

Annex 2: Youth Employment Strategies

Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

-Universal Declaration of Human Rights

The commitment to the right to work in the 1948 Universal Declaration of Human Rights draws attention to one of the fundamental human needs. This basic right was recognized as a separate MDG Target (Target 16): “In co-operation with developing countries, to develop and implement strategies for decent and productive work for youth.”

Although the Universal Declaration is remembered by many for the political rights it expresses, it is not only about freedom of speech but also about freedom from fear and want. It is an expression of economic and social rights, such as the right to work, the right to education and social security, the right to an adequate standard of living for health and wellbeing, and the right to rest and leisure for both men and women. It also includes the right to form and join trade unions.

While the Universal Declaration still forms the core framework for global labor standards, that framework is steadily being improved upon and extended. For example, the Declaration on Fundamental Principles and Rights at Work highlights core labor standards as identified at the Social Summit and promotes respect for them amongst states that have not ratified the relevant conventions. Ratification and implementation of international labor conventions not only improves labor standards but also contributes to better worker morale, reduction of absenteeism and accident rates, and so to higher productivity. By August 2002, there were a total of 7075 ratifications of ILO Conventions by the 175 member states of the Organization.⁴² Although the enforcement mechanisms relating to these conventions and other human rights instruments are criticized for their weakness, they reflect the growing emphasis on a human rights perspective in the development agenda.⁴³

Employment in the Poorest Countries

The concept of unemployment is inherently difficult to apply to the poorest countries, where much of the economy is informal or agricultural, the International Labor Organization’s official statistics indicate that, at the end of 2002, 180 million people around the world were openly unemployed (ILO 2003). In addition, roughly 550 million female and male workers were unable to earn enough to keep themselves and their families above the US \$1 a day poverty line, and a billion or so more wage-earners took home less than \$2 per day.

Regardless of the specific numbers of people unemployed, underemployed or employed at extremely low wages, there is now a clear international understanding the job creation needs to be a central component of poverty reduction strategies around the world. Within job creation strategies, an emphasis on youth will be extremely important. The August 2003 Report of the Secretary-General to the General Assembly on Promoting Youth Employment outlined the position (UN 2003a):

⁴² See Sengenberger, 2002, for a comprehensive review of these issues.

⁴³ For example, the report of the Secretary-General, *Strengthening of the United Nations: An Agenda for Further Change*, A/57/387, 30 October 2002.

More than 1 billion people today are between 15 and 24 years of age, and nearly 40 per cent of the world's population is below the age of 20. Eighty-five per cent of these young people live in developing countries where many are especially vulnerable to extreme poverty. The International Labour Office estimates that about 74 million young women and men are unemployed throughout the world, accounting for 41 per cent of the 180 million unemployed persons globally (ILO 2003), and many more young people are working long hours for low pay, struggling to eke out a living in the informal economy. There are an estimated 59 million young people between 15 and 17 years of age who are engaged in hazardous forms of work (ILO 2002a Fig.3). Young people actively seeking to participate in the world of work are two to three times more likely than older people to find themselves unemployed (ILO 2001).

The UN High-Level Panel on Youth Employment articulated a four-part strategy to create more job opportunities for young people in the developing world, focusing on macroeconomic policies; investments in education and training; encouraging entrepreneurship; and promoting equality of opportunities.

A. Employment Creation as a Central Element of Macroeconomic Policy:

In June 2000, the Geneva special session of the UN General Assembly on social development made a commitment to 'Ensuring that macroeconomic policies reflect and fully integrate, *inter alia*, employment growth and poverty reduction goals (UN 2000a, Para 27 (c)). It is therefore inconsistent that, for example, some of the Poverty Reduction Strategy Papers still do not mention employment amongst the goals of macroeconomic policy, and that the international financial institutions do not encourage them to do so. In fact some developing countries still feel that their poverty reduction strategies are less likely to be acceptable to the Boards of the IMF and the World Bank if they include employment growth as one of their principal macroeconomic goals, or focus attention on the issue.

In many countries, monetary policy has and continues to be tightly constrained such that access to credit is difficult and interest rates remain extremely high. It is difficult to overestimate the importance of the availability of credit at manageable interest rates to entrepreneurs in small and medium sized enterprises. Being readily able to borrow at low interest rates is a necessary condition for accelerating the establishment and growth of new enterprises, especially by youth. Meanwhile, fiscal policy can provide powerful instruments for growth of employment opportunities. Employment growth can be encouraged cost effectively by well-chosen expenditure increases aimed directly at equitable improvements in public services, especially education, training, health, housing and infrastructure. It can also be promoted by expanding public infrastructure and services through labor- rather than capital-intensive technologies. For example, core infrastructure like feeder roads, drainage, sewerage and water supply systems, forestry, soil and water conservation, land development, small-scale building and irrigation can all be promoted through labor-intensive or capital-intensive means. ILO experience shows that employment-based approaches are often between 10 and 30 per cent less costly than more equipment-intensive techniques and create between three and five times as much employment for the same investment (Langmore 2003)

B. Increasing Employability by Investments in Education and Training

A focus on employment growth in turn requires increasing attention on secondary, technical education, vocational training, and basic education. Education begins with literacy and numeracy and, despite considerable improvements, many countries still suffer from a large literacy gap.

