

# Rural youth challenges and opportunities across and within regions

Chapter 9

**T**he dynamic construct of rural youth and the challenges and opportunities they face inevitably vary significantly across different regions of the world, as well as within them. The previous chapters of this report have discussed this variation in terms of how it changes depending on the structural and rural transformation levels of the countries that young people live in, the differing commercialization and agricultural potentials of the geographies where they reside and the types of households that they belong to. Attention has also been devoted to how young women in rural areas face another layer of exclusion in terms of their livelihood choices, how adolescents may face different challenges than those confronted by young adults and how these patterns differ across regions.

This chapter provides an overview of the salient differences in the rural youth challenges across regions and discusses intraregional differences as a basis for locally relevant thinking about action areas. To that end, this overview will be structured on the basis of the four regions of the developing world: sub-Saharan Africa (SSA), the Near East, North Africa, (southeastern) Europe and Central Asia (NEN), Latin America and the Caribbean (LAC), and Asia and the Pacific (APR). These regions are then divided into the 10 subregions shown in **TABLE 9.1**. Given that youth realities are likely to differ significantly within regions as well, this chapter provides subregional data and discussion, where possible.

## **Broad regional patterns: Demographic transition and the ability to invest in rural youth**

One of the most significant differences across regions that determines their youth challenges is the stage reached in their demographic transitions. As discussed in chapter 5, the demographic dividend provides a temporary opportunity to countries when their populations have a “youth bulge”; if they invest in the fundamental elements of growth during this period, they can reap a demographic dividend that can continue to deliver welfare improvements for their citizens when their population starts to age. These fundamentals include infrastructure, policies and institutions that are conducive to innovation and growth, and human capital. Though most of these investments are enablers of broad economic development, investments in human capital are particularly relevant for young people. These investments are not confined to improvements in formal education but instead also include investments in the development of non-cognitive skills, whose importance is being increasingly recognized (World Bank, 2018). Investments to improve the productivity, connectivity and agency of youth are needed during the demographic transition in order to help realize that dividend.

In addition to the number and proportion of youth (and rural youth) in the population and how they are projected to change during the demographic transition, another important determinant of the types of investments needed in each country is the stage that it has reached in its structural and rural transformation processes. Variables



**TABLE 9.1** Regions and subregions

| Region     | IFAD subregion  | Low- and middle-income countries and territories in the subregion  |
|------------|---|--|
| <b>NEN</b> | Near East and North Africa (NENA)                             | Algeria, Djibouti, Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Somalia, Sudan, Syrian Arab Republic, Tunisia, the West Bank and Gaza, Yemen  |
|            | Central and Eastern Europe and newly independent States (CEN) | Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Georgia, Kazakhstan, Kosovo, Kyrgyzstan, North Macedonia, Moldova, Montenegro, Romania, Russian Federation, Serbia, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan   |
| <b>SSA</b> | East and Southern Africa (ESA)                                | Angola, Botswana, Burundi, the Comoros, Eritrea, Eswatini, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, South Africa, South Sudan, Tanzania, Uganda, Zambia, Zimbabwe   |
|            | West and Central Africa (WCA)                                 | Benin, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Chad, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Equatorial Guinea, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Sao Tome and Principe, Senegal, Sierra Leone and Togo      |
| <b>APR</b> | East Asia (EA)  | China, Democratic People's Republic of Korea, Mongolia   |
|            | South Asia (SA)   | Afghanistan, Bangladesh, Bhutan, India, Iran, Maldives, Nepal, Pakistan, Sri Lanka   |
|            | South-East Asia and Pacific (SEA)                             | Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, the Philippines, Thailand, Timor-Leste, Viet Nam, American Samoa, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu |
| <b>LAC</b> | Caribbean (CB)  | Cuba, Dominica, Dominican Republic, Grenada, Haiti, Jamaica, St. Lucia, St. Vincent and the Grenadines   |
|            | Central America (CA)  | Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua  |
|            | South America (SAM)   | Venezuela, Brazil, Colombia, Ecuador, Guyana, Paraguay, Peru, Bolivia, Suriname  |

such as productivity in the agricultural sector, the importance of non-farm sectors in the economy, and political and institutional structures all factor into this decision. Though these numerous factors combine in unique ways in each country to define its challenges and opportunities for the inclusion of rural youth in its rural transformation process, there are broad regional and subregional patterns that can help frame policymakers' thinking about rural youth. These patterns are discussed in this chapter.

**The number of rural youth is increasing only in SSA and has been either stable or decreasing in other regions.** This pattern is driven by the fact that the demographic transition has been slow to unfold in Africa, which has stubbornly high fertility rates, especially in rural areas. Although APR hosts the largest number of young people today, this number is decreasing, and the APR youth population is projected to be overtaken by SSA around 2070, after which SSA will be home to a majority of the world's young people (Stecklov and Menashe-Oren, 2018). Youth policy and investment needs at the country level, however, are indifferent to global or regional comparisons and depend on

the numbers and trends in each country. **FIGURE 9.1** shows that the current challenge is greatest in APR, which has a total of more than 600 million youth. Within APR, South Asia (SA) is the subregion with the biggest challenge, as it hosts more than half of APR's total youth population. These subregions are witnessing a decline in their youth populations, however, which indicates that their current youth challenge is not a novel one. APR also includes a number of countries that successfully reaped the demographic dividend in the 1990s and that can therefore set an example for the rest (see **BOX 5.1**).

SSA and its subregions, on the other hand, are facing a challenge that they have never faced before in their history. Even though the proportion of youth in the population

**FIGURE 9.1** Youth population histories and trajectories vary significantly across and within regions

**Millions of youth by sub-region, 1950-2050**



Note: Each bar shows an estimate (up to 2015) or a projection of the medium variant (after 2015) of the number of persons between the ages of 15 and 24 in one year at five-year intervals. Note the scale difference between the upper and lower panels (0-400 million for APR and SSA, 0-80 million for LAC and NEN).

Source: Authors' calculations based on United Nations, *World Population Prospects: The 2017 Revision*.

will plateau or decline, the numbers of young people in SSA are projected to more than double to over 380 million by 2050, with the increase being steeper in West and Central Africa (WCA) than in the rest of the region. These numbers, combined with the fact that the continent also contains many countries that have low levels of structural and agricultural transformation, make the challenge of rural youth inclusion all the more daunting, which is why rural development discourse in the region has been increasingly dominated by this issue.

The other two regions have much smaller youth populations, although not necessarily smaller challenges in ensuring their inclusion. In LAC, South America (SAM) has the largest numbers of young people, although all subregions are projected to see a decline in those numbers. In NEN, Near East and North Africa (NENA) is faced with a similar pattern to that of SSA, with a projected increase in the number of young people from 42 to 62 million by 2050. It thus joins the ranks of the subregions that are confronted with a novel and increasing challenge in terms of the inclusion of their young populations due to their delayed demographic transitions.

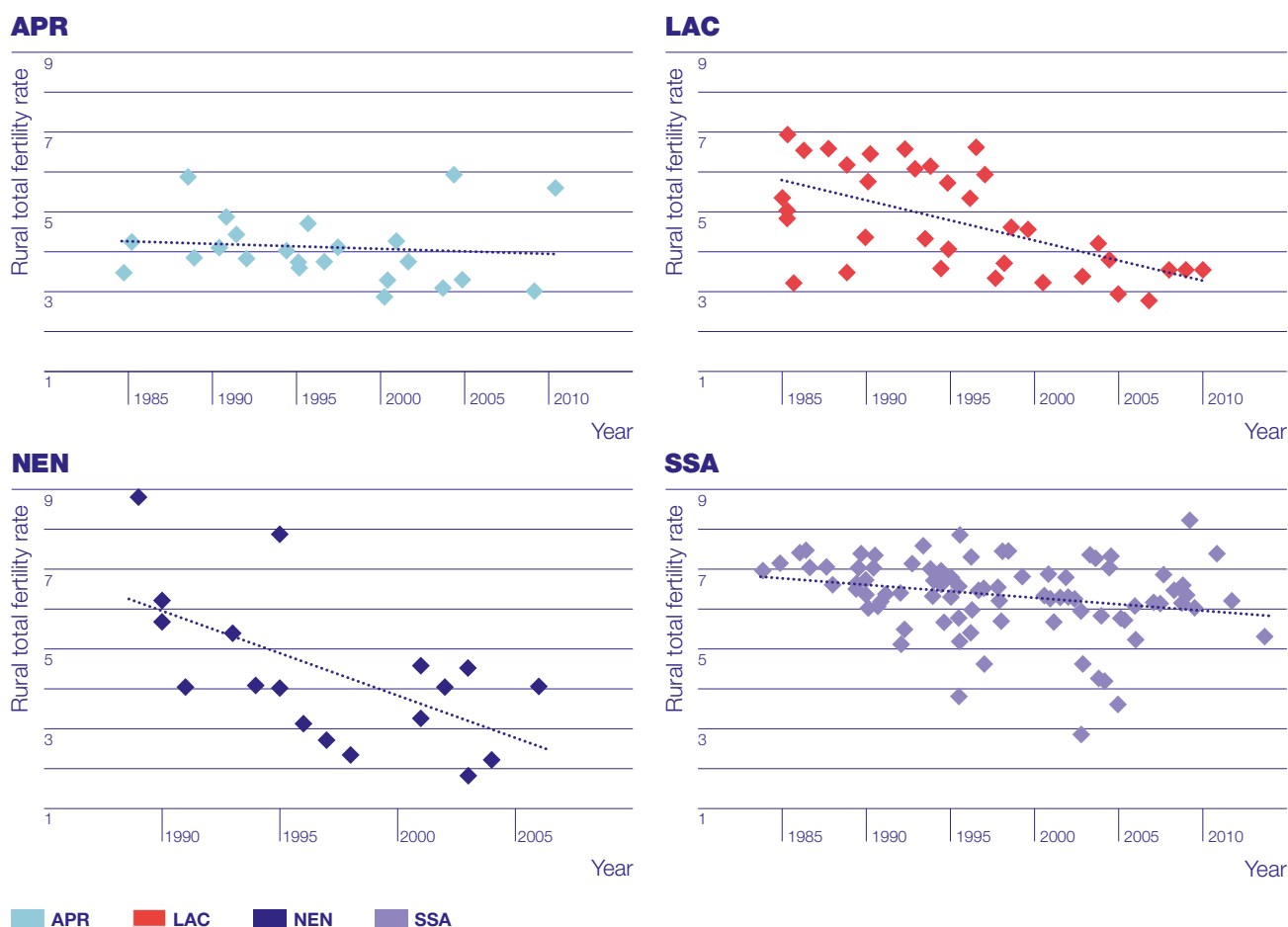
**The differences in the demographic transition across regions are driven by differences in the rate of fertility decline.** SSA is the region that is lagging behind in the demographic transition, while LAC and APR are in the lead and NEN is in the middle. The population of SSA in both rural and urban sectors is young: 65 per cent of the male population in rural areas (defined as such on the basis of the countries' administrative divisions) is younger than 25, and 19 per cent of that population segment is in the 15-24 age group. The total fertility rate (TFR) in rural SSA remains around 6 children per woman and has not declined much since 1980. In comparison, other regions have witnessed substantial fertility declines, although the rate has been slow to descend in APR, where it remains around 4 children per woman (see **FIGURE 9.2**). Although the NEN age structure is different from that of SSA, 15-24 year olds make up a similar proportion of the rural population (19 per cent). APR and LAC have smaller proportions of their populations under age 25, particularly in the urban sector, which is indicative of fertility declines in these regions. In the rural sector, young women and men comprise 19 per cent of the rural population in LAC countries and 16 per cent in APR countries. All of the regions have higher rural fertility rates, with the rates declining along the rural-urban gradient (Stecklov and Menashe-Oren, 2018).

