The Impacts of the Economic Crisis on Youth

Review of Evidence

October 2010

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* Disclaimer: The views presented in this paper are those of the authors and do not necessarily represent the views of DFID and ODI.

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<th>Full Form</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>AGETIP</td>
<td>Public Works and Employment Agency (Senegal)</td>
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<td>AIDS</td>
<td>Acquired Immunodeficiency Syndrome</td>
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<td>ARV</td>
<td>Anti-Retroviral</td>
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<td>AusAID</td>
<td>Australian Agency for International Development</td>
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<td>BMI</td>
<td>Body Mass Index</td>
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<td>CCT</td>
<td>Conditional Cash Transfer</td>
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<tr>
<td>CIS</td>
<td>Commonwealth of Independent States</td>
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<td>DALY</td>
<td>Disability-Adjusted Life Year</td>
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<tr>
<td>ECLAC</td>
<td>Economic Commission for Latin America and the Caribbean</td>
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<td>EU</td>
<td>European Union</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GIVAS</td>
<td>Global Impact and Vulnerability Alert System</td>
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<tr>
<td>GNP</td>
<td>Gross National Product</td>
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<tr>
<td>HIV</td>
<td>Human Immunodeficiency Virus</td>
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<td>HRW</td>
<td>Human Rights Watch</td>
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<td>ICG</td>
<td>International Crisis Group</td>
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<tr>
<td>ICT</td>
<td>Information and Communications Technology</td>
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<td>IDP</td>
<td>Internally Displaced Person</td>
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<td>IFLS</td>
<td>Indonesia Family Life Survey</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IOM</td>
<td>International Organization for Migration</td>
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<td>IRIN</td>
<td>Integrated Regional Information Network</td>
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<td>LSMS</td>
<td>Living Standards Monitoring Survey</td>
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<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>OVC</td>
<td>Orphans and Vulnerable Children</td>
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<td>PISA</td>
<td>Programme for International Student Assessment</td>
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<td>SSA</td>
<td>Statistics South Africa</td>
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<td>STD</td>
<td>Sexually Transmitted Disease</td>
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<td>UK</td>
<td>United Kingdom</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNAIDS</td>
<td>UN Joint Programme on HIV/AIDS</td>
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<td>UN DESA</td>
<td>UN Department of Economic and Social Affairs</td>
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<td>UNDP</td>
<td>UN Development Programme</td>
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<tr>
<td>UNESCO</td>
<td>UN Educational, Scientific and Cultural Organization</td>
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<td>UNFPA</td>
<td>UN Population Fund</td>
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<tr>
<td>UNICEF</td>
<td>UN Children’s Fund</td>
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<tr>
<td>UNODC</td>
<td>UN Office on Drugs and Crime</td>
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<td>US</td>
<td>United States</td>
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<td>WHO</td>
<td>World Health Organization</td>
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Executive summary

Background
Although the effects of the global economic crisis have been uneven, very few countries have been unscathed by the immediate and knock-on effects of declining demand for exports, reduced remittances, reduced opportunities for migrants and declining aid budgets. The effects of these on employment, public sector revenues and services have been compounded by sharp rises in food and fuel prices, impacting severely on poor people and pushing many millions more into poverty. The cumulative effects of these price rises, and of the often asset-depleting coping strategies that poor people have been forced to engage in, continue to make everyday survival difficult even in countries recovering from the economic crisis.

The impacts of economic crisis on young people (aged 15-24) are of concern for two key reasons:

1) Harnessing the productive energies of the youth cohort can make an important contribution to development. At least a third of the growth of the Tiger economies from the late 1960s is attributed to a combination of good quality secondary education and productive employment opportunities for youth. Failing to capitalise on this, by for example, allowing large-scale youth unemployment, can be a critical missed opportunity and can contribute to social unrest. This is particularly the case for countries with a youth bulge (large youth cohort relative to the rest of the population).

2) Young people are vulnerable to the effects of crisis for a number of reasons:

- **Youth is a critical developmental stage.** In late adolescence biological developmental processes are still underway, while social and psychological maturation continues into early adulthood, meaning that deprivations during youth can have long-term, potentially lifelong effects.
- Despite this, **second only to children, they are the population group most likely to be income poor.** In addition to their higher rates of income poverty, many of today’s young people spent significant parts of their childhood in poverty during previous economic crises, grew up undernourished, prone to ill-health, and with limited education and experience. Thus they are often attempting to weather the current crisis from a structurally disadvantaged position.
- **Many young people are working in sectors that are particularly vulnerable to the global downturn,** such as export-oriented manufacturing and the main informal sector businesses that are linked to manufacturing, whether as suppliers or as providers of services to manufacturing employees.
- Almost everywhere, youth unemployment rates are higher than general unemployment rates. During this and past crises, **young people have often been disproportionately vulnerable to lay-offs and the already extensive barriers to first employment that young people face in many countries have been exacerbated.**
- **Young people’s political influence is limited.** Those under 18 have no political voice, and young adults often find political structures dominated by older people. At the same time fear of frustrated, unemployed youth, and youth crime can dominate youth policy making.
- **Relatively, investment in young people is generally undervalued.** In many contexts, investment in young people is seen as a low priority, and the attitude that young people should stand on their own two feet and not expect public support is common.

These youth-specific vulnerabilities, together with the bulging youth cohort in many developing countries, mean that **acute or protracted economic crises risk trapping young people in unemployment or underemployment,** or in low productivity jobs and missing out on the potential demographic dividend that investment in a substantial youth cohort can achieve.
At the same time as these factors, which are likely to increase young people’s vulnerability, the many strengths and the resilience of young people are a force in the opposite direction, helping them cope with the crisis and work towards realising their aspirations, even in an unpromising context. Recognising this should not obscure the fact that resources for coping are largely structured by the same inequalities that determine young people’s life chances, which are often sharpened during crises.

Second-order and longer-term effects
The indirect effects of crises on youth extend to other social groups.

- **Young people are also crucially placed to interrupt the intergenerational transmission of poverty.** By age 24, 50% of women in developing countries have already become mothers; what happens to young people’s health, nutrition and education is thus crucial for the survival, wellbeing and developmental opportunities for their children. In some contexts, mothers’ education is the single most important factor in child survival and wellbeing, and thus a crucial arena for preventing intergenerational poverty cycles.

- **Working young people** (including young migrant workers) are often supporting both older and younger family members, frequently in rural areas and are an important source of development finance in these areas. Longer-term effects on poverty and investment in remittance-receiving areas may therefore arise.

Evidence of the impacts of economic crisis on young people
This report summarises evidence of the impacts on young people of past recessions and economic crises, as well as emerging evidence from the current crisis. The availability of evidence varies significantly from issue to issue. For example, there is substantial evidence from longitudinal studies in both developing and developed countries of the effects on young people’s employment and education. By contrast, for young people’s overall health and nutrition, information is much more limited, although information was available on some areas, such as sexual and reproductive health and substance abuse. In comparison with evidence concerning the effects of crisis on children, there is less, particularly in relation to health.

The report draws on evidence from two types of crisis: discrete crises such as the Asian financial crisis of 1997/98 (by far the best analysed in terms of its social effects) and longer-running crises such as the stagnation and/or economic decline in many Latin American, African, Eastern European and Commonwealth of Independent States (CIS) countries in the 1980s and 1990s, and associated chronic poverty. Most studies of the Asian financial crisis were conducted during it or shortly after, which means that they may miss lagged effects and underestimate some of the longer-term effects. It is clear that, for some issues, such as increased rates of youth crime, there is a long gestation period.

Overall, the impacts on young people have been greatest in protracted and acute crises. During the most recent crisis, young people in poor urban areas, and those who have lost work owing to reduced export orders have been particularly severely affected. By contrast, young people in food producing areas have often experienced rising incomes.

**Employment**
Young people suffer disproportionately in labour markets in times of crisis. They are particularly vulnerable to layoffs, are more likely to suffer declining wages and frequently are pushed into informal sector work with very poor pay and conditions and very few protective rights. There is qualitative evidence of young women taking up sex work after being retrenched in the current recession. Among migrant workers, young men have been particularly affected by downturns in stereotypically ‘male’ sectors, such as construction, although it is not clear whether they have returned home or continue to seek work in their destination.
The Impacts of Economic Crisis on Youth

**Education**
In poorer countries, and for poorer groups, the effects of crisis are usually pro-cyclical – education enrolment rates tend to fall and dropout rates increase during a crisis. In higher income countries, by contrast, educational enrolments at secondary and tertiary levels usually increase, as the opportunity costs decline and young people seek to invest in their future employability. Even so, poorer young people are much less likely to stay in education.

**Health**
There is little evidence of increased mortality rates among young people during economic crises, in contrast with sharp increases for infants and children under five. General levels of ill-health among young people tend to increase during crises, with particular rises in sexually transmitted diseases (STDs) and substance abuse-related illness. There is some evidence of declining overall use of health services, and this may be particularly marked among adolescents and young adults. Studies in Indonesia and Thailand found fewer births being attended and less use of antenatal care, meaning that the health risks to both mothers and babies were likely to increase. Where health sector expenditure declines significantly, as in Peru during the crisis of the late 1980s and early 1990s, both morbidity and mortality increase; by contrast, in countries affected by the Asian financial crisis, where health sector expenditure was better protected, the effects on health were more limited, although some areas of particular significance to young people, such as reproductive health and HIV/AIDS prevention, suffered significant cuts.

**Nutrition**
The main evidence of impacts on young people’s nutrition comes from one study in Indonesia. This found that as a result of the Asian financial crisis the Body Mass Index (BMI) of mothers declined and the expected increase in adolescents’ BMI did not take place, with boys particularly affected. Other studies from Indonesia also indicate an increasing incidence of micronutrient deficiencies, such as iron deficiency anaemia and night-blindness, during the 1997/98 crisis. There is also anecdotal evidence from Argentina of increasing obesity in the aftermath of the economic crisis of 2001.

**Social well-being, inclusion and citizenship**
Although documentation of hard-to-measure and hard-to-research social problems, such as intra-household conflict, domestic violence, suicide, substance abuse, commercial sex work and mental health problems is limited, there is qualitative (and some quantitative) evidence of increases in all of these among young people during economic crises, past and present. In addition to their effect on the quality of young people’s lives now, many of these social problems can have long-term effects on young people’s health (leading to death in some cases), ability to work, social integration and future poverty. As such, they can affect future generations as well as today’s young people.

Contrary to commonly held perceptions, there is little evidence that economic crises lead to increased pressures on young women, in particular, to marry early, although there are exceptions. There is clear evidence from the Middle East and Sub-Saharan Africa of young people, particularly men, having to delay marriage during economic crises until they have steady jobs, thus delaying an important rite of passage into adulthood. There is some evidence of young people facing economic shocks temporarily postponing childbearing, but very little evidence that economic shocks reduce the total number of children they wish to have or aggregate birth rates.

There is very little evidence on the impact of crisis on young people’s political engagement. There are examples both of increased political engagement and of disengagement from formal political processes, resulting in alienation or in non-traditional forms of civic and political mobilisation.

**Crime and security**
The evidence reviewed here indicates that economic crisis is an important factor underlying rising youth crime and, indeed, overall crime rates. Increased poverty can create incentives for theft and robbery; increased youth unemployment means many young people with time on their hands; and
alienation from a society that provides limited opportunities for youth can lead to resentment of inequalities. These, in turn, may be expressed directly through crime or can lead to substance abuse, which itself often propels criminal activity. Some analysis suggests that the impact of crisis on family and social support for young people is more critical than the immediate effects of poverty and unemployment.

**Gender-based effects**
Gendered effects are complex. There is evidence of young men suffering more than young women in some countries and in certain dimensions of well-being, such as nutrition and becoming a victim of crime, and in some labour markets. In other contexts, young women face greater discrimination, both in the labour market and education, or are rendered particularly vulnerable by institutionalised gender inequalities that value young men's time, leisure, health and well-being more than those of young women. Negative effects of crisis on young women’s employment are greatest in regions with historically large gender inequalities.

**Policy responses**
Failing to protect young people’s employment, health and education opportunities can significantly disrupt their transition to healthy, socially integrated, productive adulthood and increase the intergenerational transmission of poverty. Conversely, the potential developmental gain from harnessing the ‘youth bulge’ means that efforts to prevent economic crises undermining young people’s current well-being and future opportunities should be accorded greater priority than they have to date. In particular, development strategies that prioritise creation of youth employment opportunities should be a particular priority, along with investments in human development that ensure that future youth enter youth bulges healthy and well educated. Effective youth-focused responses to crisis are hampered by the lack of overall evidence on the cost effectiveness of different interventions, and filling this gap should be a research priority. However, the following policy instruments and approaches have proved effective in helping young people weather crises:

- **Cash transfers** – both conditional and unconditional – have helped poor young people remain in secondary school during times of crisis.
- **Maintaining or enhancing the quality of education** during crises is a crucial complement to measures to boost demand among poorer adolescents, such as cash transfers.
- **Job and wage subsidies and on-the-job training** that helps increase productivity have all proven effective in helping create or maintain jobs for young people.
- **Preventing a rise in youth crime** requires both measures that reduce poverty and increase young people’s stake in society, such as employment promotion and cash transfers, and action to enhance social cohesion. There is indicative evidence of programmes that engage young people in sports, drama and community service, mentoring programmes and parenting education for parents and carers of adolescents all helping provide a supportive social network that reduces the attractiveness of gangs and other criminal groups as a source of social and emotional support.
- Young people’s health is best safeguarded during crisis through **general measures that ensure their access to the health system**. This may mean extending guarantees of free health to young people. **Increasing the youth friendliness** of health care may also be needed for areas of health where young people tend to be overrepresented, such as in sexual and reproductive health and substance abuse, and where they may find services aimed at older users off-putting. In some societies, young people may have particular need of mental health services, as they struggle to make transitions to adulthood in a context of economic insecurity and deprivation.

The following approaches have a less good track record:
The effectiveness of **temporary employment programmes** in helping young people gain skills or move into longer-term work is limited. They are, however, an effective poverty alleviation instrument during crises, and as such are potentially relevant to young people.

**Pre-employment skills training** for young people is usually relatively ineffective in helping young people find employment or increasing levels of remuneration once they are in employment. On-the-job training and training through apprenticeships or job placement programmes for unemployed young people have been more effective at both goals. Adult education in functional literacy and numeracy has also proven helpful in enabling young people who missed out on basic education to work more effectively.

Most effective **programmes to support young people’s entrepreneurship** are costly; many young people’s businesses fail, and supporting this is not a simple alternative to active labour market measures to increase employment opportunities for young people.

**Evidence gaps**

The following evidence gaps need to be filled:

- Effects of crises on monetary poverty rates among young people, recognising that although young people are disproportionately likely to be poor, the dynamic nature of crises and recovery means there is likely to be considerable change over a relatively short period of time;
- Effects of crisis on socially excluded young people, such as religious and ethnic minorities and disabled young people;
- Lagged effects of short-term crises;
- Effects of crisis on: employment among 15 to 17 year olds and hazardous and exploitative work in this age group; hard-to-research areas of social well-being such as mental health, intra-household tensions, domestic violence; and commercial sex work and trafficking; young people’s political engagement and mobilisation;
- Effects of crisis on maternal mortality and morbidity among young women, and on obesity;
- Young people’s perspectives and experiences of crises;
- The distributional effects of macroeconomic crisis responses on different social groups, including youth;
- The effects of crisis and post-crisis fiscal tightening on budgets for key youth-focused programmes;
- Youth-focused civil society responses and responses of youth organisations to crises;
- Cost-benefit analysis of different policy options for investing in young people and mitigating the effects of crisis and the effectiveness of different approaches over the longer term. This is the most critical evidence gap, and filling it should be priority.
1. Introduction

1.1 Background to crisis and the current situation

The past three years have seen economic crisis spread from the US and Western Europe to much of the developing world. Although the effects have been uneven, very few countries have been left unscathed by the immediate and knock-on effects of declining demand for exports, reduced remittances, reduced opportunities for migrant workers and declining aid budgets. It is now clear that the impacts on developing countries of the richer world’s recession extend substantially beyond lost exports and the associated loss of jobs as consumption in the North has decreased. Informal sector businesses that supplied or serviced these export-oriented industries and their workers – in sectors as diverse as outsourced garment manufacturing, food vending, provision of rented accommodation for factory workers and waste recycling – have all suffered from the downturn (Horn, 2009). Young people tend to comprise a significant proportion of the workforce in export-oriented manufacturing and so are likely to have been hard hit by the global economic downturn. Furthermore, where youth unemployment is high, young people are often overrepresented in the informal sector, and thus are vulnerable to the knock-on effects on informal sector businesses.

In most developing countries, and for most poor people, the effects of rising food and fuel prices have far outweighed those deriving from the financial crisis (Hossain et al, 2010). These have compounded the already extremely precarious lives of millions of people, for whom the struggle to survive is a permanent crisis. In addition to the global triple (food, fuel and financial) crisis, many countries are facing (or have faced over the crisis period) additional local shocks, related to adverse weather, such as floods (e.g. Bangladesh (GIVAS, 2009)) or epidemics, such as H1N1 in Mexico, which have exacerbated the effects of the food, energy and financial crises (Horn, 2009).

Although food prices have declined from the peaks that they reached in 2008, many remain considerably above their 10-year average. In some countries, food prices are not significantly lower than at their peak in 2008 (Hossain et al, 2010) and in some, they are projected to rise again (Branigan et al, 2010). Even where they are, inflation has had cumulative effects in eroding real incomes, so that people are paying more – in some cases dramatically more - for their food in 2010 than they did in 2007, and they have been doing so for two or three years. (Hossain et al. 2010). Similarly, the price of oil remains 54% above its 10-year average (Mendoza and Torres, 2010) and fuel prices concomitantly high in many countries. This means that even where macroeconomic indicators show recovery, for poor people this has been a long, deep and continuing crisis.

The International Monetary Fund (IMF, 2010) indicates that Asia, Latin America and Africa are recovering well, but that recovery in the emerging economies of Europe and the Commonwealth of Independent States (CIS) is lagging, and that recovery is more advanced in the US than in Europe or Japan. In other words, the outlook is highly uncertain, and projections concerning recovery, and thus those regarding the numbers of people and different social groups particularly affected, are ‘subject to a greater than usual margin of error’ (Harper et al., 2009). Studies that combine insights from analysis of macroeconomic and sectoral trends and qualitative research with affected communities and vulnerable groups suggest that while the overall impact has not been as deep, widespread or long-running as was initially feared (McCulloch and Grover, 2010; Green et al., 2010), certain vulnerable groups (including some groups of young people) have been hard hit and have experienced very limited recovery (Green et al, 2010; Hossain et al, 2010). Furthermore, some of the coping strategies that households have employed have depleted assets, making

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2 For example, whereas in 2009/10 the average growth rate for the European Union (EU) was 0.1% and for the US and UK 0.3%, in China the average growth rate was 8.7% (Weeks, 2010).
everyday survival more difficult and undermining their longer-term prospects of escape (Turk et al, 2010).

The crisis has left many developing countries with a large ‘hole’ in their finances, arising from both declining export revenues and higher than average fiscal deficits which financed countercyclical stimulus packages. Analysis of budget documents from 43 low-income countries indicates that half were expected in 2010 to have revenue levels below those of 2008. At the same time, many of those with significant levels of debt are starting to cut public expenditure in order to reduce budget deficits and prevent indebtedness rising unsustainably. Education and social protection have been particularly affected, as have investment in agriculture and infrastructure, albeit less so (Martin and Kyrilli, 2010). Examining changes in the levels and composition of social expenditure, and on programmes of direct benefit to young people during the current crisis and recovery period, was outside the scope of this report and the evidence reviewed did not disaggregate sufficiently to draw conclusions about past crises. It is worth noting, however, that programmes benefiting relatively small and/ or stigmatised disadvantaged groups are particularly vulnerable during a context of fiscal tightness (see Section 4.3.4 on areas of HIV/AIDS funding most likely to be cut). Even where young people as a cohort are not particularly disadvantaged by the effects of crisis, specific groups can be severely affected by cuts of this nature, and this should be monitored.

1.2 Objectives of Report and Evidence Reviewed

1.2.1 Objectives and rationale for report
The main objectives of this report are to review evidence about the impacts of economic crises on young people, and to draw out implications for young people in the present crisis, in particular indicating which groups of young people and in what circumstances were most likely to be vulnerable in the present/recent crisis. It is intended to identify impacts that are likely to have long-term, intergenerational or wider social effects, and those where the impacts are more discrete or shorter-term. Finally, this report is intended to draw together evidence on policies that have proven effective (or otherwise) in protecting young people during and following economic crises.

Though the specific causes of and responses to each crisis have been different, many of the impacts on young people have been broadly similar. In part this is because many of the transmission channels are common to a range of crises, with effects on household purchasing power, employment and access to services most significant, (see analytical framework diagram in Section 1.5). In part it is because the main areas of young people’s vulnerability reflect the life transitions they are engaged in, the fact that they have had fewer opportunities to develop human and social capital, and their frequently marginalised social position, and are also common to most economic crises. This means that how youth have fared in past crises and periods of economic stress (including chronic poverty) can provide important warning signals of how they may be affected by the current and future crises.

1.2.2 Evidence reviewed
This report is based on an extensive review of literature in English available from international academic and policy sources.

The most detailed analyses of the impacts of recessions and economic crises on youth are based on longitudinal data, usually panel studies. (See Annex 3, which provides examples of the key studies used in this review.) These have focused on education, some aspects of health, employment and crime. Not all analyses disaggregate sufficiently by age to be able to clearly identify the impacts on young people, or the differential impacts on different groups of young people. (For example, many studies of fertility behaviour consider women aged 15 to 49.) For some issues, less amenable to quantification or considered less important, such as the effects of

3 It is one of the issues being covered in the country studies for this project.
crisis on young people's mental health, social capital or leisure time, there is much less information available. The effects of crisis on young people's political engagement and mobilisation are hardly discussed at all. On issues where very little youth-specific information is available, this report presents more general findings from the literature on crisis and then discusses the implications for youth. Also, where the effects of crisis on other population groups are of particular relevance to young people, these are highlighted. For example the effects of crisis on infant health and mortality are a key issue for youth, in that 50% of young women in developing countries have already become mothers by age 24.

There is more analysis of the effects of shorter crises, such as the Asian financial crisis (1997/98), the crises in Mexico (1994 to 1996), Peru (1987 to 1991) and Argentina (2001) and Russia's financial crisis of 1998. Longer-running crises, such as the stagnation, decline and chronic poverty experienced by many of the poorer countries in the CIS following the collapse of the Soviet Union, and by Sub-Saharan African and Latin America during long periods of adjustment, provide a window on the potential long-term implications of harm to young people’s wellbeing and a lack of investment in youth. Finally, the literature also discusses the effects of unemployment shocks (whether occurring during a broader economic crisis or not) on various aspects of young people’s well-being.

Many of the studies of the impact of the Asian financial crisis (the single crisis for which the social impacts are most extensively documented) took place relatively shortly after the end of the crisis; they may underestimate some of the longer-term effects of that crisis. If this is the case, this is a particularly important bias in the literature. Countries with good quality panel data from household surveys, such as Indonesia (e.g. the Indonesia Family Life Survey (IFLS)), or those with reliable administrative data, such as Thailand, Brazil and Mexico, are overrepresented in the literature. Sub-Saharan Africa, as a whole, is underrepresented. This report draws selectively on information from Organisation for Economic Co-operation and Development (OECD) countries, primarily for issues where no poorer country data are available.

