



EQUIP3 / Youth Trust Earning and Learning for Out-of-School Youth

Desk Study on Urban Youth Employment In HIV/AIDS Municipalities: The Case of Zambia, Swaziland, Botswana and Lesotho Executive Summary

by
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Urban Youth Employment in HIV/AIDS Municipalities: The Case of Zambia, Swaziland, Botswana and Lesotho

1.0 Introduction

EDC's Equip 3-Youth Trust program mechanism with support of USAID's Office for Poverty Reduction in the Bureau of Economic Growth Agriculture Trade (EGAT/UP) and Education Office (ED) is working to respond to the issues of HIV/AIDS and Youth Employment in selected municipalities in Zambia, Lesotho, Swaziland and Botswana.

The long-term vision for this endeavor includes full-scale implementation of one or more program models in a number of targeted municipalities. In particular, USAID and EDC's long-term goal is to visibly raise employment rates among disadvantaged urban youth, thereby improving participants' and families' quality of life and mitigating the impact of HIV/AIDS on affected urban populations.

This presentation, which discusses the link between youth livelihoods and HIV/AIDS in Southern Africa, focusing on Zambia, Swaziland, Botswana and Lesotho, is based on a study conducted by the Education Development Centre (EDC) early this year. EDC conducted the study to identify key experts, studies, and relevant demographic data on urban youth unemployment and HIV/AIDS initiatives in the four focus countries. The information gathered was synthesised and has been used to frame the agenda for this Stakeholder Analysis and Model Development Workshop. In undertaking this study, EDC worked closely with relevant AMICALL and YES Representatives from the targeted countries.

2.0 Methodology

The key method of data collection was a web-based search of the following issues: experts, studies, and relevant demographic data on urban youth unemployment and HIV/AIDS initiatives in the four focus countries of Botswana, Swaziland, Botswana and Lesotho. The collection and analysis of data was undertaken in a two-stage process. The first stage involved an internet search of information that was the most readily and easily accessible, as well as the use of some USAID publications and other printed materials. The second stage consisted in identifying existing key youth stakeholders. The stakeholders have been drawn from central and local governments, NGOs, academia and active donor institutions.

3.0 **Key Research Findings**

The following are the key study findings.

3.1 *The Socio-economic Context*

The review of literature has revealed significant differences in the four focus countries in terms of population size, rates of urbanization, economic structure and performance. Among the focus countries, only Botswana can, to a certain degree, be said to have attained both growth and development over the past three decades. The other countries have experienced cyclical trends in economic growth over the past three decades, and lengthy periods of secular economic decline, while levels of poverty have remained unchanged or increased over the years. Although the four focus countries differ in a number of such characteristics as economic performance, they share a number of similarities, especially in relation to their youthful nature (population size) and the HIV/AIDS pandemic.

3.2 *Population Size and Youth*

In thinking about talking about the link between youth livelihoods and HIV/AIDS, it may be useful to begin with a discussion of the concept of youth. The literature review shows that not only does the perception of youth vary historically and culturally, it also varies from one context to another and even within contexts. The general tendency has been to use a chronological age which again varies from country to country – although the age category 15 – 24 years is taken as representing ‘youth’. However defined, the populations in the focus countries are youthful.

With the exception of Zambia, the population sizes of the remaining three focus countries are very small – less than two million. Most of this population resides in rural areas. Only Zambia has a large urban population. However, there is a growing phenomenon of rural/urban migration in the less urbanised countries. Apart from local urban centres, youth in some of these countries tend to migrate to South Africa to look for employment. Migration leads to a higher risk for HIV as men and women have sex to relieve loneliness or as a source of income.

3.3 *Youth and HIV/AIDS*

The study shows that the four focus countries have some of the highest prevalence rates of HIV/AIDS in the world. Indeed, Botswana and Swaziland have the highest infection rates, respectively. The evidence from the four focus countries indicates that:

