



Enabling poor rural people  
to overcome poverty



# 2011 GOVERNING COUNCIL

**Feeding future generations:  
young rural people today – prosperous,  
productive farmers tomorrow**



# Feeding future generations: young rural people today – prosperous, productive farmers tomorrow

## Introduction

Young women and men who live in rural areas are the world's future farmers, entrepreneurs and leaders. The challenges of meeting future food demand, developing vibrant rural centres and promoting broad-based economic growth in developing countries depend on them. These are compelling reasons to place rural young people<sup>1</sup> and smallholder agriculture at the forefront of global strategies for food security, poverty reduction and income growth.

Today's generation of young people is the largest in history.<sup>2</sup> In developing countries, young people make up on average 20 per cent of the population,<sup>3</sup> and as such they represent a huge potential resource to those countries. Yet ironically, rural areas are not benefiting fully from this resource; indeed, many rural communities are ageing precisely because, in the absence of incentives to remain there, young women and men are leaving rural areas to seek opportunities elsewhere.

Resolving this paradox and responding to the challenges of enhanced agricultural productivity and rural economic growth demands at least three things. It requires investment in social and economic infrastructure in rural areas; the creation of remunerative economic opportunities for young people in agriculture and in the rural non-farm economy; and the provision of expanded opportunities for young men and women to build the capacity and skills that they need to take advantage of these opportunities.

This concept note provides a background for the high-level panel discussion. It highlights some of the key issues affecting rural young women and men in smallholder agriculture, and in the rural economy more broadly. And it poses a number of key questions that are intended to guide the discussion.

## Why focus on rural young people?

Young women and men, particularly those living in rural areas, are a disparate group; yet most require and deserve special attention. Because of their lack of experience and the age-related hierarchical social structures that exist in many countries, they lack assets – especially land – and are disproportionately vulnerable to unemployment, underemployment, poor working conditions and outright exploitation.

However, young people are not simply victims: they also have enormous potential for innovation and are more inclined to take the risks that usually accompany new opportunities. They represent the major resource that many developing countries have at their disposal. The challenge is how best to tap their potential.

1 The United Nations defines young people as those between 15 and 24 years of age.

2 The United Nation's Population Fund (UNFPA) estimates the global youth population at 1.05 billion (<http://www.unfpa.org/6billion/ccmc/youthandpopulation.html>).

3 This compares to a figure of 13 per cent in developed regions, *World Youth Report 2007*, (New York: United Nation's Department of Economic and Social Affairs, 2007), 254-257.

The numbers of young people are growing fast in developing countries. This is especially evident in sub-Saharan Africa where, in some countries, more than 60 per cent of the population is less than 25 years old. This is obviously increasing pressure on the labour market.

The consequences of failing to provide job opportunities for these young men and women can be far-reaching. Under-employed rural young people, particularly those who are frustrated and idle because they have failed to find decent jobs after migrating to urban centres, contribute to social unrest, crime and even armed conflicts.<sup>4</sup> Initiatives that improve the opportunities for young people to take part in decent agricultural and non-agricultural work provide larger benefits for social harmony, as well as for food security and poverty reduction.

During the recent economic crises, global youth unemployment rates rose from 11.9 to 13.0 per cent between 2007 and 2009.<sup>5</sup> Between 1997 and 2007, the ratio of youth-to-adult-unemployment rose from 2:6 to 2:8,<sup>6</sup> meaning that young people today are almost three times more likely to be unemployed than adults. Alarming as these figures may be, the plight of the estimated 300 million young people classified as working poor is equally grave. They earn less than US\$2 a day, outnumber young unemployed people by a factor of 4 and typically work in rural areas.<sup>7</sup>

## The future of smallholder agriculture

The global population is projected to increase from the current 6.9 billion to 9.2 billion by 2050. Projections show that global food production will have to increase by 70 per cent to sustain this growing population. Agriculture in developing countries will need to play a much greater role than it does today in contributing to global food security and distribution. Smallholder agriculture is not only vital in helping to feed that growing global population, it also forms the basis of rural economies and can promote pro-poor growth, which benefits the non-rural economy as well as the rural one.<sup>8</sup>

If smallholder agriculture in developing countries is to thrive in the coming years, it will have to deal with a number of important challenges. Smallholder farmers will need to increase their productivity, exploit new trade opportunities, and link up better to national and global markets. They will need to commercialize their production systems using the most appropriate farming methods and technologies and, increasingly, farm 'as a business'.