Many of the social effects of the present/recent crisis have not been fully identified: because they are not being covered by monitoring systems; because they unfold over a period of time; and because there is a time lag between events unfolding, trends being noticed and those trends being documented in internationally accessible media. Little evidence of the effects of the present/recent crisis on young people is available, for all these reasons. However, there is substantial evidence from past crises of the effects of recession and price rises on young people’s education, health and employment, and some more indicative evidence about the effects on crime and young people’s social well-being, to inform an assessment of the likely effects of the present crisis on young people.

Many changes that influence the opportunities, well-being and choices of youth are occurring alongside, or independently to, the effects of crisis: for example trends towards smaller numbers of children per woman; greater enrolment in secondary education; greater individualism and autonomy for youth (in some cultural contexts); the realignment of employment opportunities, growth, marginalisation and poverty that globalisation has engendered; and the effects of climate change. The crisis may compound some of these changes, work in opposite directions to others and be relatively neutral for some. Crisis-related changes therefore need to be interpreted in the context of these broader trends.

1.3 Unpacking the category ‘youth’

The 2007 World Development Report (World Bank, 2007) outlines key transitions made by young people as they move from childhood to adulthood. These relate to: education (‘learning for work and life’), moving into employment, growing up healthy, family formation and exercising citizenship.
In different cultural contexts, particular transitions have greater or less significance as markers of adulthood. For example, in some cultural contexts, young people who are unmarried and childless are not seen as full adults (Antoine et al., 2001, in Cling et al., 2007; Dhillon et al., 2009). In other societies, age, employment and setting up one’s own household are more significant markers.

The UN definition of youth, used for this report, covers people aged 15 to 24 inclusive. This is a broad spectrum, including people who are essentially children, supported by adults and with limited decision-making power, as well as autonomous adults with independent livelihoods and who have formed their own families. Overall, this period can be conceptualised as a continuum towards increasing economic independence and autonomy and exercise of adult responsibility, changes in all of which may continue past age 24. The trend towards greater proportions of young people attending secondary school, and rising ages of marriage, means that, at the lower end of the spectrum, young people are dependent on parents for longer than in the past.

There are, of course, many exceptions to this broad characterisation, reflecting particular economic and social circumstances. Millions of 15 to 18 year olds are essentially economically self-supporting or making substantial economic contributions to their household, often alongside study. In South Asia and parts of West Africa, such as Mali, 60% of 15 to 19 year old girls are married (World Bank, 2007) and, particularly when residing with in-laws, may find their autonomy and decision-making power no greater than in their natal home. Over 30% of 15 to 19 year olds in countries such as Mozambique and Bangladesh are either already mothers or pregnant (ibid). In general, poorer young people make the transition to adulthood earlier in almost every arena – entering the labour force (often as children), leaving education and often forming families.

This report aims to convey the diversity of young people’s experiences and thus of the ways the crisis may affect them, while aiming to generalise sufficiently to draw policy-relevant lessons.

### 1.3 Why focus on the impacts of crisis on youth?

The impacts of recession and economic crises on youth matter, both for instrumental and for intrinsic reasons. Today’s young people deserve consideration as human beings with rights, just like any other social group. More instrumentally, there are both significant pay-offs to investing in young people and preventing their opportunities and wellbeing being compromised during crises, and significant social costs of failing to do so.

#### 1.3.1 Young people constitute a numerically significant group

The 1.2 billion young people aged 15 to 24 make up 18% of the world’s population (UN DESA, 2007). This equated to 738 million young people in Asia in 2007 (18% of the population) and 20% of the population, 157 million people in Sub-Saharan Africa in 2005 (ibid). Given young people’s greater risk of poverty, and of crisis-induced unemployment than that of the population as a whole, young people are a large vulnerable group which should not be ignored.

#### 1.3.2 Youth bulge and dividend

Relatedly, many low- and lower-middle-income countries, including some of the world’s most populous developing countries, are experiencing or will shortly experience a ‘youth bulge, a period of demographic transition where the size of the youth cohort peaks (Komarecki et al., 2010). This is a one-off window, whereby countries can reap a ‘demographic dividend’ from their educated,

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4 In many countries, the cohort of young people is considered larger than this, up to age 29 or 35 (World Bank, 2007). In some countries and by some organisations, people aged 10 or 12 and over are considered youth rather than children.

5 For example, in India in 2002, 15 to 19 year olds from the richest 20% of the population had a median of 10 years more schooling than 15 to 19 year olds from the poorest 40% (UNFPA, 2002, in UN DESA, 2007). A 17-year-old rural Latin American woman from a poor household is four to ten times more likely to have a child than a well-off urban 17-year-old woman (ECLAC, 2004, in UNDESA, 2007).

4
healthy and gainfully employed young people, and can achieve substantially higher growth rates. For example, the youth dividend is considered to have accounted for one-third of the growth of the Tiger economies from the 1960s to the 1990s (Bloom and Canning, 2003, in UN DESA, 2007).

On the other hand, failing to invest in the youth bulge represents a lost opportunity for development. For example, in Jordan youth exclusion (joblessness, adolescent pregnancy, early school dropout and migration) cost an estimated 7.2% of gross domestic product (GDP) in 2007, and meant a loss to Egypt of 17.2% of GDP (Chabaan, 2007, in Dhillon et al., 2009). The exclusion of young people can fuel anti-developmental trends, such as rising youth crime and violence, the effects of which are often geographically concentrated in poor and disadvantaged areas.

In the context of crisis, the potential developmental gain from harnessing the ‘youth bulge’ means that efforts to prevent the economic crisis undermining young people’s current well-being and future opportunities should be accorded greater priority than they have been to date.

1.3.3 Prevention of intergenerational poverty cycles
Young people moving from childhood to adulthood present a uniquely important opportunity to prevent the intergenerational transmission of poverty. Late adolescence is a sensitive period in terms of physical growth, and early adulthood a critical time for developing skills and experience that facilitate the transition to adulthood. Ensuring that young people have the opportunity to complete their education and find productive, adequately remunerated work greatly increases the likelihood that they will escape from poverty in their adult lives. In turn, this means that their children have a much greater prospect of growing up adequately nourished, healthy, in an emotionally supportive environment and with limited risk that they will have to interrupt or sacrifice their education because of family financial difficulties (Harper et al., 2003).

1.3.4 Vulnerability of young people in the current crisis
The evidence from previous crises, discussed in detail in sections 2-7, suggests that crises – particularly acute or protracted ones – can have severe effects on young people’s employment opportunities, health, and social wellbeing, as well as on crime and social cohesion more broadly. The interaction of the factors discussed below increases the likelihood of economic crises having a negative long-term effect on young people.

Structurally disadvantaged position at the outset
Second only to children, young people are the population group most likely to be income poor. For example, in Latin America and the Caribbean in 2002, 45% of 15 to 19 year olds were considered poor, compared with 33% of adults aged 30 plus (UN DESA, 2007). The figures for 20 to 24 year olds were closer to the adult figures, suggesting that younger adolescents were particularly vulnerable to poverty.

Young people who grew up in chronic poverty, or in previous periods of economic crisis, turmoil or downturn, have often missed out on a full or adequate basic education. Thus in 2007 117 million 15 to 24 year olds, the majority of them young women and largely in South Asia and Sub-Saharan Africa were illiterate (UN DESA, 2007; World Bank, 2007). Box 1 indicates the scale of youth deprivation in the late 2000s, i.e. before the onset of crisis.

Box 1: Issues facing youth on the eve of the triple crisis

- Young people in East Asia and South Asia were three times more likely than adults to be unemployed, and in Southeast Asia and the Pacific five times more likely (UN DESA, 2007).
- The number of young unemployed people in Sub-Saharan Africa grew 34% between 1995 and 2005 (UN DESA, 2007). In 2005, youth aged 15 to 24 made up 36.9% of Africa’s working-age population, but 59.5% of the total unemployed, much higher than the world average (43.7%) (World Bank, 2009). In Southern Africa in the late 2000s, four times as many 15- to 24-year-old women as men had HIV/AIDS (Temin and Levine, 2010).
The Impacts of Economic Crisis on Youth

- Over half of young women in India aged 15 to 19 in the mid-2000s had had no education (UN DESA, 2007). Two-thirds of 20 to 24 year olds in Latin America had not completed secondary schooling in 2002, and 18 percent of 15 to 19 year olds and 27% of 20 to 24 year olds were not in education, training or employment (ECLAC, 2004, in UN DESA, 2007).
- Adolescents account for just over 10% of births but 23% of the burden of disease from maternal conditions. Between 60,000 and 70,000 girls aged 15 to 19 die from complications of pregnancy and childbirth every year (WHO, 2008, in Temin and Levine, 2010).

Thus significant numbers of young people had few resources to call upon when the present crisis hit, have had to attempt to weather the present/recent crisis from a structurally disadvantaged position, to employ coping strategies that may undermine their futures, and are thus at risk of being trapped in poverty in the long term.

**Ongoing biological and psychosocial development**

Biological and psychosocial developmental processes are still underway during youth. Between the ages of 15 and 21 or so, young people are still maturing biologically, growing and gaining body strength. Neurological development continues during adolescence and into early adulthood (World Bank, 2007) while social and psychological maturation takes longer still. These processes of maturation are one reason why childbearing is so much more hazardous for young women aged under 20 and why maternal mortality rates in this age group are so much higher than for women aged 20 to 39 (Temin and Levine, 2010).

Deprivations to young people’s well-being can have long-term effects, across a wide range of dimensions. For example, malnutrition of girls in adolescence not only compromises their ongoing development but substantially increases the risk that babies will be underweight and suffer more health problems, both in childhood and in later life. Early marriage and childbearing increases the risks to adolescent mothers and their babies of mortality or health complications (Canning et al., 2009, in Temin and Levine, 2010). Or to take another example, patterns of behaviour developed in adolescence – including violent or criminal behaviour, can become entrenched and be difficult to overcome.

**Young people’s political influence is limited.**

Those under 18 have no political voice, and young adults often find political structures dominated by older people. At the same time fear of frustrated, unemployed youth, and youth crime can dominate youth policy making, sometimes crowding out action in other areas (e.g. young people’s reproductive health).

**Relatedly, investment in young people is generally undervalued.**

In many contexts, investment in young people has been historically and continues to be seen as a low priority, and the attitude that young people should stand on their own two feet and not expect public support is common. Investigating this issue and its possible effects on crisis response and recovery programmes was beyond the scope of this review, but it is likely to increase young people’s vulnerability to the effects of crisis.

**Young people’s resilience**

Despite the many factors, which increase young people’s vulnerability during economic current crises, young people’s strengths and resilience are a force in the opposite direction, helping them cope and work towards realising their aspirations, even in an unpromising context. Young people are often more determined, creative and energetic than some of their older counterparts, driven by a desire to make something of their lives. They are usually healthy and more mobile, and may be less constrained by adult obligations than the next generation (World Bank, 2007). These qualities may all help mediate the effects of crisis on young people. This said, many of these resources for coping and progressing are largely structured by the same inequalities that determine young people’s life chances in the first place: in education; in social capital that helps young people find
work or provides emotional support and encouragement; in access to capital to start up a business or migrate; and in health, which is so profoundly affected by early nutrition, access to food, quality of living and working environment and access to health care. While some young people overcome the most unpromising early lives with a determination built from adversity, many more do not. The fact that many poor young people are, by necessity resourceful and resilient should not be used as an argument to direct policy attention and resources away from young people towards other groups.

1.4 Conceptual framework to analyse the impacts of crisis on young people

The conceptual framework outlined here brings a youth lens to studies of the impact of economic crises on children, such as Conceição et al. (2009), Harper et al. (2009), Jones et al. (2009), Marcus (2010) and Mendoza and Torres (2010). It emphasises vulnerabilities of youth in the current crisis – vulnerabilities deriving from wider aspects of poverty and social exclusion and those specific to youth of different ages, genders, economic and socio-cultural circumstances, and also the strategies young people engage in to cope with the effects of crisis and realise personal and familial goals in this context. The wide age range within the category ‘youth’ means that, for any particular response to crisis, some young people will essentially be ‘at the receiving end.’ Others will be active participants in, or initiate, action. It also highlights a range of youth-specific policy approaches, some of which have been employed as crisis response measures and some of which are more established approaches which could be scaled up to respond to specific problems predicted or emerging from the crisis. Figure 1 presents a diagrammatic representation of this conceptual framework.

1.5 Organisation of Report

The report is organised as follows: Taking each of the areas of impact outlined in the conceptual framework in turn, sections 2-5 review evidence concerning the impacts of crises on youth, in relation to employment, education, health and social well-being and citizenship (the latter category including crime and security). There is no separate discussion of the impacts of crises on youth poverty simply because no evidence of this at all could be found in the literature reviewed. Section 6 discusses evidence concerning the effectiveness of both general and youth-focused policy responses for young people affected by crisis. Section 7 highlights gaps in the evidence base and Section 8 concludes, summarising the main points and presenting policy recommendations. The Annexes present detailed tables collating information on youth vulnerability (Annex 1), policy responses (Annex 2) and evidence gathered from longitudinal studies (Annex 3).
Figure 1: Conceptual framework for tracing the impacts of economic crisis on young people

Economic crisis – food, energy and finance

**Dimensions of macro environment**
- Remittances
- Trade/prices (commodities)
- Aid and foreign direct investment
- Indebtedness
  - Fiscal space
  - Exchange rates

**Meso-level crisis effects**
- Reduced access to credit
- Declining investment in public services
- Rising food, energy and other prices of key household goods
  - Poorer working conditions: rising un/under employment, & declining wages

**Affecting youth directly & indirectly through:**
- Effects on household livelihoods and responses: management of assets, consumption of goods and services, household labour allocation, household composition, nurture, care and protection
- Access to and quality of services
  - Effects on social capital and cohesion

**Mediating factors**
- Duration, breadth and depth of crisis
- Vulnerability of household (based on poverty, livelihood source, household composition, social exclusion)
- Age, gender, position in household and stage in life-course
- Broader social position of youth
- Public policy responses and civil society provision – both crisis specific and longer term

**Impacts on youth**
- Poverty
- Health
- Education
- Employment
- Social well-being, security and citizenship
2. Impacts of crisis on young people’s access to decent employment

One of the most profound and direct ways that young people are affected by economic crises is through their effect on young people’s employment opportunities, and by the work-related coping strategies that they undertake to try to make ends meet. A robust body of evidence indicates that young people particularly bear the brunt of economic crises and the effects of slowdowns on the labour market. Economic shocks not only affect those young people already in the labour market but also create significant difficulties for a new generation of entrants into the labour market, as they embark on their school-to-work transition. The evidence reviewed also reveals that young people are very likely to suffer deteriorating employment conditions during economic downturns, as many are forced to seek refuge in the informal sector and less secure employment. This in turn may lead to depreciation of skills and lower earnings for young people, delaying transition to adulthood, with a consequent decrease in social well-being. This section explores these issues in more detail by reviewing the available evidence from past economic crises and emerging evidence from the. Issues examined include: the risk of unemployment; shifts in types of employment and quality of work; and coping strategies. This section also discusses some of the long-term consequences of youth unemployment.

2.1 Risk of unemployment

Economic shocks have typically resulted in major rises in youth unemployment, given young people’s already marginalised position within the labour market (see Box 2). In OECD countries, the youth unemployment rate is around three times more sensitive to economic shocks than that of adults (ILO, 2008). The relative disadvantage of young workers is even more pronounced in developing countries, because of the large youth population and labour market rigidities (ibid). Table 1 provides examples from the Asian financial crisis and from Burkina Faso and Latin America in the late 1980s and early 1990s.

Furthermore, in post-crisis recovery periods, youth unemployment levels have often remained stubbornly high. In Bulgaria, for example, young people’s employment opportunities have continued to deteriorate during the post-transition recovery, with youth unemployment rates up from 32% in 1998 to 38% in 2001 (World Bank, 2006). Similarly, in Serbia the youth employment rate decreased from 53.4% in 2004 to 51% in 2007, suggesting that the notable increase of the private sector share of GDP in Serbia has not been effective in creating enough jobs to absorb both the redundant workers who lost their jobs during the privatisation of state enterprises and new labour market entrants (Government of Serbia, 2009).

Box 2: Young people’s vulnerable labour market position: a consequence of discrimination, and limited human and social capital

A combination of factors renders young people particularly exposed to a downturn in the labour market. Young people typically:

<table>
<thead>
<tr>
<th>Box 2 : Young people’s vulnerable labour market position : a consequence of discrimination and limited human and social capital</th>
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</thead>
<tbody>
<tr>
<td>A combination of factors renders young people particularly exposed to a downturn in the labour market. Young people typically :</td>
</tr>
</tbody>
</table>
The Impacts of Economic Crisis on Youth

- **Occupy a marginalised position in the labour market:** Across the world, young people form the backbone of vulnerable industries such as in manufacturing, construction and services. They are disproportionately represented among those holding temporary contracts and ‘low-quality’ and low-paid jobs (OECD, 2009). For example, the garments sector in East Asia is a cyclically sensitive industry. It employs predominantly young people aged 15 to 35, usually comprising up to 85% to 90% young female workers (ILO, 2008).

- **Are perceived to lack adequate education, skills and experience:** During economic downturns, younger workers are often at a greater risk of retrenchment than older workers because of their lack of experience and low education and skills. In some contexts, the importance of seniority (i.e. older age) may compound these challenges (as was demonstrated in Thailand during the Asian financial crisis) (Booth, 2002; OECD, 2009).

- **Lack strong social networks and representation:** A young person often lacks both labour market information and job experience, both of which are essential in finding work. Additionally, a relative dearth of informal family and social networks can make entry into the formal labour market very difficult. For those in socially excluded communities, these networks are often weak and thus do not lead to contacts which can help individuals find employment (Cling et al., 2007).

There are indications that the current global economic downturn is exacerbating young people’s vulnerability to unemployment. To date, in both OECD and developing countries, job losses have been concentrated mostly in export-oriented industries (e.g. manufacturing), construction, services and tourism, all dominated by young workers. The International Labour Organization (ILO, 2009) estimates that, between 2007 and 2008, the number of unemployed individuals rose by 14 million, with the greatest increase in unemployment recorded among 20 to 24 year olds (ILO, 2008). Available data from Spain and Ireland show that most job losses were recorded among workers in temporary jobs, the vast majority of whom are youth. By early 2009, more than one in three young people in Spain was unemployed (ibid). A similar picture emerges in middle- and low-income countries (See table 1 for examples.)

These emerging trends are worrisome, since youth unemployment had become an acute global challenge even before the crisis. During previous periods of economic stability and growth, most countries failed to ensure that the majority of young people had access to decent and productive jobs (World Bank, 2007), as Box 3 demonstrates. This situation is likely to keep deteriorating, given the rapid projected increase in labour market entrants over the next 10 years. In the Middle East and North Africa, a region where young people already make up more than 25% of the unemployed, the global economic slowdown could ignite a new jobs crisis (Dhillon et al., 2009).

**Box 3: Youth unemployment rates on the eve of the current economic crisis**

Despite progress in educational attainment, young people across the world remain in precarious position in labour markets. Even before the crisis, average youth unemployment rates were two to three times higher than those for adults - although regional averages vary widely (ILO, 2008). In Latin America, the average rate of youth unemployment is around twice that of the total unemployed population (Fawcett, 2006). Youth unemployment rates were particularly high in parts of Southeast Europe in the early 2000s, as well as in the Caucasus and Central Asia (UNICEF, 2000). Across Sub-Saharan Africa, World Bank data from 2007 indicates that the percentage of unemployed youth varies across countries, from a low of 4% in Ethiopia and 2% in Sierra Leone to 54% in South Africa and 52% in Lesotho (World Bank, 2007). Some countries in the Pacific region also have a very high level of youth unemployment (AusAID, 2009).

Moreover, young women are more likely than young men to be unemployed, to be trapped in the informal sector and to remain outside of the labour force entirely (World Bank, 2006). In Southeast Europe, young women are twice as likely as young men to be un- or underemployed (UNICEF, 2009). Finally, many young people are stuck in low productivity jobs, with no access to work-related social

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6 There is also evidence from Thailand that middle-age women were particularly at risk of dismissal because they did not have the ‘sex appeal’ of younger women workers (World Bank, 1999). World Bank research in Mongolia in the current crisis indicates that older workers have similarly faced particular problems finding work (Reva and Heltberg, 2010).
protection, and others are neither in work or school, meaning that they have very limited opportunities to develop their human capital.

2.2 Risk of deteriorating working conditions and increasing informal employment

In times of economic crisis, not only do young people’s job opportunities decrease, so does the quality of work opportunities (ILO, 2008; OECD, 2009). Although this is an understudied area, this review has found some evidence of employed young people experiencing underemployment and declines in income or wages during the economic downturn. More substantive data suggest that youth are often forced to shift to irregular employment, predominantly in the informal sector. Evidence from East Asia in the 1990s crisis also indicates that, where unemployment is widespread, workers are often forced to accept precarious working conditions, as new jobs tend to be temporary and lack formal sector benefits (Knowles et al., 1999; Sumarto et al., 2000).

2.2.1 Rise in underemployment and wage cuts

In Indonesia and Thailand during the Asian financial crisis, workers who were not dismissed outright instead often moved to more irregular employment, with their working hours and wages cut. The Thai Social Monitor (World Bank, 2000) estimates that the number of underemployed people who worked fewer than 40 hours a week in Thailand increased around 40% between 1997 and 1998 (from 5.3 million to 7.4 million); Sumarto et al. (2000) state that, by 1998, approximately one-half of the labour force in Indonesia was underemployed. Very few of these data are disaggregated by age, so it is unclear how the youth cohort was impacted as a specific group. Table 1 presents some emerging evidence from the current crisis.

In both past crises and the present one, young people have also experienced a disproportionate fall in wage rates (see Table 1 for examples). However, wage rates have not always fallen during crises — emerging evidence from Indonesia in the current crisis indicates an increase in formal (though not informal) sector wages. 7 It is instructive to note that in a context of rising wages overall, young workers under 25 have been the only group not to have experienced rising wages (McCulloch and Grover, 2010).

Oxfam argues that many companies in export-oriented industries in East Asia are using the present global economic crisis as ‘an excuse to hasten a shift to a more flexible workforce characterized by shorter term contracts and less secure pay’ (Miller-Dawkins et al., 2010). For example, a practice is emerging whereby young women are employed in factories for training or internships, paid beneath the minimum wage. Only a small number are subsequently accepted into minimum wage contract jobs for a maximum of two years (ibid).

2.2.2 Rise in informal employment

Diminishing labour market prospects often result in young workers, particularly new labour market entrants, seeking alternative employment in the informal economy. Table 1 provides examples. In the current crisis there is emerging evidence of a shift across the developing world towards informal jobs in the urban economy (ILO, 2008), as Oxfam has documented among retrenched workers from export-oriented manufacturing in East Asia and Latin America (Green et al., 2010).

