions in the nation's levels of illiteracy, poverty, and unemployment. The percentage of people in extreme poverty fell from 36 percent in 1999 to 16 percent in 2005, and the number of people living under US\$2 per day has also declined dramatically.<sup>74</sup> Despite impressive gains overall, disparities in access to education and training opportunities, primarily between urban and rural areas, lead to unequal opportunities later in life. Of the 225 million people ages 15 to 24 in China, about 61 percent live in rural areas.<sup>75</sup>

Approximately 90 percent of Chinese youth complete secondary education; however, young people in rural China have education levels that are much lower than that of their urban counterparts.<sup>76</sup> Approximately one-half of youth in rural China complete lower secondary education or less, whereas in urban areas, young people tend to have at least a high school education.

A survey by the ILO found that most young people in all areas who do not complete lower secondary school (junior high) leave school because of financial hardship, followed by a failure to pass qualifying exams. Of those who cited failing exams as a reason for dropping out of school, 70 percent were in rural areas, suggesting that the quality of schooling in China's rural areas is poor.<sup>77</sup>

Children of migrant workers face particular problems accessing quality education. Migrant workers may move to urban areas to escape poverty and vulnerable employment in the agricultural sector, but doing so may mean that their children cannot enroll in school. In Beijing in 2009, one-third of migrant children could not enroll in public schools because of residency registration requirements. Some children of migrant workers attend informal schools set up to serve migrant families, but the education in these alternative schools may be of low quality.<sup>78</sup>

Unequal access to basic education increases disparities in rates of enrollment in higher education. Seventeen percent of urban youth in China attend university, compared with 5 percent of rural youth, and urban youth are also more likely to attend vocational school (27 percent versus 20 percent, respectively).<sup>79</sup> Overall, young women have slightly higher education levels than young men, in part because they have fewer employment opportunities.

## Low Education Levels Hinder India's Youth

About 20 percent of India's population, or about 240 million people, are youth ages 15 to 24. The government of India recognizes that a barrier to capitalizing on India's demographic dividend is the low educational level of its youth population.

On average, young people in India receive just over seven years of education. But levels of educational attainment are strongly

predicted by caste, class, and gender. The wealthiest 20 percent, for example, attend eleven years of school, whereas the poorest quintile averages only four years. Girls in India's rural areas average fewer than three years of education. Girls from scheduled tribes and castes report that stigmatization and social exclusion frequently prevent them from attending school.<sup>80</sup>

Basic literacy remains a significant problem. An estimated 270 million people age 15 and older are illiterate in India. In comparison, China, the country with the second highest number of illiterate adults, has 71 million illiterate adults.<sup>81</sup> Young women ages 15 to 24 are twice as likely as young men their age to be illiterate. Among working youth, approximately one in four is illiterate, and fewer than one in five completes secondary education.<sup>82</sup>

The education deficit is not filled by technical/vocational education and training (TVET). Only 6 percent of urban youth and 3 percent of rural youth attend TVET at the secondary level. Attendance rates for girls have declined since 1999, and currently fewer than 25 percent of girls in India attend vocational training. In addition, the quality of vocational training is often low. One study showed that 60 percent of TVET students were still unemployed three years after graduation.<sup>83</sup>

ICTs have promising applications for education delivery in the country. Such initiatives must be tailored to regional differences, and teacher training in the use of ICTs is crucial to a program's success. (See box 7 for a successful approach to teacher training.) Infrastructure, particularly Internet access and reliable electricity, remains a challenge, especially in rural India.<sup>84</sup>

## 6

### A NEED FOR ENTREPRENEURSHIP IN SUB-SAHARAN AFRICA

Like young people in Asia, youth in sub-Saharan Africa face enormous challenges accessing decent livelihoods. Although youth unemployment rates are relatively low—12.5 percent, compared with a 26 percent youth unemployment rate in the Middle East, for example—it would be a mistake to look at these rates and conclude that the work lives of young people in sub-Saharan Africa are more secure than those of their peers in other countries.<sup>85</sup> The fact is that in sub-Saharan Africa, extreme poverty forces many young people to work to contribute to their family's day-to-day survival.