The potential for reaping the demographic dividend hinges on reductions in fertility rates, and this is critically so for SSA given its stubbornly high rates, especially in rural areas. Declines in infant and under-5 mortality rates usually precede fertility declines, but this has not happened to any great extent in rural SSA, which has the highest infant mortality rates in the world (Stecklov and Menashe-Oren, 2018). These rates are even higher in the case of children born to young mothers in all regions, which underlines the importance of investing in young women's reproductive education, as well as their incorporation into the economy, if their countries are to avoid missing the demographic dividend.

**Notwithstanding the differences in the stages reached in the demographic transition, the shares of the rural youth population in the total population are actually declining in all regions of the world (see **FIGURE 9.3**).** While the average share of the urban and rural youth populations in the total population of countries in SSA is projected to increase slightly and to remain above 20 per cent until around 2045, it has been decreasing in all other regions since the late 1990s. The difference between the trends in the total and rural youth shares is attributable to increasing urbanization (and, to a small extent, rural-urban migration). There are stark differences across regions in terms of urbanization

**FIGURE 9.2** SSA has historically had the highest rural total fertility rate, which has been very slow to decline

**Total fertility rate, by region, 1986-2014**



Notes: APR: Asia and the Pacific; LAC: Latin America and the Caribbean; NEN: Near East, North Africa, Europe and Central Asia; SSA: sub-Saharan Africa. The total fertility rate (TFR) is the average number of live births a woman would have by age 50 if she were subject, throughout her life, to the age-specific fertility rates observed in a given year. Source: Authors' calculations based on Demographic and Health Survey (DHS) data and Stecklov and Menashe-Oren (2018).

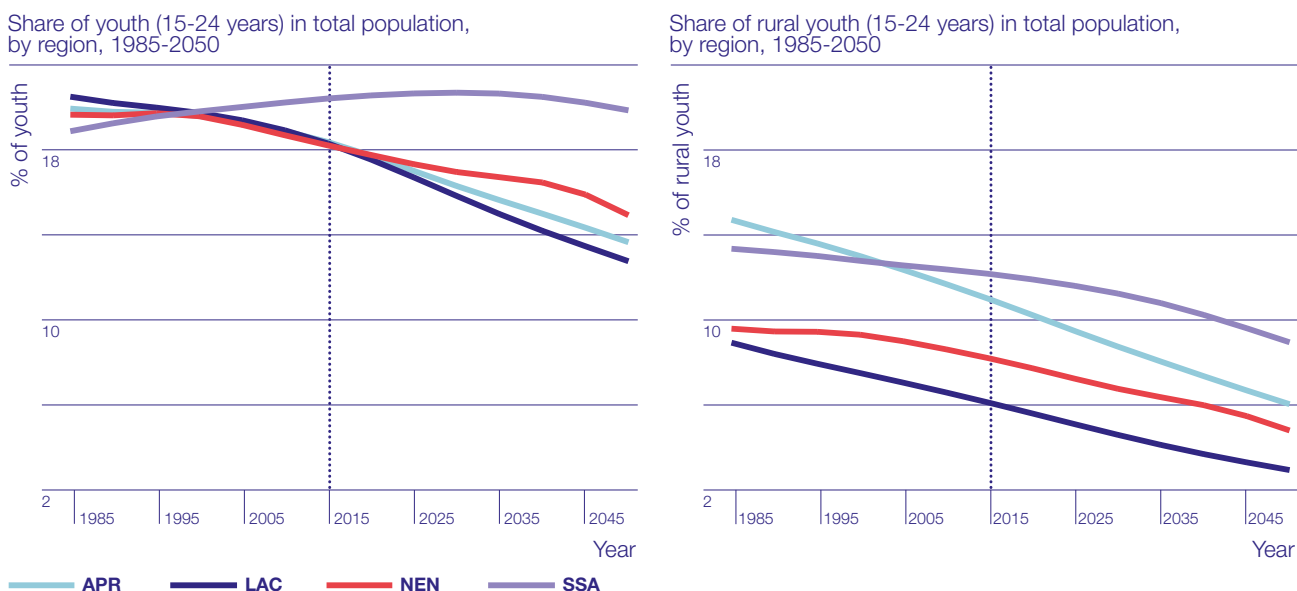
rates, with APR and SSA still predominantly rural, and the other regions mostly urban. The potential for agricultural transformation accompanying structural transformation in SSA and APR is high as labour shifts to the urban sector and demand rises for value-added foods (Timmer, 2009). Declines in the proportion of rural youth in the population do not mean that the rural youth challenge will be easing, however, as countries need to create employment opportunities for rural youth in both the rural and urban sectors.

### **The distribution of rural youth and the capacity to invest in them across subregions**

There are substantial variations across subregions in terms of their shares of the global rural youth population, the average share of the rural youth population in the total population and the variables that determine their capacities to invest in rural youth (see **TABLE 9.2**). The South Asia (SA) subregion is home to almost half of the world's rural

**FIGURE 9.3** The share of young people in the population is projected to decrease everywhere except in SSA, while the relative size of the rural youth population is decreasing everywhere

**Projected population share of youth and rural youth up to 2050, by region**



Notes: The dataset covers 85 low- and middle-income countries (based on World Bank definitions and 2018 data). Rural-urban definitions are based on the administrative categories used in the tabulations of data prepared by the United Nations.

Source: Authors' calculations based on United Nations, *World Population Prospects: The 2017 Revision*.

**TABLE 9.2** Rural youth shares and indicators of ability to invest in the youth population are highly diverse

| Region | Sub-region | Share of all rural youth in sub-region | Average share of rural youth in total population |      |      | Income per capita | Poverty rates |       | Government Effectiveness Index | No. of countries in conflict/ total no. of countries |
|--------|------------|--|--|------|------|-------------------|---------------|-------|--------------------------------|--|
|        |            |  | 2015   | 2030 | 2050 |                   | Rural         | Urban |                                |  |
| NEN    | NENA       | 4                                      | 7  | 7    | 5    | 10 526            | 3             | 1     | 32                             | 4/14   |
|        | CEN        | 2                                      | 9  | 8    | 6    | 11 913            | 10            | 7     | 38                             | 2/9  |
| SSA    | ESA        | 12                                     | 14   | 13   | 10   | 3 339             | 54            | 30    | 30                             | 6/20   |
|        | WCA        | 9                                      | 10   | 10   | 8    | 3 119             | 51            | 28    | 18                             | 8/24   |
| APR    | EA         | 15                                     | 5  | 4    | 2    | 10 288            | 11            | 0     | 68                             | 0/2  |
|        | SA         | 42                                     | 12   | 10   | 7    | 7 156             | 15            | 13    | 38                             | 4/9  |
|        | SEA        | 11                                     | 10   | 8    | 6    | 9 664             | 14            | 9     | 44                             | 4/19   |
| LAC    | CB         | 0                                      | 4  | 2    | 1    | 13 921            | 3             | 2     | 44                             | 0/7  |
|        | CA         | 2                                      | 7  | 5    | 4    | 8 892             | 12            | 5     | 39                             | 0/7  |
|        | SAM        | 2                                      | 5  | 4    | 3    | 11 253            | 9             | 2     | 41                             | 1/9  |

Note: Income is measured as gross national income (GNI) per capita, at purchasing power parity (PPP) (constant 2011 international \$) (source: World Development Indicators, World Bank). Poverty is measured as the poverty headcount ratio at \$1.25 a day (2011 PPP) (% of population) (source: World Development Indicators, World Bank). Government effectiveness is a measure capturing perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of a government's commitment to such policies (Kaufmann, Kraay and Mastruzzi, 2010). The numbers in the table are the average percentile rankings of countries in each subregion, hence higher numbers indicate better outcomes. The definition of a country in conflict is taken from the Uppsala Conflict Data Programme (UCDP) / Peace Research Institute Oslo (PRIO) Armed Conflict Dataset (source: Baliki et al., 2018). The definition of fragility is based on the one used for the Harmonized List of Fragile Situations for fiscal year 2019, World Bank, 2015 (source: United Nations Department of Peace Operations (DPO), African Union (AU) and European Union (EU) websites). The dataset covers 85 low- and middle-income countries.



youth, at 42 per cent, followed by 15 per cent in East Asia (EA) and 12 per cent in East and Southern Africa (ESA). The subregions of Latin America and the Caribbean (LAC) and the Near East, North Africa and Europe (NEN) have the smallest shares, at around 2-4 per cent. Looking at the average share of rural youth in individual countries' populations, which is more relevant for national action on rural youth, countries in the ESA subregion have the largest average share of rural youth in their populations (14 per cent), followed by the SA subregion. The share in ESA is projected to decline slowly by 2050, while it is projected to decline rapidly in SA. Currently, West and Central Africa (WCA) and South-East Asia and the Pacific (SEA) have the same average rural youth shares at 10 per cent, but they differ significantly in terms of the projected rate of decline in these shares. While SEA countries will have an average rural youth share of only 6 per cent in 2050, those in WCA are projected to have 8 per cent, leaving the two subregions of SSA with the largest average shares of rural youth in their populations in the world by 2050.