7 Indonesia may be atypical since it suffered a smaller fall in exports than other countries in the region. It also benefited from careful macroeconomic management and a significant fiscal stimulus programme (ibid).
During crises, young people from poor families are particularly vulnerable to low-paid, low-quality jobs, since they are far more likely to be forced to seek any type of employment than those from rich households. Young people working in insecure employment make a crucial contribution towards household income when the main earner has lost employment, as demonstrated in Indonesia in 1997-8 (Frankenberg et al., 1999). Moreover, as low-quality informal employment is characterised by long working hours, very low earnings, limited opportunities to acquire skills and absence of social protection, involvement in the informal economy has important long-term adverse implications for young people’s human development and their capacity to escape poverty. There are also limits to how far the informal sector can absorb displaced workers without severely compromising the livelihoods of those already engaged in informal sector businesses (Global Pulse, 2010).
### Table 1: Summary – Effects of Economic Crises on Youth Employment

<table>
<thead>
<tr>
<th>Country and Crisis</th>
<th>Impacts on Youth Unemployment Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thailand, 1997/8</td>
<td>Under 30s accounted for 60% of the increase in unemployment, compared with over 50s who experienced little increase in unemployment (Knowles et al., 1999)</td>
</tr>
<tr>
<td>South Korea, 1997/8</td>
<td>Half of all job losses occurred among workers aged 15 to 29 (Kim, 2004)</td>
</tr>
<tr>
<td>Brazil, 1990-1996</td>
<td>Youth unemployment rates almost doubled in response to economic restructuring (from 8.3% to 15.1%) in this period. Unemployment rates also moved from single to double digit figures in Chile, Colombia, Costa Rica, El Salvador, Honduras, Mexico, Panama and Venezuela in the late 1980s and early 1990s (Fawcett, 2006).</td>
</tr>
<tr>
<td>Serbia, 2008-9</td>
<td>Youth unemployment increased by an estimated 8.1% compared with a 2.5% increase among workers aged 50 to 64 (Matkovic et al., 2010). Almost 70% of the newly unemployed were males.</td>
</tr>
<tr>
<td>Burkina Faso, late 1980s and early 1990s</td>
<td>In Ouagadougou, the unemployment rate in 1992 was estimated at 43.3% among 15 to 29 year olds, as opposed to 6.7% among those aged 40 and older, in part reflecting dramatic public sector downsizing (Calvès and Schoumaker, 2004)</td>
</tr>
<tr>
<td>Thailand, 1997/8</td>
<td>In 1998, 490,000 young people, including the highly educated, could not secure jobs (World Bank, 2000). Only a quarter of the approximately 2 million young people graduating from colleges in 1998 and 1999 obtained employment (Kim, 2004)</td>
</tr>
<tr>
<td>South Korea, 1998/9</td>
<td>Unemployment rates have risen among young workers but fallen among workers over 25 (McCulloch and Grover, 2010).</td>
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</tbody>
</table>

### Quality of Employment

<table>
<thead>
<tr>
<th>Country and Crisis</th>
<th>Impacts on Quality of Employment</th>
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</thead>
<tbody>
<tr>
<td>Thailand, 1997/8</td>
<td>The earnings of workers aged 13 to 17 fell by 24%, whereas those of workers aged 55 years and over increased by 15% (Knowles et al., 1999)</td>
</tr>
<tr>
<td>Cambodia, 2008/9</td>
<td>Earnings of young garment sector employees by 18% in real terms between 2008 and 2009 (Kang et al., 2009)</td>
</tr>
<tr>
<td>Viet Nam, Cambodia, 2008/9</td>
<td>Rising underemployment among young female workers in export-oriented industries, with reports of 50% reductions in working time (Miller-Dawkins et al., 2010; Ngo and Chan, 2010)</td>
</tr>
<tr>
<td>Burkina Faso, Ethiopia, Tanzania, late 1980s – early 1990s</td>
<td>Increased rate of informal sector employment among youth (Calvès and Schoumaker, 2004)</td>
</tr>
<tr>
<td>South Korea, 1998/9</td>
<td>The number of unpaid family workers increased by 6.7% from 1998 to 1999, with noted rises among youth and women (Jones and Marsden, 2009)</td>
</tr>
<tr>
<td>Serbia, 2002-7*</td>
<td>Youth informality rate increased from 41% to 50% (Bajec et al, 2009)</td>
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</tbody>
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*Unfortunately, comparative pre- or post-crisis data were not available.

*Post-transition shock and recovery period.
2.3 Groups of young people most vulnerable to employment shocks

A combination of factors, including young people’s gender and age, human and social capital, and the exposure of the sector in which they are employed, mediate their vulnerability to employment shocks. This section discusses evidence of how particular groups of young people have fared in past crises.

2.3.1 New labour market entrants

New labour market entrants are one of the groups most severely affected by labour market shocks. As the number of job vacancies declines during recessions, school leavers (and university graduates in particular) experience increasing difficulties in making a successful school-to-work transition. See Table 1 for examples from Thailand and South Korea. During the same period in South Korea,. Most analysis of the effects of crisis on new labour market entrants was undertaken shortly after the end of the crisis, and it is not clear what the longer-term consequences have been for new entrants. However, since the evidence of past crises indicates that, even after economic growth returns, it takes much longer to return to pre-crisis employment levels, the risks of unemployment and/or inactivity are likely to be long-lived. The current youth bulge is creating significant challenges for countries experiencing downturns or recession, since in 2009 an estimated 45 million persons, mostly young women and men, entered the depressed labour market looking for their first job (ILO, 2008).

2.3.2 Low-skilled versus better-educated youth

Young workers with low skills and inadequate education experience higher inactivity and lower employment rates and are more likely to get stuck in low-quality jobs than better educated youth, who may experience difficulty in finding jobs suitable to their qualifications but are less vulnerable to unemployment (Mosel and Sarkar, 2009). While there is evidence that those with low levels of education face greater challenges in accessing productive jobs (e.g. Egypt, Serbia), in the context of economic crisis there is limited evidence to suggest that they also face a higher risk of unemployment. In fact, during the Asian financial crisis the educational level of the most affected workers was relatively high (World Bank, 2000). In Thailand, the largest increase in unemployment occurred among university graduates, with individuals with less-than-primary schooling experiencing the smallest increase in unemployment (ibid). The World Bank argues that this may reflect the fact that the economic crisis originated in sectors such as finance, which employ well-educated workers. However, there is emerging evidence from the current crisis in North Africa that unemployment is increasingly concentrated among less educated youth. In Egypt, for example, persons with lower qualifications (completed elementary school and less) were more likely than better-educated youth to be unemployed in 2009 than in 2008. In the same year, the employment rate among less educated youth was considerably lower than that of the total population (35.8% and 50.8%, respectively) (Jones et al., 2009).

2.3.3 Older versus younger workers

The limited available evidence indicates that the youngest workers appear to be most severely affected by employment shocks (Fawcett, 2006; Fares and Tiongson, 2007). In the Philippines, Truong (2000) shows that more than a third of those aged 15 to 19 were unemployed in April 1998, compared with a quarter of those aged 20 to 24. Similarly, across Latin America (e.g. Brazil, Argentina, Uruguay, Mexico) during adjustment in the 1980s, unemployment rates among 15 to 19 year olds were double those of young people aged 20

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10 Unfortunately, comparative pre- or post-crisis data were not available.
11 ILO (2008) suggests that labour markets recover to pre-crisis levels with an average lag of four to five years.
12 The differences in employment rates between older and younger youth may be a reflection of the difficulty facing new labour market entrants.
to 24, who in turn had significantly higher rates of unemployment than workers over 24 (Fawcett, 2006). There are exceptions here as well. In Thailand in 1998, unemployment among the middle age groups (workers aged 25 to 54 years) increased significantly more than among the youngest workers (those aged 13 to 17 years), largely because many more individuals in this age group entered the labour force during the period of the crisis, while the youngest cohorts exited the work force to return to school (World Bank, 2000), a common pattern in middle-income countries. This evidence, however, has been drawn mostly from formal employment contexts, and it does not reveal the experiences of young people within the household economy and the informal sector, where children and adolescents (up to 18 years of age) are likely to be contributing to household income.

Some evidence from Indonesia suggests that having young people in a household had a protective effect on household incomes during the 1997/98 crisis. Frankenberg et al. (1999) found that families with young women aged 15 to 24 years old were less likely than others to sink into poverty, as the young women entered the labour force, compensating for wages lost by retrenched adult workers. While retrenched men shifted from formal, wage employment to lower-paid, less intensive informal and agricultural work, young women’s net working hours increased, as they worked overtime and took on multiple informal jobs in order to compensate for men’s lower take-home pay and higher cost of living (Islam et al., 2001, cited in King Desjardin and Owens, 2009).

There is some evidence that the strain on vulnerable households arising from the economic slowdown is leading to increased child labour in all age groups, though it is not clear if 15 to 17 year olds are, as would be expected, disproportionately affected (Mosel and Sharkar, 2009). Priyambada et al. (2005) argue that the Indonesian crisis ‘temporarily halted the declining trend in the incidence of child labour in Indonesia.’ Behrman et al.’s (1999) study of 18 Latin American and Caribbean countries indicates that crisis in that region had ‘played a crucial role in slowing down school attainment since the early 1980s,’ particularly affecting adolescent girls (cited in Kane, 2009). As older women entered the labour force to boost family income, daughters were expected to replace their mothers in household duties. In Ghana, some respondents in a rapid qualitative study said that if the present crisis worsened, their older children to live with relatives, contribute to income-generating activities and reduce the number of mouths their natal households had to feed (Dogbe and Marshall, 2009). For further discussion see Section 3 which discusses the impacts on young people’s education of crisis of combining school and work.

Increases in child labour have serious implications for young people’s employment outcomes over the life cycle and broader human development, since children tend to work in low-paid activities, which constrain human development and their future employment prospects (Mosel and Sharkar, 2009). In some cases, child labour may smooth a pathway to employment in youth, but rarely in work that offers them an escape from poverty.

2.3.4 Young female versus young male workers

Studies of both long- and short-term crises reveal that, overall, young women have been more affected by employment shocks, although in some instances (i.e. in parts of East Asia) men have suffered higher rates of formal unemployment (Truong, 2000). During the 1997/98 Asian financial crisis, young women were especially vulnerable to crisis, owing to their higher concentration in flexible and casual labour in the services and industrial export-oriented sectors, where significant downsizing occurred. In Thailand, the mass layoffs that took place in 1998 were mostly in the textiles and electronics industries, where 90% of workers were women (Maskey and Kusakabe, 2005). Young women’s vulnerability may reflect a view of them as ‘a flexible reserve, to be drawn into the labour market in upturns and expelled in downturns’ (Praparun, 2010). Predborska (2005) found evidence of this in Estonia during the transition. Employers perceived women in their 20s as unreliable workers because they
were likely to get married and/or bear children, which would distract them from their work demands. The operation of discriminatory gender norms is, of course, labour market specific. In Thailand and the Philippines in 1997/98, employment and wages declined more for males than for females. In Thailand, for example, male earnings declined four times as much as female earnings (World Bank, 2000). The literature reviewed does not suggest an explanation for this discrepancy.

The present global crisis is expected to impact somewhat differently on young male and female workers because of its effects on particular sectors dominated by one gender of workers. For example, young males in both OECD and developing countries have been hit hard through job losses in the construction sector. According to UN Development Programme (UNDP) data, 30% of construction jobs in Cambodia, predominantly employing young men, disappeared between January and November 2009. At the same time, according to the Cambodian government, up to 63,000 mostly female garment workers (18% of the total garment workforce) lost their jobs during an eight-month period in 2009 (Ngo and Chan, 2010). A recent survey of laid-off workers in six Cambodian provinces found that all of the affected workers were females, and their average age was 25. Similar patterns are emerging in the Philippines, where most layoffs have been in export processing zones, where typically 75% of workers are young women. At the same time, in these export-oriented industries retrenched female workers have a higher chance of finding a new job in the sector than males, as they are preferred over males and older female workers. Youth employment prospects in countries recovering from the global economic crisis will thus depend on the recovery of particular sectors, and gendered employment patterns in these sectors.

Beyond immediate employment effects, the effects of crisis on time use are often gendered. The ILO (2009) cites a study by Focus on the Global South and Save the Children (2001) which found that, as a result of the Asian financial crisis, women’s leisure time had declined in a quarter of households, as had time for child care. Recent research on working families in countries undergoing major socioeconomic transitions suggests that young women in particular often suffer from insufficient support networks, limited child care and time poverty (Ruiz-Casares and Heymann, 2009).

2.3.5 Young labour migrants
Evidence from past crises suggests that migrant workers – both emigrants and internal migrants – are often the first to lose their jobs during recessions. Since young people comprise a considerable proportion of all labour migrants, and are disproportionately employed in temporary jobs in industries that are often particularly affected by recession (e.g. construction, manufacturing, etc), they may be particularly vulnerable to external shocks (McKenzie, 2007).

Drawing on official data concerning the Asian financial crisis, Skeldon (2004) (in JUNIMA, 2009) shows a drop in international migrant numbers in South Korea from 245,399 in 1997 to 157,689 in 1998, and in Malaysia from an estimated 1.5 million in 1997 to 1.1 million in 1998. In the case of Thailand, an estimated two-thirds of the newly unemployed in cities such as Bangkok were rural migrants, of whom 75% returned home, mostly to rural areas. Indonesia also experienced large volumes of returning rural migrants, while at the same time the outflow of workers to other countries fell by more than half between 1996 and 1997 (from an estimated 500,000 to less than 250,000) (Koser, 2009).

While the full implications of the current crisis are still unfolding, there are indications that young labour migrants are disproportionately affected by recession. In Spain, for example,

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13 The share of 12 to 24 year olds in the migrant flow varies from 20% in Canada, 27% in Spain, 36% in the US and 38% in Argentina, to 45% in Côte d’Ivoire (McKenzie, 2007).
over 560,000 labour immigrants working in the construction industry were laid off in 2008. Similarly, in Taiwan, migrant layoffs were concentrated in electronics and garment manufacturing, affecting primarily young Filipina and Thai women; in Cambodia, job retrenchment in the garment, construction and tourism sectors primarily affected internal youth migrants, resulting in significantly lower remittances being sent back to the rural areas (Koser, 2009). In China, the ILO (2008) estimates that 25 of the 70 million internal migrant workers returned home after they reportedly lost jobs between 2007 and 2009. Ghosh (2009) points out that one major area of migrant Asian women’s work – the care economy – has been relatively unaffected by the global recession, meaning that migrant men may have been disproportionately affected.

Mirroring trends in relation to the non-migrant labour force, the working conditions of labour migrants often decline in crises, leading to lower wages, reduced benefits and longer working hours. ILO evidence from the 1997/98 Asian financial crisis shows that many migrants, especially illegal migrants, moved from formal to informal sector employment, often in dirty, difficult and dangerous jobs that local workers were unwilling to take (JUNIMA, 2009). Young migrant women who work in informal and often unregulated sectors of the economy, such as domestic work, may be particularly vulnerable. Although the domestic work sector appears to be shedding fewer jobs than construction, for example, knowledge that employment is becoming more precarious may mean that domestic workers feel forced to accept almost any condition to keep their jobs (UNDP, 2009 in Jones et al, 2009). The crisis may thus increase their vulnerability to exploitation and physical, sexual and psychological abuse.

2.3.6 Socially excluded groups
The dynamics of social exclusion (e.g. disability, ethnicity, spatial disadvantage, refugee status, etc) may also exacerbate vulnerability to layoffs, declining economic opportunities and the rising cost of living, rendering certain young people more disadvantaged than others during the economic crisis. Surprisingly, however, this review has found no studies and very little evidence of the effects of crisis on employment of young people from socially excluded groups. As these groups face discrimination in employment during boom times, however, it is likely that they face even more severe employment constraints during a downturn. Discrimination is often compounded by their lesser opportunity to acquire the qualifications, experience and social networks necessary to participate effectively in the labour market. This suggests that policies aimed at preparing young people for employment both during and after an economic crisis may need to pay particular attention to these disadvantaged groups.

2.4 How young people cope with employment shocks
How far young people manage to protect themselves from the adverse effects of employment shocks depends on their resources, social capital, orientation of the individual, gender and access to social welfare. The evidence from various recessions reviewed here indicates that young people adopt a broad repertoire of coping strategies, some of which are gender specific.

14 In Saudi Arabia alone, approximately 1.5 million women, originating primarily from Indonesia, Sri Lanka and the Philippines, work as domestic workers (HRW, 2008 in Jones, et al, 2009).
15 In Brazil, for example, in the mid-2000s, while 55% 18 to 19 year olds were employed, only 29% physically disabled and 24% mentally disabled young people in this age group were employed (World Bank, 2007).
16 Data on persons with disabilities and internally displaced persons (IDPs) confirms a high percentage of individuals with low educational attainment (more than a third of these population groups) (Government of Serbia, 2009).
When faced with unemployment and/or declining incomes, young people often try to find new and/or additional work through outsourcing, contract work or jobs in the informal sector. Challenges these young workers face in job seeking usually include limited skills and knowledge, social capital networks and money to finance job seeking (Mosel and Sharkar, 2009; Oxfam, 2009). And, while self-employment activities appear to be an attractive option, the number of young people who are able to start and maintain their own business during economic downturn is very small, partly as a result of tighter credit markets and financial austerity measures (Gavrilovic et al., 2009).

Limited livelihood opportunities and widespread poverty may force young people to engage in highly risky activities in order to secure their livelihoods (George, 2001; Leach, 2003). These include sex work and transactional sex, primarily by young women, and petty or more serious criminal activity, primarily by young men (see Section 5). Two recent studies with sex workers in Cambodia undertaken by the ILO found that 58% entered into sex work in the wake of the global financial crisis and that 19% of these women were retrenched garment sector workers. Many were forced to take undesirable jobs working in the entertainment industry, as disguised sex workers in massage parlours and karaoke clubs, because they could not find other work. Following a steady decline in commercial sex work in recent years in Thailand, official data show an increase of about 20% between 2007 and 2008 (JUNIMA, 2009).

Informal relationships and social networks – with family, friends, neighbours and social organisations – play a very important role in mitigating the risk and effects of unemployment. The evidence reviewed from Sub-Saharan Africa suggests that the public spaces where young men gather allow unemployed young people to erect a supportive social structure (Abdullah, 1999, in Cling et al., 2007). Survey data from Zambia suggest that, within these social settings, young people, mostly young men, lend each other money to engage in petty trading and other enterprise activities and/or cooperate in running business ventures. Evidence from the current economic crisis in Asia highlights how social networks and new technologies are helping young people access information about urban labour market conditions. Examples from Viet Nam include sharing mobile phones among young workers to receive timely job information. Those with access to mobile phones thus have more opportunities to find work in this challenging period (Miller-Dawkins et al., 2010).

Migration, both internal and external, has become one of the main coping mechanisms used by young people as a means to overcome the lack of employment opportunities at home. In Russia, for example, migration during the early 1990s was far higher among young individuals aged 18 to 35 than for other age groups, as Heleniak (1999) documents for migrants leaving the Russian north for other parts of Russia. Emigration within this age group also increased dramatically in the immediate post-independence period, that of greatest economic turmoil. While net emigration declined with the economic recovery between 1995 and 1996, it accelerated again during the 1998 economic crisis (ibid). When faced with hardship, young people may resort to very dangerous forms of migration, such as illegal migration and trafficking (see Section 5).

While labour migration may help mitigate immediate economic concerns, it can harbour multiple risks for young people. Legitimate labour migrants often suffer from social marginalisation, lack of social protection and fewer opportunities to accumulate human capital. These vulnerabilities are even more pronounced in the case of those young people who emigrate through illegal channels, since they are denied the right to work and/or risk detention and accumulation of debts in case of unemployment, or may be forced into illegal, risky and exploitative work in order to service the debts they contracted through migration.

Other reasons pushing youth to migrate include fleeing conflict and natural disasters. Migration for education is also a growing trend, as many young people turn to education as a hope for escaping poverty.
(Praparpun, 2010). As documented in section 2.3.5 above, there is substantial evidence of a declining demand for migrant labour in both past crises and the current crisis.

2.5 Longer-term impacts

Longitudinal research, mainly from developed countries, shows that lack of decent work opportunities at an early age may permanently compromise the future employment prospects of youth and increase their vulnerability to social exclusion. Bell and Blanchflower (2009), in OECD (2009), for example, found evidence that early unemployment spells and insecurity may have harmful long-term effects on a number of outcomes (e.g. happiness, job satisfaction, future wages and health). As the capacity for learning in youth is so great relative to at older ages, missed opportunities to acquire skills on the job in youth can be difficult to reverse (World Bank, 2007). Box 4 discusses the risk of ‘scarring’ effects on young people in more detail. At the same time, starting work too early is also likely to undermine young people’s human capital development and future opportunities.

The unemployment and underemployment status of youth is reflected in the phenomenon of ‘idleness’ among young people, which is becoming increasingly common in Africa, Latin America and Eastern Europe. In Albania, Bosnia and Herzegovina and Kosovo, for example, according to Living Standards Monitoring Survey (LSMS) data collected in 2001, approximately 33% of young persons aged 15 to 19 were neither in education nor in employment (World Bank, 2006). Although idleness and discouragement are important problems affecting youth in cities, the data also show that, across Southeast Europe, except in Albania, rural youth are at a higher risk of idleness. This can be attributed to very limited employment opportunities outside of agriculture for youth in rural areas. Many of ‘idle’ youths are engaged either in the informal economy, or in the illicit economy, including the sex and drug industries (ibid).

Box 4: Risk of scarring effects arising from early unemployment

Evidence from advanced economies suggests that initial spells of unemployment may expose youth to long-lasting effects, known as ‘scarring.’ Experience of unemployment may increase future unemployment risks and/or reduce future earnings, mainly through effects associated with human capital (i.e. deterioration of skills and foregone work experience) or ‘signalling’ (i.e. periods of unemployment as signalling low productivity) (OECD, 2009). Most longitudinal studies find that, on average, early youth unemployment has serious negative effects on incomes (Burgess et al., 2003, in OECD, 2009; Franzén and Kassman, 2005). In particular, unemployment immediately on graduation from college is associated with substantial and permanent future earnings losses (Oreopoulos et al., 2008, in OECD, 2009). There are effects on the future risk of unemployment too. Longitudinal data from Sweden show that individuals who were economically inactive when they were 20 to 24 years old had a significantly elevated risk of being economically inactive when followed up on seven years later (Franzén and Kassman, 2005). Burgess et al. (2003) (in OECD, 2009), using British data, showed that the scarring effect of early unemployment tends to be greatest for the least educated and most disadvantaged youth.
3. Impacts of crisis on young people's education

At the macro level, economic stability appears to be one of the most important factors underpinning young people's educational opportunities. Skoufias and Parker (2002) cite an 18-country study by Behrman et al. which shows that volatile terms of trade and GDP were associated with a slowdown in school enrolments in the countries concerned. At the level of individual households, cross-country evidence indicates that volatile incomes and employment often lead to reduced secondary school enrolment (Flug et al., 1998, in Skoufias and Parker, 2002). Thus the current crisis is likely to have led to reduced secondary school participation among adolescents in households experiencing declining income; the literature on the effects of shocks on children (eg Harper et al, 2009) suggests that the quality of schooling may also decline during and after crises if public education budgets are cut. This section analyses how far this has been the case for young people, and for which socio-economic groups.

It concentrates on the effects of crises on young people's engagement in, and the quality of, secondary education, and as such focuses particularly on the 15- to 19-year-old age group. There are two main reasons for this focus: in many low- and middle-income countries, a complete secondary education is increasingly important for access to better jobs, future productivity and lessened risk of poverty. Because data on secondary education are routinely collected, this is also one of the areas of impacts on youth where most detailed analysis has been undertaken. By contrast, very little information could be found concerning the impacts of crisis on tertiary education or non-school-based further education, such as adult education or vocational training.

The existence of a number of rich datasets has meant that substantial analysis of trends in young people's school enrolment, dropout and progression to the next grade or the next level of the system, and the factors affecting them, has been carried out. Some of these studies consider specific shocks, such as parental job loss; others examine general trends in the context of crisis. The key findings of these studies are summarised in Table 1. The discussion below is intended to complement the information in the table with greater discussion of the causes of the trends observed. This section first outlines the evidence of impacts on young people's education and then seeks to explain these, focusing on the effects of crisis on household's ability to afford the up-front and opportunity costs of education; adolescents' labour market opportunities and public expenditure on education.

3.1 Effects on secondary school enrolment and attendance, dropout and progression

Although most studies differentiate the effects of crisis on primary and secondary school enrolment and, where relevant, on junior and senior secondary schooling, the age categories used (often 12 to 17 or 11 to 16) mean that some of the analysis concerns younger adolescents as well as young people aged 15 and above. Where studies disaggregate within secondary education, we report findings for the upper/senior secondary (high school) age group; where they do not, we report findings for the whole of secondary education.

