

Youth in Extreme Poverty: dimensions and policy implications with particular focus on South East Asia

Richard Curtain
Professional Associate
National Institute for Governance
Curtain Consulting, Melbourne
www.curtain-consulting.net.au

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1. Introduction

The purpose of this paper is to present estimates of young people in poverty in the world, with particular reference to South East Asia. The paper also describes the efforts by countries in the latter region to overcome poverty among youth, both in terms of specific measures and as part of a more general strategy to reduce poverty. Reference is made to successful examples of pro poor interventions that help young people. However, attention is also given to the lessons that might be gained from efforts by governments and other agencies that have been less than successful.

Many young people in the world experience extreme poverty but there is little published evidence to show this. This paper presents estimates of the headcount of young people in 2002 living on less than \$US1 and \$US2 a day. However, due to the limitations of this income-based measure of absolute poverty, I also present estimates of the number of young people in hunger, based on 1999-2001 data.

Why is it important to identify young people as one group experiencing extreme poverty? Poverty in developing countries affects most residents in terms of diminished life chances. However, in working out where best to direct resources, it is important to understand who suffers more from the effects of poverty. National poverty reduction strategies, to be comprehensive, require reliable information about the prevalence of poverty among groups, such as young women or rural youth, who have been excluded from benefiting from economic growth in the past.

It is a common assumption among economists that ‘a rising tide will float all boats’. In other words, that economic growth in itself reduces poverty. However, this view can be challenged as there is evidence that the relationship between economic growth and poverty reduction is not a simple or direct one. Countries that have reduced poverty as well as fostered economic growth have only done so through a concerted effort by governments and other stakeholders to direct resources to those identified as poorer than their peers.¹

¹ Pernia, E, 2003, ‘Pro-poor Growth: what is it and how is it important? *ERD Policy Brief No. 17*, Economic Research Department, Asian Development Bank, Manila

From the perspective of national public policy, this paper outlines the best ways to identify young people in poverty. Having access to reliable data also makes it much easier for young people themselves to participate in formulating or refining national poverty reduction strategies.

2. Defining terms

Young people

The term youth has different meanings depending on the context. Official documents use the word to refer to both male and female young people. In other contexts, however, the word youth can refer to young males only. The word youth can also suggest a dependent state, like the word ‘child’ or ‘children’. For these reasons, I use the term ‘young people’ because it is a less ambiguous term.

The paper focuses on the 15 to 24 age group, simply because it is a widely accepted statistical convention. However, if we use a sociological definition of young people, it is much harder to specify a set age group. In relation to a transition stage from childhood to adulthood, the age at which this transition begins will vary greatly between societies and indeed within the same society. From the perspective of a critical stage in the lifecycle, the relevant age could be as low as 10 years of age (for street kids, for example) to high as mid to late 30s. The Youth Policy Act in India, for example, defines the group it addresses as ranging from age 15 to people aged up to 35!² The wider age span suggests that the process of obtaining a sustaining livelihood can take a long time, particularly in poor societies.

Measuring poverty

Measuring poverty is fraught with numerous difficulties. These relate to defining first of all what poverty itself refers to. Is it not merely a lack of income or should it include other dimensions related to human survival such as access to good sanitation, health care and education opportunities? If poverty is defined as low income, what is the best way of measuring the income of individuals and households? If poverty is defined more broadly, what measures are appropriate to capture access to needed services? In relation to the poverty measures used, should the reference point be to some absolute level or is poverty a relative concept that needs to be related to the standard of living of the society in which the poor live. For what public policy purposes is an absolute measure of poverty more appropriate? When is a relative measure of poverty required?

The Millennium Development Goals and targets in many respects resolve many of these difficulties about how poverty is measured. The goals offer a multi dimensional definition of poverty – one that encompassed not only income but also access to food, access to basic education and literacy, access to education opportunities for girls, as well as access

² Brown, B; & Larson, R; 2002, ‘The kaleidoscope of adolescence: experiences of the World’s youth at the beginning of the 21st century’, in B Bradford Brown, Reed W Larson and TS Saraswathi, eds, *The World’s Youth: Adolescence in Eight Regions of the Globe*. Cambridge University Press, UK, p 5

to health care and good sanitation in the form of good drinking water (see Box 1). The Millennium Development Goals also represent an international consensus about the importance of poverty eradication as a major objective of development.

Box 1: Extract from the Millennium Declaration relating to poverty

III. Development and poverty eradication

11. We will spare no effort to free our fellow men, women and children from the abject and dehumanising conditions of extreme poverty, to which more than a billion of them are currently subjected. We are committed to making the right to development a reality for everyone and to freeing the entire human race from want...

We resolve further:

- To halve, by the year 2015, the proportion of the world's people whose income is less than one dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water.
- To ensure that, by the same date, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling and that girls and boys will have equal access to all levels of education.
- By the same date, to have reduced maternal mortality by three quarters, and under-five child mortality by two thirds, of their current rates.
- To have, by then, halted, and begun to reverse, the spread of HIV/AIDS, the scourge of malaria and other major diseases that afflict humanity.
- To provide special assistance to children orphaned by HIV/AIDS.
- By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the "Cities Without Slums" initiative...

Source: United Nations Millennium Declaration 55/2, 18 September, 2000

It is now widely accepted that poverty refers to more than lack of income.³ A good example of this broader definition of poverty is provided by the Government of Mozambique in its Poverty Reduction Strategy Paper (PRSP):

*the 'lack of basic human capacities, such as illiteracy, malnutrition, low life expectancy, poor maternal health, prevalence of preventable diseases, together with indirect measures such as access to the necessary goods, services and infrastructures necessary to achieve basic human capacities – sanitation, clean drinking water, education, communications, energy, etc'.*⁴

³ Hulme, D & Shepherd, A, 2003, 'Conceptualizing Chronic Poverty' *World Development* Vol.31, No.3, pp.403–423.

⁴ Government of the Republic of Mozambique, 2001, Action Plan for the Reduction of Absolute Poverty (2001-2005) (PARPA) p 11.

This broader view of poverty owes much to the work of Nobel Laureate Amartya Sen who has contended that poverty is best understood as various forms of ‘unfreedom’ that prevent people from realizing and enlarging their capabilities. This broader concept of poverty views both civil and political liberties and economic and social rights as primary goals of development and the principal means of progress.⁵

Dynamic view of poverty needed

A broader understanding of poverty also needs to acknowledge that poverty is a dynamic phenomenon as well as static one. This means that poverty is a state that people experience which can change according to circumstances. This dynamic view of poverty is often more applicable to young people due to the obstacles most of them face in seeking to achieve adult status.

A dynamic view of poverty starts from an understanding that the ‘determining condition for poor people is uncertainty’⁶ Young people’s capacities to cope with these uncertainties are shaped by a range of supports. These include the legal rights, entitlements and support systems provided by governments and employers. They also include an individual’s own personal attributes such as level of education attainment and physical health.⁷ The best policy responses to dealing with this uncertainty use some form of social protection mechanism to help the poor cope with the unexpected.

Young people and the Millennium Development Goals

Most of the Millennium Development Goals indirectly relate to young people because they account for such a large share of the population in poor countries. Just on one in three (29 per cent) of the populations of less developed countries are aged between 10 and 24 years.⁸ Over a 100 countries have a large youth bulge in their populations, with youth share in these countries ranging from 40 to 58 per cent of their total populations.⁹

Young people do not appear to have a prominent place in the Millennium Development Goals as they are only mentioned in one or two places. However, on closer scrutiny, it is possible to identify five Goals as directly referring to young people because they cover activities in which mostly young people are engaged. These are the MDGs that relate to: education attainment, gender balance in education, improved maternal health, combating HIV/AIDS and other diseases such as malaria and tuberculosis and decent employment opportunities for young people (see Table 1).

More investment in improving adolescent health and education levels will also have a major impact on achieving the targets for two other Millennium Development Goals.

⁵ ILO, 2003, *Working out of Poverty*. International Labour Conference, 91st Session, p 21.

⁶ Wood, G, 2003, ‘Staying secure, staying poor: the ‘Faustian Bargain’’, *World Development* Vol.31, No.3, pp.455–471.

⁷ Wood, G, 2003, p 455.

⁸ World Population Prospects: The 2002 Revision, <http://www.un.org/esa/population/unpop.htm>

⁹ Richard Cincotta, Robert Engelman, and Daniele Anastasion, 2003, *The Security Demographic: Population and Civil Conflict After the Cold War*, Population Action International.

Action to improve adolescent health will reduce the incidence of high-risk pregnancies among undernourished teenagers and so this will contribute significantly to reducing child mortality – the objective of Millennium Development Goal 4. Higher education levels as well as improved nutrition for young mothers will also have a large impact on reducing hunger (Millennium Development Goal 1) by helping reduce the prevalence of underweight children under-five years of age (one of the indicators for Goal 1).