#### A Hidden Crisis

Rather than being unemployed, young Africans are underemployed. The overwhelming majority of workers in sub-Saharan Africa—76 percent—are working at low-skilled, low-quality jobs that do not pay enough to lift them out of poverty.<sup>86</sup> Seventy-two percent of youth in the region live on less than US\$2 per day.<sup>87</sup> The need to work long hours to earn enough

#### Box 7

##### Empowering Teachers, Students, and Communities

Microsoft's Project Shiksha demonstrates the exponential impact teacher training can have on students, schools, and communities. Launched in 2003 as the first phase of the Partners in Learning initiative, Project Shiksha has trained over 700,000 government teachers to date. Through the project, educators receive comprehensive IT training, learning to incorporate technology to improve classroom instruction and promote IT literacy in India.

Project Shiksha-trained teachers train other teachers and work to dissolve the digital divide in villages across India. To date, it is estimated that Partners in Learning has benefited more than 32 million of India's students, reached 15 million of its citizens beyond the classroom, and connected 2 million educators worldwide in an online professional network.

#### Box 8

##### Uganda's Informal Sector

With the majority of Uganda's working youth employed in the informal sector, one USAID-funded study, YouthMap, provides a useful snapshot of the types of employment in that sector. Reported legal occupations include operating *boda-bodas* (bicycle taxis), brewing alcohol, petty trading, hairdressing, domestic work, casual labor, and political mobilizing. Illicit youth activities in the informal sector include prostitution, gambling, brewing alcohol without a license, selling drugs, and livestock raiding. Describing factors driving youth to take illicit work, study participants cited poverty, survival, and lack of other opportunities.

to survive prevents young people from investing their time or resources in acquiring the education or training that could prepare them for a better-paying job for the future.

Currently, 2.2 million youth in sub-Saharan Africa enter the labor market every year. These young people are entering a labor market in which 70 percent of the job growth has been in vulnerable employment: unpaid work in family enterprises, or self-employment in the informal sector (see box 8).<sup>88</sup>

Conditions are likely to become more precarious as the number of youth in the region continues to balloon. From 2010 to

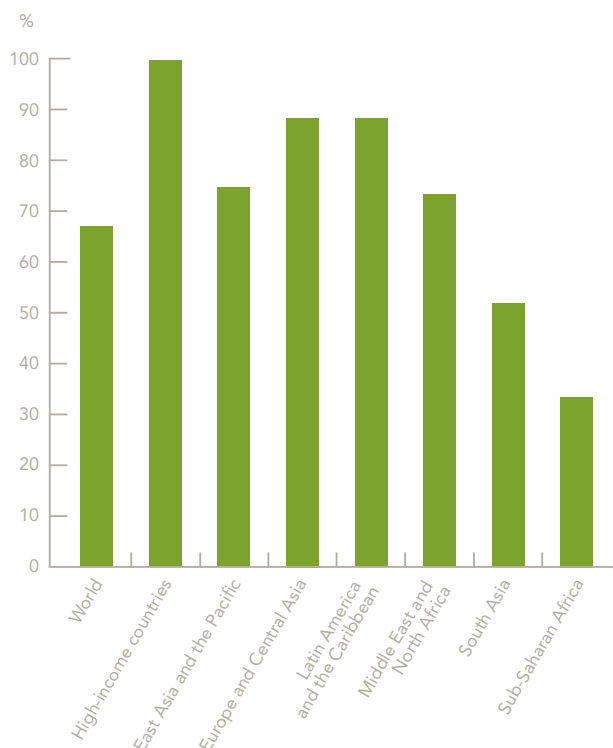
2015, the number of youth in sub-Saharan Africa will grow by more than 19 million.<sup>89</sup>

To address the increasing need for decent work for youth, nations will need to support the development of private-sector jobs that offer living wages, benefits, and protections. Yet, despite the region's relatively favorable economic outlook, even rapid growth in the number of formal sector jobs will not be enough to create the 15 million new jobs that are needed each year just to avoid an increase in unemployment.<sup>90</sup>

What's more, even should jobs in the private sector grow, most youth will remain unqualified to fill them. Providing basic education in literacy and numeracy is still a challenge in the region. Just 77 percent of students enroll in primary education, by far the world's lowest percentage. Primary school completion rates, especially for girls, are dismal. Only 41 percent of boys in sub-Saharan Africa enroll in secondary education. For girls, the enrollment rate is 32 percent.<sup>91</sup> For global comparisons, see figure 10.

In the foreseeable future, the informal sector is where young people are likely to earn their living. As a World Bank paper states, "Informal will be normal."<sup>92</sup> Therefore, attention must be paid to improving the earnings, productivity, and working conditions in the region's informal sector.

**Figure 10. Gross enrollment in secondary school as percent of relevant age group, 2009 (%)**



Source: World Development Indicators, table 2.4.