Reviewing a number of studies on the effects of crisis on education, Ferreira and Schady (2008) and Schady (2002) conclude that educational enrolment in upper- and middle-income countries tends to be countercyclical, i.e. it increases during periods of economic downturn. They cite evidence from the US and Peru which clearly shows increased enrolment during recessions and crises. This was also the case in Thailand during the 1997/98 crisis (Tangaroensathien et al., 2000) and Indonesia in 2008-9 (McCulloch and Grover, 2010).
Increased school enrolment among young people during downturns often reflects generally declining labour market opportunities – such that the opportunity costs of continuing in education are much reduced – or a reassessment of the value of education. For example, there are reports from Viet Nam of young people deciding against seeking employment in export-oriented industries and in favour of attending vocational schools, in the hope of subsequently finding more secure and better-paid jobs (JUNIMA, 2009).

By contrast, in poorer countries and more deeply affected middle-income countries, trends in educational enrolment tend to be pro-cyclical. In other words, they decline during periods of crisis, since the burden of schooling costs becomes higher and the need for adolescents and young people to contribute economically to their households becomes greater, as the examples of Cameroon in 1987 to 1995 and, to some extent, Indonesia in 1997 to 1999 indicate. Counter-intuitively, declines are often lowest at senior secondary level – this may be because the high returns to completed secondary education mean that parents prioritise the education of children who are close to completing school over that of their younger siblings (Thomas et al., 2004). It may also reflect the fact that young people attending upper levels of secondary school tend to be from better-off socioeconomic groups, which tend to be more ‘crisis-proof.’

Looking beyond enrolment rates, there is evidence from all the crises and shocks reviewed that dropout rates at secondary level increased. For example, Duryea et al. (2007) suggest that, in Brazil in the 1980s and early 1990s, a 16-year-old’s father becoming unemployed would increase the risk of dropping out of school from 2.2% to 4.7%. Disaggregated data from the IFLS (a longitudinal survey) indicate that dropout rates were higher among the poorest socioeconomic groups, as might be expected. In the poorest quartile, the dropout rate among 13 to 19 year olds rose from 14.2% to 25.5% between 1997 and 1998, whereas the richest quartile experienced a more modest increase, from 7.3% to 9.4% (Ablett and Slengesol, 2001). A World Bank study in Romania found that the increasing costs of fuel meant that some hard-hit rural families could no longer afford the bus fares for high school students to attend school (not least because payment of the government partial subsidy of school transport had been delayed) and so attendance rates had become more irregular (Turk et al, 2010).

Some reviews also suggest that past economic crises have impeded students’ progression to the next grade, and from primary to junior secondary and junior to senior secondary schools, for example in Indonesia, the Philippines, Mexico and Brazil (Duryea et al., 2007; Jones et al., 2000; Skoufias and Parker, 2002). In other words, the number of young people dropping out at these key transition points increased during times of economic crisis, as families could absorb the effects of a temporary shock to keep children in school in that academic year, but if their difficulties persisted would not enrol them the following year.

In most of the crises reviewed in middle- and lower-income countries, the proportion of young people combining school and work increased. For example, in Indonesia the proportion of schoolchildren working for money increased from 3% in 1997 to 6% in 1998. The hours these children worked increased slightly between 1996, when they worked 2.2 hours per day, and 1998, when the average hours worked by children in school were 2.4 per day. Of children working in the family business in 1998 (over 10% of children), one-third reported working more hours in 1998 than in 1997 (Thomas et al., 2004). In addition to the potential impacts on young people’s ability to learn in school – which may well have suffered from their out-of-school workloads – there is evidence from Mexico during the peso crisis of 1995 to 1996 that the leisure time of those combining school and work was squeezed (Skoufias and Parker, 2002). There are some exceptions, such as in Peru’s economic crisis of the late 1980s (Schady, 2002), when children’s and young people’s employment rates declined, reflecting diminishing labour market opportunities.
3.2 Effects on gender, rural/urban and socioeconomic inequities

As might be expected, the impacts on gender differentials in young people’s school enrolment, attendance, dropout and progression vary depending on a number of factors, including: the different priorities given to boys’ and girls’ education in different cultural contexts; the expected rates of returns to male and female senior secondary or tertiary education; and the opportunity costs for male and female young people’s education. As the examples discussed below show, gender differentials have often been most significantly affected in the poorest socioeconomic groups.

- **In South Africa**, Hunter and May (2002) found that, at secondary level, households were more likely to protect girls’ than boys’ education. This may reflect the greater opportunities for boys in the labour market for casual labourers, the importance of completing high school as a prerequisite for women-dominated careers such as nursing and teaching and the fact that young men are more likely than young women to migrate and thus contribute less to their natal households in the longer term.

- **In Cameroon**, Eloundou-Enyegue and Davanzo (2003) found that gender, class and rural-urban inequalities in enrolment increased during the crisis of 1987 to 1995. This was particularly sharp at primary and junior secondary levels and less marked at senior secondary level. They suggest that, normally, given gender biases that generally favour boys’ education, a girl will make it to senior secondary school only with a supportive family. If she has got that far, her family is likely to do its utmost to support her to finish her education, even in an economic crisis. Similar dynamics may explain the smaller inequalities based on rural-urban residence and socioeconomic group at senior secondary level.

- **In Mexico**, Skoufias and Parker (2002) found that shocks, such as either parent becoming unemployed, were more likely to reduce girls’ school attendance than that of boys. The impact on poorer girls was greater than that on their wealthier counterparts. They suggest that these patterns reflect entrenched gender inequalities whereby boys’ education is valued over that of girls.

- **In Thailand**, the gender ratio in secondary education remained unchanged, with boys accounting for 60% of lower secondary and 64% of upper secondary students, both before and after the crisis (Ablett and Slengesol, 2001). This may reflect greater equality in gender relations and job opportunities for boys and girls than in the other examples discussed.

- **In Costa Rica**, between 1981 and 1983 there was a sharp decline in school enrolment rates, particularly in rural areas which were particularly hard hit by the crisis (Funkhauser, 1999, in Ferreira and Schady, 2008).

- **In Indonesia in 1997/8**, declines in enrolment were substantially higher among the poorest quartile than among better-off groups; junior secondary enrolment in urban areas was particularly affected, reflecting the severe impact of the crisis in urban areas; declines in rural areas were concentrated among the poorest groups (Thomas et al., 2004). Girls’ enrolment at junior secondary level declined less than that of boys – the reverse of the position in primary education (Ablett and Slengesol, 2001). This may reflect girls’ more limited employment opportunities. However, in the recent crisis (2008-9), during the period of highest food prices girls were more likely than boys to be temporarily withdrawn from school (McCulloch and Grover, 2010).
Table 2: Summary of impacts of crisis on young people’s education

<table>
<thead>
<tr>
<th>Country and crisis</th>
<th>Impact on enrolment and dropout</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina, 2001</td>
<td>Small decrease in senior secondary enrolments (Fiszbein et al., 2003).</td>
</tr>
<tr>
<td>Brazil, 1983-1997</td>
<td>No evidence of aggregate enrolment declines during recessions (Duryea et al., 2007).</td>
</tr>
<tr>
<td>Cameroon, 1987-1995</td>
<td>Overall secondary enrolments decreased and dropout increased during crisis. Declines were concentrated at primary and junior secondary level. Although differentials between rural and urban students, girls and boys and poorer and better-off students increased at primary and junior secondary level, they declined at senior secondary level (Eloundou-Enyegue and Davanzo, 2003).</td>
</tr>
<tr>
<td>Indonesia, 1997-1999</td>
<td>Girls dropped out at a lower rate than boys in junior secondary but at a higher rate in primary. 13- to 19-year-old females had higher enrolment than males. In the poorest quartile, dropout among 13 to 19 year olds rose from 14.2% in 1997 to 25.5% in 1998, while the richest quartile experienced a more modest increase, from 7.3% to 9.4% (Ablett and Slengesol; 2001; Thomas et al., 2004).</td>
</tr>
<tr>
<td>Peru, 1988-1992</td>
<td>Children exposed to crisis completed more years of schooling than those unaffected (Schady, 2002).</td>
</tr>
<tr>
<td>South Korea, 1997-1999</td>
<td>Upper-secondary schools saw a percentage point enrolment increase from 94.6% to 95.6%. The gross enrolment rate for tertiary institutions increased by 5.5% to 74.3%. There was an 8% increase in dropouts at high school level.</td>
</tr>
<tr>
<td>Thailand, 1997-1999</td>
<td>Evidence contradictory. Official data indicate increasing enrolment at all levels. Dropout rates increased, particularly at lower and upper secondary, by an estimated 29% to 33% in 1998/99. Some studies conclude that transitions between primary and lower secondary and lower and upper secondary were particularly affected.</td>
</tr>
</tbody>
</table>

**Effects on adolescent labour**

| Brazil, 1993-1995| Loss of father’s job during crisis/ recovery increased probability of girls aged 16 working by 50% and boys by 38% (Duryea et al., 2007). |
| Indonesia, 1997-1999| The employment rate for males 15 to 24 increased from 51.3% in 1997 to 61.4% in 1998. The rise for females was from 34.8% to 40%. Much of this work was alongside schooling rather than competing with it (Ablett and Slengesol, 2001; Thomas et al., 2004). |
| Mexico, 1982-1995| Unemployment shocks have increased children/ young people combining school with work, i.e. work cut into their leisure rather than schooling (Skoufias and Parker, 2002). Girls from poor households are most affected. |
| Peru, 1998-1992| Probability of working while attending school is 16% to 22% lower for 12 to 17 year olds during crisis than before or after (Schady, 2002). |
| Indonesia, 2008-9| Labour participation of 15-17 year olds declined by 9% (McCulloch and Grover, 2010). |

**Impacts on household educational expenditure**

| Argentina      | 71% of households decreased education expenditure. Little evidence of children shifted from private to state schools (Fiszbein et al., 2003). |
| South Korea, 1997-1999| Average expenditure per child in middle and high schools increased by 28.1% from pre-crisis levels; for elementary and tertiary students the drop was roughly 24%. The lowest income group reduced its spending on private tutoring by 39.2%, while the highest income group cut its average expenditure per child by 12.7% (Ablett and Slengesol, 2001). |
| Indonesia, 1997-1999| Household spending on education fell by 10% in rural areas and 30% in urban areas (Thomas et al., 2004). Households prioritised expenditure on 15- to 19-year-old young men’s education and, to a lesser extent, young women in this age group. |
| Thailand, 1997-1999| Parents cut back on food, clothes, household goods and communication and transport rather than education. Families also used savings or borrowed mostly from informal sources to help to finance their children’s education (Ablett and Slengesol, 2001). |
3.3 Changes in household spending on young people’s education

Although household spending on education has helped make up a shortfall in public funds during economic crises, private education spending also declines (see Table 1). These declines may arise when children switch from private to public schools, as occurred in the Philippines between 1997 and 1999 (Ablett and Slengesol, 2001; Knowles et al., 1999), or if fees are removed or a scholarship programme absorbs some of the costs of sending a child to school, as in Thailand and Indonesia, for example (Ablett and Slengesol, 2001; Filmer et al., 2001).

However, a decline in education spending may also mean a decline in spending on school fees (both official fees and more disguised charges), and thus may indicate fewer children in school, or children attending but possibly being discriminated against because they have not paid full school fees. This may also occur if households are spending less on books and uniforms. The implications of reduced spending in these latter areas are ambiguous. As Thomas et al. (2004) point out, not having the correct uniform does not necessarily affect the quality of learning (although it may affect children’s and young people’s emotional well-being and may be a deterrent to staying in school) and, during a crisis period, schools may be more lenient about incorrect uniforms, unpaid fees, etc, than in better times. If, however, parents are expected to supply books and paper, etc, then a decline in household spending on education may well affect learning outcomes. This may be particularly significant for young people close to school leaving age, if they fare less well in the final stages of education and school leaving exams as a result.

3.4 Impacts on public expenditure on education

Studies of the effects of crisis on public education expenditure reveal a mixed picture. In most crises, there has been some reduction in educational expenditure, although often governments have attempted to protect education spending. For example, in the Philippines, social sector spending in 1998 was cut by 10%, as compared with 17% for national defence and 30% for economic services (Pineda, 1999). Within the social sector, cuts were smallest in education and social welfare.

In a study of the effects of the 1980s debt crisis in Latin America on education, Reimers (1990, in Ablett and Slengesol, 2001) found that the fiscal adjustment programmes responding to the debt crisis not only cut education expenditures in real terms but also reduced the share of education spending relative to total government expenditures and to gross national product (GNP). The lower levels generally suffered deeper reductions than higher education. For example, in Costa Rica, the budget for basic education was cut by an average of 4.8% per year between 1980 and 1987, whereas the budget for higher education declined by only 0.25% per year during this period.

In 1994, an ILO/UN Educational, Scientific and Cultural Organization (UNESCO) study examined the effects of crisis and adjustment on education in five countries in the 1980s and early 1990s: Brazil, Costa Rica, Hungary, Senegal and Tanzania. It found that, although public expenditure on education fell, governments tried to protect education budgets, but efforts to improve the efficiency of resource use in the face of fiscal austerity were relatively unsuccessful. Furthermore, patterns of expenditure allocation became more regressive, with public fund allocation shifted from basic to higher education in Brazil benefiting the rich (Ablett and Slengesol, 2001).

In the Thai crisis of 1997 to 1998, education spending was protected, in comparison with some other sectors of the economy, such as agriculture and defence (Kittiprapas, 2002). Even so, the overall education budget declined 6% between 1996/97 and 1998/99. Expenses, supplies and

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18 Although there are some contexts, such as Indonesia at the time of the 1997 to 1999 crisis, in which many private schools were cheaper than state schools (Thomas et al., 2004).
construction were most hit, and it appears that cuts in these areas were applied across the school sector, rather than primary or lower secondary schools, for example, taking a disproportionate hit. However, budget cuts were not entirely equitable. A study conducted for the Asian Development Bank (ADB) (Knowles et al., 1999) found that Bangkok schools were much less likely to suffer budget cuts than those in other parts of the country. In some crisis (such as in Indonesia and Thailand in the late 1990s), programmes to secure disadvantaged students access to education were institutionalised or expanded. In these cases, economic crises have led to a reorientation of education spending that may have benefited poorer students.

3.5 Impacts on quality of education and learning outcomes

There is some evidence from Indonesia that the increased costs of school materials, such as paper or photocopying, may have affected the quality of education. Teachers switched teaching methods to write on blackboards more and students had to share books more frequently, etc (Ablett and Slengesol, 2001). Another route through which the quality of education may have been affected is through declining teacher morale and increased teacher absenteeism. In a survey of Indonesian junior secondary schools affected by the 1997 to 1999 crisis, Filmer et al. (2001) found that one-fifth reported increased teacher absenteeism, and low teacher morale was widespread.

However, it is not clear whether the budget reductions that occurred in Indonesia led to a reduced quality of schooling. Thomas et al. (2004) argue:

‘The fact that school-related expenditures declined between 1997 and 1998 does not necessarily imply that there will be deleterious medium- or longer-term consequences on human capital outcomes of children. It may be that those children who were affected by the reduced spending and left school, for example, would have benefited little from another year of study. It will only be by following the IFLS school-age respondents into adulthood that it will be possible to definitively assess the longer-term consequences of the crisis on human capital outcomes in Indonesia.’

It does not appear that such analysis has taken place. In a similar vein, Ferreira and Schady (2008) cite evidence suggesting that the budget cuts and reduced enrolment in Costa Rica in the 1980s had no impact on attainment levels. This may be a result of schools’ and teachers’ creativity in managing with reduced budgets.

However, although the quality of secondary education may not have suffered dramatically during these relatively short crises, in longer-term crises, such as those of ‘transition’ in the poorer CIS countries, reduced funding for education has, over a period of years, meant a decline in educational quality, particularly in areas requiring specialist teaching and resources (UNICEF, 2006). Even in the shorter crisis that Argentina experienced in the early 2000s, there is evidence of a decline in scores in Programme for International Student Assessment (PISA) international tests (usually taken by 15 year olds) over the period of the economic crisis beginning in 2001 (Duryea et al., 2007).

Furthermore, young people’s educational attainment is not simply affected by public expenditure, but also by the regularity of their attendance. There is some evidence of adolescents’ attendance being so negatively affected by economic shocks and crises that, in school systems which base progression on attainment, they are forced to repeat years. For example, Duryea et al. (2007) found in Brazil that the male breadwinner losing his job increased the probability of failing to advance in school by between 14% and 34%. Even where students do not have to repeat, the disruption to their education may well have longer-term effects on their acquisition of basic skills of importance in later life, and on the intergenerational transmission of poverty and disadvantage.
3.6 Post-school education

Very few of the studies reviewed here discuss the impacts of crisis on tertiary education. In South Korea, the gross enrolment rate for tertiary institutions increased by 5.5% to 74.3% between 1995 and 1998, reflecting the fact that the population group aged 15 to 29 experienced the most significant employment losses (Ablett and Slengesol, 2001). In 1997 to 1998, tens of thousands of students who could no longer afford to study abroad returned to Malaysia, putting pressure on its domestic tertiary education system (ibid).

No information could be found concerning the impact of economic crises on other forms of post-school education, such as vocational training, adult education, etc.
4. Impacts of crisis on young people’s health

Drawing on the Framework laid out in Section 1.5, one would expect young people’s health to be affected through changes in household incomes (affecting the affordability of food and health care), changes in working patterns (with both physical and emotional effects), changes in funding for health services (affecting their affordability and the quality of service provided) and behavioural changes, particularly in the areas of sexual behaviour and family formation, and in substance use. This section examines evidence of how far economic crises have led to changes in these areas and affected young people’s health and nutritional wellbeing.

The most substantive evidence reviewed concerning the effects of crisis on young people’s health comes from East and Southeast Asia, and so the discussion concentrates on this region. For particular issues, such as substance abuse and the effects of downturns on fertility and mental health, there is evidence from a wider range of sources, including developed countries, and so this evidence is also reviewed. Table 3 summarises the evidence of impacts on health sector budgets, and young people’s health outcomes discussed in this section.

4.1 Accessibility, funding and quality of health care system

4.1.1 Use of health system and private expenditure on health

Data from both short- and long-term economic crises reveal declining use of health care systems and declining private expenditure on health. Studies based on Indonesian data, which unusually have been disaggregated by age, found an overall decline in the use of health services as a result of the financial crisis (both public and private) by both children and adults, and that older children (i.e. adolescents) were one of the groups where the decline was most marked (Frankenberg et al, 2009). Achmad and Westley (1999) found that young people were one of the groups with the greatest decline in the use of private sector health services – from 40% to 15% in 1998.

Declining health service use has generally been accompanied by a shift towards self-medication, non-treatment and/or use of traditional healers (Baschieri and Falkingham, 2006; Macfarlane Burnet, 2000). In Thailand, there was a 12.2% increase in self-medication and a 23% decline in household spending on public health facilities between 1996 and 2001 (Hopkins, 2006). The decline in private health care spending was concentrated among the bottom two deciles (Tangcharoensathien et al., 2000). Although data were not available for this review to confirm this, an increase in ill-health among young people would not be surprising in this context.

4.1.2 Health sector budgets and quality of health care

Even though young people generally make less use of health care systems than older groups (with exceptions, such as for reproductive health and for treatment of accidents and substance abuse), they are also indirectly affected by ill-health of other family members – particularly older people and children, who are more susceptible to illness and thus vulnerable to declines in the quality of health care.

In both short- and longer-term crises, public health expenditure has declined. Table 3 gives some examples from the Asian financial crisis, where all affected countries except Malaysia cut health sector budgets (Knowles et al, 1999). Within the health sector, budgets for reproductive health, health promotion and HIV/AIDS control were particularly severely cut – See Box X for details – with the intention of protecting areas that would have a greater long-term impact on health. The

19 Some examples of literature discussing trends in health care utilisation and private expenditure during the transition period in the former Soviet Union (a long-running crisis) include: Baschieri and Falkingham (2006); Bonilla-Chacin et al. (2003); and Figueras et al. (2004).
The Impacts of Economic Crisis on Youth

available evidence does, however, suggest that these cuts, though severe were relatively short-lived: Thailand’s budgets for reproductive health, vertical HIV transmission prevention and health promotion for schoolchildren and youth were increased in 1998 and 1999 (Kittiprapas, 2002). The relatively brief period of diminished funding may help explain why impacts on these areas were relatively limited (see below). Furthermore, cuts in these areas helped finance an extension of free health care for people on low incomes (Hopkins, 2006). No assessment of the net effects on young people, who would have suffered from the cuts to reproductive health and HIV/AIDS services but benefited from the extension of free medical care, is available.

<table>
<thead>
<tr>
<th>Box 5: Cuts within the health sector in Thailand and Indonesia</th>
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| The Thai government cut expenditure on health promotion by 54% and HIV/AIDS control by 33% in 1998, and reduced the reproductive health budget by 12.2%, more than the Department of Health budget (5.1%) during 1997 to 1998 (Tangcharoensathien et al., 2000) Knowles et al. (1999) report findings of a survey in Thailand which indicated that two-thirds of public health facilities had cut their budgets for medicines, including contraceptives, and Chayovan et al. (2000) found that many hospitals and clinics no longer provided free contraceptives. In Thailand in 1998, the budget of the Department of Mental Health was cut by 13.56% (Thai Bureau of Budget, 1998, in Kittiprapas, 2002).

Following a reorientation of donor support, Indonesia’s HIV/AIDS prevention budget declined by 50% by 1998 and 1999 (Macfarlane Burnet, 2000). As a result of declining funding, waiting times increased, there were stock outages of basic drugs at public health facilities and the cost to users of health services and medicines rose 61% between 1996 and 1998 (ibid).

In longer-running crises, public health expenditure has frequently declined even more severely. The sharp decline in Peru’s health budget in the late 1980s (detailed in Table 3) is likely to have contributed to increasing infant and child mortality, affecting young parents in particular (Ferreira and Schady, 2008).

None of the literature reviewed provides systematic information on budget allocations to reproductive health care during economic crises. In Thailand, for which most information is available, the reproductive health budget was cut in 1998 but restored to pre-crisis levels in 1999 (Tangcharosathien et al., 2000). In recent years, aid to sexual and reproductive health has declined as a proportion of overall aid to the health sector. Although this trend preceded the current crisis, it may be exacerbated if overall aid levels and the proportion allocated to health care fall.

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20 This compares with rises of between 200% and 300% for various foodstuffs, over 200% for clothing and 36% for education (Macfarlane Burnet, 2000).