**The capacity of countries to invest in their rural youth varies significantly within regions.** Both subregions of NEN (CEN and NENA) have very high incomes per capita, but they exhibit sharp differences in terms of poverty rates. Countries in CEN have, on average, higher poverty rates than NENA, even though they also have higher incomes, which points to the existence of high levels of inequality. Within SSA, which is the poorest region of the world, the ESA and WCA subregions look very similar in terms of their income and poverty profiles, with more than 50 per cent of the rural population living in poverty. Within APR, SA is the poorest subregion with the highest rural poverty rate. It is also home to the largest share of the world's rural youth and is thus faced with a formidable challenge. EA is the richest subregion with the lowest poverty rate in APR. Finally, the subregions of LAC are among the richest in the developing world, apart from Central America (CA). CA has the region's largest rural youth share, and both CA and South America (SAM) stand out with relatively higher rural poverty rates.

Incomes and poverty rates frame rural youth policies and investment needs, while government effectiveness determines the capacity for implementing them. EA ranks highest in terms of this indicator, followed by SEA and all the subregions of LAC. SA and CEN tie at the 38<sup>th</sup> percentile, followed by NENA, ESA and WCA as the lowest-ranking subregions in terms of government effectiveness. Not surprisingly, the subregions of SSA are also the ones with the lowest incomes and highest poverty levels and include the highest numbers of countries in conflict (especially in WCA). For all of these reasons, the rural youth challenge is closely intertwined with the rural transformation challenge in this region. NENA, on the other hand, has different challenges, as it has very high incomes and low poverty rates, but it also has low ratings for government effectiveness, largely as a consequence of the existence of authoritarian regimes and the fact that a number of countries are the sites of long-lasting conflicts. The various combinations of these factors result in unique challenges for each subregion which will be discussed in more detail in section C.

## **How does the rural opportunity space shape young people's economic engagement in the different regions?**

The concept of the rural opportunity space which was introduced in chapter 1 and discussed in detail in chapter 2 is defined by commercialization potential and agricultural production potential (see **BOX 2.1**). Commercialization potential is proxied by population density, as more economic activity takes place and creates more opportunities in densely populated areas than in sparsely populated ones. Administrative rural-urban divisions

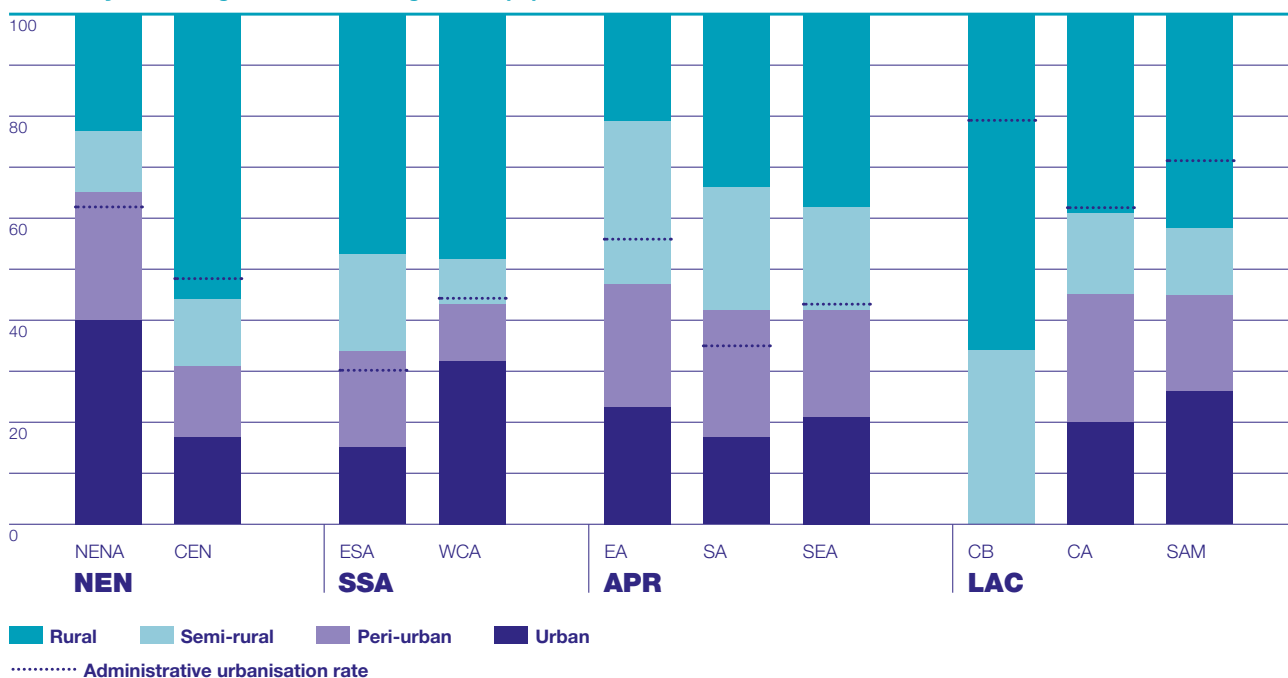
are typically used to capture part of this difference and to guide policies, investments and the allocation of funds for development. The reality on the ground, however, is increasingly becoming more gradated, as agrifood systems (AFS) are expanding towards secondary cities and rural towns as the rural transformation process creates opportunities off the farm. As indicated in this report, understanding where rural youth live along this continuum is the first step in understanding the opportunities they face. The notable differences that exist across subregions in this respect are discussed below.

More than one third of the youth population, on average, live in semi-rural and peri-urban areas across all the subregions (except WCA). **FIGURE 9.4** presents the average percentages of youth who live along the rural-urban gradient (rural, semi-rural, peri-urban and urban areas), along with the administratively defined urbanization rates in each subregion. In terms of official administrative divisions, the subregions of LAC have the highest urbanization rates, but most of their young people live in rural and semi-rural areas as defined by the global population density thresholds. While official statistics give the impression that only one in three young persons lives outside of urban areas in SAM, in fact more than 70 per cent live in rural, semi-rural and peri-urban areas, out of which 42 per cent are in the least connected areas, which are characterized by low commercialization potential and, hence, relatively few employment opportunities.

APR (and all of its subregions) is the only region where peri-urban and semi-rural areas are each consistently home to more than one fifth of the youth population, attesting to the region's high level of connectivity and its more advanced stage in the AFS transition, on average, compared to other regions. This average value, however, masks substantial variations at the country level, where the share of rural youth ranges from 1 per cent to 80 per cent. It is therefore important to determine where rural youth are located within the opportunity space before drawing up national policies and investment strategies for their inclusion.

**FIGURE 9.4** The majority of young people live in non-urban areas as defined by population density

**Share of youth along the rural-urban gradient (%)**



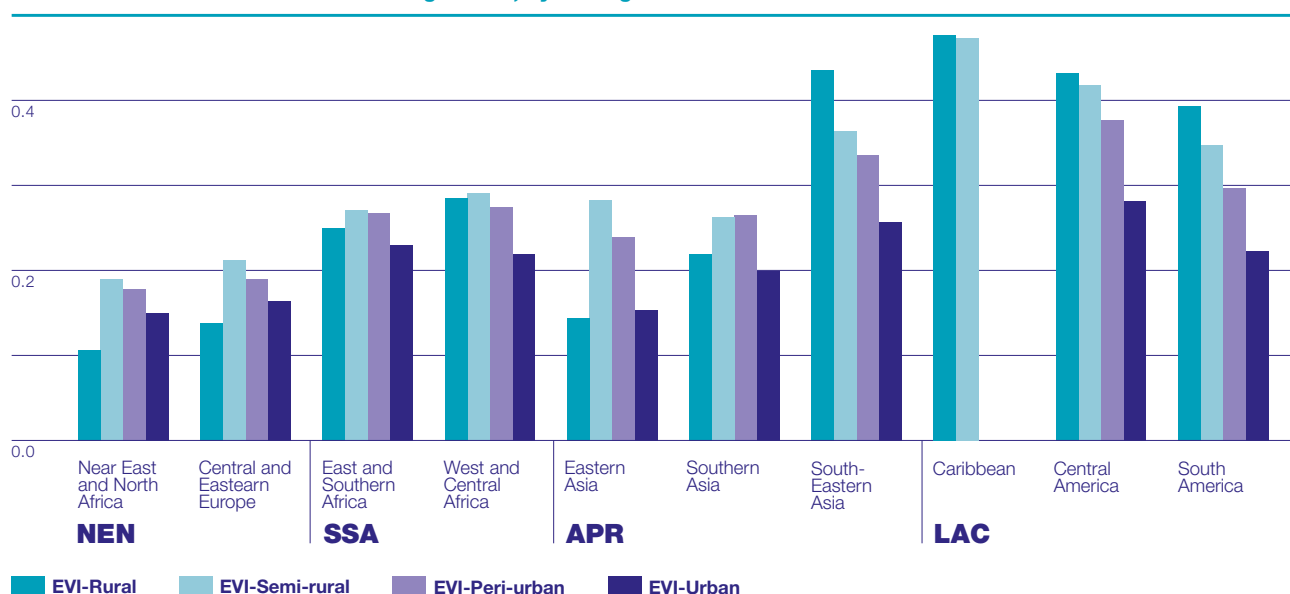
*Notes:* The rural-urban gradients are defined using population density data from the WorldPop project to divide the world into four quartiles, each of which contains one fourth of the population. The implied population densities are used to categorize each grid in the database into one of the four categories. The dataset covers 85 low- and middle-income countries. EA includes China only, while CB includes the Dominican Republic only.  
*Source:* Authors.