However, the resources on which their livelihoods depend have become degraded due to population growth, unsustainable patterns of use (such as inappropriate use of agrochemicals, overexploitation of water sources, deforestation, overgrazing and overfishing), and ineffective policies and institutions. So while smallholder farming must become more productive, it must also become more environmentally sustainable. Moreover, natural resource degradation is compounded by climate change, and smallholder farmers will face growing climatic uncertainty and stress. Agriculture has to become more resilient to the shocks that are already becoming ever-more frequent.

In order for smallholder agriculture to respond to these multiple challenges, it will need to be more innovative and knowledge-intensive than it is today. The next generation of farmers will be in the forefront of this knowledge-intensive agriculture: substantial and sustained investments in that generation are essential if their energies and ambitions are to be harnessed.

4 For example, the civil war in Sierra Leone was fought largely by young rural people (DIAL, Youth and labour markets in Africa: A critical review of literature, Working Document DT/2007/02).

5 International Labour Organization (ILO), *Global Employment Trends for Youth* (Geneva, 2010).

6 ILO, *Global Employment Trends for Youth* (Geneva, 2008).

7 This situation is particularly stark in sub-Saharan Africa, where approximately 60 per cent of the youth labour force was not able to earn enough to bring themselves and their families out of extreme poverty (*Global Employment Trends for Youth*, 2008).

8 Growth generated by agriculture is found to be more effective in reducing poverty than that generated by other sectors. See, e.g., Luc Christiaensen, L. Demery, and J. Kuhl, *The (Evolving) Role of Agriculture in Poverty Reduction: An Empirical Perspective*, Working Paper No. 2010/36, (Tokyo: United Nations University, 2010).

## Young people, agriculture and the rural non-farm economy

Agriculture is too often seen as an unproductive sector offering few livelihood opportunities. If talented young people are to lead the fight for global food security, they must be convinced of agriculture's potential to provide business openings and opportunities for decent employment. The right incentives must be created so that they want to stay in rural areas. Basic infrastructure and utilities such as roads, water, electricity, and information and communication technology, along with financial and other services tailored specifically for young people, all play their part in this.

While agriculture remains the main economic activity in rural areas, the rural non-farm economy is growing in importance in all countries, and an ever-growing proportion of rural people derive at least part of their income from non-farm sources. In the future, growing resource scarcities and market transformations are likely to simultaneously strengthen the viability of smallholder agriculture for farmers who can make it a sound business, and push many others to seek different opportunities in the non-farm rural economy. The rural non-farm economy is still largely driven by growth in the agricultural sector, and the links between the two remain strong. Much of the economic activity in rural areas serves the agricultural sector, adds value to its products or depends for its demand on the incomes that agricultural production generates.

The rural non-farm economy is particularly relevant for young people. Those who do not have land or simply find farming unprofitable are leaving the agricultural sector. For many of them, the rural non-farm economy can represent their route out of poverty. The key challenge is to expand the range of economic opportunities available to them – both as employees or as microentrepreneurs – and ensure that they are able to gain the skills they need to take advantage of those opportunities.

It is an appropriate moment to be reflecting on the role that young people can play in the agricultural and rural economies of developing countries. Over a period of almost 25 years, from 1980 onwards, the share of spending by developing country governments and the share of Official Development Assistance (ODA) allocated to agriculture and rural development plummeted. However, in the last few years developing country governments and the international development community have made a series of commitments to increase the level of resources going to agriculture and rural development. These pledges must of course be honoured and built upon. However they must also be given a focus; and in particular, they must be complemented by strategies that unleash the potential of the next generation of farmers and rural entrepreneurs at international, national and local levels.

## Creating the environment and the incentives that encourage young rural women and men to choose agriculture

Agriculture is the leading provider of employment for rural young people in most developing countries. However, the reality is that it rarely provides a living wage. Jobs in the agricultural sector are typified by low pay, low levels of productivity, underemployment, dangerous work and no social protection. Thus, the issue is predominantly the availability of decent work, rather than lack of work.