Table 3 Summary: Impacts on Young People’s Health

<table>
<thead>
<tr>
<th>Country and crisis</th>
<th>Public Health Expenditures</th>
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<tbody>
<tr>
<td>Thailand</td>
<td>Overall, the real budget of the Thai Ministry of Public Health declined during the crisis years by 5.9% in 1998 and 8.7% in 1999 (Chayovan et al., 2000).</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Despite donor assistance, Indonesia’s health sector budget declined by 21% between 1996/97 and 1997/98 (Macfarlane Burnet, 2000).</td>
</tr>
<tr>
<td>Peru, late 1980s and early 1990s</td>
<td>The health budget declined from 80 Peruvian soles per capita in 1988 to 30 soles in 1990 (Ferreira and Schady, 2008).</td>
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<tr>
<th>Nutrition and Food Security</th>
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<tr>
<td>Indonesia, 1997/8</td>
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<tr>
<td>Indonesia, 1997/8</td>
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<td>Ethiopia (chronic food insecurity)</td>
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<th>Contraceptive use and birth rates</th>
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<tr>
<td>Indonesia, 1997/8</td>
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<td>OECD, East Asia, Russia</td>
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<tr>
<th>Safe motherhood</th>
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<tr>
<td>Thailand, 1997/8</td>
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<td>Peru, late 1980s and early 1990s</td>
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<td>Indonesia</td>
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<th>HIV/AIDS and STDs</th>
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<td>Thailand, 1997/9</td>
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<tr>
<th>Mental health</th>
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<tr>
<td>Mexico, Argentina, Russia, Sweden</td>
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<tr>
<td>Russia</td>
</tr>
<tr>
<td>East Asia,</td>
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</tbody>
</table>
4.2 Impacts on young people’s general health and nutritional wellbeing

4.2.1 Impact of crises on mortality and morbidity

There appears to be no systematic relationship between economic downturn and increased youth mortality. Khang et al.’s (2005) study of South Korea found that overall mortality declined during the recession of the late 1990s. However, there have certainly been periods of economic crisis where youth mortality has increased – for example in parts of the CIS (Russia, Ukraine, Belarus, Azerbaijan and Kazakhstan, for example) in the period 1989 to 1989. Almost four times the number of young men as young women aged 15 to 24 died over this period (UNICEF, 2000), reflecting a rise in deaths from sexually transmitted diseases (STDs), other infectious diseases and unnatural causes such as homicide, suicide and alcohol poisoning (Stillman, 2003).

Strully (2009), in Billingsley (2009), examining the relationship between unemployment and morbidity, found that laid-off workers (of any age) who had not previously had health problems were 83% more likely to develop new health difficulties after becoming unemployed. The materials reviewed here did not disaggregate sufficiently by age to enable conclusions to be drawn concerning the effects of economic shocks on young people’s morbidity, although Goodman et al. (2005) note greater reported ill-health among adolescents following transition in Russia, and Hadley et al. (2008) found in Ethiopia that food-insecure adolescents were more likely to report ill-health.

4.2.2 Impacts of crisis on diet and nutrition

‘Adolescence is an energetically demanding period of the life-course and one in which individuals are expected to make a number of key transitions to adulthood. Many of these transitions are also affected by nutritional status. Insecure access to food may influence school attendance and achievement, reproductive decision-making, migration strategies, employment options and overall health and wellbeing’ (Hadley et al., 2008).

Furthermore, the early teen years are widely accepted as the last opportunity for girls whose early development has been stunted to ‘catch up’ nutritionally before commencing childbearing (Hadley et al., 2008). Since 15 to 24 year olds are the single group with the highest rates of pregnancy and birth, adverse impacts on young women’s nutrition, in particular, can have significant long-term and intergenerational consequences. Malnutrition during pregnancy can affect babies’ birthweights, their future health and the risk of pregnancy-related complications and death; after giving birth, it can affect the quality and sufficiency of breastmilk.

This section draws principally on analysis from Indonesia (summarised in Box X), where several studies on the impact of crisis on nutrition have been carried out. For none of the longer-term crises was it possible to find data on trends in adolescent nutritional status, as most studies concentrate on children under five. However, one of the studies examined for this review discusses adolescent food security in Ethiopia, disaggregating findings by gender.

Access to sufficient calories and micronutrients

Rising food costs have generally been one of the most significant problems for poor people in past and current crises (Hossain, et al., 2009). Macfarlane Burnet (2000) cite evidence of poor households having to double food expenditure because of the rising cost of rice and thus having to cut out protein-rich foods. Evidence from Indonesia (de Pee et al., 2000) and Russia (Lokshin and
Yemtsov, 2004) following the financial crises of 1997 to 1998, and from the current crisis (Hossain et al., 2009), indicates many households shifting to cheaper, less nutritious foods.

**Box 6: Impacts of Crisis on Young People’s Nutritional Wellbeing**

Some of the most detailed information concerning the effects of crisis on nutritional well-being comes from the IFLS. Analysing data collected through this survey, Frankenberg et al. (1999) found that in Indonesia in 1997/8 the proportion of adults with Body Mass Index (BMI) less than 18 increased significantly during the crisis, whereas the proportion of underweight children went down, suggesting that adults were protecting children’s consumption and/or were working harder and expending more energy. De Pee et al. (2000), using different Indonesian data, found that the BMI of mothers in all socioeconomic groups fell after the onset of the crisis, by a mean 0.45kg/m², but the expected increase in adolescents’ BMI did not take place. Boys were particularly affected. Furthermore, there was a decline in the proportion of boys aged 12 to 15 who had reached puberty by the start of the school year. The decline in mothers’ BMIs and the failure of adolescents’ BMIs to increase in the crisis period is attributed to reduced access to food rather than illness.

In addition to these trends, Hopkins (2006) observes an increase in anaemia among children and mothers between 1996 and 1998. Citing the findings of a study which focused on people in poor areas of Indonesia, Burnet Macfarlane (2000) reports increased rates of night-blindness among young children and mothers. This may reflect reduced intake of vitamin A supplements, which were reported to decline among children under three but may also have declined among pregnant women.

**Obesity**

Young people are one of the groups most affected by the rising trend towards obesity in many countries. Obesity is no longer a problem only of rich countries, or of the rich minority in middle-income and poorer countries. Indeed, being overweight is becoming more prevalent in low- and middle-income countries, where incidence is increasing especially rapidly among poor households, and girls and young women are particularly affected (World Bank, 2007). Given this, one would expect that obesity rates might rise as a result of crisis, if an increasing proportion of the population is unable to afford healthy food.

However, there is little evidence to suggest that discrete or longer-running economic crises have contributed in any clear or direct way to this trend, which seems to reflect globalisation, increased availability of food high in saturated fat, sugar and salt, declining consumption of fruit, vegetables, cereals and legumes and declining rates of physical activity among young people. Detailed studies of the nutritional impact of economic crises, such as those based on the IFLS, indicate increased undernutrition, rather than growing obesity, and evidence from the US indicates an improvement in nutritional status during recessions as people tend to exercise more (Ruhm, 2000). Where periods of economic stress have been associated with increased obesity, as in Russia following the collapse of the Soviet Union, this has tended to be concentrated among both older age groups and higher-income groups, indicating that having insufficient money to afford healthy food is not a major factor (Huffman and Rizov, 2008).

The absence of attention to the effects of crisis on obesity may reflect the fact that this is an emerging concern among the development community. There is some anecdotal evidence of a link with economic crisis in poor urban communities, reflecting both the high cost of fruit and vegetables and relative cheapness of sugary, fatty food, and the high levels of violence in these communities, which make exercising for youth and, for children, playing outside too dangerous to contemplate.22

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22 The BBC’s Big Meets Bigger programme, aired on 15 July 2010, discussed rising obesity rates in Argentina since the crisis of the early 2000s.
4.3 Demographic impacts and reproductive health

4.3.1 Impacts on rates of marriage, timing of pregnancies and contraceptive use

Trends in marriage
The conceptual framework would suggest that young people might be likely to postpone marriage and childbearing as a way of coping economic crisis or uncertainty. Most of the evidence reviewed finds delays in marriage during crises from contexts as varied as Poland in the ‘transition period’ (Wroblewska, 2002), South Korea (Eun, 2009, in Sobotka et al., 2010) and Egypt (Dhillon et al., 2009). Evidence from Thailand also suggests an intergenerational effect – that young women whose mothers experienced difficulties during the 1998 economic crisis and resulting recession are significantly less likely to want to get married (Tsuya and Chayovan, 2002). Most of the studies reviewed focus only on young women, meaning that it is not clear young men’s marriage behaviour is affected differently by crisis.

Evidence from Indonesia is contradictory. Of Indonesian adolescents surveyed in 1999 (Achmad and Westley, 1999), 10% stated that they had delayed marriage plans as a result of the crisis. However, Nobles and Buttenheim (nd) found that, in Indonesia, following the economic crisis of the late 1990s, the trend towards later age of marriage was disrupted and there was an 11% increase in the odds of being married aged 15 to 24 in 2000 as compared with in 1993. This may reflect poor parents urging young people to get married and form new households so as to reduce their own responsibility for maintaining them. This review has found surprisingly little evidence of young people being forced to marry earlier to help reduce the burden on parental households in the crises surveyed, perhaps because it has not been documented, or because marriage itself entails significant costs.

Timing of pregnancies and desire for children
Reviewing evidence from OECD countries, Sobotka et al. (2010) found that recessions have a small negative effect on birth rates (of around 5%) for a brief period and that typically, after one to two years, these return to their pre-recession levels. GDP decline is associated with a decline in fertility in 81% of cases between 1980 and 2008. The authors expect that the fertility effect of the current crisis is likely to be most pronounced among young people under 28 meaning that the effects on first births are most acute. Those who are less well established in labour markets, or are more educated and have more to lose, are more likely to delay fertility.

However, the negative effect of recession on birth rates has been more pronounced in East Asia – Japan and South Korea, for example. Eun (2009), in Sobotka et al. (2010) (discussing South Korea) suggests that the main proximate factor has been postponement in marriage. Unfortunately, although several of the studies on Thailand and Indonesia reviewed here discuss the impact of the crisis on fertility overall, none of them considers the impact on birth rates among 15 to 24 year olds separately. Indeed, some of the studies specifically exclude this age group.

By contrast, Kohler and Kohler (2002), examining evidence from the Russian Longitudinal Monitoring Survey, found no evidence of the hardships of transition leading young people to postpone childbearing; in fact, the mean age at first birth actually declined between 1990 and 1994. The authors found that neither male nor female unemployment had a significant effect on the probability of a couple having a child, but living in an area where wage arrears were common did: overall, those most affected by the crisis had a higher probability of having an additional child between 1994 and 1996. This mirrors patterns in Western Europe, where unemployment may increase young women’s propensity to have a child, whereas male unemployment decreases the likelihood of initiating fatherhood. Young women with less education, in particular, are more likely

23 However, this trend was not shared by most other former socialist countries.
to initiate childbearing while unemployed. A recession therefore may increase socioeconomic differentials in childbearing (Kohler and Kohler, 2002).

**Contraceptive use**
The only studies reviewed here that consider the impacts of crisis on contraceptive use are from Thailand and Indonesia. Unfortunately, only the Indonesian studies disaggregated sufficiently by age to reveal specific effects on young people.

Although in both Thailand and Indonesia the price of contraceptives rose (Frankenberg et al., 1999; Tangcharoensathien et al., 2000), most analysis suggests that these changes had little impact on contraceptive use patterns. In parts of both countries, at times during the crisis period, there were stock-outs, particularly in public sector clinics (Chayovan et al., 2002; Macfarlane Burnet, 2000). Although contraception increased in price over the crisis period, for couples who already had at least one child it was still cheaper than the costs of an additional child (Frankenberg et al., 1999). Achmad and Westley (1999) found that young people shifted during the crisis period to obtaining contraceptives from cheaper sources, such as pharmacies and midwives. Frankenberg et al. (2004), undertaking more disaggregated analysis, found that 15 to 24 year olds were more likely than this cohort was before to use contraception after the onset of crisis, indicating that they may have been postponing childbearing because of economic difficulties. However, none of the studies reviewed report declining birth rates overall, or among the 15 to 24 age group, suggesting that the effect of higher rates of contraceptive use by Indonesian young people during the crisis was slight.

### 4.3.2 Safe motherhood

Many of the countries with the highest maternal mortality rates are those which have suffered long-term economic crisis or stagnation and/or conflict. This review did not find any studies that considered the relationship between economic crisis and maternal mortality. Nevertheless, there is a plausible link between economic downturn and increased maternal mortality. Where economic crises lead to reduced public spending on reproductive health care, in areas where greater numbers of women cannot afford sufficient food to maintain a healthy pregnancy and/or forego professional care, these responses are often already occurring against a backdrop of high maternal mortality. Young women under 20 giving birth face double the risk of dying in childbirth compared with those over 20 (UNFPA, 2009), and may thus be particularly at risk if these hypothesised links between economic crises and maternal mortality do occur. Infant mortality rates, which are highly sensitive to economic crisis, are also significantly higher for young mothers (under 19) (Temin and Levine, 2010). Though data on infant mortality disaggregated by the age of the mother during crises are not available, this combination of risks means that young mothers may face a ‘double whammy’ of increased risk to their own health and survival, and that of their babies during crises.

A few studies consider the effects of economic crisis on maternal health. One common impact of economic crisis appears to be somewhat increased rates of women giving birth at home, and/or without attendance of a trained practitioner, and a reduction in ante and postnatal contacts with mothers. Table 3 summarises some of this data. Chayovan et al. (2000) conclude that, in Thailand, the relatively small impacts observed were related to shortfalls in financing of public health facilities and in supplies and equipment, which were most severe in Bangkok, and also rectified through increased budget allocations after the crisis.

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24 Cornia, Rosignoli and Tiberti (2008) in Conceicao et al, (2010) found that a 1 percent increase in GDP per capita is associated with a decline in the infant and under-5 mortality rates, respectively, by about 14 points and 22 points.
4.3.3 Safe abortion

In much of the world, women having unsafe abortions are predominantly young and unmarried and decide to abort pregnancies because of social stigma, or so that they can continue their education. In Sub-Saharan Africa, 60% of women who have unsafe abortions are 15 to 24 years old, whereas in Latin America and the Caribbean the corresponding figure is 43% (World Bank, 2007). Unsafe abortions are concentrated among the youngest women – worldwide, young women aged 15 to 19 account for one in four unsafe abortions – at 5 million each year (UNFPA, 2009). In Kenya, Nigeria, and Tanzania, adolescent girls make up more than half of the women admitted to the hospital for complications following illicit abortions (World Bank, 2007).

Because of social stigma and illegality in some countries, which affect the reporting of abortions, and because few studies have focused on this issue (even studies of reproductive behaviour rarely mention the issue), there is not sufficient evidence to draw conclusions concerning trends in safe (or unsafe) abortion during or following economic crisis. Hossain et al. (2009) cite qualitative evidence of more young women undergoing unsafe abortions in the current crisis period.

4.3.4 STDs, including HIV/AIDS

The vast majority of the literature reviewed here considers the impact of economic crisis and/or poverty on HIV/AIDS, and factors that underlie HIV/AIDS incidence, morbidity and mortality rates. There is very little specific discussion of the impact of crisis on other STDs. However, some indications can be inferred from evidence concerning trends in sexual behaviour, use of condoms, use of health care facilities and access to medicines. As use of health care facilities has been discussed above, this section concentrates on sexual behaviour, use of condoms and access to medicines, particularly anti-retrovirals (ARVs).

Qualitative evidence (such as Hossain et al., 2009) indicates a strong relationship between poverty and risky sexual behaviour. Poorer young women (and in some contexts men) are more likely than their better-off counterparts to engage in sex work on a regular, commercial basis, or in relationships with better-off men where they provide sex in exchange for gifts (including money) and favours (also known as transactional sex). They are also likely to be less educated and, resulting from this and financial need, less likely than their better-off counterparts to be able to insist on condom usage if their partner is reluctant. This suggests that, in periods of economic decline, there may be a rise in risky sexual behaviour (such as non-use of condoms, multiple partnerships). Potishiri et al. 1998 (in JUNIMA, 2009) found evidence of this in Thailand between 1997 and 1999.

However, Dinkelman et al. (2007), in a study of nearly 3,000 young people, found little evidence in a study of young people in Cape Town of associations between negative economic shocks, household and community poverty and risky sexual behaviour. Indeed, there was a statistically significant increase in condom use and a decrease in multiple sexual partnerships among young women aged 17 to 22. The authors did, however, find that education was associated with younger sexual debut for women and multiple partnerships for both sexes, but this effect did not override the general increase in safer sexual behaviour over the study period, even among young people affected by economic shocks. Although this is only one study, it is a helpful reminder that negative impacts of crisis on the risk of STDs should not be assumed. It also points to the importance of continuing an active public health policy during a crisis to promote safer sexual behaviour and prevent a rise in STDs.

25 Exceptions are Tangcharoensathien et al. (2000), who found that, in Thailand, the downward trend in STD incidence continued during the crisis, and Burnet Macfarlane (2000), which found no evidence of rising STD rates during the late 1990s crisis in Indonesia. By contrast, Hopkins (2006), writing longer after the end of the crisis, suggests that an approximately 10% increase in untreated STDs and HIV in the female population in Indonesia, and Jones et al. (2000) suggest that at the very least HIV prevalence rates did not decline, because of an increase in injecting drug use and needle sharing.
Impacts on HIV/AIDS

An estimated one-third of the 40 million people with HIV/AIDS in the mid-2000s were young people aged 15 to 24 (Knowles and Behrman, 2005); in 2005, more than half the estimated 5 million people who contracted HIV worldwide were young people between 15 and 24, the majority of them young women and girls (World Bank, 2007).

Studies from Thailand and Indonesia do not indicate a rise in HIV/AIDS incidence occurring as a result of the late 1990s economic crisis (Macfarlane Burnet, 2000; Tangcharoensathien et al., 2000). However, this may reflect the fact that many assessments of the effects of crisis took place relatively soon after the crisis, so lagged effects were not picked up. Thus, for example, in Indonesia, Macfarlane Burnet (2000) argue that the crisis could have triggered a rise in HIV/AIDS rates because of the possible interaction between heterosexual spread and spreading through infectious drug use. Furthermore, the increased numbers of women engaging in commercial sex work had the potential to increase HIV/AIDS incidence. Some estimates cited by Macfarlane Burnet indicate around 50 to 100 new entrants per month to the red light district in Jakarta in 1999, as compared with approximately 20 in 1997, and substantially increased rates of STDs among clinics treating a large number of sex workers in Yogyakarta. These changes may have been too small to show up in aggregate statistics concerning trends in STD incidence.

There is some evidence from Thailand that HIV prevalence continued the pre-crisis downward trend among commercial sex workers (both brothel and non-brothel based), pregnant women and donated blood; this trend was slightly reversed among male STD patients and more among intravenous drug users. Condom coverage among brothel-based commercial sex workers continued to increase, to 97.5%, despite a 72% budget cut in free condom distribution (Tangcharoensathien et al., 2000), indicating the importance of effective public policy in mitigating the effects of crisis.

Outlook for HIV/AIDS prevention and treatment in the current crisis

As noted above, HIV/AIDS budgets have often been cut in economic crises. It seems that this pattern is being repeated in the current crisis. UNAIDS (2009a) found that:

‘The global economic crisis is having a real and tangible negative effect on HIV programmes in nearly all low and middle income countries … The impact of the crisis is compounded by important trends that would probably have occurred even in the absence of a global recession, including a slowing down in the rate of increase of donor financing, growing demand for treatment in a number of high prevalence countries, and an expansion of competing agendas such as the rise of pandemic flu.’

The most widely reported concern is in prevention, and the impact is severest in middle-income countries, where financing is based largely on domestic sources. However, donors have cut funding HIV/AIDS in at least 21 countries (UNAIDS, 2009b). Reduced funding for civil society organisations is limiting their ability to provide community-level services, both prevention and treatment (UNAIDS, 2009a). As a result of these funding declines, programmes preventing HIV/AIDS among sex workers, injecting drug users and, in some countries, men who have sex with men were particularly likely to be cut (UNAIDS, 2009b) – these are crucial services for stopping the epidemic spreading. Targeted programmes for young people were also expected to be cut in Argentina (UNAIDS, 2009c).

In most regions, it is also expected that treatment will be affected, across the board or for the most vulnerable groups. Access to treatment is affected not only by cuts in public sector health budgets but also by devaluations that increase the cost of imported ARVs, test kits and other supplies (UNAIDS, 2009a), declining household incomes and worsening food security. Hunger can mean that people discontinue ARVs which must be taken with food – UNAIDS reports this to be a particular problem in many parts of Africa (e.g. Tanzania and Burkina Faso, where economic shocks have been coupled with droughts and so there has been a significant decline in food security (UNAIDS, 2009b; 2009c)). Drug stock-outs, possibly reflecting devaluations and rising
costs of imported ARVs, have been noted in some countries (e.g. Burkina Faso) (UNAIDS, 2009c). These trends may contribute to increasing rates of morbidity and mortality from HIV/AIDS which, as noted above, is often disproportionately concentrated among young people.

Impacts on programmes supporting orphans and vulnerable children (OVCs) are also widely predicted – in 54% of countries surveyed by UNAIDS (2009b), cuts to such programmes were expected. This could affect adolescents’ access to education. They might also be more likely to engage in early and risky sexual experiences in order to afford schooling or to sustain family livelihoods.

4.4 Mental health

4.4.1 Overall levels of stress, anxiety and depression
Both short-term and longer-running economic crises have led to increased levels of reported stress. In some cases, studies have also found increased levels of clinically diagnosed mental health problems, such as depression and acute anxiety. Studies of transition in the former Soviet Union and Central and Eastern Europe indicate higher levels of stress as a result of economic difficulties and the whole transformation of economic, social, political and civic life (UNICEF, 2000; 2001). Pereznielo and Jones (2009) cite evidence of increased levels of stress in Argentina and Mexico following financial crises, and increased fear and stress among youth and their parents concerning the loss of future opportunities. Chayovan et al.’s (2000) study of the impacts of the Asian financial crisis on women found that around 50% of Bangkok women and 40% of provincial women stated that they felt more stressed as a result of the crisis. They also reported increased use of public sector psychiatric services. Unfortunately, these findings are not disaggregated by age, so the specific impacts on younger women’s mental health are not clear.

4.4.2 Adolescent mental health and behavioural problems
The evidence reviewed for this study suggests that periods of economic difficulty, can lead to increased emotional and behavioural problems among adolescents. Almost all the studies reviewed were conducted in developed country settings. Young people are affected both directly and indirectly. Their own futures may seem much more uncertain, and they may worry about being able to find work, complete their education or marry. Their emotional well-being may be affected by not having enough to eat or by having to work harder – whether on domestic work or in paid employment – and they may be concerned about the impact on other family members. They may also be affected by others’ stress – that of parents or spouses, for example. Although parents are often able to cushion younger children emotionally, adolescents are more likely to share parents’ stress during periods of economic difficulties. Hagquist (1998) found that, in Sweden, adolescents’ (15 to 16) increased worry about family finances was associated with greater perceived poor health, particularly among those who had wanted to participate in leisure activities but had been unable to do so. Goodman et al. (2005) found that Russian adolescents were more likely to have mental health problems if they came from poorer households, or households with less educated heads, or if their mothers had mental health problems.

Conger et al. (1993) cite evidence from the US that marital conflict among parents (which tends to rise during periods of economic stress) was directly related to conduct problems, especially for boys. They suggested that, for both boys and girls, effects arose through disruptions in parenting, and that girls in particular were affected also by parental mood. They suggested that early adolescent girls were particularly affected by mothers’ unhappiness, but that either parent’s experiencing economic difficulties negatively affected early adolescent girls’ sense of self, social development and academic achievement. The authors observed that these were very similar patterns to those observed among girls in economically stressed families in the Depression era of the 1930s, who became less confident and secure but did not exhibit anti-social behaviour.
Among young adults, European research suggests that young women generally tend to adjust better to unemployment than men, thanks to their more extensive social support networks (Vahatalo, 1998, in Julkunen, 2001) and maintaining their level of activity better when unemployed (Julkunen, 2001). De Witte and Wets (1996) (in Julkunen, 2001) found the availability of an alternative role, such as being at home with children, made the experience less distressing, especially among women with low education. Isengard (2003) argues that, because of the higher expectations on men to fulfil the role of breadwinner, young men seem to be under more pressure than women when unemployed.

Funding for mental health services may be particularly vulnerable during crisis. This was one of the areas of the Thai public health budget that was cut in 1998 (Kittiprapas, 2002). It is not clear whether or when it was restored to pre-crisis levels. In that young people may have particular need of mental health services, as they make the various transitions to adulthood in time of stress, they may be particularly affected by cuts to mental health services.