The WCA subregion exhibits a quite small middle ground, with only around 10 per cent of young people living in semi-rural or peri-urban areas and around one half of the youth population residing in rural areas. ESA also has about one half of its youth population in rural areas, but fares better in terms of connectivity, as around 20 per cent of its youth live in semi-rural areas and another 20 per cent in peri-urban areas. The two subregions of NEN display opposite patterns in terms of the commercialisation potential of places where their rural youth live: while 40 per cent of young people live in the most densely populated urban areas in NENA countries, only 17 per cent live in such areas in CEN countries, while 56 per cent live in the least densely populated rural areas.

The rural opportunity space combines commercialization potential with agricultural production potential, as agricultural productivity growth drives rural and structural transformations. Rural youth employment opportunities also depend on this variable, which is proxied by the Enhanced Vegetation Index (EVI) discussed in chapter 2. **FIGURE 9.5** shows the average EVI values of all spaces along the rural-urban continuum, by subregion. The subregions of NEN have the lowest EVI values, which reflect the aridity and water constraints that limit this region's agricultural transformation (Kabbani, 2018). The EVI is higher for semi-rural areas than for rural areas in general (except in SEA and LAC) and then decreases with increasing proximity to urban areas. The differences that are plotted, however, are very small, as the EVI is a normalized index that ranges between -1 and 1. Combined with the fact that 67 per cent of the total rural youth population live in areas that have the highest agricultural potential (see **FIGURE 2.4**), the rural-urban gradient axis of the rural opportunity space comes to the fore. The productivity challenges faced in rural areas, such as low yields, low labour productivity or soil degradation, which are projected to grow worse in many places as a consequence of climate change, need to be conceptualized within the framework of the rural-urban gradient. As connectivity along

**FIGURE 9.5** Agroecological potential varies across the rural-urban gradient and across subregions

**Values of the EVI over the rural-urban gradient, by subregion**



Note: The values depicted are three-year average EVI values to smooth out seasonality.

Source: Authors' calculations based on data from the Enhanced Vegetation Index (EVI) of the Moderate Resolution Imaging Spectroradiometer of the National Aeronautics and Space Administration (MODIS-NASA) for 85 low- and middle-income countries based on World Bank definitions and 2018 data.



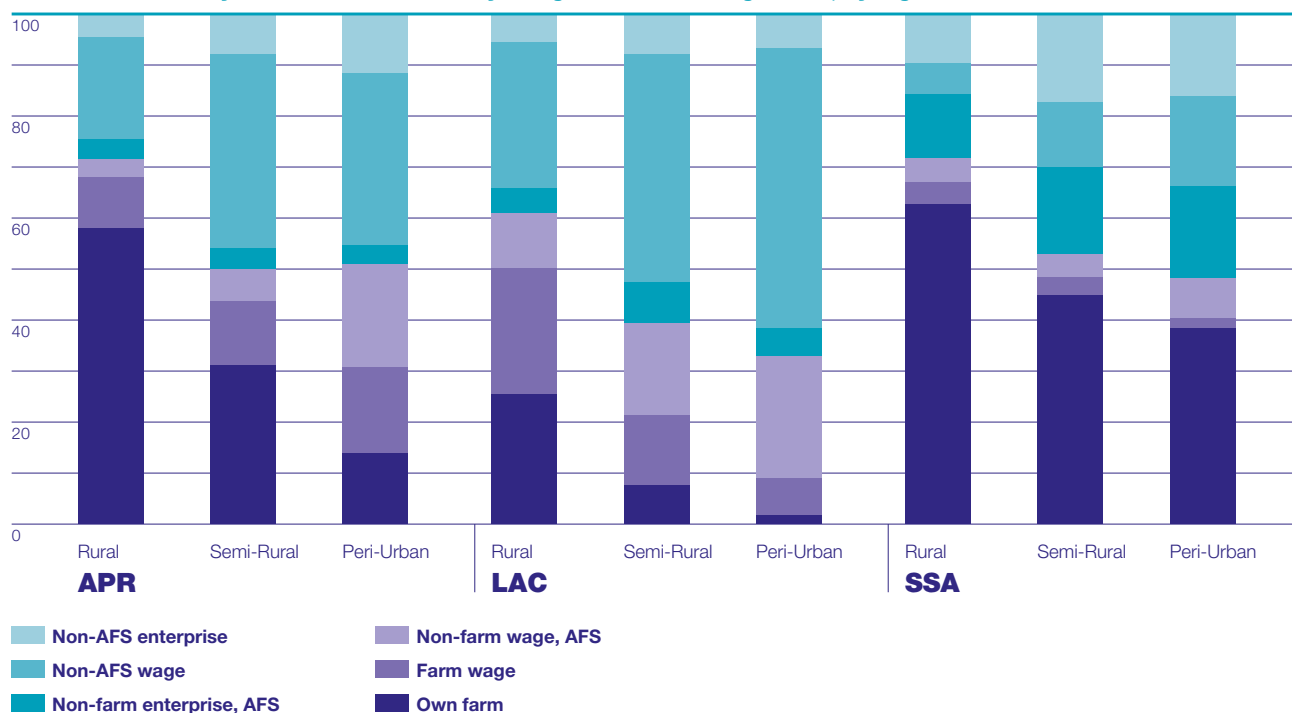
this gradient improves, most of the constraints associated with low productivity may be addressed with the help of improved access to inputs, information and markets.

Much of the discourse around rural youth employment is based on the supposition that young people are leaving agriculture and flocking to cities where they end up in precarious situations that potentially fuel dissent. Evidence does not support this statement, however, as may be seen from **TABLE 9.2** above, since the majority of young people live in rural and semi-rural areas in all the subregions covered in this report. Whether and to what extent these young people engage in agriculture is harder to document, as this would require detailed employment data on individuals and formal employment data fail to capture most agricultural work, which is informal, especially in rural areas. Existing and emerging evidence appears to indicate that the actual situation differs from what it is commonly claimed to be, as youth do engage in agriculture, in general, and the AFS, in particular, to varying degrees (Abay et al. 2018; Yeboah and Jayne, 2018; Van den Broeck and Kilic, 2018; Kafle, Benfica and Paliwal, 2019). Almost all of this evidence concerns Africa, as it is based on the high-quality household data provided by Living Standards Measurement Study (LSMS) on this continent. The following discussion extends the scope of this evidence by incorporating data on rural youth in APR and LAC for purposes of interregional comparisons.

**Patterns of youth engagement in different sectors along the rural-urban gradient vary across regions.** These patterns depend as much on the structural transformation levels of countries as on their AFS transition stages (see chapter 6). In much of Africa, the AFSs are in the intermediate stages of the shift out of a traditional system and towards a transitional system. Most of APR is firmly in the transitional stage and is edging towards a modern stage, while most of LAC has begun a broad transition to the modern stage (Reardon et al., 2018). AFS transition stages differ within regions and even within countries. While, in some states of India, the AFS can be considered to have reached a modern stage, in others it is still in a traditional stage (Reardon et al., 2018). Effective policy design therefore, requires an understanding of the sectors in which young people work, both in and out of the AFS, in each setting in order to be able to identify sectors that have the potential for growth and for expanding employment opportunities for rural youth.

A clearer picture of how youth engagement varies along the rural-urban gradient is provided by data from 128,227 individuals representing around 134 million rural young people in 12 countries spread over 3 regions (SSA, APR and LAC) (annex A). Although these data are not, strictly speaking, representative of these regions, they provide the most comprehensive information available to date on rural youth activity that lend themselves to spatial analysis. While young people may aspire to leave the agricultural sector but are still employed in it because they lack other opportunities, it is important to understand the sectors in which they actually work in order to distil common trends that can inform policies and investments.

**FIGURE 9.6** plots the distribution of working hours (measured in full-time equivalents (FTEs) (see **BOX 2.7**) of rural, semi-rural and peri-urban youth among six sectoral and functional employment categories: own/family farm, on-farm wage, non-farm wage in the AFS, non-farm wage out of the AFS, AFS enterprise and non-AFS enterprise. Rural youth spend 50 per cent or more of all their working time on farming (for their own account or for wages) in all regions. The share of work on own account or on the family farm is highest in SSA at over 60 per cent, followed by APR with just under 60 per cent. Rural youth in LAC work relatively more as wage earners on other people's farms. Farming becomes a less important activity for rural youth as population density

**FIGURE 9.6** Rural youth spend 50 per cent or more of all their working time on farming**Share of total rural youth FTE in each activity along the rural-urban gradient, by region**

Source: Authors' calculations based on 12 socio-economic household surveys in Asia, Latin America and the Caribbean, and sub-Saharan Africa.

increases, and the importance of non-farm wage and enterprise work increases. The decline in the importance of farming along the rural-urban gradient is the most striking in APR, whereas in SSA countries, the differences between semi-rural and peri-urban areas appear minimal, with youth still spending 40 per cent of their time on farmwork.

The non-AFS sector has become increasingly important for rural youth in more densely populated areas of LAC and APR, but even in SSA it accounts for around 30 per cent of total youth employment. The share of employment provided by the non-AFS sector also reflects the structural transformation levels of the countries covered in the dataset: all three countries in LAC (Mexico, Peru and Nicaragua) are in the highly transformed group; the APR sample includes two countries that have low levels of structural transformation (Bangladesh and Nepal); and almost all the countries in SSA that are included in the data have low structural and agricultural transformation levels (Ethiopia, Malawi, Tanzania and Uganda).

