

# BRIEFING YOUTH LIVELIHOODS



## Introduction

This briefing note offers a quick overview of youth livelihood programming. Livelihood development is a foundational component of young people's successful transition to adult roles in family and community life. It also drives broader positive impacts of a youth cohort on their country's attainment of its core development goals and priorities. The absence of adequate livelihood development opportunities for youth can result in youth-driven drags on country development, such as crime, violence, poor health, extremism, and social and political instability.

### *Readiness-Oriented Youth Livelihood Programming*

Livelihood development programming aims to enhance the readiness of young people to engage in livelihood activities, such as: (a) employment in the formal and informal sector; (b) contributions (paid and unpaid) to

household-based livelihood activities in agriculture, fishing, or small scale manufacturing; and, (c) self-employment-oriented micro-enterprise activities in work such as petty trading, the production of food or trade goods, and the delivery of informal services. Livelihood readiness is directly linked to the concept of employability. It also looks more broadly at the many ways young people contribute to household economic strategies, beyond paid employment in the formal or informal sectors. Readiness-oriented youth livelihood programs can include investments in formal and non-formal basic education offerings, in vocational and technical skills training opportunities, and in programs that focus on employability and the development of key cross-cutting work and life skills.

### *Access-Oriented Youth Livelihood Programming*

Young people's access to market-driven microfinance and micro-enterprise development products and services can enhance the success of their, or their household's, livelihood activities. This type of livelihood programming includes: (a) access to microfinance products such as savings, credit, and micro-insurance; (b) business development services; (c) technical skills training; and (d) linkages with mentors or business skills coaches. It also includes (e) support to enhance the value-added proposition of their livelihood activities, through improvements to quality, cost, supply chains, or market access.



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## Measuring Outcomes and Impacts

The effects of youth livelihood programming can be tracked in terms of livelihood-specific indicators such as improved competencies or skills, increased income, increased employment/self-employment outcomes, and improvements in the sustainability of new or existing economic activities. Youth livelihood programming is also a key driver of cross-sectoral outcomes, so valid outcome indicators can also be tracked in areas such as improved health or a decrease in unhealthy behaviors. Livelihood programming can also lead to enhanced civil society engagement, reduction in crime and violence, or a decrease in extremism. For young women, social and economic opportunities may be reflected in increased personal agency, represented by an enhanced role in household financial decision-making and more control in issues of marriage and child-bearing.

EQUIP3's **Education for All** Project in Jamaica illustrates the cross-cutting impacts of investments in livelihood development with unattached young men on the achievement of health, education, economic growth, and democracy and governance objectives. For more details, see [www.efa.edc.org](http://www.efa.edc.org)

## Framing Issues

Consensus is building among both practitioners and funders that effective youth livelihood interventions must build on a clear conceptual and programmatic framework, which must be driven in turn by key understandings derived from research and best practices. This section discusses some of those understandings.

### *Most youth are already economically active*

Many observers believe that young people are economically inactive, since most are labeled by traditional macro-economic surveys as “unemployed” or lacking stable formal sector employment. This view leads to calls for quick-fix youth employment schemes, or short-term grant and credit mechanisms designed to help youth to start “their first” new work activity.

EQUIP3 research, carried out as part of the USAID-supported “Youth, Microfinance, and Conflict” study, has seriously questioned this belief. Emerging findings indicate that many young people 15-24 years of age in developing countries are already economically active—contributing to household income through work in the informal sector, in household-based enterprises, or in family-based farming, fishing, and petty trading activities. These findings correlate with those of other major studies (UNESCO 2001) to increase awareness of the diversity and complexity of youth economic participation and preparation at the household and community level.

For more information on the “**Youth, Microfinance, and Conflict**” case studies, see [www.microlinks.org](http://www.microlinks.org) or go to the EQUIP 3 portion of the [EQUIP123.net](http://EQUIP123.net) site and look under Youth and Conflict.

Youth use this work, paid or unpaid, to develop key livelihood capabilities and to start acquiring core human, social, financial, and physical livelihood capital. In many parts of the world, work in the informal sector generates the majority of all employment and self-employment opportunities for youth and adults alike. Work in the informal sector is not by its very nature marginal, or dead-end, or survivalist, as mainstream researchers have long assumed. Such work represents the employment mainstream in many countries, and the first step on a broad range of livelihood development pathways (ILO 2004). Many youth also report that such early livelihood pursuits form the first steps to wider livelihood options in formal sector employment or via small enterprise development. Youth also use these pursuits to pay for continuing education and to build informal peer networks linked to accessing start-up capital or introductions to employers (ILO 2005).