- Most of the people who are dying are between the ages of 20 and 45 – an age when most people are workers and parents. This has serious consequences for the societies of these countries and the future growth of their economies.
- An issue of serious concern is that youth have the highest HIV prevalence rate as more than 60 percent of all new HIV infections occur in the under 25 years age groups.
- The rate of HIV infection is particularly high among female youth as they are very vulnerable and susceptible to risky behaviour. It may be this vulnerability that predisposes them to behaviours that put them at risk such as engaging in unprotected sexual behaviour.
- Individuals, families and communities are badly affected by the epidemic. The burden of care falls on the families and children of those who are ill. Often they have already lost a breadwinner and the meagre resources they have left are not enough to provide care for the ill person and food for the family.
- There is rising mortality and morbidity from HIV/AIDS, thereby putting a serious strain on health services.
- There is a significant risk that some countries like Swaziland and Botswana might be locked in a vicious cycle, as the number of people falling ill and subsequently dying from AIDS has a tremendous impact on many parts of society, including demographic, household, health sector, educational, workplaces and economic aspects.
- There is also a growing crisis of orphans in all the focus countries. Children who are orphaned are often deprived not only of parental care, but also of financial support.
- The study suggests that HIV is spreading faster to people who live in poverty and lack access to education, basic health services, nutrition and

clean water. This is especially the case in slum or shanty areas in cities and towns.

- Although AIDS has become very common it is still surrounded by silence in all the four focus countries. People are ashamed to speak about being infected and many see it as a scandal when it happens in their families. As a result, people living with AIDS are stigmatised and exposed to daily prejudice born out of ignorance and fear. Social stigma is, thus, a major social, health, and economic challenge.
- Significantly, the youthful nature of the four focus countries and Southern Africa in general means that the HIV/AIDS epidemic will have an in-built momentum and prevention efforts will have to be maintained for the youth for the foreseeable future.
- Although basic information on HIV/AIDS is available to youth, this knowledge does not seem to assist much in positively influencing the health seeking behaviour of young people. This points to the complex nature of HIV transmission.
- The HIV/AIDS pandemic has become a major economic threat in Southern Africa. In all the four focus countries, HIV/AIDS is taking a heavy toll on the productive and economically active members of the population at the local or municipal level.
- Although there is scanty information, there is no doubt that many trained, skilled, experienced and knowledgeable municipal council workers are being lost as a consequence of the HIV/AIDS pandemic.
- The impact is also being felt in other sectors such as health, education and agriculture.
- In all the focus countries, the more industrialised regions have higher infection rates than less industrialised ones.

The premise of this presentation is that sustained and substantial reductions in HIV infection rates in the long-term are likely to occur in a context declining poverty and unemployment levels through sustained growth in the economy.

3.4 Youth Employment

Although there is no reliable data, unemployment in general and youth unemployment in particular has emerged as a serious socio-economic problem in all the focus countries:

- Youth unemployment is generally double and sometimes triple the adult rate.
- Unemployment has affected youth from a broad spectrum of socio-economic groups, both the well and less well educated, although it has particularly stricken a substantial fraction of youth from low-income backgrounds and limited education in urban areas.
- The problem of unemployment is particularly critical for young women.
- The youth labour force is growing in all the four focus countries. But the majority of the youth lack employable skills.
- In other cases, there is a mismatch between the skills needed in the economy and the skills produced by the education system.
- Employment is more available in or around the major cities and towns in all the four focus countries.
- Most youth employment is found in the informal sector although migration to urban areas and to South Africa and further afield is a significant factor in countries like Swaziland and Lesotho. But there is a decline in South African demand for workers from neighbouring countries.
- There is little or no information on the sectors in which young people work in the formal sector, especially the private sector.
- Youth infected or affected by HIV/AIDS experience various forms of economic problems. However, there is no empirical data on particular forms of economic problems that youth affected and infected with HIV/AIDS face.

The problem of lack of adequate productive employment opportunities in general and youth employment in particular is directly linked to the problems of growth and development.

Southern African economies have historically evolved as 'enclave' economic structures in which the main engine of economic growth has been the formal sector which

employs a minority of the labour force, while the majority, or a large proportion of the labour force, has been relegated to marginal low-productivity activities in the non-formal sectors. Thus, in all the focus countries, the economies are trimodal with a small proportion of the labour force in the formal sector, while the majority of the labour force is engaged in various forms of livelihoods in the urban informal and rural non-formal (or subsistence) sectors.

The enclave nature of the economies in the four focus countries implies that the economies have structural market failures or discontinuities which constrain the rate at which those in non-formal activities or those that are unemployed can be absorbed into activities that are more productive and more dynamic.

While the enclave nature of the economies in the four focus countries is largely a legacy of colonialism, it has been reinforced by various policies of omission and commission, resulting in the current crisis of unemployment and underemployment.

In recent years, most Southern African countries, including the four focus countries have undertaken economic reform programmes. Attention is often focused on the importance of building a sound macro-economic, political, and legal environment. This is intended to promote economic growth.