Table 1: Millennium Development Goals, targets and indicators that relate to or potentially relate to young people

MDG	Target	Indicator
Goal 1: Eradicate extreme poverty and hunger	Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	1. Proportion of population below \$1 per day
	Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger	4. Prevalence of underweight children (under-five years of age)
Goal 2: Achieve universal primary education	Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	8. Literacy rate of 15-24 year olds
Goal 3: Promote gender equality and empower women	Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015	9. Ratio of girls to boys in primary, secondary, and tertiary education 10. Ratio of literate females to males of 15-24 year olds
Goal 5: Improve maternal health	Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio	16. Maternal mortality ratio
Goal 6: Combat HIV/AIDS, malaria and other diseases	Target 7: Have halted by 2015, and begin to reverse, the spread of HIV/AIDS	18. HIV prevalence among 15-24 year old pregnant women
Goal 8: Develop a Global Partnership for Development	Target 16: In co-operation with developing countries, develop and implement strategies for decent and productive work for youth	45. Unemployment rate of 15-24 year olds

The prominence of young people in the MDGs is further confirmed by the specification of the targets and indicators. Young people are explicitly or implicitly the focus in

relation to six targets (see Table 1). In terms of the performance indicators, four specifically refer to 15 to 24 year olds and two other indicators refer to activities that many young people are engaged in – secondary and tertiary education and maternity.

The income poverty measure used in Millennium Development Goal 1 is based on per capita income but is not available for males and females separately. However, four performance indicators refer in particular to girls and young women. The two MDGs relating to sexual and reproductive health (Goals 5 and 6) implicitly refer to young people as this age group accounts for most of the people who can potentially benefit from actions directed at achieving these two goals. In relation to Millennium Development Goal 5, young women under the age of 25 years account for many of the women who will benefit from more investment of resources to improve maternal health. Adolescent females under the age of 20, for example, account for 17 per cent of all births in the least developed countries.¹⁰ In relation to Goal 6, ‘combating HIV/AIDS, malaria and other diseases’ and one of its targets in particular: ‘halt by 2015, and begin to reverse, the spread of HIV/AIDS’ - young people are a prime potential beneficiary as those below age 25 account for more than half of the HIV infections in developing countries.¹¹

3. Poverty and public policy

In a conscious effort to move away from narrow income measures of poverty, the UNDP has collected country level data on a series of social indicators. These include life expectancy at birth or under-five mortality rates, and literacy rates, access to clean water, and on equity in achievement, such as the gaps between men and women in schooling or political participation.¹² These indicators are then converted into a summary measures such as the human development index and the human poverty index for developing countries. The aim is to give policy makers overall measures by which they can assess their country’s progress in terms of human well-being rather than merely relying on income per capita as the only measure of development.

A comparison of countries’ performances in terms of human development as well as economic growth shows some interesting differences. Viet Nam, for example, has roughly the same level of per capita income as Pakistan but has a much higher score on the Human Development Index (112 compared with Pakistan’s rank of 142 out of 177 countries). This is due to Vietnam’s higher life expectancy and literacy.¹³ Similarly, Sri Lanka ranks well in relation to the Human Development Index (ie 96 out of 177 countries) compared with its Gross Domestic Product rank of 112.¹⁴

¹⁰ World Population Prospects: The 2002 Revision, <http://www.un.org/esa/population/unpop.htm> See Curtain, R, 2002, ‘Youth in Extreme Poverty: Dimensions and Country Responses’, Expert Meeting on Global Priorities for Youth, Helsinki, October 6-8.

http://www.un.org/esa/socdev/unyin/helsinki/ch03_poverty_curtain.pdf

¹¹ World Bank, nd, ‘Why address HIV/AIDS?’ Health, Nutrition and Population, Public Health www.worldbank.org

¹² UNDP, *Human Development Reports*. Oxford University Press, New York

¹³ UNDP, 2004, *Human Development Report 2004: Cultural liberty in today’s diverse world*. Oxford University Press, New York, p 128.

¹⁴ Ibid

The human poverty index

Human poverty index is based on four indicators. These are: the probability at birth of not surviving to age 40; the adult literacy rate; deprivation in economic provisioning, as measured by sustainable access to an improved water source and the percentage of children under five underweight for age. The human poverty index ranges from a low poverty score of under 5 out of 100 for the Caribbean and Latin American countries of Barbados, Uruguay, Chile, Costa Rica and Cuba to a high score of 55 to 65 out of 100 for the sub-Saharan African countries of Ethiopia, Mali, Niger and Burkina Faso.

Table 2 presents the human poverty index scores together with the GDP per capita for the major countries of the East Asia and Pacific region. The countries that have the highest poverty ratings in the region are Cambodia, Laos and Papua New Guinea. In the middle of the range are Myanmar, Viet Nam, Mongolia and Indonesia. The countries that have the lowest score on the poverty index are Thailand, China and the Philippines.

A comparison of a country's poverty index score with their per capita GDP shows some interesting trends. Thailand has a much higher per capita income than China but has the same poverty index score, suggesting that China has been more successful than Thailand in reducing its poverty as its economy has grown. Similarly, the Philippines and Indonesia have similar poverty scores to Thailand but lower per capita income levels, suggesting a better performance in the Philippines and Indonesia in relation to poverty reduction.

Table 2: Major countries in East Asia and the Pacific, ranked in order of the UNDP's Human poverty index and gross domestic product per capita

Country	Human poverty index	GDP per capita
	Value (%)	\$US 2002
Thailand	13.1	7,010
China	13.2	4,580
Philippines	15.0	4,170
Indonesia	17.8	3,230
Mongolia	19.1	1,710
Viet Nam	20.0	2,300
Myanmar	25.4	1,027
Papua New Guinea	37.0	2,270
Lao People's Dem. Rep.	40.3	1,720
Cambodia	42.6	2,060

Source: UNDP Human Development Report 2004, Tables 1 & 3.

A higher per capita income does not in many cases produce a lower poverty rating. Mongolia, Myanmar and Vietnam stand out in terms of their relatively low poverty ratings, given their lower capita income levels compared with other countries in the region. In contrast, Laos has the same level of per capita as Mongolia but has twice the poverty index score. Papua New Guinea with the same per capita income level as Vietnam has also nearly twice its score on the poverty index. Cambodia with a per capita income level twice that of Myanmar has a much higher poverty index rating.

Need for pro poor growth strategies to reduce poverty

The above analysis lends support to the view that the link between economic growth and poverty is not a simple one. The lack of a direct one-to-one relationship is demonstrated by the correlation coefficient of 0.762 between the poverty index rating of 93 countries and their per capita income for 2002. The high correlation shows that higher income levels are important for reducing poverty but that they alone do not account for the differences in poverty levels between countries.

This lack of a one-to-one association applies even more so to the major countries of the East Asia and Pacific region. The correlation coefficient for the association between the per capita income level of a country and its human poverty index rating is only 0.652 for the following group of countries: Thailand, China, Philippines, Indonesia, Papua New Guinea, Viet Nam, Cambodia, Mongolia, Laos and Myanmar. The positive correlation shows that economic growth is important to reducing poverty. However, the absence of a stronger correlation shows that in the East Asia and Pacific region a country's poverty rating is affected by other factors such as government policies as well.

The above analysis shows that economic growth in many cases does not benefit the poor to the same extent as the rest of the population. The economic growth poverty nexus depends on other key inputs. This refers to the type of institutions and the specific policies governments have in place to ensure that the poor benefit greater than the population as a whole.¹⁵ Pro growth strategies need to be distinguished from pro poor growth as it is only the latter that can achieve substantial reductions in poverty.¹⁶

Pro poor growth strategies entail all those policies needed to promote economic growth and more. Economic policies such as economic openness, favourable investment climate, efficient financial support and appropriate labour market regulations are important. So also are pro poor growth policies such as the removal institutional discrimination against the poor in relation to people's gender, ethnicity and religion as well as against those working in the informal sector.¹⁷

¹⁵ Pernia, E, 2003, 'Pro-poor Growth: what is it and how is it important?' *ERD Policy Brief No. 17*, Economic Research Department, Asian Development Bank, Manila.

¹⁶ Ibid

¹⁷ Ibid, p 5 See also 'Sharpening the focus on poverty reduction' World Bank Development Report 2005: A Better Investment Climate for Everyone. A co-publication of the World Bank and Oxford University Press, p 31-35.

Pro poor policies are often expressed in a national poverty reduction strategy. They can encompass adequate public spending for basic education, health and family planning services, easier access to microcredit, promotion of small and medium enterprises, and infrastructure investments in rural areas.¹⁸ The place of young people in national poverty reduction strategies is discussed below.

Neglect of young people in poverty reduction strategies

Many poor countries overlook the needs of young people. This is demonstrated by a review of thirty-one Poverty Reduction Strategy Papers completed to August 2003. Although an increasing number of countries are making some reference to young people in their poverty reduction strategy papers, the initiatives are often piecemeal and, hence, limited in their scale and potential impact.

These country strategy papers and their action plans are produced by governments in heavily indebted countries as a requirement for debt relief. They are usually based on consultations with key stakeholders, use the best available evidence about who the poor are and analyse the main causes of poverty. The PRSP process aims to identify all groups experiencing poverty, and to highlight cross cutting issues that contribute to poverty.