## Making Decent Work for Youth

Given the dominance of informal economies in sub-Saharan Africa and the sector's expected growth, youth employment programming and policies must provide young people with the tools to succeed in those economies, including entrepreneurial training, support, and start-up capital; technical and vocational training geared to each country's specific labor market needs; and the regulatory frameworks that protect informal sector workers and promote entrepreneurship (see box 9).

### Box 9

#### Funding Entrepreneurship

With start-up costs one of the most persistent barriers to youth entrepreneurship, it is useful to consider CARE's microfinance experience in sub-Saharan Africa. A pioneer in the field, CARE has launched more than 54,000 Village Savings and Loan Associations (VSLA) in Africa serving more than 1 million members since 1991. Grounded in Africa's tradition of informal savings cooperatives, VSLAs are self-funded, self-governed associations to which members are required to make small, regular deposits and in return are eligible to receive small loans at reasonable interest rates. While the VSLAs receive no capital investment from CARE, the organization's initial support and comprehensive training program ensures VSLA members have the skills to succeed in microenterprise and in VSLA governance. Although CARE's VSLA initiatives have largely focused on women's economic empowerment, those efforts have in turn inspired VSLAs formed by men and youth.

In its 2009 report evaluating microfinance models and best practices, CARE cited the VSLA approach for its simplicity, adaptability for less educated or illiterate populations, emphasis on group solidarity, and its lack of capital and physical infrastructure requirements. In short, VSLAs may hold significant promise for promoting youth entrepreneurship in the informal sector as well as addressing gender inequities in sub-Saharan Africa. Through its ACCESS AFRICA program, CARE is creating a more conducive environment for entrepreneurship at all levels. Launched in 2008, ACCESS AFRICA proposes to increase VSLA membership to 30 million members in 39 African countries, strengthen microfinance institutions, and address national policies that limit the poor's access to financial services.<sup>93</sup>

In addition, and in conjunction with other initiatives, youth must be encouraged to rethink their mindsets and to be open to exploring opportunities for decent work or self-employment in a small enterprise. Programs that empower youth, develop their leadership potential, and provide opportunities for community service can fill gaps in experience, bolster their employability, and nurture a sense of their ability to improve conditions in their communities and shape their own futures.

### South Africa: Apartheid's Legacy

As a middle-income country with a more developed formal sector than many in sub-Saharan Africa, South Africa presents interesting contrasts. In 2010, South Africa's total unemployment rate was approximately 25 percent. One in two economically active youth was unemployed, four times the rate of the region.<sup>94</sup> In addition, approximately 34 percent of South African youth aged 15 to 24—3.5 million youth—were neither in school nor working.<sup>95</sup> Explaining South Africa's comparatively higher unemployment rates, the ILO points to a range of factors including apartheid's legacy of substandard education; the inability of educational institutions to adapt to the needs of a new economy; capital intensity in manufacturing, mining, and other sectors; unprecedented power shortages affecting industry; and the impact of the global financial crisis.<sup>96</sup>

Despite its high unemployment rates, South Africa's informal sector is small compared with that of other sub-Saharan African countries, representing only 36 percent of total employment.<sup>97</sup> In explaining this difference, the ILO again cites the legacy of apartheid policies that discouraged entrepreneurship, particularly among black South Africans.<sup>98</sup> However, the informal sector is expected to grow as the lack of available jobs in the formal sector forces people to turn to the informal sector for opportunities.

## 7

### ACTION ITEMS

This paper is a call to action. Using information found in scores of excellent studies, books, reports, conference presentations, and databases, this paper summarizes barriers to opportunity for youth in wealthy and poor countries alike. Although it is important to understand the nature of the problem, it is more important to grasp the pressing need for an immediate and large-scale response. We are quickly approaching the point at which we will be unable to mitigate the wide-ranging, negative effects of our failure to respond to the needs of youth.

The multifaceted, international nature of the youth livelihood challenge means that our approach must be collective, massive, and global. In response to the challenge, we invite the following actions.

#### Public and private sectors, youth, and civil society

- Form partnerships within and across sectors.

- Collaborate at a scale that matches the size of the challenge.

#### Policy makers

- Ensure that all secondary education is high quality and standards based.
- Design tertiary educational curricula that keep pace with current market needs.
- Create incentives for enterprises to make internships, apprenticeships, and on-the-job training available to disadvantaged youth.
- Implement policies that provide adequate workforce training opportunities to youth who are out-of-school and out-of-work.
- Establish policies that facilitate youth-run businesses, such as reducing barriers to starting a business and increasing access to credit and other business services.
- Implement policies that establish decent working conditions for youth.
- Implement policies that reduce discrimination and protect youth.