One of the most important youth-specific constraints on productive employment in rural areas, as discussed in chapter 1, is access to land. **The rural youth population's access to land varies across regions and exhibits significant gender differences.** Several changes, including rapid shifts in landholding patterns, particularly in Africa, are dramatically altering the situation for rural youth with regard to their access to land. Rising rural population densities are making land far more scarce. Longer lifespans mean that the age at which rural youth inherit land from their parents is rising, with implications for how and when rural youth make the transition to independent livelihoods. Together, these factors are making it much harder for young people to become landowners by the

time they want to be starting their families. Although rental markets are making up for this to some extent, with steep increases being observed in recent years in the proportion of rural households – especially ones headed by young people – that are renting-in land, land markets (both for rentals and purchase) are far from addressing all the constraints that rural youth face, and specific interventions are needed in order to do so. Land ownership rates among rural youth are highest in Central and South Asia. In South Asia, 40 per cent of rural young men own land – twice as many as the number of young women who own any land. In other regions, ownership rates are below 20 per cent, with rates below 10 per cent in LAC (Doss et al., 2018).

As discussed earlier in this report, the challenge of achieving the transformation of rural areas in a way that is inclusive of rural youth can best be met by incorporating youth policies into broader development policies while at the same time devoting attention to youth-specific constraints, which vary across the rural opportunity space. The discussion has also covered the overall dynamics of change that are affecting the rural development landscape, such as the digital revolution, the AFS transformation and climate change, which may close off some opportunities but open up new ones for rural youth. The existing narrative on rural youth in each region depends on a combination of these factors, and it is not always evidence-based. The following section discusses a number of salient points for each region based on existing evidence with a view to broadening the rural youth narrative across and within regions.

## **Salient region-specific challenges for the inclusion of rural youth can inform policies and investments**

### **Sub-Saharan Africa (SSA)**

The existing narrative on African youth is primarily focused on their unemployment and poverty status. Thus, a number of youth policies and strategies have been developed by African countries which focus on creating job opportunities for young people and reducing youth unemployment (Mabiso and Benfica, 2018). Most of these policies and strategies aim to address this issue by placing young people in jobs (not necessarily creating new jobs) or engaging youth in entrepreneurship (UNDP, 2014; 2016a). Evidence from labour force and school-to-work transition surveys suggests that unemployment rates are not as high as the narrative tends to indicate, however (ILO, 2017). For the most part, youth who are in the labour force are engaged in some sort of work, although they are likely to be underemployed and/or in low-paying jobs, often in the farm sector.

The unemployment narrative goes hand in hand with the contention that African youth are leaving agriculture because it is unattractive; in this case as well, the narrative is not supported by emerging evidence. Owing to the increasing availability of nationally representative datasets that include detailed activity information at the individual level, more and more evidence is becoming available that indicates that the majority of rural youth are employed in agriculture, often farming land owned by their parents or relatives, but also in the wider AFS (Yeboah and Jayne, 2018; Abay et al., 2018; Kafle, Benfica and Paliwal, 2019). The absolute numbers employed in agriculture are in fact predicted to rise, though the relative share of this sector of employment will be declining over time (Davis et al., 2017). Investments that will improve agricultural productivity in sustainable ways that can reduce underemployment should therefore be at the forefront of youth-centred rural development efforts in the continent.



Youth entrepreneurship, on the other hand, has been attracting relatively more attention as a means of creating employment in spite of evidence that the mean and median ages of entrepreneurs in Africa are much higher (certainly above 30 years and even above 40 years in most developed countries) than the upper age limit used to define the youth population. Most successful enterprises are started by older people, owing in part to the fact that older persons have had time to amass experience, skills and assets that are not yet within young people's reach, and most of these qualities cannot be imparted through entrepreneurship training. It may, therefore, be more prudent to invest in creating enterprises that employ young people, rather than putting the emphasis on rural youth entrepreneurship as a specific area of investment (Mabiso and Benfica, 2018).

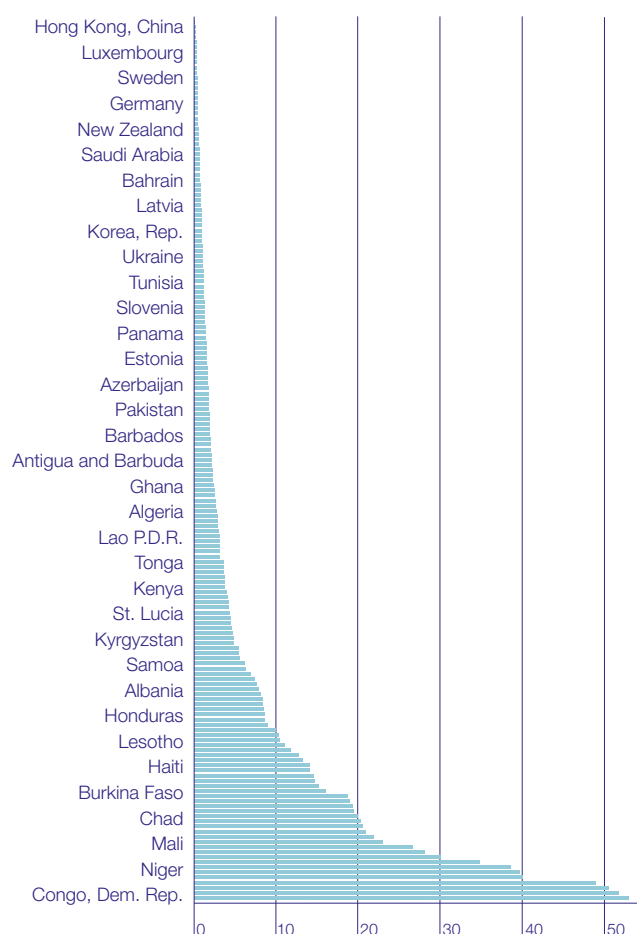
The importance of investments in improving connectivity has been underlined in the earlier discussion on the rural opportunity space: almost 50 per cent of youth in SSA live in the most remote areas with the least commercialization potential. Improving the connections between rural and urban areas through investments in semi-rural and peri-urban areas is imperative for rural development. In this case, connectivity includes both

physical and digital connectivity, which complement one another in bringing about improvements in productivity. Digital connectivity has attracted more attention in the discourse surrounding youth, as young people are thought to be more adept in leveraging the potential of ICTs for productive investments.

There is not a great deal of evidence to support this claim regarding ICTs, however, and what little evidence there is mainly points to the importance of mobile cellular phones in enhancing connectivity in Africa. Aker and Mbiti (2010) provide a comprehensive exposition on the channels through which mobile cellular phones could lead to economic development and highlight the potential economic benefits in the form of reduced communication costs, improved market access and information, increased access to agricultural extension services and potentially improved job market outcomes. The actual impacts of mobile phones on economic outcomes, in general, and for rural youth, in particular, however, have a limited evidence base; this is a gap in the research which remains to be filled (Aker, 2018). Nonetheless, mobile phones remain one of the most ubiquitous tools for connectivity in rural Africa, and some countries have demonstrated how their potential for financial inclusion can be leveraged (see chapter 8). An important precondition in order for rural youth to benefit from them is affordability, however. Operating costs in most African countries are very high due to a lack of competition, and this can make the use of mobile phones prohibitive for most rural youth, especially in the WCA subregion (see **FIGURE 9.7** and **TABLE 9.3**). Furthermore, the cost

**FIGURE 9.7** The annual cost of operating a mobile cellular phone is prohibitively high in many countries

#### Percentages of GNI per capita in 2014



Notes: The World Bank Atlas method was used for the preparation of this figure.

GNI: gross national income.

Source: Authors.

**TABLE 9.3** The annual cost of operating a cellular phone in SSA, in general, and in WCA, in particular, is the highest in the world. (Percentages of GNI per capita)

| Geographic region | Number of countries | Mean  | Standard deviation | Minimum | Maximum |
|-------------------|---------------------|-------|--------------------|---------|---------|
| West Africa       | 15                  | 20.80 | 12.19              | 2.45    | 39.99   |
| Central Africa    | 9                   | 21.76 | 19.98              | 1.99    | 52.76   |
| North Africa      | 5                   | 5.36  | 6.09               | 1.20    | 16.00   |
| East Africa       | 10                  | 12.69 | 14.96              | 0.77    | 50.45   |
| Southern Africa   | 10                  | 13.37 | 15.46              | 1.53    | 48.86   |
| Africa (total)    | 49                  | 16.23 | 15.12              | 0.77    | 52.76   |
| Outside of Africa | 124                 | 2.78  | 3.57               | 0.10    | 20.54   |

Source: Authors' calculations based on data from the International Telecommunications Union (ITU) (2017).

of investing in mobile infrastructure is much higher in sparsely populated areas, and investments to bring down these costs in rural and semi-rural areas have so far not attracted the attention they deserve within the framework of the rural youth discourse.

Lastly, the fundamental issue of learning, which encompasses both cognitive and non-cognitive skills, deserves more attention in the discourse on rural African youth. As documented in **FIGURE 9.8** in the following section, returns to schooling are largest in SSA in a global comparison due to its lower skill level overall (World Bank, 2018). This situation is also associated with a high demand for more skilled youth and a large skill mismatch in the region. This issue is critical, especially in regard to the inclusion of young rural women in the agenda for both learning and employment, as they hold the key to speeding up the demographic transition in the continent, which is lagging behind all the other regions of the world.

High fertility rates in SSA are one of the unique challenges faced by this region. **FIGURE 3.5** shows that young women in SSA want to have more children than their peers in other regions, and this is especially true in rural areas. Given that fertility ideals foreshadow future trends, this evidence points to continued gaps in the future between regions and sectors and thus underlines the need for greater investments in the health sector, especially in rural areas, to reduce infant and child mortality and improve family planning options. Even more importantly, the successful incorporation of young women into higher education, as well as the labour force, tends to provide more powerful incentives for lowering fertility rates (Martin, 1995; Bongaarts, 2010; Keats, 2014; Cannonier and Mocan, 2014; Lavy and Zablotsky, 2011).