For more on the concept of Sustainable Livelihoods, Livelihood Capitals and Livelihood Capabilities see the work of DFID, UNDP, and the World Bank at [www.livelihoods.org](http://www.livelihoods.org)

### *Young people's economic activities are linked to household livelihood strategies:*

Another common misunderstanding is that youth are driven by their need or desire to gain economic independence or self-sufficiency. This leads to the assumption that interventions should focus on stand-alone employment or self-employment schemes. EQUIP3's field research on youth in countries as diverse as Uganda, the West Bank, Indonesia, Bolivia, and the Philippines has consistently revealed that young people ages 15 to 24 focus primarily on making a contribution to family or household-level economic survival strategies. Young people understand the interdependence between family support for their acquisition of additional “livelihood assets,” such as education, technical training, or mentorship opportunities, and their own ability to make a contribution to immediate household needs. They also see and act on the connection between their ability to generate income and the family's ability to send younger siblings to school.

EQUIP3's **Ruwwad Project**, which serves youth in the West Bank and Gaza strip, understands the key role youth play in contributing to household economic security; it is working to strengthen economic opportunities for both young men and young women in rural and urban areas. For more information see [www.Ruwwad.org](http://www.Ruwwad.org)

### *Households engage actively in planning for youth livelihood development*

Young people's households and extended families often have existing, multi-part strategies for maximizing the livelihood preparation of youth. Programs offered by schools and community-based organizations should be seen as complementary efforts to these family strategies rather than as sole, stand-alone solutions. Field research in Bolivia, the Philippines, Uganda, Indonesia, and the West Bank has shown the multiple ways in which families seek out technical training and/or vocational immersion experiences for their youth, with members of their immediate and extended families, or with neighbors and other community members (USAID 2006). Many families involve their youth in multiple economic activities, both to earn income and to develop a wide base of livelihood experience they can draw upon in the future. Households are also involved with youth in decision-making about continuing education, vocational training, and the use of microfinance services and products.

EQUIP3's *Literacy and Community Empowerment Project (LCEP)* in Afghanistan has shown the importance of engaging families and community leaders in planning youth livelihood development programs, which include literacy programs, vocational training initiatives, and community economic development projects. For more information, see [www.lcep.edc.org](http://www.lcep.edc.org)

### *Youth must often balance continuing education with work*

Many funders and practitioners debate whether support to youth livelihood initiatives inadvertently promotes school abandonment. They are especially concerned about programs serving ages 12 to 18. The fear is that once exposed to opportunities linked to employment or self-employment, young people will be tempted to stop their studies prematurely, especially youth from more vulnerable communities. The debate raises questions about how to provide flexible continuing education opportunities to older children and youth whose family economic circumstances lead them to start working before they complete their education. It is also linked to efforts to understand and respect how households make decisions about spending on education. Development researchers are recognizing that simplistic efforts to convince or mobilize poor parents to understand the importance of education disregard the reality that parents often know how important education is for their children, though they cannot always afford it and must make difficult, direct, and opportunity-cost-related decisions on a daily basis.

EQUIP3's *Education Quality and Access for Learning and Livelihood Skills (EQuALLS)* Project in the Philippines supports a range of flexible, non-formal education offerings for out-of-school children and youth, designed not to interfere unduly with ongoing household livelihood activities, while broadening the range of livelihood options open to youth in the future. For more on this project see <http://equalls.edc.org/>

Emerging research from multiple world regions shows that instead of making poor youth and their families choose definitively between continuing education or beginning to earn income, developers can often best serve such youth with flexible, modular programming. This type of programming allows young people to complete secondary school, earn an equivalency certificate, or develop specific technical skills and cultivate cross-cutting work readiness skills, while continuing in part-time or full-time work. Such "learning while earning" programs are pro-poor and youth-friendly; they hit an excellent balance between meeting immediate household needs, and helping young men and young women accumulate key sustainable livelihood capital and livelihood capabilities.