Agriculture is the largest employer of working children. Over 70 per cent of child labourers – or about 132 million girls and boys – are engaged in the sector.<sup>9</sup> Working all day inhibits their development, preventing them from attending or finishing school, which limits their future prospects. It also often endangers their health and safety.

In such an environment, it is not surprising that large numbers of young people are turning their backs on agriculture. Many prefer to migrate to urban centres in search of decent employment and the opportunity to diversify their families' incomes by sending money home.

9 See (<http://www.fao-ilo.org/fao-ilo-child/en/>).

Unfortunately, urban labour markets are frequently unable to absorb the inflow of migrant workers, and many young migrants lack the education and skills to compete for decent urban jobs.

Looking forward, there is need to provide young women and men with both decent work and livelihood options in their rural communities, including in the agricultural sector, so they can remain there if they choose; as well as appropriate training, support and advice, should they decide to migrate.

Local, national and international debates on this issue must:

- promote policies and programmes that result in real improvements in the quality of agricultural jobs, especially through the adoption of modern technology
- ensure that mechanisms, institutions and support networks are in place to enable young people to become involved in these jobs

Specifically, young men and women need access to:

- land for agricultural production
- modern technologies
- credit facilities
- training in business and entrepreneurship
- support for microenterprise development
- apprenticeships and voluntary work experience
- appropriate career advice and follow-up services

Because young people's situations vary from region to region, approaches must be flexible and sensitive to local socio-economic realities.

When young people begin to see that smallholder farms can be transformed into dynamic, innovative, modern businesses, they will be encouraged to choose agriculture as a career path. Their skills and talents will thus be harnessed in generating a vibrant rural economy that offers employment opportunities in both the agricultural and the non-farm sectors.

In some parts of the developing world, this vision is becoming a reality. In Cambodia, the Young Agri-Entrepreneurs – a training course run by a local non-governmental organization (NGO) – teaches young people how to start their own agribusinesses. Trainees are paid during the course and are given a loan of up to US\$1,000 when they finish, to launch their own business. In 2009, almost 100 young people, 30 of them women, completed the course and set up their own small-scale agribusiness projects.<sup>10</sup>

More targeted interventions aimed at smallholder agricultural workers and rural young people are urgently needed. But these must also be complemented by multisectoral strategies that address the constraints that cripple rural communities, such as:

- poor infrastructure – in particular, lack of access to roads and reliable water and energy sources
- inadequate market information, lack of market access and weak bargaining power
- lack of access to basic financial services
- weak institutions that prevent rural young people, farmers and agricultural workers from gaining access to sustainable livelihoods and decent work<sup>11</sup>

10 Lars Duerkop, A. Bolliger, and W. Scheewe, "Business Development and Youth in Rural Cambodia", *Rural 21: The International Journal for Rural Development*, 2010/03.

11 In Vietnam, for example, the poverty rate of agricultural workers was estimated as being ten times higher than that of non-agricultural workers (Hoang B. Thinh, *Rural employment and life: Challenges to gender roles in Vietnam's agriculture at present*, Research Centre for Gender, Family and Environment in Development, 2009).

## Ensuring that young women contribute to the rural development process and share in the rewards

Women everywhere play a major role in ensuring the food security of their families. Yet young women frequently have fewer opportunities than young men to benefit from education, training and productive agricultural employment. This is the result of traditional gender patterns in the allocation of household labour, career choices, early marriage and motherhood, and restrictions on their movement in some societies. Consequently, many women are extremely constrained in terms of the employment opportunities that are open to them; and when they are involved in off-farm employment, women tend to be engaged in less skilled and less financially rewarding jobs.

However, the potential of women to contribute to rural economic growth and to provide livelihoods for themselves, their families and their communities is well established. In Ghana, for example, women's cocoa yields are as good as men's although they generally have less access to fertilizers and insecticides.<sup>12</sup> In Sri Lanka, an IFAD-supported programme gave women access to vocational training, technologies and microcredit to enable them to transform small subsistence farms into agribusinesses. The result was increased production, reduced risks and multiple pathways out of poverty for the women farmers who took part.<sup>13</sup>

The Employment and Livelihood for Adolescents programme run by the NGO BRAC, provides life skills training and credit facilities to rural women aged between 14 and 25 in Africa and Asia. It helps young women to invest their loans in livestock, vegetable cultivation, poultry and other small businesses.<sup>14</sup> Supporting the empowerment of young rural women expands their opportunities, enabling them to support themselves and their families, and enhancing their status at the household level and in society.