Poverty cannot be eliminated without increasing prosperity in general, that is, without growth. The key issue here is to identify potential sources or engines of growth and the environment in which this can occur. The study suggests that in the four focus countries, growth will ultimately depend on the following:

- Promoting agriculture and trade
- Promoting health (especially reducing the adverse impact of HIV/AIDS on the labour force), and
- Promoting democracy and governance for effective support institutions.

This fits in well with the main pillars of USAID work. But the key question is: How can USAID missions connect their work in a greater way to the needed youth livelihoods and HIV/AIDS interventions? In particular, how can the ‘pillar approach’ used by USAID missions help in transforming the enclave economies in the focus countries for increased labour absorption, especially among youth? Moreover, what type of growth is required to resolve the problems of poverty and unemployment in the focus countries and to what extent can it resolve these problems?

3.5 Current Programmes linking Youth Livelihoods and HIV/AIDS and the Role of Municipalities

Despite a high prevalence of HIV/AIDS and its devastating impact at the household and societal level in the focus countries, the review of literature shows that there are very

few programmes that attempt to link youth livelihoods to HIV/AIDS interventions. In spite of the critical role that municipalities can play in the fight against HIV/AIDS through the creation of conducive *micro-business* environment for enterprise development and job creation, there is little evidence of their being doing this.

As noted above, the majority of the labour force, including youth, in urban areas works in the urban informal sector. This is particularly the case in Zambia where nearly 80 percent of the population works in the informal sector. Despite the importance of the informal sector to the livelihoods of urban youth, municipal authorities are largely concerned with "sanitizing the streets". This raises some questions about the extent to which municipal authorities are involved in creating a supportive micro-business environment at the municipal level.

Michael Porter (2000), an American Professor of Business Administration and Strategic Advisor observes that, while stable macro-economic conditions are necessary, they are not sufficient to ensure a prosperous economy. Prosperity ultimately depends on improving *the micro-economic* foundations of productivity or competition. The micro-economic foundations of productivity depend on two inter-related areas: the sophistication of company operations and strategy and the quality of the micro-economic business environment. Unless companies operating in a country become more productive, an economy cannot become more productive. Yet the sophistication with which companies compete is strongly influenced by the quality of the micro-business environment in which they operate.

Creating a supportive micro-business environment is challenging, given the myriad of locational influences on locational productivity. Municipal authorities cannot be expected to provide all the above alone. But the question is: To what extent are municipal authorities playing a role in the creation of a micro-business environment supportive to wealth and job creation? How many municipal authorities or city councils have come up with Master Plans that focus on poverty reduction through wealth and job creation at the municipal level?

Recent evidence suggests that city governments or municipal authorities have a comparative advantage in four areas in the quest to create employment, especially for youth, at the local level. These are the regulatory environment, the informal economy, investment policies, and the ability to create local alliances.

- The regulatory environment: this is the first area of advantage for city governments. It covers a wide range of policies and programmes and includes zoning regulations, regulations governing the establishment of small- and medium-sized enterprises, regulations on public contracts and tendering procedures, and regulations linked to the application of working conditions and labour standards. All of these regulations have major implications for either encouraging or holding back the growth of city economies.

- The informal economy: The regulatory environment is particularly important for improving employment prospects for the majority of youth working in the second area of comparative advantage, the informal economy. City governments can also work to improve the quality of employment, productivity, and social protection in the informal sector. The question is: What strategies to upgrade youth employment in the informal sector have city governments in the four focus countries designed?
- Investment policies: The third closely related area where cities have a comparative advantage for job creation concerns investment policies. Infrastructure investments present an enormous opportunity to create new sources of employment for young people in the four focus countries, especially those in urban areas where the needs for slum upgrading and infrastructure improvements are enormous. The tendency towards decentralisation and devolution of responsibilities and resources is accompanied by new powers of municipalities to raise taxes and to use their proceeds at the local level.
- The ability to create local alliances: This is the fourth area of advantage for city governments. The municipal authorities have a unique opportunity to encourage local partnerships to create alliances in favour of employment creation at the local level.

3.6 The Case for establishing a link between Youth Livelihoods and HIV/AIDS

Although there are a number of organisations that have been established to address the problem of HIV/AIDS at the municipal or community level, the review of literature shows that most of these programmes focus on HIV counseling, pre- and post- test services, care and support and access to treatment.

All these are examples of interventions aimed primarily at helping HIV/AIDS patients. In nearly all cases, these interventions correspond to a real need for treatment. In many cases, they are effective in prolonging the lives of HIV/AIDS patients. But by themselves they cannot address the context within which the HIV/AIDS pandemic thrives.