### *Livelihood programming should build on existing assets and activities*

For youth livelihood programs to be both scalable and sustainable, they should work with existing youth- and family-driven livelihood strategies. While many young people are involved in marginal economic activities, the answer for most poor youth is to be connected with demand-driven interventions that meet several design requirements. (a) Provide flexible, non-formal, basic education offerings that build human assets in the areas of literacy, numeracy, and livelihood skills. (b) Improve youth access to mainstream microfinance offerings, so that they can build up their financial assets. (They are often helped by financial literacy programming combined with savings schemes, rather than by access to credit products alone.) (c) Address key gaps in social assets through peer support groups such as savings clubs, access to positive adult livelihood coaches, connection with service learning, and sport-for-development style activities.

EQUIP3's *Education for All (EFA) Uganda Project* has highlighted the importance of developing young people's assets in a holistic and comprehensive fashion. EFA Uganda has used a sports-for-development approach to engage youth in post-conflict communities. This approach both strengthens their ties to schooling and begins to prepare the way for successful livelihood pathways in the future. For more on this project, see <http://efa.edc.org/uganda/default.asp>

### *Livelihood intervention designs should be demand-driven*

It is well understood that microfinance products and services for the poor and the very poor are only scalable and sustainable when they are driven by "demand" rather than by "supply." To understand youth and household demand for new livelihood development offerings, they must be engaged fully in program development. Initial planning of service-providers (such as youth-serving organizations, government actors, or even mainstream microfinance providers) can be very limited—based on assumptions versus concrete evidence.

Current research also shows that youth and their families are prepared to pay some or all of the cost of these services, and that youth livelihood interventions should be developed along a full range of offerings. This consultative, demand-driven approach understands the need for an intentional continuum of programming that begins with traditional government-funded social investment-driven supports, like basic education and skills development; continues through co-investments by governments, NGOs, youth, and their households in technical training, vocational readiness, financial literacy, or non-commercial savings and credit products; and reaches to commercially viable and financially sustainable microfinance services and products at the far end.

### *Livelihood development is the core driver of positive youth development outcomes*

Just as health and nutrition programming are widely understood to be the core drivers of development outcomes for newborns and infants; just as basic education and child protection programming are seen to be the principal drivers of the development outcomes of children; so, too, it becomes increasingly clear that livelihood development is the core driver of positive development outcomes for youth ages 15 to 24. For example, successful work with marginalized populations of adolescent girls in the area of HIV/AIDS prevention is increasingly understood as driven by the empowering force of livelihood development rather than by stand-alone efforts that focus exclusively on information dissemination, skills development, or the provision of youth-friendly reproductive health services (PopCouncil 2004). For it is lack of economic security and livelihood opportunities that leads young women toward the risky behaviors they take despite exposure to mainstream prevention programming. The same economic insecurity continues to leave girls ages 14 to 24 with the highest prevalence of new incidences of HIV/AIDS among any population cohort.

Similarly, successful basic and continuing education offerings for youth are now understood to be driven by livelihood-related opportunity-cost considerations—in which young people and their families must weigh the immediate contributions youth could make to household survival against the possible benefits to youth and the household of more years of study. Most youth and their families do not choose between school and work; rather they need to blend and balance continuing education with short-term income generation and ongoing livelihood development demands (UNESCO 2001). In the case of conflict prevention, or post-conflict re-integration of youth, the key driver of sustainable peace and community engagement is increasingly understood to be youth livelihood development—with work in trauma, demobilization, conflict mediation, and community peace-building as key, complementary interventions, which need to be linked with, and ultimately driven by, ongoing sustainable livelihood development.

EQUIP3's **IDEJEN** Project in Haiti has worked with out-of-school youth to support their development of both human assets (through literacy and basic education programming) and social assets (through peer support groups and recreation programs). IDEJEN has also worked with youth to extensively study and “map” economic opportunities in their communities. For more on this project, see [www.equip123.net/equip3/haiti/](http://www.equip123.net/equip3/haiti/)

EQUIP3's **Cross Sectoral Youth Project (CSY)** recognizes the important links between livelihood, health, and democracy and governance programming. The CSY India project is setting new standards for intentional cross-sectoral collaboration at the levels of project design, delivery, and evaluation. For more on this project, see [www.equip123.net/equip3/CSY/](http://www.equip123.net/equip3/CSY/)

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