## Leveraging agricultural investments through rural education and training

Deficiencies in rural education, as well as gaps between rural and urban educational levels are well documented.<sup>15</sup> Low enrolment rates, lack of qualified teachers, irrelevant courses, poor facilities and unaffordable school fees paint a bleak picture of the state of rural education. In addition, particularly in sub-Saharan Africa, the HIV/AIDS epidemic has had a severe impact on the older generation, whose role would be to pass on skills and experience to the new generation. There is some room for optimism with indications that the rural-urban gap in education is narrowing in many countries, although reliable data is scarce.<sup>16</sup> It is crucial that we build on these gains and strengthen the quality and relevance of rural education.

Recent years have seen a dip in the number of technical and vocational training courses on offer, particularly in rural areas, perhaps as a result of the focus on the Education for All goals and the second Millennium Development Goal (MDG 2).<sup>17</sup> This is something we need to address along with improving the generally mixed results from existing training programmes. More focused programmes targeting young rural people could produce concrete benefits.

12 Marcella Vigneri, and R. Holmes, *When being more productive still doesn't pay: gender inequality and socio-economic constraints in Ghana's cocoa sector*, (London: Overseas Development Institute, 2009).

13 Anoja Wickramasinghe, *Agricultural Commercialization in Tackling Issues of Poverty and Gender Inequality in Rural Agrarian Economies: a case study*, (Peradeniya, Sri Lanka: University of Peradeniya, 2009).

14 See (<http://www.brac.net/content/economic-development-empowering-adolescents>).

15 *The World Youth Report (2007)* reveals the extent of rural-urban gaps in educational access. In Mozambique, for example 54.9 per cent of urban 16 to 20 year olds were enrolled in some form of education, compared to 29.3 per cent for their rural counterparts. The situation for rural girls is particularly bleak, with many countries reporting less than 10 per cent of 16 to 20 year old girls being enrolled in any form of education or training programme.

16 In Pakistan, the literacy rate of 44 per cent in rural areas is significantly lower than that of 72 per cent in urban areas. This rural-urban literacy ratio of 0.61, however, is a significant improvement on the ratio of 0.34 one generation ago, in 1972.

17 Maria Hartl, *Technical and vocational education and training (TVET) and skills development for poverty reduction – do rural women benefit?*, (Rome: IFAD, 2009).

Programmes are most successful when they respond to specific labour market demands, use the older generation to pass on their skills, are run in partnership with the private sector and provide training in life skills. Apprenticeships and training in microenterprise development have also shown positive results and need to be supported and expanded further.<sup>18</sup>

In Madagascar, an IFAD-funded programme is providing training and apprenticeships for young farmers and other rural residents to help them start up small businesses. The programme is also increasing access to technology and financial services through business development services. During the first two years of this seven-year initiative, 18,000 enterprises were supported by 200 business development service providers in 15 value chains. The programme's partnership with the Federation of Chambers of Commerce facilitates links between smallholders and medium-sized enterprises, generating new opportunities for marketing and setting up professional organizations.<sup>19</sup>

## Involving young people in decision-making and employment generation policies at local and national level

Older people often think of young people as passive recipients of advice and support. This is neither accurate nor productive. We need to talk to young women and men and listen to their views about their goals and prospects, and about the constraints they face. We need to involve them in finding solutions and creating incentives. We must enable young people to participate fully at all levels of society, including in key decision-making processes. This will help them to gain the skills and confidence they need for future productive work, and to develop and demonstrate their values and abilities.

Youth volunteerism in the agricultural sector has shown to be an effective instrument and one worth exploring further. Setting up and empowering youth groups to take part in decision-making processes also helps. Youth banks, saving schemes and cooperatives can promote greater involvement for young people in local economies, and create decent youth livelihood opportunities in smallholder agriculture and other sectors.<sup>20</sup>

In Colombia, an IFAD-funded programme called Oportunidades Rurales trains young people and creates incentives for them to save and to invest their savings in developing their own microenterprises. It also promotes youth inclusion in decision-making by ensuring that all committees evaluating microenterprise proposals have at least one young member.