Recent evidence from a randomized control trial in Uganda shows that multifaceted training interventions that take place outside of school (in community-level clubs) and focus on both life skills and vocational training can tremendously improve outcomes for young women (Bandiera et al., 2018). The Empowerment and Livelihood for Adolescents (ELA) intervention (see **BOX 3.1**) is an after-school programme for adolescent girls that provides vocational and life-skills training. ELA increased the likelihood of adolescent girls engaging in income-generating activities by 48 per cent and reduced teenage pregnancy by 34 per cent, while also reducing the likelihood of entering into early marriage or cohabitation by 62 per cent – and it did all this at a cost of \$100 per participant.

### **Near East, North Africa, Europe and Central Asia (NEN)**

Countries in the NEN region had the largest average proportions of youth in their populations until recently, but were then overtaken by SSA in this respect. Although the proportion of young people has been declining since 2005 in both the NENA and CEN subregions, with those shares still at 18 per cent and 17 per cent in 2015, respectively, the region has not benefited from the demographic dividend to any great extent. This is evident in the region's youth unemployment rates, which are among the highest in the world (around 30 per cent compared to 13 per cent globally) (ILO, 2017).

The two NEN subregions have very distinct histories, although those histories have similar implications for their economic structures and challenges. Many NENA countries witnessed the emergence of authoritarian regimes during the post-colonial (Ottoman) period, which contributed to the establishment of a government-led development model and a more widespread "authoritarian bargain", whereby citizens gave up any effective form of political participation in exchange for public jobs, benefits and services (Desai, Olofsgard and Yousef, 2009). In CEN, on the other hand, in the post-Soviet era the countries embarked on the lengthy process of modernizing their economies, societies and institutions, although most of them are still struggling to overcome decades of mismanagement and misaligned economic incentives (Kabbani, 2018). Consequently, economic opportunities are scarce in most of the countries of the NEN region owing to an overreliance on public sector employment (World Bank, 2004; Assaad, 2014), overregulation of the private sector and a weak business environment due to corruption and crony capitalism (World Bank, 2009; EBRD et al., 2016).

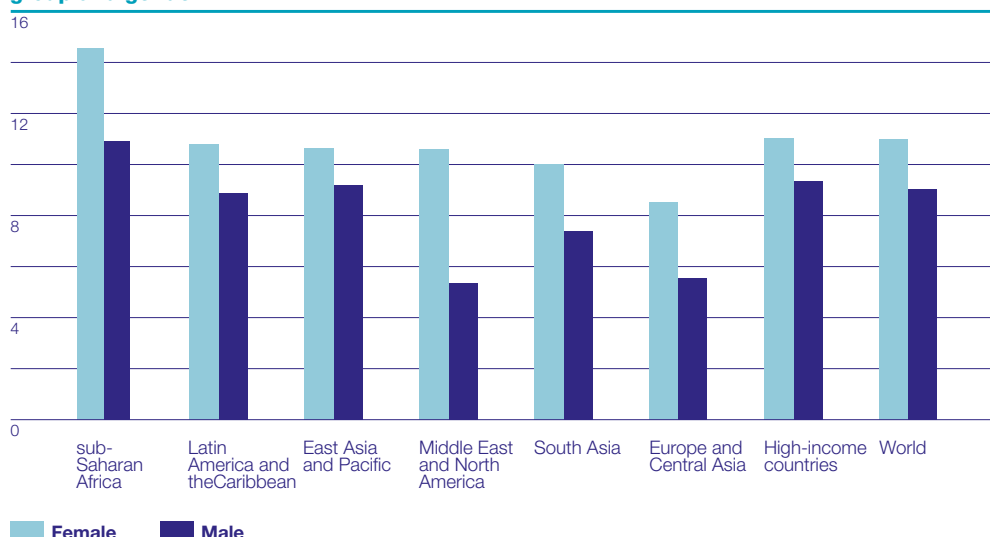
The implications for rural youth are manifested in high unemployment rates, which are ultimately linked to weak job creation throughout the economy. The public sector's share of total employment remains relatively large and has crowded out private job creation (ILO, 2010). Most young people prefer to queue up for public sector jobs, where they are under very little pressure to be productive, and this is pulling down productivity in the private sector as well (Chaaban, 2013). In such economies, education has little impact on growth, since improved cognitive skills are not used in ways that foster productivity (Pritchett, 2001).

This brings the discussion to the education systems in the NEN region and the critical interventions that are needed to improve young people's economic outcomes, even though significant progress has been made in the region in improving primary school completion rates over the past century (Kabbani, 2018). While both NENA and CEN have almost universal primary completion rates, secondary school completion rates are less than 50 per cent everywhere except Jordan and the State of Palestine. Individuals and households do not have incentives to invest in education in countries where returns to schooling are low. **FIGURE 9.8** shows that both subregions of NEN (designated as the Middle East and North Africa and as Europe and Central Asia in the figure) rank the lowest on this indicator in the world, as they have the lowest percentage increase in wages associated with each additional year of schooling – and this is especially the case for males (World Bank, 2018). This finding may have as much to do with a poor-quality education that fails to provide the necessary skills as it does to the lack of an active economy with strong job creation potential. Since the former can improve young people's economic outcomes only if the latter is in place, the main focus of youth employment policies should be on supporting a business climate that would encourage the development and growth of new enterprises, especially in rural areas, that are linked to agricultural value chains (Kabbani, 2018).



**FIGURE 9.8** The returns to schooling in NEN are among the lowest in the world, especially in the case of young men in the Middle East and North Africa

**Median percentage increase associated with each additional year schooling, by country group and gender**



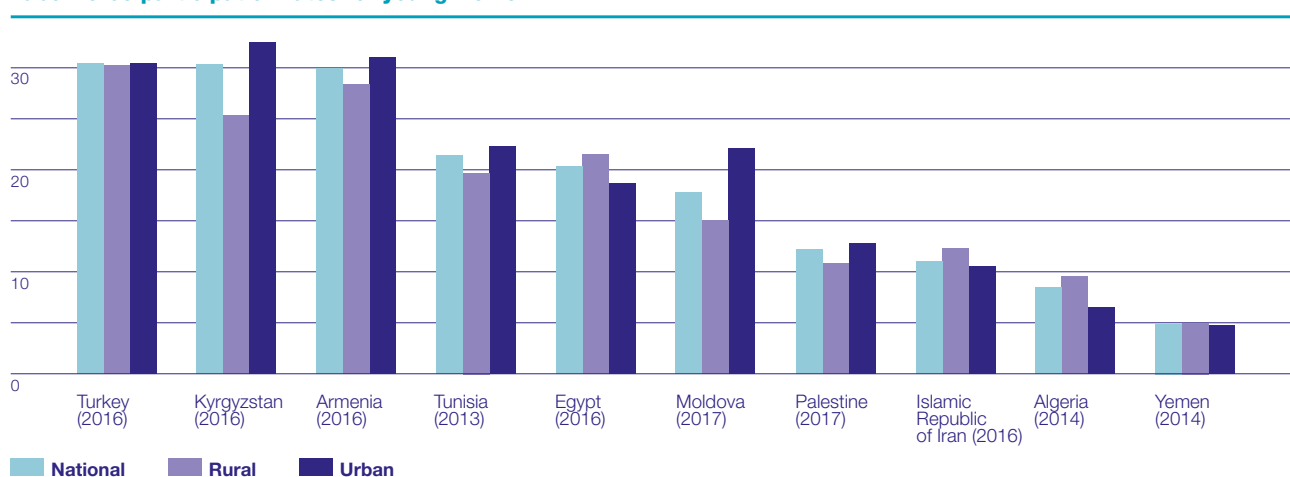
Notes: The designated regions do not include high-income countries.

Source: World Development Report 2018 and data from Montenegro and Patrinos (2017). Data available at: <http://bit.do/WDR2018-Fig.1-1>.

Although the above figure shows that the returns to education are higher for females in the region and that their schooling levels are on a par with or better than those of males, this has not translated into improved economic outcomes for females. This is partly attributable to cultural and social norms that restrict women's economic, social and political participation. These restrictions undermine young women's potentials and curtail their future prospects (UNDP, 2016b). Countries in the NENA subregion have the lowest labour force participation rate for young women in the world, at 15 per cent as compared to the world average of 35 per cent (see **FIGURE 9.9**) (Kabbani, 2018). The

**FIGURE 9.9** The NENA subregion has the lowest labour force participation rate for young women in the world

**Labor force participation rates for young women**



Source: Kabbani (2018) based on ILO (2017).

corresponding rate is around 30 per cent in countries in the CEN subregion, so this issue is a particularly acute one for the NENA subregion.

Given the influential nature of cultural norms and the difficulty of changing them, locally relevant examples of interventions are needed. One such example is the Ishraq (“Enlightenment”) programme in Egypt. Ishraq, like ELA, is a multidimensional initiative that has been working to improve educational, health and social opportunities for thousands of adolescent girls in rural Upper Egypt since 2001. It has improved literacy levels, fostered the development of life skills, increased self-confidence and led to greater mobility and community involvement for its participants. Crucially, the programme engaged successfully with parents, brothers and community leaders, given that the integration of the “gatekeepers” of young girls in conservative societies is an essential element of success for such programmes (Brady et al., 2007).

While such programmes can help young women to gain greater agency within the existing frameworks for young people’s civic participation, there is an overall need to improve that form of participation in the NENA subregion. Countries in this subregion have made significant improvements in the environment for young people’s civic participation, especially since the Arab Spring, but it remains a domain dominated by wealthy, urban educated youth. Civic engagement programmes need to make an effort to reach young people, and particularly young women, in rural areas to help to give these marginalized groups greater agency (Iancovichina, 2017).

Finally, the discourse on youth in the NEN region has been intertwined with the discourse on conflict and on young people’s potential involvement in it. The evidence suggests that, rather than being instigators of conflict, young people are affected more often as victims of conflicts, which have long-lasting negative consequences on their levels of education and welfare (Baliki et al., 2018). The region has the biggest refugee population in relative terms (mostly in Jordan and Lebanon), with disproportionately large shares of children and young people within that population (Verme et al., 2015). While existing welfare programmes seem to be effective in addressing poverty in the short run, they are not sustainable and cannot improve the future prospects for these children and young people. Classic development policies on education, skills and labour can only be effective to the extent that the set of economic opportunities that are available to refugees expands (Verme et al., 2015).