Although most PRSPs refer to African countries, some South Asian (Vietnam, Cambodia and Sri Lanka), Europe and Central Asia (Albania, Moldova, the Kyrgyz Republic and Tajikistan) and Latin American countries (Nicaragua, Bolivia and Honduras) are also represented. The detailed results of the content analysis of 31 completed PRSPs are reported in Attachment 1. They show that the formulators of many Poverty Reduction Strategy Papers do not appear to have consulted young people, nor are young people identified in a major way as a group experiencing poverty. However, more positively, just over half of the PRSPs give some attention to youth in their action plans. But closer scrutiny shows that only a few countries' PRSP action plans link the strategies focused on youth to specific targets and budget outlays.¹⁹

Moreover, there is little evidence that the situation facing youth are treated in the PRSPs as a major cross-cutting issue. Only 16 per cent of PRSPs view young people as a focus for integrated interventions. This arguably is the most important test of whether a PRSP addresses youth issues in a comprehensive way. Piecemeal or single program interventions are not likely to deliver the range of benefits an integrated approach can. The failure of just under a half the PRSPs to make use of feedback from young people is one likely cause of the piecemeal nature of the most of policy options adopted. The absence, for example, of accounts of young people experiencing poverty means that there is less likelihood of a concerted, whole-of-government effort to address their situation.

¹⁸ Ibid, p 5.

¹⁹ Sundaram et al. 2003 (forthcoming) cited by Rosen, J; 2003 (forthcoming) Adolescent Health and Development: A Resource Guide for World Bank Staff and Government Counterparts. Washington, DC: World Bank.

Why are young people overlooked in poverty assessments?

One reason young people are overlooked in poverty assessments may be to do with how data on the poor are collected. Collecting data from a dynamic perspective on poverty is a more complex task than the methodology required for recording poverty from a static perspective.²⁰ The dynamic view of poverty requires going beyond aggregate cross-sectional data to collect information over time about the same individuals or same group's experiences of poverty. Most poverty assessments, such as those used in the formulation of the PRSPs, rely on household surveys to record those in poverty. Household surveys usually focus on easily enumerated households identified by a dwelling and a family. Young people in poverty are likely to be under-represented in this setting if they have left the parental home and are in precarious circumstances such as temporary accommodation or no accommodation at all.

A dynamic view of poverty seeks to present information about the risk profiles for different groups of the poor by measuring vulnerabilities. However, doing this requires more than merely observing households on a once-off basis. The World Bank's 2001 World Development Report on *Attacking Poverty* notes that only data collected over time can capture the basic information needed to quantify the 'volatility and vulnerability that poor households say is so important'. One-off survey data cannot track people's movements in and out of poverty and therefore cannot identify vulnerability - 'the challenge is to find indicators of vulnerability that can identify at-risk households and populations beforehand.'²¹

4. The value of estimating the number of young people in extreme poverty at a national level

Why is it worthwhile presenting these estimates of young people in poverty at a more specific national level? Performance indicators are developed either consciously or unconsciously with a particular audience and political purpose in mind. It is, therefore, important to ask in relation to particular indicators what audience or audiences are being addressed. In relation to the Millennium Development Goals, one could suggest, somewhat cynically, that the target year of 2015 for the Goals is not aimed at the current generation of politicians and other policy makers as it is beyond the career lifespan of many of the politicians and civil servants who participated in the drawing up of the original declaration and made the commitment. In this sense, the direct personal responsibility of the original parties to the Millennium Declaration for making progress towards achieving the MDG targets is removed with the effluxion of time. The potency

²⁰ The World Bank's World Development Report on Poverty notes that: 'Measuring vulnerability is especially difficult: since the concept is dynamic, it cannot be measured merely by observing households once. Only with household panel data—that is, household surveys that follow the same households over several years—can the basic information be gathered to capture and quantify the volatility and vulnerability that poor households say is so important. Moreover, people's movements in and out of poverty are informative about vulnerability only after the fact. The challenge is to find indicators of vulnerability that can identify at-risk households and populations beforehand.' , p19.

²¹ World Bank, 2000, *Attacking Poverty. Opportunity, Empowerment, and Security. World Development Report 2000/2001*. p 19.

of the targets as spurs to action will depend on how well they are incorporated by governments into current national poverty reduction strategies and adopted by government agencies and other stakeholders such as NGOs in their immediate term action plans.

Broad estimates of the numbers of young people in themselves relating to the world as a whole have some value as they serve to highlight to international agencies and donors the fact that poverty does not merely afflict children, families and old people. However, it is at the country level that the estimates of young people in extreme poverty have the greatest impact because this is the level in most instances at which public policy is formulated. A focus on young people is especially important where a national poverty reduction strategy has been or is about to be put in place.

The first Millennium Development Goal (MDG) on poverty has been criticised as being ambiguous in terms of who it refers to. Does the goal of halving, by the year 2015, the proportion of the world's people whose income is less than one dollar a day apply at a global, regional or national level?²² If the goal only applies at the global level, it is likely that the target will be met on the basis of existing trends in India and China. However, for regions such as sub-Saharan Africa, there is no possibility on existing trends that the target of halving poverty will be met. In relation to the Millennium Development Goals in general, 42 of the 47 African countries are considered 'off track' for at least half of the targets and 12 African countries are off track' for all targets.²³

A regional focus for the Millennium Development Goals can highlight the needs of a group of countries with common characteristics. It can help direct attention to the need for a coordinated response on the part of international agencies and donor governments rather follow a more piecemeal country by country approach. The UK Government's Commission for Africa is a good example of a regional focus.²⁴ However, it could be argued that a regional focus may take pressure away from scrutinising the performance of policy makers in individual countries.

An alternative view, propounded by Jeffrey Sachs and his colleagues in the Millennium Project, is that the Millennium Development Goals need to be interpreted as country-level goals.²⁵ The main argument in favour of a country focus for the MDG targets is that is where the major policy decisions affecting poverty reduction are decided.

The MDGs must be interpreted as national goals because the international system is based on the principle of state sovereignty, with inter-governmental processes – including development assistance mechanisms such as Poverty Reduction Strategy Papers, debt relief, and

²² Pangestu, M & Sachs, J; coordinators, 2004, *Interim Report of Task Force 1 on Poverty and Economic Development*, Millennium Project, Columbia University, New York, 10 February, p 7.

²³ Clemens, M; Kenny, C; & Moss, T; 'The Trouble with the MDGs: Confronting Expectations of Aid and Development Success' Working Paper No 40, Center for Global Development, Washington, p 2.

²⁴ See it website at <http://213.225.140.43/english.htm>

²⁵ Pangestu, M & Sachs, J; coordinators, 2004, *Interim Report of Task Force 1 on Poverty and Economic Development*, Millennium Project, Columbia University, New York, 10 February, p 7.

trade negotiations – decided by countries. Likewise investment frameworks and priorities – including decisions to decentralize decision-making to the community level – are set nationally, so this is the level with the greatest source of traction for poverty reduction. Practically speaking, countries will only achieve the MDGs when national governments are committed to making the necessary social investments in their citizens and when they receive adequate support to do so from the international system.²⁶

Therefore the focus of the following presentation of poverty data on young people is on individual countries. The value of data is that it offers a cross country comparison with the implied question of why are some countries doing better or worse than others. Unless information about the changing position of young people in poverty is researched and presented in national forums, policy makers have an excuse for according low priority to the needs of poor young people.

5. Head count of young people in extreme poverty

It is possible to use the MDG country level indicator of absolute income poverty to estimate a head count of the number of young people in extreme poverty in 2002. This can be done by applying the proportion of people in a country below the poverty line of one US dollar per person per day to the 15-to-24 age group to calculate the number of youth people below the poverty line.²⁷ Estimates of young people in poverty have been made for countries for which there are no poverty measures by matching them with the closest country with an available poverty measure.²⁸

Using the most recent data available up to 2002, I estimate that there are some 209 million young people living on less than \$US1 a day and some 515 million young people living on less than \$US 2 a day. These estimates are calculated from the data in World Bank's Development Indicators 2004 on the proportion of people in each country below the international poverty line. This means that one in five young people in the world (19.3 per cent of the world's population of 1.1 billion 15 to 24 year olds are in extreme poverty.²⁹ On the broader measure of two dollars a day, nearly half of all young people can be categorised as living in extreme poverty (47.6 per cent of the 1.1 billion 15 to 24 year olds).

²⁶ Ibid, p 7

²⁷ The assumption is that young people are likely to experience poverty no less or no more than the population as a whole.

²⁸ This method is similar to the one used by Bourguignon, F; & Morrisson, C; 2002, 'Inequality Among World Citizens: 1820-1992', *The American Economic Review*, September, pp727-744.

²⁹ Total population figures for young people are estimates for the year 2000 and are based on the Youth Profiles Online Research Reference of the Youth Unit, Division for Social Policy and Development, United Nations, <http://www.un.org/esa/socdev/unyin/wywatch/country.htm>

Table 3: Estimates of young people aged 15 to 24 years living in extreme poverty by region, millions, rank order based on living on less than \$US2 a day, 2002

Regions	Young people aged 15 to 24 years	
	Under \$US1 a day	Under \$2 a day
South Asia	84.1m	206.1m
East Asia & Pacific	46.5m	150.5m
Sub Saharan Africa	60.7m	102.1m
Latin American & Caribbean	11.1m	27.2m
Europe & Central Asia	4.1m	18.2m
Middle East & North Africa	2.0m	12.1m
Total*	208.6m	515.1m

Source: World Development Indicators 2004, UN youth 2000 population estimates
 * The total does not reflect exactly the sum total of the regions due to rounding.