Moreover, too many young women and men lack the necessary education and relevant training for productive jobs that fulfill their capacities.

The universal commitment to basic education for all is clearly outlined in the MDGs, but the appropriate extent of expenditure on secondary, technical, tertiary and adult education is more difficult to judge, not least because in some developing countries this has to be balanced with the existence of unemployment amongst the well educated. Yet increasing employability involves much more than basic education for all and must include not only secondary and technical training but, now more than ever before, life-long education, for women as well as men. Targeted programmes that combine work experience with classroom training, job search with vocational guidance and counselling can be highly valuable for all youth and especially for those who are or are at risk of being unemployed and who need to attain the social skills and work habits required to access work. Particular attention should be paid to such programs in countries experiencing or emerging from armed conflict. As far as possible, educational programs should contribute to reconciliation and peace building through a non-segregated, non-discriminatory and non-violent educational environment.

C. Encouraging Entrepreneurship

One reason there are too few job opportunities in the world at present is that there are too few employers so support for entrepreneurship is vital. Explicit public encouragement of entrepreneurship can be of particular value in cultivating a culture of attitudes conducive to firm growth. Within the labor-intensive infrastructure programs described above one crucial element of an employment-intensive approach is a tendering system that favors local, small enterprise. Training should also be provided for local and regional government officials administering the system. An excellent program in Ethiopia uses this approach, sponsored jointly by the ILO and the World Bank (Langmore 2003)

Overall entrepreneurship in a country can benefit from assessments of which sectors have the greatest scope for employment growth. Typically agriculture and the informal economy are characterized by a labor force that is self-employed and working outside formal regulation and protection. The best means of assisting them is by providing an enabling regulatory context within which they can take entrepreneurial initiative and organize participatory self-help programs. Public sector service provision – such as the major scale-ups of service delivery activities recommended in this report – can also form a core component of employment growth.

D. Promoting Equality of Opportunity for Employment

In many countries, gender still forms the most basic form of exclusion from labor market participation. Girls still do not have equal educational opportunities with boys, resulting in serious gender educational and literacy gaps. This leads also to a gender gap in recruitment and with job security and advancement. About half of all workers are in gender-dominated occupations in which at least 80 per cent of workers are of the same sex, a form of rigidity that reduces employment opportunity and impairs efficiency as well as equity. Such occupational segregation is also associated with lower pay for women. In crisis situations women are often the first victims of exclusion.

The framework of human rights, including international labor standards – such as equality of opportunity for women and men and all ethnic groups within a society – are essential for overcoming this exclusion. Operationally, a commitment to equality can best be implemented by setting goals and targets to rectify the gender and racial disparities in education, training, the

labor market and access to credit. Equality of opportunity should be mainstreamed into all public policies. To be effective, this requires support mechanisms such as adequate infrastructure, water, and waste disposal services, along with proximity to training and provision of child care.

Sources:

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Appendix: Country Groupings for Table II.2

"Small & inland" countries

- 1 Afghanistan
- 2 Argentina
- 3 Benin
- 4 Bolivia
- 5 Botswana
- 6 Burkina Faso
- 7 Burundi
- 8 Cambodia
- 9 Cameroon
- 10 Central African Republic
- 11 Chad
- 12 Chile
- 13 Colombia
- 14 Congo DR
- 15 Cote d'Ivoire
- 16 Ecuador
- 17 Gambia
- 18 Ghana
- 19 Guatemala
- 20 Guinea Bissau
- 21 Honduras
- 22 Jordan
- 23 Kenya
- 24 Lao PDR
- 25 Lesotho
- 26 Liberia
- 27 Madagascar
- 28 Malawi
- 29 Mali
- 30 Mauritania
- 31 Morocco
- 32 Mozambique
- 33 Namibia
- 34 Nepal
- 35 Nicaragua
- 36 Niger
- 37 Papua New Guinea
- 38 Paraguay
- 39 Peru
- 40 Rwanda
- 41 Senegal
- 42 Sierra Leone
- 43 Somalia
- 44 South Africa
- 45 Spain
- 46 Sudan
- 47 Syria
- 48 Tanzania
- 49 Togo
- 50 Uganda
- 51 Yemen
- 52 Zambia
- 53 Zimbabwe

"Small & coastal" countries

- 1 Costa Rica
- 2 Dominican Republic
- 3 El Salvador
- 4 Greece
- 5 Haiti
- 6 Hong Kong
- 7 Ireland
- 8 Jamaica
- 9 Lebanon
- 10 Malaysia
- 11 Mauritius
- 12 Panama
- 13 Portugal
- 14 Singapore
- 15 Sri Lanka
- 16 Tunisia
- 17 Uruguay

"Large & coastal" countries

- 1 Indonesia
- 2 Korea
- 3 Philippines
- 4 Vietnam

"Large & inland" countries

- 1 Bangladesh
- 2 Brazil
- 3 China
- 4 Egypt
- 5 India
- 6 Mexico
- 7 Myanmar
- 8 Pakistan
- 9 Thailand
- 10 Turkey