4.4.3 Suicide
Reflecting the increased stresses of managing day to day living with reduced purchasing power, and the exacerbated difficulties young people face in securing employment (section 2), many crises have been associated with increased rates of suicide among young people. See Table 3 for examples. However, this is not always the case - suicide mortality fell during the recession that Finland experienced in the late 1980s and early 1990s (Hintikka et al., in Chang et al., 2009). This may reflect more extensive social protection in Finland.

4.5 Use of harmful substances
Youth is the period when young people tend to start consuming substances that are harmful to their health. There are a number of reasons for this: these substances are often markers of adulthood, such as smoking cigarettes and, in many countries, drinking alcohol; they are normalised as part of young people’s recreational culture among some social groups (Pilkington, 2007); and they are prohibited by law, parental stricture or social mores, or represent an alternative lifestyle to that of older generations. Young people, the narrative suggests, tend to be more risk taking and impulsive than older people (in part because the neurological development that tends towards longer-term thinking takes place from mid-late adolescence onwards (World Bank, 2007). This affects practices concerning both safe sex and substance use.

Much writing on the social effects of economic crisis assumes a direct line of causality between economic stress and young people’s use of drugs and alcohol, linking growing substance use to youth unemployment, rising crime, social dislocation and anomie. Studies conducted among young people in Bosnia Herzegovina in 2000 indicated that young people both drank alcohol and took drugs in order to escape the difficulties they faced – high rates of unemployment, the legacy of conflict and marginalisation in civil society (World Bank, 2006). There is some evidence from Russia that, having risen following the most difficult years of transition, 15 to 19 year olds’ alcohol abuse peaked in 1996 and then stabilised at a new high level (UNICEF, 2000). In the current crisis World Bank research documents increased amphetamine use and glue sniffing in urban Thailand and Turkey (Turk et al, 2010).

However, in some crises alcohol and tobacco use has stayed stable or declined. For example, there was no increase in alcohol consumption in East and Southeast Asia in the wake of the late 1990s financial crisis (Chang et al., 2009). Rhum (2000), in Conceição et al. (2009) noted that, in the US, recessions led to reduced consumption of alcohol and tobacco, although it is not clear whether this effect varied between different age groups. Similarly, alcohol and tobacco expenditure...
declined across all income groups in Thailand as a result of the Asian financial crisis (Tangcharoensathien et al., 2000).

Increasing rates of drug, alcohol and tobacco use among young people during periods of economic stress thus do not necessarily or solely reflect the effects of that crisis. Atlani et al. (2000) observed in Russia that, for some youth sub-cultures, drug consumption constituted a form of youth hedonism, whereas simultaneously for others it reflected unemployment and alienation from societies in which their prospects were minimal. Rising drug availability – itself sometimes affected by economic changes induced by crises – and changing social norms among young people are also important factors.

**Box 7: Rising rates of drug use among young people in Russia**

Although both young people aged 20 and over and those aged 19 and under registered a rise in drug use in Russia over the period 1989 to 1998, the rise among young people over 20 was substantially sharper (UNICEF, 2000). Pilkington (2007) cited Russian Ministry of Health data that indicated a 10-fold increase in the number of ‘teenage drug addicts’\(^\text{27}\) between 1991 and 2001. The steeper rise among over 20 year olds may reflect the greater degree of supervision of teenagers, and also the greater financial and other autonomy of the older cohort.

The rise in injecting drug use has been one of the major factors behind the spread of HIV/AIDS in the former Soviet Union. Davidova et al. (1998), in Atlani et al. (2000), found that 60% of drug users surveyed in Odessa shared equipment, putting them at great risk of HIV/AIDS.

\(^{27}\) Unfortunately this is not defined.
5. **Impacts of crisis on young people’s social well-being and citizenship**

This section discusses evidence of the impacts of crisis on social capital and cohesion (the latter through the lens of intrahousehold relationships and domestic violence) – one of the main routes outlined in the analytical framework (Section 1.5) through which impacts of crisis are transmitted to young people. It presents evidence on social exclusion (both a mediating factor and an outcome), and on outcomes for young people’s wellbeing in the areas of general social wellbeing, crime and security, and citizenship. Compared with the detailed analyses of the effects of crisis on employment, health and education, there is substantially less information available on these issues, with the exception of impacts of crises on youth crime, which are relatively well documented.

5.1 **Social cohesion: Intra-household tensions and domestic violence**

Few studies systematically discuss the impact of economic crisis on intra-household tensions. Those that do indicate that relationships between spouses (including those in consensual unions) have been subject to increased tensions as couples seek to cope with the stress of rising costs, unemployment and uncertainty (e.g. Hossain, 2009; Tsuya and Chayovan, 2002; UNICEF, 2001; Turk and Mason, 2009). Chang et al. (2009) found that divorce rates rose in Taiwan, Japan, Thailand, South Korea and Hong Kong in the late 1990s, relating this to the stresses of the economic crisis – while studies of transition in Central and Eastern Europe and the former Soviet Union report similar trends. Unfortunately, these reports do not contain sufficient detail to draw any conclusions as to whether tensions have been greater among for age groups than for others.

Because of significant underreporting of domestic violence, and often police unwillingness to consider it a crime, data on trends in domestic violence, its relationship to economic crisis and the age groups most affected are very limited. Survey data from Romania in 1995 (six years after the onset of transition and before economic recovery started) indicated that rates of domestic violence had risen substantially in recent years, owing to a combination of economic decline and increased rates of alcohol consumption (World Bank, 2006). The East Asian financial crisis, Mexico’s peso crisis of 1994 to 1996 and transition in the former Soviet Union and Central and Eastern Europe were all associated with rising levels of domestic violence (Harper et al., 2009).

There is some evidence that young women are disproportionately at risk of domestic violence. Police records in the Dominican Republic indicate that women between the ages of 15 and 34 account for nearly two-thirds of all violent deaths among women, despite representing only 36% of the female population (UNODC and World Bank, 2007). If, as in industrialised countries, pregnant women are at increased risk of domestic violence elsewhere, this would indicate that 18 to 24 year olds are one of the groups most at risk, since most births worldwide occur in this age group. There is also evidence that a significant proportion of adolescents in the Caribbean, a region where disadvantaged groups have experienced serious long-term economic difficulties, have witnessed domestic violence; this early exposure to violence is often carried over to adulthood relationships and to the next generation.

No evidence could be found concerning the impact of crises on young people’s voice and decision-making power within the household. Where young people make a greater financial contribution to their households, there is some evidence that this increases the extent to which their views influence household decision making and their control over resources (Green, 1996). In that many young people take on additional work to support their households during crises, as discussed in Sections 2 and 3, this may mean greater influence in their households. However, this may also
exacerbate intra-household tensions, if young people who feel their views are entitled to greater consideration clash with adults who are used to sole decision-making power.

5.2 Social capital

Social capital affects young people's well-being and opportunities in a number of ways: young people who have denser social connections, which they have generated themselves or through their families, are likely to feel happier and suffer fewer mental health problems; they are more likely to be socially integrated and to study, to find work and to participate in valued community or religious events. They are less likely to feel alienated from society or to turn to alternative support networks, such as criminal gangs. Young people with higher levels of social capital are also more likely to be able to rely on support from others during difficult times, which may help them weather crises better.

Although no studies reviewed specifically examined the effects of crisis on young people's social capital, it is possible to extrapolate some conclusions from broader observations about the impacts of crisis on social capital. Kittiprapas (2002) found that the effects of crisis on social capital in Thailand were contradictory. On one hand, levels of trust declined, as there was greater competition for jobs. This decline was also associated with the rise in crime, as fear of crime increased faster than crime itself (Knowles et al., 1999), and may have contributed to declining trust of both community members and strangers. On the other hand, there was a rise in civic action – local, voluntary activities to support returned, retrenched migrants in rural areas, for example, or to provide free food or medical treatment for unemployed people in South Korea (ibid).

In Hossain's (2009) study of the impacts of crisis in five countries, there was some evidence that social practices that had previously cemented the social capital between groups, such as participation in rotating credit and savings associations (Bangladesh, Indonesia and Jamaica) and communal Quran readings (Indonesia), were declining. Hossain et al. (2009) also found that people in rural Bangladesh noted a decrease in the number and scale of major social and religious events. There were fewer such big occasions now held, fewer people were invited and the food was less lavish when they did occur. In the long crisis that poor Central Asian countries such as Tajikistan and Kyrgyzstan have faced, all of these kinds of socialising declined, as fewer people could afford their contributions.

In Central Asia, as in Central and Eastern Europe, young people’s opportunities to participate in organised leisure activities also declined as a result of economic crisis. In much of Central Asia, sports clubs simply closed (ICG, 2003) during transition or, as in Central and Eastern Europe, were privatised and became too expensive for young people. Sports were one of the main socially approved ways for young people to socialise, and additionally played an important role in preventing them from becoming involved in harmful activities and improving health. Indications from Kazakhstan in the current crisis (Gavrilovic et al., 2009) and Thailand in the late 1990s suggest that ‘extra-curricular’ activities such as these are among the first areas that households tend to cut back on during crises.

Taken together, these trends towards less frequent social contacts of different kinds may reduce young people’s opportunities to form social capital, both with other young people and with older community members. Some young people may compensate for this through use of mobile phones and other technology to maintain social connections; young men often have relatively greater access to such technologies than young women (Plan International, 2009). The social support networks among unemployed urban youth described in parts of Africa in Section 2.4 clearly provide both emotional support and financial resources. However, if young people are socialising less, this may limit their opportunities to obtain work, since most poor young people rely on information provided by friends and family and social connections to secure jobs. It may also mean fewer opportunities to form the kinds of bonds that help people survive during difficult times – by
The impacts of economic crises on social exclusion are little discussed in the literature; again, in this section we seek to extrapolate from the limited literature available to highlight possible impacts on socially excluded young people. In a study of the social impacts of the current crisis, Hossain et al. (2009) found that, in urban Kenya, the stress caused by rising prices in particular was increasing social tensions, which were being expressed along religious lines. They also found that, in rural Bangladesh and Jakarta, there was scope for social tensions to arise around the distribution of resources for coping with crisis, and some evidence of minorities (ethnic minorities and migrants) being discriminated against in social protection schemes, although this was not necessarily systematic. Where social tensions spill over into violence, young women are at particular risk of rape. Other stigmatised and marginalised social groups may also be at greater risk of scapegoating and violence.

Long-running economic crises coupled with unequal spatial patterns of development – particularly, but not exclusively, in Latin America – have led to highly segregated cities, with poor urban areas marginalised, with high unemployment and crime rates typifying social exclusion (Maclure and Sotelo, 2004; Prillaman, 2003). Young people from such neighbourhoods can find it extremely difficult to obtain work – young men are assumed to be criminals or to have links with criminals, young women to be likely to get pregnant and both genders to be unreliable and lazy, lacking in a work ethic. These areas are often at some distance from city centres; affording the transport to reach employment may well have become more difficult as fuel prices have risen. These structural difficulties suggest that young people from these excluded areas are likely to face even greater difficulties during economic crises.

The difficulties young people face in securing adequately remunerated and secure employment can, in some parts of the world, lead to another form of exclusion. In regions such as the Middle East, where marriage and forming a family are considered fundamental rites of passage to adulthood (as discussed in Sections 1.2 and 4.3.1), the involuntary delay of marriage is a form of exclusion and is generating new social and economic difficulties by prolonging the transitions of young people. In Egypt, high unemployment rates among young men mean that many are unable to afford the high costs associated with marriage (Dhillon et al., 2009). Antoine et al. (2001), in Cling et al. (2007), report similar trends in the capital cities of Cameroon, Senegal and Madagascar, where young men appear to be postponing marriage by five to ten years because of difficulties in finding a first job and lengthening studies. (Klasen and Woolard (2005), in Cling et al. (2007), found similar impacts of unemployment in South Africa). In Kenya, Agwanda et al. (2004) found that the economic crisis of the 1990s made it harder for young people to form their own independent households, while the youngest generation of Kenyan women had a much more delayed entry into both fertility and union compared with the intermediate and the oldest generation.

28 This situation has partially been eased by housing reforms that enable fixed-term rental contracts and allow couples to set up households without needing large sums for advance payments (Dhillon et al., 2009).
5.4 Youth wellbeing outcomes: Citizenship and political engagement

The transition to adult citizenship, with its rights and responsibilities, is one of the key youth transitions. Despite extensive searching, this review has not located any literature that discusses in any depth the impacts of recession or economic crisis on young people’s civic or political engagement. Again, we seek to extrapolate here from the findings of the limited literature on political and civic engagement during economic crises.

There is some evidence that recent food and energy price rises have fuelled political protest and contributed to the overthrow of some governments (e.g. in Haiti (Hossain et al., 2009) and Kyrgyzstan (Reeves, 2010)), and that young people have been active participants in these protests. Tumenggung and Nugroho (nd) note that student and young people’s political mobilisation in the context of the 1998 financial crisis was a crucial factor behind the fall of the Suharto government in Indonesia. Less dramatically, one study from the UK found that, as a result of the economic crisis, young people feel more interested in politics and the politics of responses to the crisis (Citizenship Foundation, 2009), perhaps because so much public expenditure of potential benefit to them is likely to be axed.29

It is plausible that the current economic crisis could lead to an increase in alienation among young people, since poverty and unemployment are likely to increase and there are signs of growing social tensions (Hossain et al., 2009). In this context, militant organisations are likely to find a larger body of potential recruits, particularly if they offer financial incentives, and, as in the case of gangs, an alternative ‘community.’ There is certainly evidence of disenfranchised young men being paid to swell political movements in difficult economic times. Many of the demonstrators involved in the April 2010 overthrow of President Bakiev in Kyrgyzstan (and many of those who lost their lives) were young, poor, rural men, paid to be there (Reeves, 2010).30 Of course, although alienated youth may well be fertile recruiting ground for militant organisations, alienation and grievance are by no means confined to the poor and dispossessed, and many militant movements have highly educated, wealthy leaders and supporters.

More positively, there is some evidence of young people mobilising to effect changes in their communities. Annex 2 gives some examples of youth-led initiatives that may be playing an important role in helping young people find a way through present difficulties (see, for example, World Bank, 2007, and initiatives described in annual World Bank youth essay competitions).

5.5 Youth wellbeing outcomes: Crime and security

5.5.1 Causes of increasing youth crime

Overall, the evidence examined for this review upholds the view that economic crisis is an important factor underlying rising youth crime.31 There are a number of interrelated factors operating here: increased poverty can create incentives for theft and robbery; increased rates of young people being unemployed, and not in education or training, mean that there are many young people with time on their hands;32 and alienation from a society that provides limited opportunities for youth can lead to resentment of inequalities. These, in turn, may be expressed directly through crime, or can lead to substance abuse, which itself often propels criminal activity in order to finance

29 This may be a factor behind the increase in voter turnout among young people in the UK’s 2010 general election.
30 This is not to suggest that they did not have real grievances, including sharply falling living standards resulting from food and fuel price rises since 2008, and predation by the ruling elites and their families.
31 To put this in context, overall crime rates usually also rise sharply during economic crises. For example, in Chile in the mid-1990s, a one point rise in the unemployment rate was associated with a 4% increase in property crimes (Garcia, 1997, in Arriagada and Godoy, 1999, in Benvenuti, 2008).
32 One study from Moldova found that 85% of the crime committed by 15 to 24 year olds in 2000 was committed by those not in education, training or employment (World Bank, 2006).
continued drug or alcohol habits. Because both drugs and alcohol impair decision-making capacities, this may impel young people to undertake rasher (and more criminal) acts. The financial returns to criminal activity may also make it attractive to unemployed young people, particularly those facing long-term unemployment. Furthermore, once a person has a criminal record, it is very much harder for them to obtain legal, adequately paid work with some prospects of advancement. To this extent, there is a negative cycle of criminal activity reinforcing future unemployment (Mocan and Rees, 1999).

Economic crisis also often leads to greater pressure on families, familial stress and break-up and less parental supervision of young people, as parents become occupied with trying to make ends meet. This lack of supervision is another key factor behind rising rates of youth crime. Where familial ties are stretched and fractured, peer groups provide another source of social and material support – thus gangs and friendship groups that engage in criminal acts can become increasingly attractive to young people (MacIure and Sotelo, 2004). (See Box 6 below on gangs and crime.)

Indeed, some analysis suggests that the impacts of crisis on family and social support for young people are more critical than the immediate effects of poverty and unemployment. Over the period 1989 to 1998, registered youth crime rose by over 60% in the Czech Republic, while youth unemployment was ‘only modest.’ At the same time, Poland, which suffered a much greater increase in poverty and youth unemployment, had a much smaller rise (30%) in youth crime (UNICEF, 2000). The suggestion is that strong familial networks may have limited the rise in youth crime in Poland. Typically, young people who have been in public care have received relatively little adult support and guidance. Additionally, they are more likely to be unemployed and not in education. All these factors together mean that they are at greater risk of being drawn into crime.

The vast majority of crimes committed by young offenders (under 18) are petty crimes, such as small-scale thefts and ‘status offences’ (being in the wrong place at the wrong time, contravening curfews, etc) (Save the Children, 2005). However, in some countries – often those that have faced prolonged periods of economic crisis with significant growth of poverty, inequality and social dislocation, such as parts of the CIS (UNICEF, 2000) – there has been a substantial increase in young people’s involvement in violent crime since the 1980s. As with substance abuse, the increased availability of firearms, connected to the rise of the drug trade, has contributed to the increase in lethal violence.

**Box 8: Youth crime and economic crises – some evidence**

One of the effects of the Asian financial crisis in 1997 to 1998 was rising crime – both overall and among young people. In South Korea, for example, juvenile crime increased 20% between 1997 and 1998 (before the crisis it had been rising at 10% per year). In Malaysia, juvenile crime, in particular petty theft, vehicle theft and house break-ins, increased 13% between July 1997 and 1998 (Knowles et al., 1999).

US data from the 1970s and 1980s indicate that periods of falling average wage rates were associated with higher levels of youth crime (World Bank, 2007). Mocan and Rees (1999), using micro data from the US, found that overall levels of both unemployment and poverty in a community affected young people’s propensity to commit crimes, and that familial unemployment had a specific effect. They cited a study by Freeman and Rodgers (1999) showing that rates of imprisonment of black youths were substantially higher in areas most affected by unemployment between the mid-1980s and 1990s. In the same vein, evidence from Romania during the late 1990s, at a time of economic recovery, shows a steady decrease in juvenile convictions, from 49.76 per 100,000 in 1998 to 39.1 in 1999 and 30.08 in 2000 (World Bank, 2006).

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33 For example, Mugisha and Zulu (2004) suggest that, in Nairobi, young people took drugs and alcohol partly in order to give them the courage to carry out violent crimes. Evidence from Moldova suggests that 20% of youth crime in 2000 was committed under the influence of alcohol (World Bank, 2006).

34 Benvenuti (2008) cited data on the financial rewards for involvement in drug gangs in Rio de Janeiro. A watchman, at the lowest level of the hierarchy of the drug gangs, would earn a monthly salary of between R$600 and R$1,000; a dealer between R$2,000 and R$3,000; and a general manager between R$10,000 and R$15,000 ($1 = R$2.50) (ILO 2002 in Benvenuti 2008). Unfortunately, comparisons with average earning data for this period were not available.
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Ellis (1991 in UNODC and World Bank 2007) examined annual crime rates in Jamaica over the period 1950 to 1984 and found that high crime rates were associated with periods of low economic growth, high unemployment and a large cohort in the 14 to 24 age group. He concludes that increases in crime in Jamaica could largely be explained as the consequence of economic decline, aggravated by changes in the population’s age structure. Albuquerque and McElroy (1999 in UNODC and World Bank, 2007), examining data from Barbados, conclude that increased levels of property and violent crime were associated with worsening economic conditions and increased levels of visitor density.

During the deep economic and financial crisis of 2003 to 2004 in the Dominican Republic, extreme poverty doubled from 7% to 14% (UNODC and World Bank 2007). Violent crimes also rose dramatically: from 2002 to 2005, the rate of violent death nearly doubled, from 14.5 to 26.4 per 100,000 residents (Aleph, 2006, cited in UNODC and World Bank, 2007).

Juvenile crime in Central and Eastern Europe and the CIS rose significantly (almost doubling in some countries) between 1989 and 1998. In parts of the region, girls’ involvement in crime increased substantially – in Russia, it was 2.5 times higher in 1998 than in 1989 (UNICEF, 2000). Around two-thirds of youth crime was property crime, but violent crimes have risen substantially over the transition period. In much of the CIS, the rise in youth crime has been connected to the rise in drug use. In Russia, for example, drug-related crimes committed by young people rose nearly 3.5 times between 1993 and 1998 (ibid).

Despite a general association between economic stagnation/decline, poverty and unemployment and crime, in much of the world there is a long-term secular trend towards a greater involvement of young people in violent crime. In the Dominican Republic, arrests for homicides by minors under the age of 18 rose over the period 1995 to 2004 from two to 113, with over 95% male. Similar trends occurred in St. Kitts and Nevis, where in 1990 only 1.2% of all crimes were committed by juveniles; by 1998, this had increased to 17% (UNODC and World Bank, 2007). This may reflect broader changes in family structures, support and guidance for youth and the returns to crime.

5.5.2 Trends in different kinds of youth crime during economic crisis

Property crimes

Although property crimes constitute the majority of youth crimes, and despite evidence of rising property crime as a result of economic shocks, there are very few data concerning trends in youth property crime in the aftermath of economic crisis, or comparisons with adult property crime rates. In Thailand, rates of theft rose faster than the overall crime rate following the economic crisis. In Malaysia, juvenile crime, in particular petty theft, vehicle theft and house break-ins increased 13% between July 1997 and 1998 (Knowles et al., 1999). Unfortunately, more disaggregated statistics and comparisons between juvenile and overall crime rates could not be found for this review.

Homicide

Homicide rates are used as indicators of general levels of crime, and thus there are more disaggregated statistics – on both perpetrators and victims – than for other crimes. Whereas most economic crises and periods of economic stress have been associated with increased homicide rates, the pattern of youth involvement is less consistent. In the CIS and Central and Eastern Europe, for example, following the economic crisis of transition, juvenile homicide rates rose more than the overall homicide rate in six countries for which there are data; in others, the overall rise was steeper than for juveniles, or homicide rates actually fell over the 1989 to 1998 period (UNICEF, 2000).

Where violence has become endemic, often following decades of economic difficulties for poor and marginalised urban people in particular, young men are disproportionately the victims as well as the perpetrators of homicides. In Rio de Janeiro in 1995, for example, 91% of victims of homicide were male and 57% of them were between the ages of 15 and 29 (Veja, 1997, in Moser and von Bronkhorst, 1999). In 2005 in the Dominican Republic, people aged 11 to 30 accounted for approximately 46% of all homicide deaths (UNODC and World Bank, 2007). It has not been
possible to find evidence of age-disaggregated rates of victimisation in shorter-lived crises, and therefore it is not possible to draw conclusions as to whether young men are also disproportionately at risk in such circumstances.

Rape and sexual assault
The underreporting of rape and sexual assault means that there is little reliable evidence concerning the effects of economic crisis on these crimes. However, a number of factors suggest that a rise is likely. Rising violent crime (as has been the case in many economic crises) frequently means increased levels of rape and sexual assault as well as murders. In Mugisha and Zulu’s (2004) study of crime among poor urban youth in Nairobi, poorer girls and those who were not in school were at greater risk of sexual assault. Young people were particularly vulnerable: 15 to 19 year olds were six times more likely than 12 to 14 year olds to have been forced to have sex. Consuming drugs and alcohol increased both young women’s vulnerability to rape and sexual assault and young men’s likelihood of committing these crimes.