Table 4: Estimates of young people aged 15 to 24 years living in extreme poverty in major countries in East Asia and the Pacific, millions, rank order based on living on less than \$US2 a day, 2002

Global rank order	East Asia & the Pacific	Pop 15 to 24 years on less than \$US1 a day	Pop 15 to 24 years on less than \$US2 a day
2	China	33.1m	93.3m
5	Indonesia	3.1m	22.2m
8	Vietnam	2.9m	10.4m
11	Philippines	2.4m	7.6m
12	Myanmar	2.6m	7.1m
20	Thailand	0.3m	3.8m
29	Korea, Dem. Rep.	0.7m	2.1m
32	Cambodia	0.9m	2.0m
62	Lao PDR	0.3m	0.8m
73	Papua New Guinea	0.08m	0.5m
75	Malaysia	0.09m	4.2m
83	Mongolia	0.07m	0.3m
	Total	46.5m	150.3m

Source: World Development Indicators 2004, UN population estimates. Countries with total populations less than 1m excluded

The ten countries with the largest concentrations of poor young people living on less than one dollar a day are: India (67.7m), China (33.3m), Nigeria (18.6m), Bangladesh (9.9m), Democratic Republic of the Congo (6.9m), Pakistan (3.8m), Sudan (3.7m), Ethiopia (3.4m), Indonesia (3.1m) and Vietnam (2.9m). The list of countries with the largest concentration of young people living less than two dollars a day is the same with one exception - Brazil enters the list at tenth place replacing Sudan. The rank order of countries also changes with Indonesia taking fifth place with 22.2m young people living on less than \$US2 a day and Vietnam moves to eight place with 10.4m young people in the same category.

It was noted above that the per capita income measure is not available by gender. However, other Millennium Development Goals show clearly that girls and young women in relation to literacy, access to primary and secondary education and access to health services are much more likely to be disadvantaged than boys and young men.³⁰ In relation to primary school enrolments in South Asia, for example, Pakistan has the lowest representation of girls (55 girls for every 100 boys enrolled) followed by India (77 girls per 100 boys) and Nepal (79 girls per 100 boys). However, other governments in the same region such as Bangladesh and Sri Lanka have been able to achieve much better ratios in primary schools (96 and 94 girls per 100 boys respectively).³¹

Changes over time?

These global estimates of young people in extreme poverty can be compared with the estimates of 238 million and 462 million young people living on less than \$US1 and \$US2 a day respectively I presented in the World Youth Report 2003. The latter estimates were based on the international poverty lines reported in World Bank Indicators for year 2000. On the surface, the differences between the two time periods suggest that the number of young people living on less than a dollar US a day has decreased by nearly 30 million. On the other hand, the number of young people living on less than two dollars US a dollar has increased by 53 million.

However, comparing estimates of young people in poverty over time is particularly fraught with difficulties. The International Poverty line measures are extrapolations from primary data sources which are nationally representative household surveys. These surveys date from different years and many of the household surveys are not recent. Some date from as long ago as 1989 for Sierra Leone and 1990-91 for Zimbabwe. Only two household surveys took place in 2002 (Albania and Indonesia) and 10 surveys only relate to the year 2001. The survey dates for the remaining 139 countries refer to the decade of the 1990s to the year 2000. As the source data used in the World Bank Indicators are unlikely to change over a short time period for many countries, a

³⁰ Curtain, R, 2004, 'The Case for Investing in Young People as part of a National Poverty Reduction Strategy' Paper commissioned by the United Nations Population Fund, New York, released at the Technical Meeting on Promoting Sexual and Reproductive Health and Reproductive Rights: Reducing Poverty and Achieving the MDGs, Stockholm, 5-6 October, pp 22-32. http://www.curtain-consulting.net.au/young_developing_countries.html

³¹ Ibid, Table 8, p 24.

meaningful comparison between two recent time periods is difficult, if not impossible, to make. Other limitations of this measure of absolute poverty are discussed further below.

Regional differences in the headcount of the young in poverty

In terms of regional distribution, South Asia accounts for most of the poorest young people (see Table 4). The South Asia region accounts for four out of the ten young people living on both less than \$US1 and \$US2 a day. Sub-Saharan Africa is the home of three of the 10 poorest young people, and two in 10 of those living on \$US2 a day. The East Asia and the Pacific region accounts for two in ten of the poorest young people and three in 10 of those on the next level of poverty.

How do the individual countries in East Asian and the Pacific fare? Table 4 presents estimates of the numbers of young people living on less than \$US 1 and 2 dollars a day in the countries in this region with more than a million people in their total population. As noted above, three countries, China, Indonesia and Vietnam, rank in the top ten countries in the world in terms of the number of young people in extreme poverty. Three additional countries, the Philippines, Myanmar and Thailand are ranked in the top 20 countries in the world.

Criticisms of the international poverty line of \$1 and \$2 a day

Three criticisms have been made of the international poverty line measure used by the World Bank. One is the failure to take into account the purchasing power differences between countries.³² It is argued that international exchanges tend to underestimate the purchasing power of local currencies in poor countries, especially in relation to non-traded, labour intensive good and services.³³ If these differences in purchasing power in favour of low-income countries are taken into account, the number of young people in the world in absolute poverty may be lower than the estimates presented above suggest.³⁴

The second criticism is that the World Bank's poverty line is not based on the costing of the basic resource requirements of human beings.³⁵ The third criticism is that the poverty estimates are based on uncertain baseline data. This applies to the basis for the price comparisons as well as the extrapolations from households surveys.³⁶

³² Sala-i-Martin, Xavier, 2002, "The Disturbing "Rise" of Global Income Inequality." NBER Working Paper No. 8904 (April)

³³ Sala-i-Martin, Xavier, 2002, and Pogge, T; & Reddy, S; 2003 (see footnote 11).

³⁴ Wade 2001 offers a counter view: 'Certainly, purchasing power parity measures are better for measuring relative purchasing power, or relative material welfare, though the available data are not good enough for them to be more than rough-and-ready approximations...Wade. R; 2001, Is globalisation making world income distribution more equal? LSE Development Studies Institute, London School of Economics and Political Science, Working Paper 01-01.

³⁵ Pogge, T; & Reddy, S; 2003, 'Unknown: the extent, distribution, and trend of global income poverty' Institute of Social Analysis, Columbia University, New York, p 2.

³⁶ Ibid,

6. National poverty lines

The National poverty rate refers to the percentage of the population living below the national poverty line. National estimates are based on population-weighted subgroup estimates from household surveys. National poverty rates are often very different from the international poverty rates. These differences are due to the different resources available to national statistical agencies. They also reflect the range of methodologies used by these agencies in contrast to the standardised surveys used by the World Bank for the international poverty rate.³⁷

National poverty estimates also make it possible to derive sub-national estimates such as those reported in Table 5 in relation to urban and rural areas. These more disaggregated estimates are essential for targeting within-country poverty reduction efforts. Therefore a nationally derived poverty measure has much more value for national policy purposes. On the other hand, national poverty rates may be more subject to political pressure to minimise the head count. The substantial variation in the country survey dates, from 1989 to the end of the 1990s suggest that many countries are not undertaking regular surveys. This may be due to a lack of resources to support more recent surveys. However, the lack of resources may reflect a lack of political will to identify who the poor are so as to better address their needs.

Table 5 also shows large rural urban differences between countries in the prevalence of poverty, with most countries showing that rural areas are more likely to have greater numbers of poor people. However, this rural urban poverty gap may be partly a statistical artefact – the result of shifting urban boundaries where the wealthier villages near to towns are in time redefined as urban areas.³⁸ There is also an economic dynamic operating whereby the better off people in poor rural areas may migrate to the towns to seek better opportunities because they can afford to. Thus rural urban migration can continually lower the per capita income levels of rural areas. The overall result could well be a lowering in the overall national poverty rate at the same time that there is an increase in the rural poverty rate.

³⁷ Ibid, p 17.

³⁸ Ibid, p 5.

Table 5: Reported rural, urban and national poverty rates, major countries East Asia and the Pacific, various dates, per cent

East Asia and Pacific	Survey year	Rural	Urban	National
		%	%	%
Cambodia	1997	40.1	21.1	36.1
China	1998	4.6	<2	4.6
Indonesia	1999			27.1
Korea, Dem. Rep.		..	..	..
Korea, Rep.		..	..	..
Lao PDR	1997–98	41.0	26.9	38.6
Malaysia	1989	..	..	15.5
Mongolia	1995	33.1	38.5	36.3
Myanmar		..	..	..
Papua New Guinea	1996	41.3	16.1	37.5
Philippines	1997	50.7	21.5	36.8
Thailand	1992	15.5	10.2	13.1
Vietnam	1993	57.2	25.9	50.9

Source: 2004 World Development Indicators, Table 2.5

7. Young people in hunger

An alternative measure of young people in extreme poverty is available that is not dependent on income. It is one based on the value of people's food energy intake. The Food and Agriculture Organisation of the United Nations (FAO) estimates the prevalence of under-nourishment at country level by calculating the amount of food available per person and the extent of inequality in access to food.³⁹ The value of this approach is that it uses a common energy measure – the kilocalorie intake and, therefore, it is potentially comparable across countries.