In Uganda, the Kapchorwa Commercial Farmers Association<sup>21</sup> has enabled young people to take part in profitable agricultural activities. The association is locally run and over the last ten years it has grown from fewer than 30 members to more than 5,000. It has entered into group procurement of fertilizers, obtained delivery contracts with breweries and with the World Food Programme (WFP), and established a warehouse receipt system for its members. As farming has become more profitable, young women and men have become increasingly interested in agriculture and in related training, and entrepreneurial young association members have started renting land to expand their production.

These examples of enabling young people to participate fully in rural initiatives must be adapted and scaled up to foster a young generation that is confident and active in addressing the challenges their communities face.

18 In Liberia, efforts to reintegrate and re-engage young people in productive work have faced many challenges. However, apprenticeship schemes and microenterprise development are two areas where concrete results have been achieved and where there is scope for future advancements (ILO, UNDP: *Employment Opportunities and Working Conditions of Rural and Peri Urban Youth in Liberia*, 2006, p. 19-21).

19 To read more about this programme, visit its website at: <http://www.prosperer.mg>.

20 In Sierra Leone a programme entitled "Youth Engagement and Job Creation through Agriculture" has provided training and resources for young subsistence farmers, encouraging them to promote food security in their regions and contribute to their own empowerment, (*World Youth Report*, 2007, p. 108).

21 The Kapchorwa Commercial Farmers Association is a locally run organization that has received support from, among others, WFP (<http://www.wfp.org/purchase-progress/blog/simply-inspirational>) and USAID ([http://www.usaid.gov/stories/uganda/ss\\_uganda\\_loans.html](http://www.usaid.gov/stories/uganda/ss_uganda_loans.html)). For more information about the association, refer to: IFAD: *Rural Poverty Report 2011* (forthcoming), <http://www.ifad.org/rpr2011/index.htm>.



## The way forward

Until recently, the specific needs and vulnerabilities of young people were not included in development agendas and policy debates. Fortunately, this is now changing.

The United Nations recently proclaimed the International Year of Youth starting on 12 August 2010. During the year, United Nations agencies will organize events that focus on youth issues and the role of young men and women in development. The African Youth Charter, released in 2005, targets education and skills development for young people in order to enhance decent employment opportunities. Young people and women are also targeted in the first MDG, which aims to eradicate extreme poverty and hunger, with full and productive employment for all people.

In cooperation with partners at local, national and international levels, IFAD is working to put young rural women and men at the top of the development agenda. A review of 300 youth employment programmes in 84 countries found that less than 10 per cent had the promotion of youth employment in rural areas as a main objective.<sup>22</sup> While the growing focus on youth issues is welcome, these initiatives must include young rural people – and young rural women in particular – as a special category.

## Questions for discussion

The high-level panel members will be requested to initiate the discussion by reflecting on a series of key questions. These include the following:

- What are the reasons, and what are the solutions for the relative neglect of young people – men and women – in national agricultural programmes, given their critical role in feeding the world tomorrow?
- What are the key steps required at the national level to move the youth agenda forward?
- How can innovative and dynamic partnerships between local and international, and between private and public actors, be created to provide opportunities for the next generation of smallholder agriculturalists to participate at different levels of global value chains, and to promote a fairer global trading system?
- Can agricultural investments and training programmes be coordinated to create synergies and provide concrete economic opportunities and incentives to young smallholder farmers?
- What changes and initiatives do we need to undertake to enable young women to contribute to the rural development process and to share in the rewards?

<sup>22</sup> ILO and IFAD: *Promoting decent and productive employment of young people in rural areas: a review of strategies and programmes*, (forthcoming), p. 6.



Enabling poor rural people  
to overcome poverty

International Fund for  
Agricultural Development  
Via Paolo di Dono, 44  
00142 Rome, Italy  
Tel.: +39 06 54591  
Fax: +39 06 5043463  
E-mail: [ifad@ifad.org](mailto:ifad@ifad.org)  
[www.ifad.org](http://www.ifad.org)  
[www.ruralpovertyportal.org](http://www.ruralpovertyportal.org)

Contact information:  
Rosemary Vargas-Lundius  
Senior Research Officer  
Office of the Chief Development Strategist  
Tel.: +39 06 5459 2350  
Fax: +39 06 5459 3350  
E-mail: [r.vargaslundius@ifad.org](mailto:r.vargaslundius@ifad.org)