#### Bi- and multilateral donors

- Invest in quality secondary and vocational education programs that prepare youth for lifelong learning.
- Support demand-driven skills training programs that show results.
- Fund appropriate impact evaluations.
- Invest in public-private partnerships that take proven practices to scale.

#### Private-sector enterprises

- Partner with secondary, vocational, and tertiary educational institutions to ensure that graduates are prepared for 21st century employment opportunities.
- Offer mentoring and internship opportunities to young people.
- Create youth-friendly workplaces with advancement, career guidance, and continuous-learning opportunities.

#### NGOs and civil society

- Identify and implement proven practices at large scale.
- Experiment and innovate with new models that use technology effectively and that reduce costs without sacrificing impact and evaluate results.
- Collaborate with the private sector to create demand-driven training.
- Work closely with vulnerable youth to strengthen their competencies in preparation for employment or entrepreneurship opportunities.

#### Youth

- Advocate your own needs and aspirations in schools, in your communities, and in the workplace.

- Recognize the need to be continuous learners because the needs and challenges of the workforce are constantly changing.
- Seek out career guidance at schools and from mentors so that your career interests match what the market has to offer.
- Consider starting your own business, particularly where good employment opportunities are limited.
- Raise your aspirations and beliefs about what is possible for you in terms of livelihood opportunities.
- Let go of prejudices you may hold about certain employment opportunities, as good jobs are available in all types of sectors.
- Don't give up.

In addition to the recommendations above, the field of youth livelihoods would benefit from the development of an index or another instrument that distills key indicators of youth well-being into a succinct assessment of our progress. Including young people's perceptions of their own lives in the index would be vital. Such a tool could stimulate action as well as provide clear and useful information on the state of youth to an array of audiences around the world. It could help shape a global vision of youth as assets, as the foundation of our shared prosperity, and provide a way for all of us to be held accountable for how youth are faring.

Barriers to youth opportunity are not going to disappear on their own, and the need to address them is more urgent than ever. Although some view the youth bulge as a potential threat to stability, it could be a genuine demographic dividend for the world. A smart investment in the productive capacity of today's youth could pay economic and social returns for years to come.

Young people are eager to work with those who will help make their world a better place. Despite facing high levels of unemployment or underemployment, despite confronting discrimination in the labor market, despite having creative ideas yet no funding to pursue them, despite the onslaught of challenges they see before them, IYF research and field experience with some of the most disadvantaged young men and women in the world reveal that youth maintain a resilient optimism for the future, a startling level of hope. As we determine whether and how much to invest in young people, let us take their trust in the future into account.

## > AFTERWORD

We are members of the largest cohort of young people the world has ever seen, and we are proud of the positive changes that our generation has helped to create in communities and countries around the globe. But we are also painfully aware that the doors of opportunity are closed to far too many of our peers who are seeking to take their rightful place in society and the workplace.

This report confirms in often dramatic detail the wide range of barriers that continue to severely limit the lives and potential of a significant proportion of today's young people, whether it's inadequate schools that ill-prepare them for success in a highly competitive global economy or the mismatch between outmoded job training programs and the skills demanded by local and global businesses. Even more damaging, perhaps, is the ongoing marginalization of young people in the civic and political life of their countries. This study goes beyond identifying the obstacles standing in the way of young people's social and economic empowerment; it also clearly identifies ways to address those barriers.

Many youth today are not waiting on the sidelines to make a difference in their communities or to emerge as tomorrow's leaders. They are already a powerful force for progress and development in their communities. Young people have the energy and the fresh ideas to contribute toward solutions for even the toughest problems facing our world. And they know such ambitious goals cannot be achieved alone.

So on behalf of our brothers and sisters around the world, we heartily embrace the findings and call to action of this report. We know that working in partnership with government, corporate, and civil society leaders is absolutely essential for real and sustained advancements to be made in changing the lives of young people around the globe. So we intend to hold ourselves—and our partners in the public, private, civil sectors—accountable for moving from “business as usual” to the next level of investment and commitment needed to substantially improve young people's lives. The time to act is now.

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**Benita Singh**  
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America

**Adam Smith**  
Former CEO,  
Foundation for  
Young Australians  
Australia

*Note: These young social entrepreneurs are all current or former members of the International Youth Foundation's Board of Directors.*

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