However, the FAO measure has been criticised for being based on national level estimates of annual food supply derived from production, imports, exports, change in stocks, and supply utilisation summarised in food balance sheets. In contrast, the countries themselves estimate dietary energy consumption from household expenditure surveys and/or from household food consumption surveys.⁴⁰ The FAO has defended its

³⁹ FAO, 2003, *The State of Food Insecurity in the World 2003: monitoring progress towards the World Food Summit and Millennium Development Goals*. Food and Agriculture Organization of the United Nations, Rome, p 6.

⁴⁰ David, I; 2002, p 13. David also notes: *...FAO's continued reliance on energy supply derived from national food balance sheets instead of energy consumption estimated from household sample surveys, results in lack of coherence between the agency's estimates and those of the countries. Since there are no sub-national food balance sheets compilations in general, the FAO methodology cannot produce estimates*

method as the ‘only way currently available to arrive at global and regional estimates of the prevalence of under-nourishment’.⁴¹ However, a 2002 symposium of experts has called for efforts to improve both the data and the analytical approach used to derive these estimates.⁴²

Table 6 presents estimates of the number of young people in the world and in each major region who are under-nourished. These estimates are based on the FAO’s country estimates of the total population under-nourished for an average of the years 1999 to 2001. The estimated global total of 160.1 million young people under-nourished, reported in Table 6 is less than the 209 million young people estimated to be living on one dollar a day, reported above.

Table 6 also shows the regional distribution of under-nourished young people. South Asia accounts for the largest concentration (most notably India, Bangladesh and Pakistan). This is followed by sub-Saharan Africa and the Asia Pacific regions. In relation to the former, the countries with the largest concentrations of young people in hunger are the Democratic Republic of the Congo, Ethiopia, Kenya, South Africa, Nigeria and Mozambique.

Table 6: Estimates of number of young people aged 15 to 24 years under-nourished, regions and global total, 1999-2001

Region	Number young people undernourished	Per cent
South Asia	57.8m	36.1
Sub-Saharan Africa	39.9m	24.9
East Asia & the Pacific	38.6m	24.1
Latin America & Caribbean	10.8m	6.8
Middle East & North Africa	7.1m	4.4
Europe and central Asia	5.8m	3.6
Total	160.1m	100

Sources: UNDP Human Development Report 2004, table 7 and UN population estimates

Table 7 lists the major concentrations of young people in hunger for the East Asia Pacific region. These countries are Viet Nam (5.4m), Philippines (3.6m), Indonesia (2.5m), Myanmar (0.7m), Laos (0.4m), Papua New Guinea (0.3m) and Mongolia (0.2m).

at these levels. And the continued production of the FAO estimates in Rome does not engender the countries' collaboration or use of the indicators. David, I; 2002, p 17.

⁴¹ FAO, *The State of Food Insecurity in the World 2003*. p 6.

⁴² FAO, 2003, p 6.

Table 7: Estimates of number of young people aged 15 to 24 years undernourished, Asia and the Pacific, 1999-2001

East Asia & the Pacific	Number young people undernourished
Viet Nam	5.4m
Philippines	3.6m
Indonesia	2.5m
Myanmar	0.7m
Laos	0.4m
Papua New Guinea	0.3m
Mongolia	0.2m
Sources: UNDP Human Development Report 2004, table 7 and UN population estimates	

8. Programs to address the needs of young people

The Workshop on Youth in Poverty in South East Asia, organized by the United Nations' Department of Economic and Social Affairs in August 2004, provided the opportunity for a number of countries in the region to present information about programs aimed at reducing young people in poverty. The following section discusses mainly employment-related initiatives in four countries, Indonesia, Cambodia, the Philippines and Vietnam, highlighting their strengths and weaknesses.

There are a range of possible forms of investment to reduce poverty among young people. The following forms of public investments have been suggested by John Hoddinott Agnes Quisumbing in their paper 'Investing in children and youth for poverty reduction' (see Table 8).⁴³ However, the programs discussed in the following section refer to those offered by governments in the Southeast Asia region.

⁴³ Hoddinott J & Quisumbing, A 2003, 'Investing in children and youth for poverty reduction'. International Food Policy Research Institute, Washington, DC.

Table 8: Suggested forms of public action over the lifecycle for adolescence and young people

Lifecycle stage	Direct measures	Indirect measures
Adolescence & youth (12 to 25 years)	<ul style="list-style-type: none"> ⊙ Improve public provision of secondary education ⊙ Improve design and quality of education service delivery, measures for girls to continue to secondary school ⊙ Scholarship programs for girls Basic education and literacy training for adolescents ⊙ Conditional cash transfer programs ⊙ Reproductive health care and peer counselling ⊙ Programs to reduce tobacco consumption ⊙ On the job training, work-study programs ⊙ Tertiary education 	<ul style="list-style-type: none"> ⊙ Time saving infrastructure ⊙ Labour regulations that do not reduce employment ⊙ Macro policies conducive to employment and distribution-oriented growth ⊙ Infrastructure to create a favourable business environment ⊙ Labour market laws that do not discriminate against women
<p>Source: Hoddinott J & Quisumbing, A 2003, 'Investing in children and youth for poverty reduction'. International Food Policy Research Institute, Washington, DC., June 24, p 24.</p>		

Indonesia

In Indonesia, the major obstacle to poverty reduction facing young people identified by the Ministry of Education in its presentation is the lack of employment. The lack of jobs has been a particular problem facing young people since the 'monetary crisis' in 1997. Although economic growth has improved since the dramatic fall in the growth rate in the 1997-98 period, it is still below the long-term growth trend prior to the sudden downturn. The vulnerability of young people in particular in an economic crisis through the sudden loss of access to employment opportunities provides further evidence of the need for adequate social protection mechanisms to cope with this vulnerability.

Indonesia's performance in reducing poverty, based on the Human Poverty Index, shows a slow downward trend since 1990. Human Poverty Index for Indonesia has decreased significantly from 27.6 per cent in 1990 to 25.2 per cent in 1999 and 22.7 per cent in 2002.⁴⁴ However, in relation to young people in poverty, it is acknowledged by the Government that no specific information is available.

⁴⁴ Ministry of Education, 2004, 'Indonesian experience in eradicating youth poverty' Workshop on Youth in Poverty in South East Asia, Yogyakarta, Indonesia, 2-4 August.

In relation to youth employment, the ILO's Office in Indonesia has noted that in 2003, the share of young people aged 15 to 24 years who could be defined as being 'underutilised' (ie unemployed and underemployed) was 52.7 per cent.⁴⁵ In addition, another 19.5 per cent were neither in education nor in the labour force. In other words, 7 out of 10 young people aged 15 to 24 years in Indonesia in 2003 were without paid work or in low paid informal sector jobs.

Government programs directed at youth include a program to enable university graduates to work on rural development activities.⁴⁶ There is also a life skills program for unemployed youth, operating from over 300 centres through Indonesia. Another initiative is a business-related program for young people. However, these initiatives over a ten year period have been small in scale when compared with the size of the problem.

A renewed focus from the Indonesian Government on young people and employment is now evident with the release, on 12 August 2004, of a national youth employment action plan.⁴⁷ Indonesia is one of fifteen countries undertaking this exercise and it is the first country in South East Asia to produce such a plan.⁴⁸ Three key features of the new approach to youth employment are worth highlighting. The first is the cross government and NGO involvement in developing the action plan. The second is the use of information from a direct consultation with young people to shape key recommendations of the plan. The third important feature is the collection of primary data in the form of two surveys: one of specific groups of young people trying to find work and the other survey of the attitudes of employers to employing young people.

The action plan was the product of the newly constituted Indonesian Youth Employment Network, established by the Coordinating Minister of Economic Affairs. The Network involves senior policy-makers from the Ministries of Economic Affairs, Manpower and Transmigration and Education, as well as prominent representatives from workers' and employers' organizations, youth and civil society groupings, and the academic community.

The youth employment action plan sought input from young people through a series of 'Youth for Youth consultations'. In these consultations, covering 3 provinces, more than 400 young Indonesians were given the opportunity to express their views.⁴⁹ Some of the most frequent comments concerned the high price of education; and unequal opportunities in the workplace, especially for young women. Other issues of concern raised were the failure of the education system to provide sufficient opportunities for students to gain vocational qualifications which are increasingly sought after by

⁴⁵ Indonesia Youth Employment Action Plan to Tackle Youth Unemployment in Indonesia, Press Release, 12 August, 2004, ILO Jakarta Office

⁴⁶ Since 1989, only 1,000 graduates per year have entered into the two year contracts to work in a development role in rural areas.

⁴⁷ Press Release, 12 August, 2004, ILO Jakarta Office.

⁴⁸ Other countries where youth employment action plans are underway or are planned are: Bahrain, Burkina Faso, China, Ghana, India, Iran, Kenya, Mali, Nigeria, Philippines, Rwanda, Saudi Arabia, Tanzania and Vietnam.