Something else is needed, having to do with addressing the environment within which the HIV/AIDS pandemic thrives through livelihoods enhancement. The implication is that, for any donor agency or national government, a livelihood perspective to HIV/AIDS interventions, especially for youth, is the most viable strategy for dealing with the HIV/AIDS pandemic in the long run.

Municipal authorities can in this respect play a critical role in creating a good environment for enterprise development and job creation. City governments are on the front line in the battle to create and protect jobs. They are the first to feel the negative

impact of unemployment, but they are often inadequately prepared to develop policies and programs to create jobs.

The review of literature on the risk factors that predispose youth to risky sexual behaviours in the four focus countries leads to the conclusion that there is need to explore the benefits of formally linking or integrating HIV/AIDS interventions with livelihood improvement interventions within a supportive micro-economic business environment that promotes wealth and job creation.

Given the high poverty and unemployment levels in all the focus countries, integrated HIV/AIDS and livelihood improvement programmes may indeed be more attractive to youth because they offer useful economic and other services. However, not much is known about the specific nature and cost of this type of intervention.

While it is quite possible that well-designed, national HIV/AIDS intervention programmes could have greater impacts on sexual behaviour among youth as well as being more cost-effective than integrated programming activities, this study suggests that addressing the livelihood concerns of both HIV/AIDS infected and affected people in general and youth in particular will have greater impact in the long-term fight against the HIV/AIDS pandemic.

In the four focus countries, specific contextual factors have undermined the overall effectiveness of HIV prevention programmes. It is clear from the literature survey that acute and deepening poverty, unequal gender relations, and pervasive sexual coercion are key factors in the spread of HIV/AIDS. Disempowered youth, especially young people have to weigh up the benefits and costs of adopting safer sexual behaviours.

In the context of acute poverty, the study shows that daily pressures to survive can swamp the obvious longer-term benefits of not becoming infected. As a result, young women resort to transactional sex as a survival strategy. The question is: How can the contextual factors that compel female youth to engage in risky sexual behaviour be addressed?

On the other hand, unemployment, failure to continue in school and boredom are factors that cause many disempowered young men to become discouraged and get involved in unhealthy behaviours that can lead to HIV/AIDS, such as drug abuse and sexual promiscuity. However, the tendency in the literature has been to ignore this reality among male youth. How can we reverse this apparent bias against factors that lead male youth to engage in risky behaviours that make them vulnerable to HIV infection?

3.6 Conceptual issues on the Link between Youth Livelihoods and HIV/AIDS

The review of literature indicates that there has been little or no exploration of the theoretical framework which informs integrated HIV/AIDS - livelihood programming. That is to say, there is a divide in the literature between material focusing on youth livelihoods interventions, and materials focusing on HIV/AIDS interventions. The key question is: How can this gap between these two forms of interventions be bridged?

In the four focus countries, there are very few institutions that focus on youth livelihoods. Although youth policies exist in these countries, most programmes are often developed with a lack of understanding of the capabilities of the target youth groups. There is, therefore, limited knowledge of what is working and what is not, and why, and how the whole picture fits into the broader issues of youth livelihoods and HIV/AIDS interventions.

Perhaps oversimplifying, it is here suggested that the provision of services and resources that directly improve livelihoods can provide the necessary incentive for young people to participate in HIV/AIDS prevention programmes. This in turn can provide a more receptive institutional framework for HIV/AIDS programmatic interventions among youth.

Sexual behaviour is deeply embedded in individual desires, social and cultural relationships, and environmental and economic processes. Consequently, prevention of HIV is enormously complex. For this reason, a holistic approach is needed that can analyse the reasons for specific sexual and related behaviours and develop packages of services needed to modify these behaviours. It is the view of this study that non-livelihoods HIV/AIDS interventions are more likely to address socio-cultural causal factors in the short-term without doing much to address the economic context within which the HIV/AIDS pandemic thrives.

Research shows that economic factors have a strong influence on individual sexual behaviour. But the nature of the link between improved (economic) well-being and the prevalence of HIV has not been systematically researched in SSA in general and Southern Africa in particular.

The key underlying proposition is that improvements in the livelihoods of young people can help improve their health seeking behaviour. However, it seems unlikely, though, that livelihood improvement interventions for the most HIV-vulnerable youth in Southern Africa will be sufficient on their own to reduce significantly risky sexual behaviour. For this reason, explicit HIV/AIDS prevention activities will need to be formally integrated into livelihood improvement programmes. This is because empowerment requires a more concerted holistic approach.