### **Latin America and the Caribbean (LAC)**

Most official statistics show LAC to be far more urbanized than other regions of the world (at around 80 per cent), but the picture looks very different when the inconsistencies in official definitions are addressed using spatially explicit data and methods (Roberts et al., 2017). **FIGURE 9.4** shows that, using the globally comparable population density criteria that go beyond the binary rural-urban definition, more than 70 per cent of all youth in LAC live in non-urban areas, out of which 30-40 per cent live in semi-rural and peri-urban areas. These are precisely the areas in which rural youth are increasingly looking for livelihood opportunities as the rural transformation of the region progresses, and this stylized fact needs to be borne in mind when discussing rural youth inclusion in LAC.

One of the unique characteristics of the discourse on youth in LAC is its emphasis on the challenges faced by indigenous youth, in general, and those in rural areas, in particular. In all countries of the region, the indigenous population has a larger share of young people, driven by slow pace of the demographic transition, and indigenous youth are poorer than non-indigenous youth (ECLAC, 2008). There is also

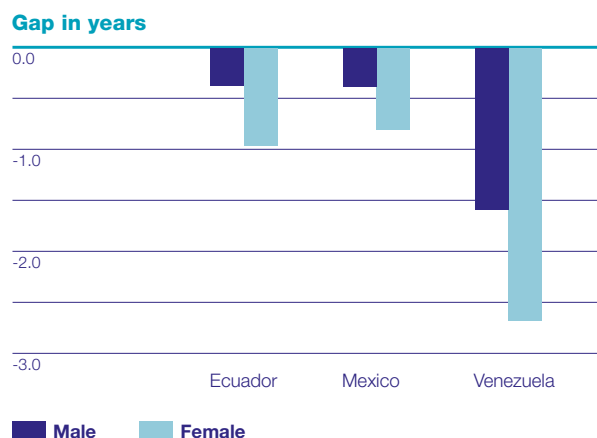
an educational attainment gap between these two groups, which is one of the reasons why the indigenous population may have worse economic outcomes. Because data that are disaggregated by indigenous status and rurality are hard to come by for all countries in the region, **FIGURE 9.10** shows the differences between the educational attainment of indigenous and non-indigenous youth in three countries. The gap is wider for women in all countries and is the widest in Venezuela, where indigenous women have 2.6 years less education, on average, than their non-indigenous peers.

Formal education systems are failing indigenous youth not only through their exclusion, as measured by the number of years of schooling completed, but also by providing a type of education that is not tailored to their specific needs and languages (Trucco and Ullmann, 2015). Although virtually all countries in the region have special programmes for intercultural bilingual education, they are poorly designed, not well targeted and scarcely implemented (World Bank, 2015). The consistently high poverty rate among rural indigenous populations is probably one of many implications of the shortcomings of these education systems, and this is therefore an important area for action if rural transformation is to be inclusive of indigenous youth in the region.

The discussion regarding indigenous youth is sometimes intertwined with the discussion around rural youth migration, as the main reasons for the exclusion of indigenous youth overlap with the drivers of rural out-migration in general. These factors include a lack of education and employment opportunities in rural areas and a lack of public services, which together create push factors for rural youth (ECLAC, 2008). Rigorous evidence on the drivers of rural youth migration in LAC, however, is scarce (de Brauw, 2018). The limited evidence that exists points to differences in educational opportunities between rural and urban areas as an important determinant of rural youth migration (Heckert, 2015; Valentine et al., 2017). Unlike the situation in other regions, young women in LAC are migrating out of rural areas at disproportionately higher rates (see **FIGURE 9.11** and Giuskin, Yanes and del Castillo, 2018), with the result that relatively more young men reside in rural areas in this region (Stecklov and Menashe-Oren, 2018).

These patterns set the region apart from other regions, where more young males than young females migrate; this is indicative of higher levels of empowerment for young women in the region when it comes to mobility. Nonetheless, while female labour force participation has improved in LAC in recent decades, it still lags behind that of males, making the improved inclusion of women in the labour force one of the general rural development policies that needs to incorporate a youth focus.

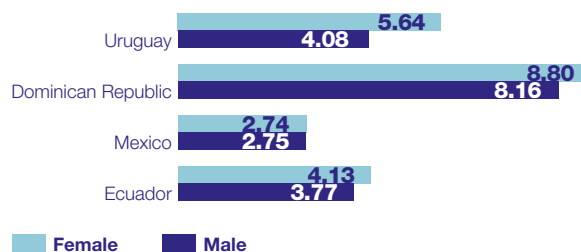
**FIGURE 9.10** The educational attainment gap between indigenous and non-indigenous youth leads to persistent gaps in economic potential



Source: Giuskin, Yanes and del Castillo (2018) based on 2010 census data and *The Socio-Demographic System of Indicators for Indigenous Peoples (SISPI)* – Latin American and Caribbean Demographic Centre (CELADE) – Population Division of ECLAC.

**FIGURE 9.11** Rural-urban migration rates for female youth exceed the rates for male youth in LAC

**Rural-urban migration rates for selected countries, by gender**



Source: Giuskin, Yanes and del Castillo (2018) based on "Microdatos" *Censo de Población y Vivienda 2010* and population projections, *Datosmacro*, Ecuador; *Encuesta Intercensal 2015* and *Tablas Dinámicas, Censo de Población y Vivienda 2010*, Mexico; *Muestra Censo de Población y Vivienda, 2010* and population projections 2000-2030, Dominican Republic; and *Censo de Población y Vivienda 2011 (REDATAM)* and population projections 1950-2050, Uruguay.



Young males, on the other hand, are more affected by violent crime in LAC, which contains seven of the most violent countries in the world (Giuskin, Yanes and del Castillo, 2018). The main reasons for the increasing levels of violence include economic and social exclusion, inequality, armed conflict, drug trafficking and the loss of a sense of belonging (Trucco and Ullmann, 2015). Although most of the young victims of violent crime live in urban areas, addressing the issue is of importance for any youth inclusion agenda – not least because of the increasing connectivity between rural and urban areas. One of the main pillars of the youth inclusion agenda outlined in this report is agency, which plays an important role in reducing the motivations for violence. Although the region has made progress in promoting civic participation, most of the existing initiatives have an urban bias and are susceptible to elite capture (Trivelli et al., 2018). Establishing sustainable connections between youth along the rural-urban gradient, harnessing ICTs for use in informing youth and in consulting and collaborating with them, and ensuring political receptiveness are among the common characteristics of successful rural youth participation programmes (Trivelli et al., 2018).

Lastly, the LAC region has been at the forefront of social protection (conditional and unconditional cash transfer) programmes for the last three decades, and these programmes have proved to be very effective in improving the education and health outcomes of children of poor families (Molina-Millan et al., 2016; Morris, 2010). These programmes also have succeeded in improving production and other outcomes such as food security and dietary diversity (Davis 2017; Salazar et al., 2015). Recent evidence also shows that they have been effective in some cases in addressing indigenous exclusion issues that have overshadowed the youth discourse in the region (Lopez-Calva and Patrinos 2015; Quiñones and Roy 2016).

The long-term effects of social protection programmes on the economic outcomes of rural youth are only recently being documented, as these programmes have primarily focused on children, and their life-cycle effects are only now being studied. Evidence shows that the short-term effects do not uniformly translate into longer-term improvements in welfare. While some research points to positive impacts on long-term earnings, school attainment or fertility levels, other studies have found no long-lasting effects (Barham et al. 2017; Baird, McIntosh and Özler, 2016). Promising long-term effects include increased school attainment and decreased fertility for young women, which is an element that should be incorporated into youth-centred rural development programmes. Given the existence of strong political pressure for the expansion of such programmes, care should be taken to draw upon the lessons learned from the large body of rigorous evidence on the topic in order to ensure that these programmes benefit today's children, as well as tomorrow's young people and adults.

### **Asia and the Pacific (APR)**

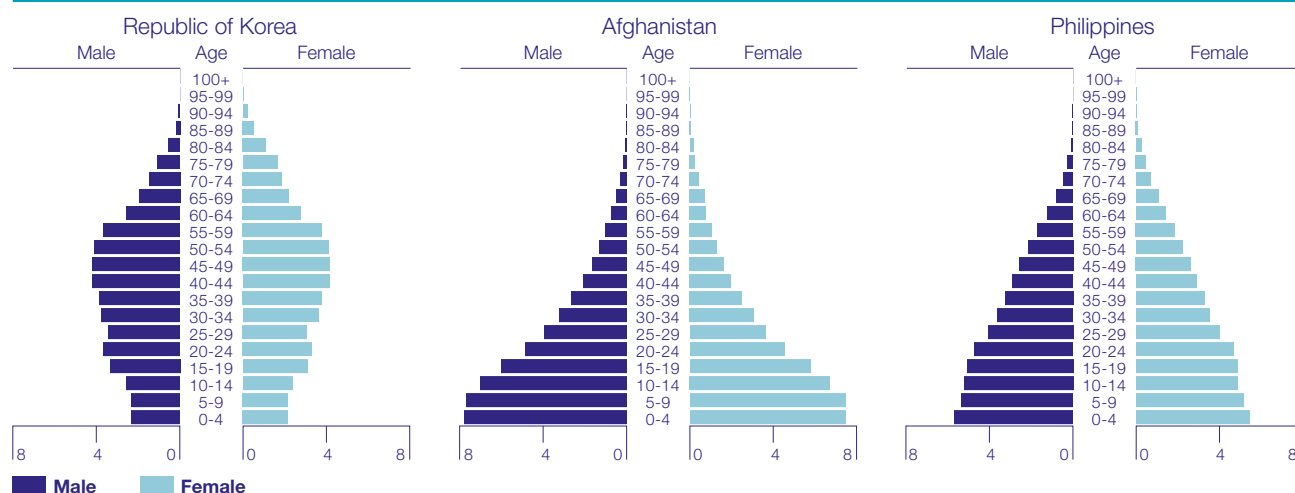
The APR region can be thought of as the centre of *today's* rural youth challenge, as it hosts more than 60 per cent of the world's rural youth. This dominance in terms of the region's share of the global youth population, however, needs to be put in context, as it is driven by the sheer size of the populations in 7 out of the 10 most populous low- and middle-income countries in the world. At the subregional level, EA has one of the world's smallest average youth shares, at 5 per cent, and SA has one of the highest, at 12 per cent, which is second only to the ESA subregion of SSA. Thanks to its advanced demographic transition, APR as a whole will see the magnitude of its youth challenge slowly diminish in the coming decades, as discussed above (see **FIGURE 9.1**).