⁴⁹ 'Indonesia – Leading the way in tackling the youth employment challenge' Document released by ILO Jakarta Office. See <http://www.ilo.org/public/english/employment/strat/yen/events/intyouthday.htm>

employers. Concern was also raised by young people about the lack of policies to support the creation of business start-ups.

Two other valuable sources of information used to develop the national youth employment action plan were a school-to-work transition survey and a survey of employers. The first survey was based on a purposive sample of 2,180 young people between the ages of 15-24 years in three regions. The second survey sought the views of employers in 90 enterprises. The school-to-work transition survey sought information about five target groups: in-school youth; job-seekers; employees; self-employed workers; and employers who hire young workers in public and private firms.⁵⁰ The survey's key findings were that 3 out of 10 self employed youth did not have any primary education; and most self employed youth (3 out of 5) left school due to financial pressures. Assistance was received by only 1 in 5 school leavers in the form of educational and vocational guidance or participation in work experience programs.⁵¹

The action plan's key policy recommendations include making education affordable for the poor, developing a national skills qualification framework, strengthening the network of vocational education and training centres of excellence and incorporating youth employment goals into economic macro policy. Other recommendations in the action plan refer to ways to develop new opportunities for job creation in emerging sectors, and mobilising businesses to provide support for young people in relation to employment generation. There is a focus also on how to make it easier for young people to start and run businesses by fostering private sector support for young entrepreneurs and developing linkage support programs between large and small enterprises.

Specific initiatives arising from the action plan now being implemented include the development of a number of practical aids for young people seeking work or looking to start their own businesses. One such tool is a Career Guidance Manual for the use by secondary and technical schools in pilot regions. The Guide provides young Indonesians with information on how to prepare a profile of themselves to present to employers and ways to improve their job search skills. Other tools being developed include the distribution of 10,000 copies of the ILO's Start Your Business (SYB) package of materials. These publications are designed for young women and men in senior vocational secondary schools (15 to 18 year olds) to help them stimulate their entrepreneurial consciousness and skills and to consider business development as a viable income generation alternative.⁵²

Another initiative is Youth Entrepreneurship Start-up, a youth business program for unemployed university graduates with good business ideas but no access to capital, based

⁵⁰ In each region, 750 interviews were conducted with youth (180 with each of the four sample groups) and 30 with managers and employers. The survey process did not aim for a representative sample of young people in the entire country or of each entire region or province. Instead, the intention was to gather detailed information about the selected target groups (including about gender issues), which could lead to clear policy recommendations. The survey sample and results are biased towards urban youth with higher levels of education than the national average. See ILO Jakarta Office, 2004, Survey on School to Work Transition in Indonesia: summary of the report. Youth Employment Project.

⁵¹ Ibid.

⁵² 'Indonesia – Leading the way in tackling the youth employment challenge' ILO Jakarta Office.

on the model of business mentoring and loans developed by Youth Business International. Other activities include the development of a toolkit for municipal officials to facilitate work with young workers in the informal sector and the publication of an employers' guide and a workers' guide to youth employment in Bahasa Indonesia.⁵³

However, the scale of these initiatives, like earlier initiatives, appears small compared with the size of the problem of youth unemployment and under-employment. This issue of the need to scale-up initiatives that have demonstrated their effectiveness is discussed further below.

Cambodia

The forms of assistance for young people in Cambodia are limited despite their significant needs. In a population of 11.5 million, young people aged between 14 and 30 years account for 26 per cent and their share of the total population is increasing rapidly.⁵⁴ Lack of employment opportunities for young people is a major concern of the government.⁵⁵ A particular challenge is the increasing number of young people born during the 1980s baby boom after the demise of the Khmer Rouge. Between 1997 and 2001, the labour force in the 20 to 24 year old age group grew an estimated 66 per cent. Over the same period, the 15 to 19 year old age group increased by 58 per cent.

The Government does not as yet have a formal youth policy nor is there an overall strategy in place to coordinate policies of individual ministries which focus on young people.⁵⁶ Up to five ministries have some responsibility for youth-related issues from education to health, justice and women's affairs. However, in recent years inter-ministerial initiatives have been undertaken in areas such as child rights, drugs and HIV/AIDS, so there is scope to extend this cross cutting approach to policy to youth issues more generally.

Furthermore, consultation by the government with youth organisations has been limited. However, one recent development is an invitation from the National Assembly to the NGO Children's Committee to present its views. As the Committee's members are exclusively under 18 years of age, this is viewed as a major improvement on past practice in seeking the views of a specific group of young people.⁵⁷

Just as the approach of government to youth issues is piecemeal and fragmented, so also is the response of donors to youth issues. It has been noted that virtually all of the major donors in Cambodia do not have policies or strategies on how to support youth as a specific group. Some donors provide funding for one or several youth NGOs but this funding is not part of an integrated strategy to address the problems facing young people.

⁵³ Ibid.

⁵⁴ Ms. Nhean Sochetra, 2004, The situation of youth in Cambodia, Ministry of Women's Affairs, Royal Government of Cambodia. Paper presented at Workshop on Youth in Poverty in Southeast Asia, Yogyakarta, Indonesia, 2-4 August, p 1.

⁵⁵ Ibid, p 2.

⁵⁶ Ibid, p 10 & 11.

⁵⁷ Ibid, p 15.

The limitations of both the responses of the government and donors to youth issues has led to a call for donors and the relevant ministries to join together to develop a comprehensive youth policy for Cambodia.⁵⁸

One successful initiative in Cambodia aimed at reducing both poverty and the spread of the HIV/AIDS has involved Buddhist monks in providing food, knowledge and skills to children and young people at risk.⁵⁹ Buddhism is one of the strongest institutions in Cambodia with a decentralised structure focused on the pagoda. The Buddhist monks are well placed through their teaching and actions such as visiting the sick to overcome the community's stigma towards those with HIV/AIDS. Monks are also seen as powerful advocates to men of the value of faithfulness and abstinence as key ways to lower the spread of the pandemic.⁶⁰

Philippines

The major concerns of youth in the Philippines have been identified as education, employment, substance abuse, health and youth values and participation.⁶¹ The Philippine Constitution of 1987 recognises the important role of young people in nation building and encourages their involvement in public and civic affairs. The National Youth Commission, established in 1995, is responsible for coordinating government policy and programs in relation to youth development. This approach was embodied in a Medium-Term Youth Development Plan for the period 1999 to 2004. The plan evaluated all youth programs and projects implemented by government.

The Medium Term Youth Development Plan 2005-2010 is in the process of being developed. The plan has sought to identify the distinct characteristics of the youth based on three age groups: 15-17, 18-24 and 25-30 years. Government departments deliver services related to the health, education, and employment needs of young people. However, there is little attempt to coordinate efforts between programs to provide a specific response to the needs of individuals. Also important is youth participation in developing and implementing programs aimed at reducing poverty. The challenge for the new Medium Term Youth Development Plan 2005-2010 is work out ways to join up services to better respond to the needs of specific groups of young people. These groupings can be partly defined by age groupings (eg 15-17, 18-24 and 25-30 years). But gender differences are also important as is the location of young people (urban, rural or in between).

Another major issue to be addressed is working out ways to scale up initiatives that prove to be successful on a small scale. The challenge is to work out what the local capacity constraints are by mapping out the details of how to build up the capacity to expand

⁵⁸ Ibid, p 16.

⁵⁹ Ms Srey Sras Panha, presentation to Workshop on Youth in Poverty in Southeast Asia, Yogyakarta, Indonesia, 2-4 August, p5.

⁶⁰ Ibid, p 5.

⁶¹ Presentation by Mr Garry Lazaro, Philippine National Anti-Poverty Commission and Mr Paolo Benigno Aquino IV of the Philippine National Youth Commission. Workshop on Youth in Poverty in Southeast Asia, Yogyakarta, Indonesia, 2-4 August.

operations. This means working out what additional physical infrastructure, human capital and management systems are needed. A distinction can be drawn between constraints that may be due to the absence of appropriate funding and constraints that would be more difficult to resolve even if funding was available such as skills shortages.⁶²

Vietnam

According to a 2003 report by international donor agencies, the success of Vietnam in reducing poverty has been 'simply remarkable'⁶³ The proportion of the population living in poverty has been halved in less than a decade to 2002. Put another way, almost a third of the total population has been lifted out of poverty in less than ten years.⁶⁴ Poverty reduction was initially achieved by the distribution of agricultural land to rural households, providing them with strong economic incentives to increase farm production. However, more recently, poverty reduction has come through job creation by the urban-based private sector and the increased integration of agriculture in the market economy.⁶⁵

Vietnam illustrates well the success of pro poor growth strategies. While some regions and some population groups have gained more than others, Vietnam continues to reduce poverty considerably faster than other countries at a similar development level.⁶⁶ Poverty reduction in Vietnam has been the result of both target policies to reduce poverty and strong economic growth. Public policies have helped to improve the situation of the poor through targeted transfers, and government has also increased the assets of the poor, through higher levels of educational attainment and improved health status. However, these policies have also been greatly reinforced by a high rate of economic growth, second only to that of China and Ireland over the last decade.