Such rape statistics as are available indicate that young women aged 16 to 25 are at greatest risk: in a survey in 1998 in South Africa, 2.7% of 16 to 25 year olds, as compared with 1.8% of 26 to 40 year olds, stated that they had been raped in the previous five years (SSA, 2000). The National Youth Victimisation survey of 2005 recorded substantially higher rates but a similar pattern, with young women aged 18 to 20 at greatest risk, followed by 15 to 17 year olds (Leoschut and Burton, 2006). A regional victimisation survey revealed that 48% of adolescent girls’ sexual initiation was ‘forced’ or ‘somewhat forced’ in nine Caribbean countries (Halcon et al., 2003, cited in UNODC and World Bank, 2007).

In addition to the consequences for young women’s health and emotional well-being, fear of rape can severely inhibit young women’s mobility, and thus can limit their employment and educational opportunities (Moser von Bronkhorst, 1999).

**Box 9: Gangs in Latin America**

> When there is no opportunity, you feel like less than other people. Sometimes you cry, because you see with your own eyes the opportunities that other people have and you want it [sic], but there is no one that comes or that supports you or that gives you this opportunity' (Gang member, Nicaragua, in Maclure and Sotelo, 2004).

In Latin America and the Caribbean in particular, the past 30 years have seen the growth of violent criminal gangs among marginalised young people in urban areas. One study in the Caribbean found that 20% of male students and 12% of young women students had belonged to a gang at some point (Cunningham and Correia, 2003, in UN DESA, 2007).

A study of gang members in El Salvador found that 60% of respondents had joined a gang for the sense of belonging that it could offer; 46% because of the thrill of gang activities; and 22% because of problems with their families (Benvenuti, 2008). Over 80% of these gang members live in poverty and 75% were unemployed.

The sense of social connectedness gangs provide often proves illusory, since gang membership ‘intensifies members’ isolation from mainstream social institutions and hinders their prospects of engaging in activities that are less harmful to themselves and to those closest to them. Once caught up in the violence and segregated social confines of the gang, there is little likelihood that their transition into adulthood will be free from the impoverishment and cascading series of difficulties from which gang membership has offered an illusory refuge’ (Maclure and Sotelo, 2004). Most gang members view their membership as a temporary activity – 85% of those interviewed in a study in San Salvador said that they would like to “calm down”, give up drugs and violence, find a job and start a family’ (Benvenuti, 2008). The prospects of doing so vary substantially between contexts and also depend on the nature of gang relationships in particular cities; for far too many young people, however, gang membership ultimately ends in violent death.
Drug-related crime
Associated with the rise in drug consumption discussed in Section 4, rising drug-related crime is another common consequence of economic crisis. Taking and even possessing narcotic drugs are criminal offences in most countries. Rising drug consumption is usually associated with rising property and violent crimes, both by individual users trying to obtain money to buy drugs and on the part of the organised drugs trade. Finally, the increased demand for drugs has given rise to opportunities for supply and trafficking of drugs, which may appeal to young drug users if they are paid in kind (Pilkington, 2007), and to impoverished non-users, who may be willing to take considerable risks for the sums of the money they are paid. Young people are often persuaded or coerced into transhipping drugs, as they are likely to be treated more leniently by the justice system if caught than adults are. No data could be found for this review as to whether young people’s involvement in drug trafficking has increased since the onset of crisis. However, World Bank research in Thailand found boys and young men increasingly being targeted by drug-dealers as potential drug sellers (Turk et al, 2010).

Human trafficking
Most victims of trafficking, whether for the sex industry or for other work, are young. Because of the underground and illegal nature of trafficking, reliable data are lacking. Available data are mostly disaggregated simply by ‘under/over age 18’: specific data on the 15 to 24 cohort is limited. A study in Azerbaijan in 2001 found that the overwhelming majority of trafficked persons were women aged 19 to 35, mostly from rural areas with either primary or secondary education (IOM, 2009). A UN study of the China-Burma border area found that, at the peak of the Asian financial crisis, the trade in narcotics and trafficking of young girls for the sex trade was thriving. Young girls from ethnic minority groups who had no prospects of earning in Burma were particularly affected (JUNIMA, 2009). In Southeast Europe, ethnic minorities such as Roma and Egyptians have been disproportionately at risk of trafficking since the economic crisis and social upheavals of the early 1990s (Dottridge, 2005). The fact that most trafficked young people (male or female) come from socially excluded and disadvantaged groups, and have continued to do so throughout the boom of the early 2000s, suggests that, even during a period of recovery from economic crisis, these groups of young people are at greater risk of having to resort to strategies such as illegal migration.

5.5.3 Juvenile justice
Given the rise during economic crises in petty theft associated with poverty, one might expect justice systems to be more lenient to young people arrested for this kind of offence. The limited evidence available suggests that this is generally not the case. Box (1987), studying data from US and UK studies, finds that:

‘A person's employment status influences police decisions to apprehend, arrest, and prosecute ... and probation officers' sentence recommendations and the type and severity of sentence. Thus, although the relationship between crime and unemployment is inconsistent, a significant relationship exists between the unemployment rate and the imprisonment rate because of the tendency of criminal justice personnel to deal more harshly with unemployed persons.’

Platt and Takagi (1977) argue that periods of more repressive policing and harsher criminal justice have tended to follow periods of recession in the US. In much of Latin America, the rise in youth crime has led to a hardening of public attitudes towards young offenders, more punitive laws and harsher extralegal treatment of suspected criminals and groups associated in the public mind with criminality, such as street children, regardless of their actual behaviour. This has included extrajudicial killing by vigilante groups and by apparently unorganised groups of citizens, who have lynched suspected criminals and police (Prillaman, 2003). Other than this, no information could be found concerning the impact of recession of treatment of young people in the justice system.

5.5.4 Discussion
Several of the factors predisposing young people to become involved in crime have a long gestation period. The evidence from Latin America and the Caribbean, arguably the world region most severely affected by violent youth crime, indicates that young people turn to gangs in a context of severe inequalities and after growing up in environments characterised by long-term unemployment, poverty, family breakdown and social exclusion. Although an increase in youth crime occurred during other, briefer, crises, as in Thailand in 1997/98, the rises were not as sharp or as long term as they have been in most affected regions. This may reflect the relative brevity of the Asian financial crisis. It may also attest to the relative strength and protective effect of family structures in South and East Asia in particular. Even so, crime rates have remained higher than their pre-crisis levels: once crime rates have risen, it is hard to reduce them (UNODC and World Bank, 2007), implying that preventing youth crime rates rising should be an important policy objective during crises.
6. Policy responses

6.1 Background

In this section, we discuss two main sets of policy responses:
1) Those that aim to stop the transmission of the crisis through measures to protect household incomes and to secure young people’s access to public services, and programmes to promote social cohesion, particularly with young people;
2) Those that aim to prevent negative impacts on young people’s well-being as a result of changes in these three areas.

The lack of data on the consequences for youth of macroeconomic crisis management policies means these cannot be discussed here.

Table 2 summarises some of the main vulnerabilities of young people during crises (as outlined in the Framework in section 1.5 and discussed in the preceding four sections), and key policies for reducing these vulnerabilities. Well-designed policies during economic crises and recovery periods can, however, do more than reduce vulnerability – they can facilitate countries’ capitalising on the youth bulge by focusing on promoting decent work among young people.35

The literature reviewed describes many crisis response programmes and gives some evidence of their effectiveness in terms of reducing poverty rates, preventing malnutrition or maintaining secondary school attendance, but only a relatively small subset of this literature evaluates their contribution to protecting young people specifically in crisis. This section concentrates on what is known about effective ways to protect young people in crisis; Annex 2 contains more detail about wider crisis response programmes and youth-focused development policies, both of which are important for protecting and improving young people’s well-being during times of crisis and recovery. Knowles and Behrman (2005) and World Bank (2007) provide comprehensive overviews of effective policies to promote young people’s well-being (not specific to economic crises) and are a useful complement to the discussion here.

None of the literature reviewed attempts any evaluation of the costs and benefits of anti-crisis programmes as compared with more systemic investment in services or activities that promote young people’s well-being. Indeed, there is very little systematic cost-benefit analysis of most youth support interventions. Knowles and Behrman (2005) propose a methodology for such an analysis, but recognise that the results of their analyses are very partial, as important issues such as the effects on youth crime or adolescent pregnancy cannot be included. Several interesting-sounding programmes with young people have not been evaluated but are included here as they are potentially innovative ways of helping young people weather economic crises. In the context of the global slowdown, and constrained public resources, a more detailed assessment of the costs and benefits of specific anti-crisis and youth development policies should be a clear research priority. Within this, given the particularly strong effects on youth employment of both short and long-term economic crises, and its wider social effects, policies to enhance youth employment are a particular priority.

Very little information is available concerning youth-focused civil society responses to economic crises. This is not to suggest that civil society is unconcerned with young people’s well-being, but that information concerning civil society action is not available internationally. Hopefully, this is a gap that the country studies will fill. This section therefore concentrates on large-scale, largely

35 In countries where the youth cohort is yet to peak, there is a strong case for investing in human development, so that as today’s children enter adulthood they are able to contribute to the maximum as healthy, productive citizens (Ron Mendoza, personal communication).
governmental programmes. Except for the programmes from developed and upper-middle-income countries discussed, most crisis response programmes have been largely externally financed.

Table 4: Main vulnerabilities of young people and policy responses

<table>
<thead>
<tr>
<th>Area of vulnerability</th>
<th>Main manifestations among young people</th>
<th>Main policy responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty</td>
<td>Declining purchasing power</td>
<td>Cash transfers; commodity subsidies; price controls</td>
</tr>
<tr>
<td></td>
<td>Rising child/juvenile labour in hazardous activities</td>
<td>Cash transfers, education subsidies, law enforcement</td>
</tr>
<tr>
<td>Employment</td>
<td>Rising youth unemployment, underemployment, increased concentration of youth in 'low quality jobs' – informal sector with no social protection</td>
<td>Temporary employment programmes; job and wage subsidies; job placement; training</td>
</tr>
<tr>
<td></td>
<td>Migration and trafficking</td>
<td>Information programmes for would-be migrants; law enforcement</td>
</tr>
<tr>
<td>Education</td>
<td>Declining enrolment and attendance and increasing dropout at secondary school</td>
<td>Cash transfers, fee waivers, school meals programmes</td>
</tr>
<tr>
<td></td>
<td>Declining quality of education</td>
<td>Block grants to schools</td>
</tr>
<tr>
<td></td>
<td>Declining access to post-school education (higher education, adult basic education, vocational education)</td>
<td>Protecting post-school education of disadvantaged youth</td>
</tr>
<tr>
<td>Health</td>
<td>Malnutrition (undernutrition, obesity, micronutrient deficiencies)</td>
<td>Cash transfers, commodity subsidies; price controls; micronutrient supplementation programmes</td>
</tr>
<tr>
<td></td>
<td>Rising rates of unattended births and of unsafe abortions</td>
<td>Ensure funding of maternal and child health services; ensure/extend vulnerable groups’ access to health services</td>
</tr>
<tr>
<td></td>
<td>Rising STD prevalence</td>
<td>Youth-friendly sexual health programmes</td>
</tr>
<tr>
<td></td>
<td>Increased rates of substance abuse</td>
<td>Youth-friendly substance abuse programmes</td>
</tr>
<tr>
<td>Security</td>
<td>Rising youth (and general) crime and violence; disproportionate responses to petty youth crime</td>
<td>Prevention – economic empowerment; programmes to build social cohesion; restorative justice; sensitisation of justice system to human rights of offenders</td>
</tr>
<tr>
<td>Social well-being, inclusion and citizenship</td>
<td>Rising intra-household conflict and divorce rates; declining bridging and bonding social capital; increased exclusion of marginalised youth; delay in transitions to adulthood; alienation</td>
<td>Combined cash transfers and active citizenship programmes; action on employment; enforcing anti-discrimination laws; unbottlenecking bottlenecks in ‘transition to adulthood,’ e.g. reforms of rental housing markets</td>
</tr>
</tbody>
</table>

A recent ILO survey found that the following labour and social protection responses to crisis have been implemented:

Table 5: Policy Responses to Recent Crisis

<table>
<thead>
<tr>
<th>Response</th>
<th>% Countries Reporting Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public employment programmes</td>
<td>24%</td>
</tr>
<tr>
<td>Expanded targeted employment programmes</td>
<td>51%</td>
</tr>
</tbody>
</table>
### Extra training: 63%
- Increased capacity of public employment services: 46%
- Extension of unemployment benefits: 31%
- Working time reductions: 27%
- Subsidies and tax reductions for SMEs: 77%
- Social security reduction for employers: 29%
- Additional cash transfers: 53%
- Increased access to health benefits: 7%

Source: Paget (2010)

### 6.2 Programmes to prevent an increase in income poverty

Rising poverty among young people and their households can lead to declining well-being in other areas. As such, interventions to prevent poverty rates rising, or poverty deepening during crisis, can also have much broader effects. Beyond macroeconomic crisis management policies, one of the key ways to prevent a rise in income poverty is through maintaining or boosting employment (discussed in Section 6.3 below). The other is to provide transfers to compensate for declining purchasing power.

#### 6.2.1 Cash transfers

Cash transfers – both conditional and unconditional – have proved a key measure to protect young people’s well-being both in particular economic crises and in chronic poverty, and have been implemented or extended in 53% of countries in ILO’s survey in the current crisis (see Table 5). Although conditional cash transfers (CCTs) are often thought of as a measure to promote younger children’s well-being, a few programmes cover children up to age 17/18 (e.g., Colombia’s *Familias En Acción* and Mexico’s *Oportunidades*) and have proved effective in enabling young people to continue in school during a crisis. They have also managed to improve young children’s health and nutrition – both in crises and in better times – of particular relevance to young people with children and to those with younger siblings (Davies and McGregor, 2009). The debate concerning the relative merits of conditional and unconditional cash transfers continues (Devereux, 2009). There is also evidence of unconditional cash transfers, including some not specifically targeted at young people, such as old age pensions in South Africa, protecting young people’s attendance at secondary school (Hunter and May, 2002).

Although there have been many evaluations of the impact of CCTs, few have examined their role in protecting recipients during crisis and, of these, even fewer discuss their impact on young people. One exception is an evaluation of the effectiveness of *Progresa* (precursor to Mexico’s *Oportunidades*) in protecting children’s educational attendance during economic shocks (de Janvry et al., 2006). This found that *Progresa*’s financial transfers largely or completely protected children from the effect of these shocks on school enrolment. This is likely to be because receipt of these transfers is conditional on children’s school attendance (usually with 85% attendance rates a minimum to receive the transfer). The transfers, however, did not prevent child work from increasing in response to shocks, presumably because the income transfer was too small to do so. As might be predicted, the highest rates of children working were in the 15 to 17 age group (ibid). If the finding that transfers successfully enable young people to stay in school is replicated elsewhere, there is a strong case for extending CCTs to include children and young people to the
end of secondary education, and possibly those in post-school education, as a means to protect education during a crisis.

6.2.2 Youth-focused cash transfers

Schwarz and Abreu (2007) provide details of two youth-focused cash transfer programmes started in Brazil. One, Youth Action, is aimed at 15 to 24 year who have not completed basic education and are from poor ‘socially vulnerable’ households. It provides stipends to young people to enable them to complete their education. The other, Youth Agents of Development, is intended to promote the social integration of young people, with priority given to 15 to 17 year olds who are not in school and who are personally vulnerable or socially at risk. Young people who have formerly been recipients of other forms of social assistance are prioritised. The programme aims to promote family cohesion, reduce rates of violence, STDs (including HIV/AIDS) and teenage pregnancy and motivate and assist young people to contribute to their communities. It is also intended to prepare recipients aged 18 and over to enter the labour force.

No evaluations of the effectiveness of youth-focused cash transfers could be found for this review. It is notable that one of these transfers is focused largely on building social capital and cohesion and, if this is successful, it may hold lessons for helping strengthen social capital and reduce crime in the context of crisis. Furthermore, youth-focused cash transfers may help reduce the ‘ghettoisation’ and stigmatisation of poor young people from particular neighbourhoods, which (over and above their generally lower levels of education) limit their prospects of decent work.

6.2.3 Other transfers

In countries that provide other earmarked subsidies to poor households (e.g. for fuel or housing), these may be extended during crisis. In the past 15 years, many countries with separate subsidies and allowances have unified them into a few income transfers to reduce administrative costs (e.g. Kyrgyzstan, Brazil). Hence, it is not surprising that none of the studies reviewed analyses the impacts of such programmes on young people or their households. Where separate subsidies have been retained and are large enough to have a protective effect on poor households, impacts on young people may be worth investigating in the field research component of this project.

6.3 Programmes to protect and promote young people’s access to decent employment

There is a clear consensus in the youth employment literature that the most effective way to promote young people’s employment opportunities is by increasing overall employment opportunities (Godfrey, 2003; Stavreska, 2006; World Bank, 2009). This suggests that, in an economic crisis, a fiscal stimulus approach is much more likely to safeguard young people’s employment opportunities than one that cuts public spending in order to control fiscal deficits. Targeted support to particular sectors may be necessary to enable productive investment and create more jobs in those sectors.

Aside from measures to increase overall employment, most other youth-focused active labour market policies aim to increase the ‘integratability’ (Godfrey, 2003) of disadvantaged young people into mainstream labour markets, or to improve the flow of information between employers with vacancies and job seekers. This section reviews evidence concerning the impact of different active labour market policies of relevance to young people in economic crises.

6.3.1 Temporary employment programmes

Currencies devaluation may help safeguard jobs in export-oriented sectors, although the net effects on young people and their families will depend on the effects on prices of essential goods, particularly food, clothing, energy and medicines.
Temporary employment programmes are a common response to economic crisis, as well as to chronic poverty. Although they can help maintain jobs during a crisis, Mazza et al. (2009) suggest that, based on experience in Latin America, temporary employment programmes should be implemented only ‘if there is a genuine crisis with large scale unemployment of the very poor.’ Otherwise, they suggest that measures to reduce the costs of employment to employers (such as reductions in employers’ social security contributions) and on-the-job training programmes are more likely to be successful. Unlike programmes which keep people in existing jobs or provide training to help them into work, and which thus contribute positively to skills acquisition for the post-crisis labour market, temporary employment programmes – which generally provide unskilled labour opportunities – do little to build skills or employability. There is actually evidence, from Chile’s Temporary Employment Programme of the late 1980s that poor workers who took temporary jobs found it harder to find work after the crisis than those who did not participate in the programme. This was closely associated with the stigma of having participated in a poverty-focused employment programme (Mazza et al., 2009). However, this is not universal – no such problems were experienced in South Korea’s crisis employment programmes.

Evidence from Kenya in the current crisis also suggests that the labour demands of typical food or cash for work programmes may be excessive for people who have to cope with long periods of food insecurity and malnutrition (Hossain et al., 2010). However, of all vulnerable groups, young people, who tend to be stronger, may be relatively better-placed to benefit from such programmes, provided they are not designed with excessive work demands, or prevent other income-generating activities. The fact that some schemes are poorly designed does not negate their potential, if better designed. Underpinning such schemes with a statutory employment guarantee, as in India, for example, considerably adds to their effectiveness in social protection terms (Green et al., 2010).

Although temporary employment programmes, such as public works, are often considered male biased, the evidence is that women are often major participants. In 1998/99, women made up 73% of those employed in India’s National Rural Employment Guarantee Scheme whereas in public works programmes in Peru and in Chile, women made up, respectively, 84% and 72% of workers.37 In 2005, women constituted 70% of those employed in Argentina’s Heads of Household Programme. These programmes catered for women by ‘providing work close to home, flexible hours and options for child care; they used women-based intermediaries and included a range of employment options, among them, home based production’ (Van der Gaag, 2009).

Some temporary employment programmes have strongly emphasised hiring young people. In Senegal’s Public Works and Employment Agency (AGETIP) programme, started during a period of economic downturn, construction firms that get the contracts to build public works also agree to use relatively labour-intensive practices and to use local inexperienced youth who receive training funded by AGETIP (Cling et al., 2007).

Another way of increasing the value of temporary employment programmes to young people may be to extend the concept of public works beyond construction of infrastructure to public investment programmes which:

‘incorporate social services and environmental protection components. Social services could include the delivery of essential community-based social services – auxiliary health care, care for elderly, childcare, early childhood development, and youth development activities. These components would attract women and ... youth; some activities would not need more than secondary education complemented by short training courses’ (King Desjardin and Owens, 2009).

### 6.3.2 Measures to preserve jobs and create new opportunities

#### Reducing employment costs

37 No reference date for these statistics is given.
Subsidies have been used in crises, including South Korea during the Asian financial crisis, and 8% of countries in the ILO crisis response study (Paget, 2010), to help maintain existing jobs (Betcherman et al., 2000, in Godfrey, 2003). Measures included governments’ reducing or paying employers’ social insurance contributions and making up the shortfall from public funds, in order to reduce employers’ on-costs and encourage them to retain employees.

One example of a programme that used job subsidies effectively to create additional job opportunities for young people (and women), albeit not during a crisis period, is Argentina’s experimental Proempleo programme. This targeted people in the lowest income quintile by selecting participants in the government’s public works programme. Participants in the programme who received wage subsidy vouchers had a significantly higher probability of wage employment after 18 months than the control group. The impact of the voucher was particularly high for women (+7.6%) and people aged 30 or below (+9.2%) (Godfrey, 2003). Summarising experience from wage subsidy programmes, Godfrey concludes:

‘The wage subsidy programs reviewed, though not youth-specific, yield interesting lessons for a new kind of youth employment policy. One is that they can be of particular benefit to the less advantaged – the public works program participants in Argentina and the less educated in Central Europe. In principle, they can be more narrowly targeted – subsidies for employers who employ young disabled workers or members of a particular ethnic group, for instance. Another possibility is that of focussing on public works program participants as a self-selecting sample, i.e. using such programs not only for the safety-net purpose ... but also as a way of identifying the young workers who are in most need of programs such as wage subsidies.’

**Wage freezes and/or cutting hours**

No information could be found concerning the impact of wage freezes or reduced hours on young people, although both of these are relatively common employer responses to economic crisis and help preserve jobs. In that young people tend to have lower incomes, the relative impact on them of wage freezes and reduced hours is likely to be greater than for older, better-off groups.

### 6.3.3 Training programmes

There is a growing consensus that on-the-job training programmes, both for employed young people and as ‘taster sessions’ or work placements for unemployed young people, are substantially more effective than pre-employment training courses. Reviewing experiences of on-the-job training programmes, Mazza et al. (2009) found that they were effective in both the short term (during the crisis) and in the medium term (post-crisis) in building worker capacity and also the capacity of employers to continue such programmes post-crisis (albeit at lower levels).

By contrast, an increasing body of evidence indicates that the latter very rarely enhance young people’s employment prospects or wage rates in either developing or OECD countries (Godfrey, 2003; Mazza et al., 2009). For example, in contrast with the effective wage subsidy in Argentina’s Proempleo programme, the training component made no difference to young people’s employability (Godfrey, 2003). A review of seven OECD youth training programmes (Dar and Tzannatos, 1999, in Godfrey, 2003) found that they had achieved very little impact.

The limited impacts of pre-employment training often reflect outdated training curricula, providing skills for which there is limited market demand. Young women, in particular, are often channelled towards stereotypically female, low-return activities. Beyond this, youth training programmes are often being expected to compensate for the deficiencies of young people’s education in the previous five to ten years, a task for which they are unsuited. Quoting Revenga et al.’s (1994) study of youth training programmes in Mexico, Godfrey (2003) concludes that, for young people, new entrants to the labour force and those with low levels of education, ‘it may be more appropriate for the government to provide adult basic education, facilitate return to school for the young, or introduce firm-based apprenticeship programs to give work experience to new entrants into the labor market.’
During times of crisis, a common response to youth unemployment is to increase training programmes, in the hope that the skills learnt will enable young people to enter the labour market on more advantageous terms once the economy starts to grow again. (See Annex 2 for examples.) The evidence discussed above suggests that there are likely to be more cost-effective ways to help improve young people’s employment prospects.