APR has the most distinct subregional differences in terms of population age structures, and very different types of interventions are therefore needed to ensure that the rural transformation process is inclusive of rural youth (see **FIGURE 9.12**). On the one hand, most countries in EA, such as the Republic of Korea (see **BOX 5.1**) have advanced very rapidly in their demographic transitions and have made the right kinds of investments; as a result, they were able to reap a demographic dividend in terms of rapid economic transformation (e.g. “the Asian Tigers”). On the other hand, SA includes Afghanistan, which is on the list of the 30 countries with the highest total fertility rates in the world,<sup>50</sup> and SEA contains numerous countries, such as the Philippines, that have made some progress in bringing down their fertility rates but will still see a few more decades during which the relative size of the youth population will be increasing slightly before beginning to decrease. It is the latter two types of countries that are leading the rural youth discourse in the region, which is dominated by the issue of persistent (and in some cases increasing) youth unemployment (ILO, 2017).

The challenge of youth unemployment in SA and SEA can be better understood when considered in absolute terms. Though unemployment rates are steady (around 11 per cent) or falling due to rapid economic growth in SA, the challenge will remain a pressing one, as almost 14 million economically active young people were estimated to be jobless in 2017, representing around 20 per cent of all unemployed youth worldwide. Even for those who work, the incidence of poverty is higher than for adults and is the second-highest in the world, after SSA (ILO, 2017). SEA has witnessed the second-largest increase in the youth unemployment rate in the last few years. These two subregions stand out as having the highest ratios of youth-to-adult unemployment rates in the world (see

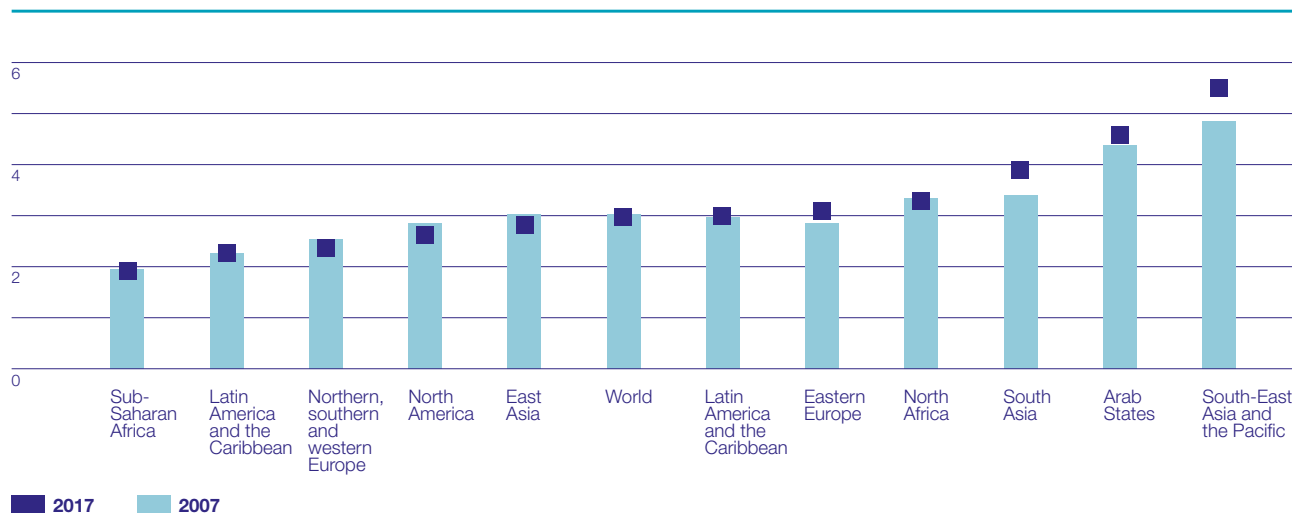
**FIGURE 9.12** APR subregions contain countries at very different stages of the demographic transition

#### 2015 population pyramids



Source: <https://www.populationpyramid.net/>.

50 <http://worldpopulationreview.com/countries/total-fertility-rate/>.

**FIGURE 9.13** SA and SEA have the highest ratios of youth-to-adult unemployment rates in the world**Youth-to-adult unemployment rate ratios in 2007 and 2017, by region**

Source: ILO 2017, based on International Labour Organization (ILO), *Trends Econometric Models*, 2017.

**FIGURE 9.13).** Given that around 85 per cent of youth employment in rural areas of APR is informal, however, these numbers likely reflect the situation of urban and peri-urban youth rather than rural youth (Briones, 2018).

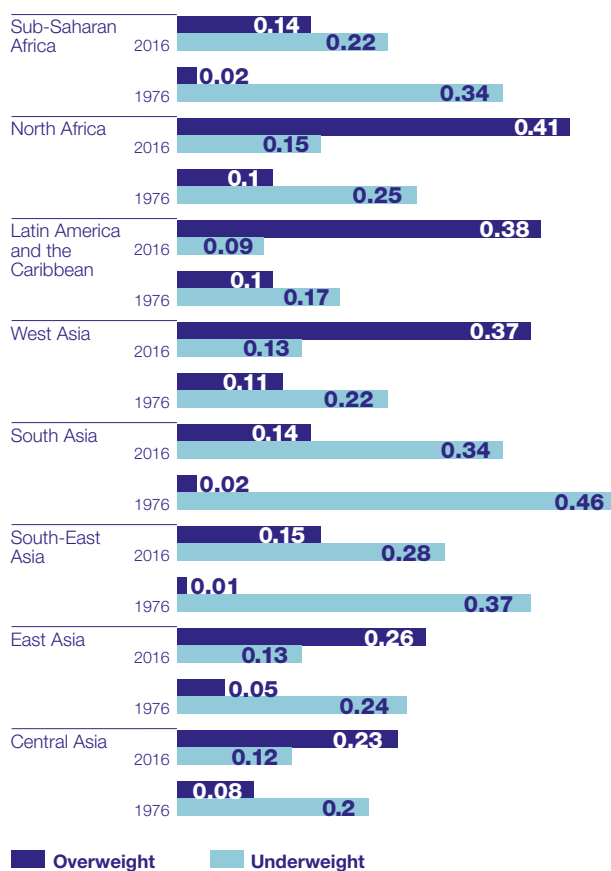
Rural youth in APR (especially in SA and SEA) still spend about 50 per cent of their time working in agriculture in spite of the advanced stages of the AFS transformation found there (see Elder et al., 2015, and **FIGURE 9.6**). This can be linked to the fact that dynamic rural transformations and the AFS transition tend to happen in the vicinity of small towns and cities, while in areas where rural-urban connections remain weak, low-productivity agriculture and low-paying forms of non-farm rural employment are still the main employment options (Reardon and Timmer, 2014; Vos, 2018). In EA, which is the subregion that has made the fastest progress in terms of its structural and rural transformation, on the other hand, youth involvement in agriculture has declined significantly. Political and institutional reforms in EA that have contributed to its successful transformation can provide lessons for the rest of the region (within the context of the dynamics of change discussed in this report). The East Asian narrative on the challenge of youth employment is intertwined with the narrative on ageing societies, and a completely different set of investments is therefore called for in order to enable the subregion to reap the second demographic dividend.

One of the interesting contrasts within APR is related to the nutritional implications for rural youth of differences in the level and speed of rural transformation. While structural change has brought down the levels of poverty and undernourishment dramatically in APR, the incidence of underweight youth is still stubbornly high in SA and SEA, with more than one third of the youth population (chiefly in rural areas) still being underweight (see **FIGURE 9.14**). The dietary and food-system changes that are unfolding have brought new malnutrition challenges, as overweight and obesity are on the rise (Vos, 2018). The severity of this problem has increased the most in EA, in tandem with the subregion's advanced rural transformation. Investments in rural transformation should be specifically designed to address this double nutrition challenge for rural youth in the subregion.

Lastly, a discussion on rural youth inclusion in APR would be incomplete without touching upon climate change. Although all regions are exposed to the impacts of climate change (both slow-onset effects and extreme events) to varying degrees, APR is the most vulnerable to extreme weather events (IPCC, 2014). The Pacific Island States, in particular, face daunting challenges, as the future of the workforce there depends critically on the impacts of climate change. The majority of income and employment sources in those countries are in sectors that are highly vulnerable to climate change, such as agriculture, fisheries and tourism (ADB-ILO, 2017). As young people and women are disproportionately represented in these sectors, and most of these workers are employed informally, they stand to be affected to an even greater extent (ILO, 2008). The Pacific Island States have been implementing a number of seasonal agricultural worker programmes at the national level targeting rural youth, especially in areas that are highly vulnerable to climate shocks, but problems with targeting and skill gaps have made it difficult to scale up these initiatives, and skills training therefore needs to be integrated into such programmes. Green infrastructure and sustainable tourism are also among the sectors that these countries have identified in their national climate policies as priority areas for investment. These policies also need to incorporate a rural youth-centred approach to address the vulnerabilities of rural youth (ADB-ILO, 2017).

**FIGURE 9.14** The incidence of underweight among young people remains stubbornly high in SA and SEA, while overweight has increased significantly

**Percentage point changes in the incidence of underweight and overweight for youth, by region**



Source: Kadiyala et al. (2018) based on NCD-RisC data.



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