Nevertheless, many households in Vietnam are still vulnerable to falling into poverty. Among the most common shocks they are likely confront are episodes of ill health, failure of a crop or investment (such as death of livestock), adverse movements in the prices of key agricultural commodities, unstable employment opportunities, and the occurrence of natural disasters. Between 5 and 10 percent of the population of Vietnam is estimated to be still vulnerable to fall into poverty.⁶⁷

There were currently 30 million people between ages 15 and 34 years in Vietnam. Household surveys show that some 1.5 million households live below the national poverty line, and it is estimated that approximately 2 million young people are poor. Young people living in poverty in Vietnam can potentially benefit from three different sets of

⁶² See WHO Commission on Macroeconomics and Health WHO 2001, pp. 69-72.

⁶³ Vietnam Development Report 2003: Poverty. Joint Donor Report to the Vietnam Consultative Group Meeting Hanoi, December 2-3, 2003, p xi.

⁶⁴ Vietnam Development Report 2003: Poverty. In 1993, 58 percent of the population lived in poverty, compared with 37 percent in 1998 and 29 percent in 2002, p xi.

⁶⁵ Ibid.

⁶⁶ Ibid.

⁶⁷ Ibid, p xiv.

policies.⁶⁸ These are policies aimed at poor households, policies specifically targeted at young people, and those programs for youth which delivered by the Youth Union of Vietnam. One of the initiatives of the Youth Union was the establishment of employment service centres focused on the needs of young people. These centres usually have two sections, one provides job training and the other provides job services with a small fee.⁶⁹

The Vietnam Youth Union has also carried out a large number of workshops aimed at providing new technology skills to young people. The ‘Knowledgeable Youth’ Program aims to supply two million low cost computers to more than 20 million rural young people by 2009, with a target of covering 15 provinces by 2005.⁷⁰ The Youth Union is also deeply involved with the micro-credit process at the local level, mainly through the development and certification of credit groups.⁷¹

The recent Youth Development Strategy to 2010 of the Government of Vietnam identifies unemployment as the single biggest difficulty currently facing Vietnamese youth. The Youth Development Strategy also views employment creation as lying at the centre of the national fight against poverty. It is estimated that 5 per cent of young people are out of work and 26 per cent are underemployed. And around 1.4 million young job seekers enter the labour market each year.⁷²

One successful change in policy in Vietnam which has benefited young people in particular has been in relation to the starting and running enterprises. Since the enactment of the Enterprise Law in 2000, almost 60,000 private companies have been created, providing 1.3 to 1.5 million of new jobs. The Vietnam Association of Young Entrepreneurs claims that young business people initiated three quarters of the private firms established between 2000 and 2002.⁷³ However, these new jobs are mostly to be found in the main urban centres, as the rural provinces have not benefited from the new Enterprise Law to the same extent.⁷⁴ Other regulatory obstacles also deny private firms equal treatment with state owned enterprises.⁷⁵

The capacity to scale up initiatives in Vietnam is an important feature in achieving poverty reduction. ‘Absorptive capacity’ refers to the human resources, managerial skills, monitoring and evaluation systems, infrastructure, which can impose major constraints on a country’s ability to take a successful program and operate it on a much larger scale. Vietnam with its high level of literacy and numeracy and history of mass organisations able to mobilise people down to the village level shows what this

⁶⁸ Presentations by Mr Vu Van Toan, Ministry of Labor, Invalids and Social Affairs of Vietnam, and Ms. Pham Thi Phuong Chi, Vietnam Youth Federation; Workshop on Youth in Poverty in Southeast Asia, Yogyakarta, Indonesia, 2-4 August.

⁶⁹ Employment and Training – Vietnam <http://www.asianphilanthropy.org>

⁷⁰ ‘PCs for rural areas left on the shelf’, Vietnam Investment Review <http://www.vir.com.vn>

⁷¹ Vietnam Development Report 2003, p 43.

⁷² ‘Tap the Energies of Youth’ UN Message on International Youth Day, 12 August 2003

⁷³ Thu Ha, 2003, ‘Self employed youth to tackle unemployment’ Vietnam Investment Review 11 to 17 August, p 19.

⁷⁴ Ibid.

⁷⁵ Ibid.

absorptive capacity entails. However, governance issues are another constraint on both poverty reduction and economic growth. This refers to the ‘abuse of public office for private gain risks making everyday life miserable, when it happens at low levels, and leading to resource misallocation and waste, when it affects collective decision-making’.⁷⁶

9. Conclusion

This paper has argued the case for making the reduction in absolute poverty a primary test for judging the success of a country’s growth strategy. This requires that national poverty reduction strategies, therefore, should be an integral part of any country’s development strategy. Focusing on particular groups of young people who have been excluded from opportunities to benefit from economic growth should be one important element of the development of a national poverty reduction strategy.

The main value of the income and hunger-based estimates presented in this paper is to highlight on a global and regional scale the magnitude of the problem. Young people in poverty will not be given their due attention in national poverty strategies unless their situation is first acknowledged, they are properly consulted, and appropriate information is sought on the nature and extent of their vulnerabilities.

Although there is some dispute over the reliability of the international poverty line and the basis for estimating the number of under-nourished people in the world, the income and energy-based measures offer some indication of how great the number of young people affected is. The global estimates presented in the paper range from 160 million young people in extreme hunger to 209 million young people living on less than \$US1 a day and 515 million young people living on less than \$US 2 a day.

The achievement of the Millennium Development Goals and targets by 2015 will require much more focus on national public policies on poverty reduction in all its forms.⁷⁷ It has been claimed that economic growth continues to be seen as a cure-all with little attention to the need for tailored poverty reduction strategies.⁷⁸ The Poverty Reduction Strategy Papers have been criticised for looking strikingly similar, even for countries that face very different challenges.⁷⁹ The inference drawn is that these national poverty reduction strategies are not, in many cases, genuinely home-grown products.

Young people in extreme poverty offer a special challenge to those concerned with developing a home-grown poverty reduction strategy. Existing forms of data collection on the poor may be overly oriented to finding out about population groups caught in chronic poverty. In contrast, many young people are more likely to be experiencing a more dynamic form of poverty. The transition from childhood to adulthood involves confronting and overcoming a number of uncertainties. Moreover, young people

⁷⁶ Vietnam Development Report 2003, p xii.

⁷⁷ Vandemoortele, J; 2004, ‘Can the MDGs foster a new partnership for pro-poor policies?’ Leader, Poverty Group, United Nations Development Program, New York, June

⁷⁸ Ibid, p 7.

⁷⁹ Ibid, p7.

potentially face a large number of changes at the same time, thus compounding the difficulties they may face. These obstacles are encountered in relation to work, living arrangements and personal relationships. Identifying the uncertain outcomes young people or subgroups of young people are facing is the first step in devising ways to improve levels of social protection.

Efforts by governments and donors to address youth poverty need to start from take a comprehensive national perspective. These efforts also need to be based on a network of major stakeholders to coordinate efforts across government departments and the donor community. Extensive consultation with young people themselves as well as their representative associations is also needed. This consultation needs to be iterative, with policy makers engaging with young people at different stages of the policy development and implementation process.

Appropriate primary evidence is also a crucial input into the policy making process, particularly in relation to young people. This evidence needs to identify the particular situations facing specific groups of young people in relation to their stage in the youth lifecycle, gender and geographical location, as identified in the case of the Philippines. Finally, the challenge of a national strategy is to work out ways to take the essential features of successful but small scale initiatives and to roll them out on a much larger scale so as to have a major impact on poverty reduction.

Attachment 1: Poverty Reduction Strategy Papers and young people: a content analysis

The following attachment reports the results of a content analysis of completed Poverty Reduction Strategy Papers to September 2003.

In relation to the consultation process that is meant to be a key part of the PRSPs process, an analysis of the thirty-one PRSPs shows limited effort to consult with young people. Only a half (55 per cent) of the PRSPs appear to have consulted youth in the development of the poverty reduction strategy (see Table A1). This situation has not improved over time, as the proportion is the same (50 per cent) for most recent PRSPs, from April 2002 (N=14).

Table A1: Proportion of PRSPs mentioning youth as a group consulted as part of the PRSP process

	Yes	No	
N	17	14	31
Per cent	54.8	45.2	100.0

Identifying youth as a group in poverty

In terms of identifying youth as a group in poverty, only a few PRSPs do so - only a fifth of the completed PRSPs to September 2003 (see Table A2). These countries are: Malawi, Zambia, Cambodia, Ghana, Senegal and Sri Lanka. Another two-fifths of the PRSPs (39 per cent) identify in a minor way youth as a group in poverty with a fifth (19 per cent) of the PRSPs identify youth in poverty as one of several groups. A quarter (23 per cent) of the PRSPs do not identify youth at all as a group in poverty. However, it is worth noting that the more recent PRSPs, post April 2002, are more likely to have a major focus on youth (29 per cent compared with 12 per cent of the earlier PRSPs).

Ghana, for example, notes in relation to the half a million Ghanaians afflicted with AIDS that: ‘the loss of the youth in their productive years will diminish the capabilities of households to support themselves’.⁸⁰ The PRSP for Ghana also identifies gender inequality among young people in relation to education attainment as a major source of poverty because education attainment is a predictor of income earning potential and hence its absence increases a person’s vulnerability to future income shocks.⁸¹

The Sri Lankan PRSP notes in the context of the need to generate two million new jobs that

⁸⁰ Government of Ghana, 2003, *Ghana: Poverty Reduction Strategy Paper*, March, p 20.