3.7 Youth Livelihoods and HIV/AIDS: the Evidence from the Literature Review

The review of literature in the focus countries suggests that there is a very strong contextual relationship between HIV infection and livelihoods because of the following:

- High poverty and unemployment levels in all the focus countries. This situation has created conditions that predispose young people to risky health behaviours.
- Youth who are poor have an increased risk of infection because they are more likely to:

- be in poor general health (due to malnutrition, among other factors) and to leave sexually transmitted diseases untreated;
 - yield to pressure to exchange money or goods for sex;
 - migrate to find work, and thus increase their chances of risky sex; and
 - lack hope for the future.
- This suggests that young people already infected with HIV face heightened economic concerns. As they fall sick, their ability to provide for themselves and for others who depend on them declines.
 - Poor youth with HIV face an even bleaker economic future as AIDS increases overall poverty and income inequality. This is particularly the case where discrimination against infected youth makes it harder for them to find and keep a job and to work productively.
 - Despite the absence of empirical data in the focus countries, the disease creates severe economic problems for young people from poor, AIDS-affected families.
 - In spite of the reality, the evidence from the focus countries indicates that there is presently heavy emphasis on the clinical approach which revolves mainly round the provision of anti-retroviral (ARVs). This approach tends to ignore the livelihood context within which the HIV/AIDS pandemic is fueled and driven.
 - Young people who live in poorer communities, especially shanty compounds, are particularly affected by lack of livelihood support programmes.
 - Although increasing knowledge of HIV has been found to reduce risky behavior, infections continue as the case of Swaziland demonstrates. This suggests that the causes of HIV/AIDS go beyond mere behavioral change to include issues of livelihoods.

3.9 **Linking Youth Livelihoods to HIV/AIDS interventions in Southern Africa**

The review of literature suggests that linking youth livelihood improvement programmes to HIV/AIDS interventions in the focus countries would at the minimum require the following:

- Training youth in job and business skills

- ❑ Entrepreneurship Training
- ❑ Providing financial Services, and
- ❑ Developing strong supportive Institutions

A key question is: What should be the structure or model of the link between youth livelihoods and HIV/AIDS interventions for the four focus countries?

3.10 Challenges

The following are the likely challenges to linking youth livelihoods improvement programmes to HIV/AIDS interventions:

- The need for specialized expertise to design programmes
- The cost of financing the programmes
- Measuring the success of livelihoods programmes, and
- The need for better evaluation.

The question is: How can municipal authorities and other stakeholders address these challenges, especially as they relate to youth?

3.11 The Way Forward

In attempting to incorporate a livelihood perspective to youth HIV/AIDS prevention activities, it is important to consider the following:

- Youth are an incredibly diverse group, in terms of both their economic circumstances and sexual attitudes and behaviour.
- Younger youth are more economically disadvantaged than older youth.

- Girls are usually more economically disadvantaged than boys, but boys are often more subject to peer and societal pressure to engage in risky sex.
- Young people from poor backgrounds, especially those in slums, are at the highest risk of contracting and transmitting HIV/AIDS.

Programmatic and policy responses must take these factors into account. To have maximum impact on the epidemic, programmes need to maintain the focus of livelihoods on these disadvantaged groups.

It should be stressed that measuring the success of livelihoods programmes will present a challenge, because their impact is long-term and measurement of livelihoods skills is inherently difficult. This is because:

- The interaction among the economic influences on health behaviour is complex, making it difficult to determine the impact of livelihoods programs on HIV/AIDS prevention, care and support.
- Livelihoods strategies are one component of the range of strategies needed to prevent HIV/AIDS and mitigate its impact on children and youth. HIV/AIDS programmes must continue to focus on the immediate needs of youth for reproductive health information and services, while incorporating a livelihoods perspective to their activities.

However, existing gaps on the interaction between youth livelihoods and HIV/AIDS point to an urgent need for accurate and up to date HIV/AIDS surveillance data and information on the demographic impact of AIDS, especially in relation to young people. Thus, there is need for detailed studies or research on the interaction between youth livelihoods and HIV/AIDS.

- Research at the sectoral or municipal level is more likely to be useful in informing policy than macro-modelling, and if resources are to be correctly allocated to sectors that are more likely to be productive.
- For research to be useful, it must be based on a good understanding of how economic and social institutions function, especially at the municipal level, and this can be achieved through undertaking well-structured impact studies.

Municipalities in the focus countries are ideally placed to play the coordinating and facilitating role that is needed to make sure that partnerships are built to bring prevention and care programmes to every community affected by AIDS.