⁸¹ *Ibid*, p 21.

*‘...most importantly, there will be between 400,000 and 500,000 new entrants to the workforce in the next several years that will need jobs’.*⁸²
*In relation to Sri Lanka’s protracted conflict, the PRSP notes that ... ‘Poor rural youth on both sides of the conflict are faced with fewer opportunities to better their lives; they make up a substantial share of the soldiers fighting the war’.*⁸³

In relation to young people and health issues, the Zambian PRSP observes that HIV/AIDS has worsened poverty in the 1990s in that country. The PRSP emphasises the need for behavioural change in relation to young people. The problems related to young people include low levels of knowledge and awareness of existing low levels of personal risk perception for HIV (especially among youth); low levels of belief in the efficacy of condoms to prevent HIV transmission; low levels of knowledge about the links between STIs and HIV transmission; and gender equity issues that prevent girls and women from negotiating safer sex or refusing sex.⁸⁴

Table A2: The extent to which Youth are identified as a group in poverty in PRSPs, number and per cent of total

	Major focus	Minor focus	One of several groups only	No Mention	total
N	6	12	6	7	31
Per cent	19.4	38.7	19.4	22.6	100.0

Key issues related to behaviour change in Zambia remain, however, and prevent the adoption of safer behaviours.

In Nicaragua, its PRSP notes that although the demographic transition has already started, the decrease of fertility rates has been mostly among the non-poor. High fertility rates are particularly associated with the adolescent poor.

*The rural, extremely poor areas have the highest fertility rates. ...The problem is particularly acute among the adolescent poor. Cultural patterns of early fertility, high school drop-out rates, abuse of women, and limited options in the job market result in poor adolescents having particularly high rates of early pregnancy.*⁸⁵

⁸² Government of Sri Lanka, 2002, *Regaining Sri Lanka: Vision and Strategy for Accelerated Development*. December, p 4.

⁸³ Ibid, p iv.

⁸⁴ Zambia, 2002, *Poverty Reduction Strategy Paper*. March, p 110.

⁸⁵ Government of Nicaragua, 2001, *A Strengthened Growth and Poverty Reduction Strategy*. July, p 33-34..

Guyana’s PRSP notes the health risks in particular facing its young people:

there are periodic outbreaks of infectious and other diseases, malnutrition, high levels of sexually transmitted infections (STIs) including HIV/AIDS, high levels of teenage pregnancy, drug abuse, especially among the youth, and unhealthy lifestyles.⁸⁶
Youth mentions in PRSP action plans

Just over half of PRSPs (55 per cent) give specific attention to youth in their action plans which spell out the key features of each country’s poverty reduction strategy, (see Table A3). In the case of a quarter of PRSPs, young people are a minor focus in the action plans. However, it has been noted that despite coverage in the action plan, only a few countries link the strategies focused on youth to specific targets and budget outlays.⁸⁷

Table A3: The proportion of PRSPs with a special focus on Youth in their action plan, number and per cent

	Major focus in a key goal	Minor focus in a key goal	No attention at all	Total
N	17	7	7	31
Per cent	54.8	22.6	22.6	100.0

The good news, however, is that the focus on youth in PRSPs is improving over time. Nearly two-thirds of the PRSPs completed between May 2002 and September 2003 give youth major attention in their action plans. The largest grouping (over a third) of initiatives for young people mentioned in the action plans refer to education, both formal and informal. This is followed by employment related initiatives (under a third of all initiatives directed at young people). Only a quarter of the action plan initiatives directed at youth refer to health issues. A small number of the remaining initiatives refer to other issues such as the environment, population awareness and sport.

Health related PRSP initiatives for young people

In Malawi, the Government, as part of its PRSP, is implementing a sector-specific strategic plan on HIV/AIDS, focused on prevention and mitigation among teachers and pupils. In addition, HIV/AIDS education will be imparted to the youth through the media and youth clubs.⁸⁸

⁸⁶ Government of Guyana, 2002, Guyana Poverty Reduction Strategy Paper, May, p 21.

⁸⁷ Sundaram et al. 2003 (forthcoming) cited by Rosen, J; 2003 (forthcoming) Adolescent Health and Development: A Resource Guide for World Bank Staff and Government Counterparts. Washington, DC: World Bank.

⁸⁸ Government of Malawi, 2002, *Malawi Poverty Reduction Strategy Paper*. P 52.

Box A1: Extract from the Republic of Mozambique's Action Plan for the Reduction of Absolute Poverty (2001-2005)

138.3 Health care for youth and adolescents

138.3.1 Main objectives: Improve health, and knowledge of health issues amongst young people and adolescents, through school health activities.

138.3.2 Principal measures to be undertaken: Train personnel to work with adolescents in Family Planning, complications arising from abortion, and the prevention and treatment of HIV/AIDS. Other key measures include: creating health services that serve the reproductive health needs of adolescents.

Source: Republic of Mozambique, 2001, Action Plan for the Reduction of Absolute Poverty (2001-2005) (strategy document for the reduction of poverty and promotion of economic growth), April, p 52.

The Nicaraguan poverty reduction strategy provides for investment in new and rehabilitated health centres with better equipment are being provided for rural areas with the highest levels of maternal and infant mortality rates and illnesses. The PRSP goes on to note that:

the effectiveness of this effort will also depend on a better integration of reproductive healthcare services into the primary health clinics, health posts, and programs. Primary health care will be combined with family planning methods, basic and emergency obstetric care, improved nutritional services for expectant mothers, more and better prenatal care, more institutional births, and better treatment for common childhood illnesses.⁸⁹

The Zambian PRSP outlines 'second level priority' programs which aim to reduce new HIV/STD infections with a focus on children, youth, women, and situations providing risk for HIV transmission.⁹⁰ Ethiopia is putting in place an innovative community-based health care delivery system focusing on preventive health measures targeting households particularly women/mothers in their own communities.⁹¹ The other youth health related initiative in Ethiopia's PRSP is to support the AIDS control program through capacity building, training of people from all sectors, including youth. The aim is to reduce HIV transmission by 25 per cent within 5 years.⁹²

The Guyana's PRSP in relation to HIV/AIDS, devotes more attention to expanding the program to reduce mother-to-child transmission to all regions; and to provide community-based education and counselling, especially to the youth.⁹³ Attachment 1

⁸⁹ Government of Nicaragua, 2001, A Strengthened Growth and Poverty Reduction Strategy July, p 32.

⁹⁰ Government of Zambia, 2002, p 111-112.

⁹¹ Federal Democratic Republic of Ethiopia, 2002, *Ethiopia: Sustainable Development and Poverty Reduction Program*, p vi

⁹² *Ibid*, p vii

⁹³ Government of Guyana, 2002, p 39.

summarises the results of a content analysis of PRSPs in relation to population and development issues, undertaken by the UNFPA's Population and Development Branch. Youth as a cross cutting issue in PRSPs

However, youth are not treated in the PRSPs as a major cross-cutting issue. Only 16 per cent of PRSPs view young people as a focus for integrated interventions. This arguably is the most important test of whether a PRSPs addresses youth issues in a comprehensive way. Piecemeal or single program interventions are not likely to deliver the range of benefits an integrated approach can.

The PRSPs which address cross cutting issues are those relating to Malawi, Nicaragua The Gambia, Zambia and Ghana. Malawi's PRSP highlights HIV/AIDS, gender, environment, and science and technology as cutting issues. In relation to gender as a cross cutting issue, the PRSP notes:

*Inequalities and disparities between women and men are still very pronounced in Malawi and this is one of the major causes of poverty among women and men. In view of this situation, efforts will be made to establish a gender sensitive formal and informal legal environment, eradicate gender based violence, and enhance women's participation in leadership and decision-making processes.*⁹⁴

The Zambian PRSP notes that ...' cross-cutting issues of gender, the youth, HIV/AIDS, environment, and energy will form a critical pillar to attaining industrial development'.⁹⁵

The Nicaraguan PRSP has a cross cutting strategy related to social equity which in part is to review legislation such as the children and adolescents code to improve the rights and equity of those covered. As well, among other things, institutions which protect the rights of vulnerable groups will be strengthened. This applies particularly the National Women's Institute and centres for adolescents at risk.⁹⁶ Ghana's proposed special programs for the vulnerable and excluded include alternative education for out-of-school youth, community-based rehabilitation and education for physically and mentally challenged youth and support for the enforcement of legislation to stop female genital mutilation.⁹⁷ The Ghana PRSP also highlights youth employment as a cross cutting issue and nominates the eight agencies to be involved in developing a coordinated approach with one agency response for taking the lead.⁹⁸

⁹⁴ Government of Malawi, 2002, p xvi

⁹⁵ Government of Zambia, 2002, *Poverty Reduction Strategy Paper*. March, p 61

⁹⁶ Government of Nicaragua, 2001, p 38.

⁹⁷ Government of Ghana, 2003, *Ghana: Poverty Reduction Strategy Paper*, March, p 208

⁹⁸ *Ibid*, p 194.