6.3.4 Support to youth entrepreneurship
Although support to entrepreneurship among unemployed youth is a common policy measure, and popular with governments and the public, Godfrey (2003) suggests that is not necessarily very cost effective. His review of youth employment programmes suggests that the most successful youth entrepreneurship programmes have been extremely costly, since they provide a great deal of orientation to enterprise, and sometimes specific skills training as well as credit. The more effective business support programmes have tended to be those which support ‘more mature’ unemployed people. Taken together with the more limited opportunities for new businesses during economic crises (though, of course, some new niches arise), this suggests that, in most circumstances, supporting youth entrepreneurship is not one of the most effective ways to support young people’s access to work during a recession.

This said, since small businesses’ access to credit is often severely constrained during economic crises, ensuring credit lines to small businesses stay open is likely to have a positive effect on young entrepreneurs. More evidence on this is needed to assess the cost-effectiveness of this policy option.

6.3.5 Provision of information
Both Latin American countries such as Mexico and East Asian countries such as the Philippines have expanded employment intermediation services (which help match workers with vacancies) during crises. Reviewing evidence from both crisis and non-crisis periods, Godfrey (2003) found no evidence that intermediation services had had a ‘substantial impact on the success rate of young job seekers.’ Young people tend to see such services as irrelevant (as in transition countries, for example). Where such services have helped disadvantaged people, it has been through specially focused programmes, such as First Job, in Curitiba, Brazil. This is a local authority-financed programme that links young people towards the end of secondary school with local employers and monitors their school and work performance. Godfrey (2003) also suggests that improving systems for providing up-to-date information to young people about vacancies can be a useful way of reducing unemployment among educated young people. This may be particularly relevant in crises where skilled formal sector employment declines (e.g. in the financial sector), or where there is significant public sector downsizing as a response to fiscal deficits. See Annex 2 for more detail.

6.3.6 Anti-discrimination legislation
Enforcement of equality legislation in labour markets, as in other areas, can be important both for socially excluded young people in short-term crises (and recovery periods) and for those in chronic poverty. Citing Kertesi (1994), Godfrey (2003) argues that only around one-half of the differential in Roma and non-Roma employment rates in Hungary in the early 1990s (i.e. during the transition period) was explained by factors such as education levels, gender, age and location – the other half reflected discrimination.

6.3.7 Labour market reform
In times of economic crisis, there may be pressure to lower employee labour market protection. There is little evidence that abolition of minimum wages, or setting them at a lower level for young workers, would have a big impact on the demand for young labour (Godfrey, 2003), although, in some countries, there may be a case for reviewing particular pieces of legislation that create barriers to young people’s entry into the labour market.
6.4 Programmes to protect and promote young people’s education during crises

‘The greatest contribution to improving the future employment prospects of disadvantaged children is to keep them in school until they are at least functionally literate and numerate’ (Godfrey, 2003).

This section outlines two main sets of measures: those that aim to enable children and young people from poor households to stay in education during a crisis; and those that aim to maintain or increase the quality of education. It also briefly discusses measures to enable young people to catch up on missed educational opportunities, since these are likely to be one of the most effective ways of improving both the labour market prospects and other aspects of well-being for disadvantaged youth.

6.4.1 Measures to keep young people in secondary school

**Earmarked subsidies: school scholarships, fee waivers and other school subsidies**

Subsidies to enable children and adolescents to continue attending school, at both primary and secondary levels, are one of the most common responses to economic crisis. These take the form of school scholarships or fee waivers – paid either directly to the school or to the families of school-going children. These are usually means tested, as in the case of Indonesia’s School Scholarship Programme (Cameron, 2000; see Annex 2) and South Korea’s Temporary Livelihood Protection Programme, which provided fee waivers for children of unemployed parents attending middle or high school. Eligibility for this programme was based on the household’s having income and assets below a minimum threshold (Blomquist et al., 2001). Analysis of Indonesia’s School Scholarship Programme suggests that, despite some leakage, it has been effective in reaching poor students at primary, lower secondary and senior secondary levels. The impact has been greatest at senior secondary level, where the subsidies are greatest. However, scholarships – like other transfers – are vulnerable to political interference or elite capture (Duryea et al., 2007).

**Education-focused loans**

Education-focused loans have also been effective in maintaining school attendance in some crises, including in Tanzania (Duryea et al., 2007) and Thailand (see Annex 2). These have generally been provided by governments at a relatively low interest rate.

**School feeding programmes**

These can be helpful in securing school attendance during crisis, and/or reducing household food costs. Duryea et al. (2007) found some indication from Argentina and El Salvador that school feeding programmes can prevent children from dropping out of school during a crisis. It is not clear whether this effect is stronger for particular age groups. There is little evidence that school feeding programmes have a major impact on health or nutrition (Glassman et al., 2007), partly because of the generally low quality of the food provided and partly because poor households use the feeding programme to reduce their overall food costs, and so children who receive school meals may receive proportionately less food at home. Hossain et al (2010) and Gavrilovic et al (2009) found that school meals were one of the most valued public responses to crises, as they facilitated households’ efforts to maintain their children in school.

**Compulsory schooling laws**

Compulsory schooling laws may also help increase adolescents’ school attendance. One US study estimated that it reduced the high school dropout rate by about 25% (Knowles and Behrman, 38 This programme also provided school lunches subsidies for the children of unemployed parents at all levels of the school system (Blomquist et al., 2001).
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2005). On the other hand, this is not likely to be an effective strategy with adolescents who find school constraining, for whom a mix of employment and training is more likely to be productive.

6.4.2 Investment in quality
Godfrey (2003) stresses the crucial role that improving the quality of schooling received by disadvantaged children and young people – from pre-school upwards – has to play in improving their position in the labour market and thus their chances of escaping poverty.

Reviewing evidence from a range of economic crises in middle-income countries, Ferreira and Schady (2008) conclude that reductions in the quality of education services would appear to represent a greater threat to enrolment, attainment and achievement than falling demand. They argued that expenditures that protect the supply side of the educational system (such as preserving teachers’ real salaries and continuing to invest in schools) may be more important than expenditures aimed at further buttressing demand, such as CCTs. Some countries have attempted to prevent the quality of education declining during crises – by providing grants to schools for materials to enhance the quality of education. For example, in Indonesia schools were eligible for grants that could be spent as the school saw fit (with certain exclusions, such as information and communications technology (ICT) equipment or subsidising teachers’ transport) – on repairs, photocopying, resource materials, etc (Filmer et al., 2001).

Ferreira and Schady’s point is an important one. This said, the longer and deeper the crisis, the higher the vulnerability of children’s school attendance (Duryea et al., 2007), meaning that cash transfers may be relevant even if initially there is no significant decline in adolescents’ attendance. CCTs are one of the most cost-effective ways to increase school attendance (ibid), about three times more cost effective than employing extra teachers and 18 times more effective than school meals. They are particularly significant for poorer young people, in low income countries and in long-running crises. However, where drop-out rates are unaffected, teacher training, credit and book distribution appear to be among the most effective ways to prevent a decline in student attainment among 14 to 17 year olds during recessions (ibid).

6.4.3 Post-school education
The case for supporting young people’s access to post-school education is controversial. On the one hand, public spending on higher education is essentially regressive – it benefits better-off people, as poorer young people tend to drop out of education and attempt to enter the labour market instead of continuing in post-school education, and there is some evidence of this differential being exacerbated in times of crisis (see the discussion on education enrolment and expenditure in South Korea in the late 1990s). On the other hand, if public support to higher education manages to secure poorer young people’s access, then it is playing an important role in helping disadvantaged young people weather the crisis, build their human capital, and in investing in the future productivity of the economy.

How far public support to higher education should be a priority for anti-crisis programmes is context specific: where completing higher education, rather than secondary education, has a major effect in terms of expected incomes and in lowering poverty rates, and where poor young people largely complete secondary education but then do not enter or drop out of higher education, there may be a case for providing financial support for poorer students. Where few young people complete primary or secondary education, there is a stronger case for focusing financial resources on helping disadvantaged young people complete basic education, or providing basic education to young adults to enable them to become functionally literate and numerate and to catch up on other key aspects of their education (Godfrey, 2003).

6.4.4 Adult basic education

39 Author calculations from data provided in Duryea et al. (2007).
No evidence could be found of programmes aiming to provide basic education to young adults during crises, although there are a number of established ‘catch-up’ programmes for those who missed out on education as children. The World Bank (2007) provides some examples of adult education programmes with young adults, such as the Mexican National Institute for Adult Education, which enables people who have missed out on formal schooling to complete the curriculum and to learn other relevant work-based and life skills through distance learning, and national literacy programmes, such as those in Ghana and Senegal.

6.5 Programs to protect and promote young people’s health

Common approaches to protecting health and nutrition during crises are generally intended either to protect the capacity of the health system to provide effective preventative and curative care or to protect vulnerable groups’ access to health care. Some of these measures are summarised here – for more detail see Annex 2.

Programmes aimed specifically at young people tend to focus on STD control (including HIV/AIDS), reproductive health more generally and preventing and reducing the harmful effects of substance abuse. Unsurprisingly, no evidence of crisis-specific programmes could be found; however, a key lesson emerging from the literature is the importance of continuing to fund services that effectively promote young people’s health and, if necessary, scaling them up to meet the increasing demand during a crisis. Annex 2 gives details of some approaches that have proved effective in developing health services that are accessible and trusted by young people.

6.5.1 General health

Protecting general public health spending, and especially those programmes with proven high cost effectiveness, is one of the key ways to prevent a deterioration in the decline of service quality during a crisis, and thus to ensure their availability to young people and their families. Health services, or parts of them, may be able to weather reduced operating budgets for a short period (Chayovan et al., 2000), but in the longer term funding declines are associated with a declining quality of service. Typically in long-running crises, budgets for repairs, equipment and medicines have been cut; in some crises, entire areas of public health have been discontinued.40 Alongside operational budgets, protecting health professionals’ salaries is important for preventing loss of morale and moonlighting, particularly in longer-running crises.

To secure disadvantaged groups’ access to health care during crises, existing subsidised health insurance or fee waiver programmes for treatment and essential medicines41 can be extended, or introduced if such provisions are not already in place. Young people over the age of 16 are often excluded by subsidies and waivers, which tend to concentrate on children, pregnant women, older people and sometimes unemployed people. Where universal free access is fiscally impossible, extending schemes such as these to vulnerable young people could help protect their health during crises. Annex 2 gives some examples of crisis-related programmes aiming both to protect the quality of health services (such as Indonesia’s Health Sector Social Safety Net) and to secure access, such as the Thai insurance card programme.

6.5.2 Nutrition

Although much of the focus of nutritional policy and nutritional support programmes is on very young children, recent studies suggest that school-age children suffer from higher levels of stunting than previously acknowledged (World Bank, 2002, in Knowles and Behrman, 2005). It also appears that adolescent boys are more sensitive to infection and diseases than girls, and thus are

40 One example is the cutting of various public health activities and a scaling back of antenatal care in some countries of the former Soviet Union during the transition crisis period (Figueras et al., 2004).

41 Including ARVs and contraceptives.
more often malnourished (Lwamba et al., 2000, in Knowles and Behrman, 2005). The most detailed nutritional evidence available concerning adolescents during an economic crisis – that from Indonesia in 1997/98 – underlines the additional vulnerability of adolescents, particularly boys in terms of stunted growth, indicating the need for policies to ensure adequate food security for all during crises. As discussed in Section 4, there is limited evidence concerning the impacts of crisis on micronutrient deficiencies. However, the consequences of micronutrient deficiencies such as iron deficiency anaemia, vitamin A deficiency, etc, for health and safe motherhood underlines the urgency of continuing to prevent them during economic crises.

Programmes to boost access to food
Cash transfer programmes, which aim to provide sufficient income support to ensure access to food (and other basic needs), were discussed in Section 6.2. The other main programmes aiming to protect access to food in crisis of relevance to young people include:

General or targeted food subsidy programmes. These have attracted considerable criticism for their fiscal implications; however, they can be applied quickly and so can be effective in preventing nutritional decline. More common, however, are targeted subsidy programmes, such as Indonesia’s subsidised rice ration programme in the 1997/8 crisis, which was intended to be targeted to people from the two poorest socioeconomic groups (see Annex 2), its more recent Raskin programme (introduced in the current crisis) and Jamaica’s food stamp programme, which provided assistance to pregnant women and women with children under six (Knowles and Behrman, 2005), and thus is likely to have benefited a significant number of young people. There is some evidence of high levels of leakage within Indonesia’s programme to non-poor groups (Sumarto and Suryahadi, 2003). Furthermore, one of the groups of young people most likely to need food rations – retrenched urban migrant workers – were ineligible to receive Raskin rice supplies, unless they had formally registered as residents in their areas of work (Hossain et al, 2010).

Micronutrient programmes
Distribution of micronutrients through schools or the public health system. Where secondary school attendance and prevalence of micronutrient deficiencies among adolescents are both high, micronutrient supplements may be distributed through schools. However, these are likely to miss the most vulnerable young people, whose school enrolment rates decline disproportionately in times of crisis. Distribution via the public health system is an alternative. How likely supplementation programmes of this kind are to reach nutritionally vulnerable young people will depend on their access to the health system, and how it has been affected by the crisis.

Where a large proportion of births take place to women in the 18 to 24 age group, young women are at greater risk of nutritional shortfalls and are likely to benefit particularly from ante and postnatal nutrition programmes. Although this was not developed during a crisis, the World Bank-supported Bangladesh Integrated Nutrition Project provides iron supplements to pregnant women and vitamin A supplements during the postpartum period. The project also serves newly-weds (Tinker et al., 2000, cited in Knowles and Behrman, 2005), a good example of a preventative approach to reproductive health with youth.

Fortification of food with specific micronutrients. Where certain poverty-related micronutrient deficiencies are widespread, fortification of commonly consumed food and subsidised prices for these foods can help reduce these problems, among the population as a whole, including young people. One example is the subsidisation of iodine-fortified salt in Kyrgyzstan.

6.5.3 Reproductive health, maternal and child health and HIV/AIDS
Given the evidence outlined in Section 4 of declining use of antenatal health care and rising rates of babies being delivered at home without trained assistance, ensuring that all pregnant women
have access to affordable health care (which in practice means free health care) is one of the single most important health-related measures to protect young people’s well-being (and that of their families) during a crisis. This may be achieved through general measures to ensure access to health care (discussed above) or by specific programmes to increase the accessibility of antenatal and trained birth assistance. Ensuring young people’s access to contraception and to safe abortions are other important parts of reproductive health care that need to be maintained in order prevent unwanted pregnancies and endangering young women’s health.

Although the evidence from the Asian financial crisis indicates no significant rise in HIV/AIDS rates, there are good reasons to believe that, in the current crisis, rates of HIV/AIDS and other STDs may well rise. The increase in transactional sex reported in Section 5 might lead to an increase in STD rates among young people unless there are strong efforts to ensure a continuing supply of affordable condoms, public awareness campaigns and programmes of voluntary counselling and testing (Knowles and Behrman, 2005). The long-term social and financial costs of increasing rates of STDs mean that the case for investment in this area is strong. Annex 2 outlines some particularly effective approaches with youth, including attempts to make sexual and reproductive health services more youth friendly and peer counselling among socially excluded ‘hard-to-reach’ groups. A combination of measures of this kind led to a decline in infection rates among youth aged 15 to 19 in Uganda, from 22% in the early 1990s to 8% in 1998 (FOCUS, 2001, in Knowles and Behrman, 2005). As noted above, ensuring the availability of essential medicines for treating STDs (including ARVs for HIV/AIDS) is another vital component of a pro-youth crisis health policy.

6.5.4 Harm reduction

The evidence of rising rates of drug use among young people following many crises, and the role of injecting drug use in the spread of HIV/AIDS and other diseases, makes preventing further increases in drug consumption, and measures to prevent or lessen some of the harmful effects of drug use on health, a key youth-focused policy priority where drug use is a serious problem. Although the numbers involved are small compared with the overall number of crisis-affected young people, the effects on users’ health and social well-being can very severe. Annex 2 outlines various approaches that have proved effective in different parts of the world, such as information and communication, opioid substitution therapy and needle exchange programmes. Evidence could not be found to substantiate this, but such programmes may be more successful when combined with actions addressing some of the socioeconomic roots of drug use, including unemployment and a lack of social cohesion. Given the more limited evidence of tobacco and alcohol consumption being affected by crisis, these are in most cases a lower priority than youth narcotic drug use.

6.5.5 Mental health

No evidence could be found of programmes aiming to secure mental health during periods of economic crisis, whether targeted at young people or available to the population as a whole. Effective implementation of other crisis responses could make an important contribution to preventing a rise in mental health problems, such as measures that secure incomes and access to education, discussed above, and those that help promote social inclusion and develop young people’s social capital (discussed below). The rise in demand for psychiatric services during the Thai crisis of 1997/98 indicates that there is also a need for mental health support, at least in some cultural contexts, whether provided by the public health system or civil society, or a combination of both.
6.6 Programmes to promote social cohesion and security and reduce youth crime

In all regions of the world surveyed, and in both short- and long-term crises, youth crime has risen and then has stabilised at new, higher levels. This indicates the importance of crime prevention policies forming part of a youth-focused crisis package. Many of the key crisis response measures outlined above help address young people’s economic disempowerment – for example, employment programmes and cash transfers, and measures to ensure that all young people have completed basic education, through post-school ‘catch-up’ programmes if necessary. Other important ways of promoting both economic empowerment and social cohesion are through: urban renewal initiatives, strengthening existing community organisations and finding ways in which marginalised youth can contribute to these; and promoting leisure activities such as sports, arts and street theatre that give young people a community of peers and an alternative to gangs, particularly among pre-teens and young teenagers, who are at risk of being recruited into criminal activity (UNODC and World Bank, 2007). Parent education may also help parents support their adolescent children and prevent them being drawn into substance abuse or other criminal activity. Weapons amnesties and enforcing bans on firearms and other weapons can also help reduce violent crime. Annex 2 outlines some examples of programmes to prevent crime. It also discusses some approaches to juvenile justice that are less likely to lead to reoffending and prevent an escalating cycle of criminal behaviour.42

6.7 Programmes to promote young people’s social inclusion and citizenship

This review found no evidence of programmes aiming to promote young people’s sense of social inclusion and citizenship or voice in decision-making during crises. There are many such programmes with young people, but none discussed in the literature reviewed here was supporting young people’s engagement in governance as a means of mitigating the effects of crisis or actively engaging young people in designing youth-friendly policies in the context of crisis. See Annex 2 for some examples of programmes engaging young people in governance and decision making. Golombek (2002) provides an overview of other programmes aiming to increase young people’s voice and accountability to young people, and World Bank (2007) gives additional examples.

More structural aspects of social exclusion facing young people may be addressed via the measures outlined above – anti-discriminatory legislation and campaigns, economic empowerment, education and programmes to promote social cohesion.

42 The literature reviewed does not discuss approaches common in Northern debates on crime, such as increased police presence in areas of high crime rates.
7. Evidence gaps

There are a number of important gaps in the evidence reviewed for this paper. Although, as Annex 3 indicates, a number of longitudinal datasets do contain information concerning the well-being and resilience of youth from poor families through periods of crisis and better times, relatively few have been analysed systematically to reveal the impacts of crises on young people. Those that do, inevitably focus on a relatively small number of issues, typically those that can be measured well or easily, such as employment, education enrolment and, in some studies, aspects of health.

Many discussions of the impacts of crisis do not discuss the impact on young people at all, or do so only in passing. Those that do, often do not disaggregate sufficiently among young people. Thus, for example, no data on the effects of crisis on monetary poverty rates among 15 to 19 and 20 to 24 year olds could be found in the literature reviewed.

The effects of crisis on socially excluded young people, such as young people from ethnic or religious minorities and disabled people, are not discussed in the literature reviewed at all. This is of concern, since these groups tend to be particularly at risk of poverty, and may also face sharpened discrimination and scapegoating.

Very few studies discuss the lagged effects of past crises. This gap is particularly apparent in relation to health and nutrition, where some impacts may become apparent only after some time. However, it is also the case for issues, such as youth unemployment and the shift towards greater informal sector unemployment among youth, where very limited analysis of longer-term effects is available. Where panel data exist, as in Indonesia’s IFLS, for example, it may be possible to clarify whether there are longer-term negative effects of past crises and their significance.

There is very little information on the effects of crisis on employment rates among 15 to 17 year olds, and on hazardous and exploitative work among this age group. Analysis of the effects of crisis on child labour concentrates almost exclusively on children aged 14 and under.

There is very little documentation of the effects of crisis in hard-to-measure or hard-to-research areas of social well-being, such as mental health, intra-household tensions, domestic violence, commercial sex work and trafficking. However, young people are affected by all of these, disproportionately so in some areas, such as commercial sex work and trafficking.

Another important gap lies in the effects of economic crises on maternal mortality. Women aged 15 to 19 are at the greatest risk of pregnancy-related death, and there are grounds to suggest economic crises might exacerbate a number of risk factors. However, this review could find no data, either general or age disaggregated, on crisis-related trends in maternal mortality.

The effects of crisis on young people’s political engagement are hardly discussed in the literature reviewed. The literature on violent conflict views the alienation of young people with limited employment prospects as one of the grievances that can underpin violent conflict, and there are passing references to student and youth mobilisation during or in the aftermath of particular crises. However, no clear picture emerges of the ways in which young people’s engagement with civic and political institutions has been affected by crisis.

Turning to policy responses, this review found no analyses of the impacts of macroeconomic crisis management measures on young people.

Most of the literature on policy responses to economic crisis focuses on large-scale, government-led action. There is very little literature on civil society approaches. This may reflect the fact that many of these are small in scale and have not been described in the internationally available
literature used for this review. Many effective ways of increasing young people’s opportunities, reducing poverty among young people, promoting their social integration and educating young people on specific issues have been developed by civil society, and are as applicable in times of crisis as in more stable times. A greater appreciation of some of these – and their strengths and limitations – would be useful for expanding the menu of effective ways of supporting young people in crises.

There is little detailed evidence concerning how far social spending which is either targeted to or particularly likely to benefit young people is prioritised or deprioritised during crises and recovery periods. It is not clear how youth employment programmes, community-based crime prevention initiatives or catch-up educational programmes (eg night schools, educational programmes for out-of-school youth) have fared either during fiscal stimuli or in post-crisis reorientations of social spending.

Most critically of all, there is very little cost-benefit analysis of different policy options for investing in young people and mitigating the impact of crisis. The scarcity of resources during economic crises and recovery periods means that the need for rigorous analysis of the most effective policy options is even more acute than in better times. This is particularly the case in relation to young people, a group which is generally not seen as a priority for investment, and for whom resources are usually scarce. Many evaluations of policy approaches focus on a limited period after the intervention, and so evidence concerning the longer-term impact and effectiveness of particular approaches in mitigating the effects of crisis on young people is not available. Evaluations typically focus on a few, easy-to-measure issues, usually related to education or employment, meaning that more intangible effects of youth-focused policies (e.g. reductions in youth involvement in violent crime or teenage pregnancy rates) are not considered (Knowles and Behrman, 2005).

Finally, there appears to be very little systematic collection of data on young people’s perceptions and experiences of past or current crises. For example, the Global Impact and Vulnerability Alert System (GIVAS) does not have a specific section on young people.
8. Conclusions and recommendations

8.1 Summary of main findings

Unsurprisingly, the effects of economic crises appear to be most severe for the poorest young people who have the fewest resources (financial, human and social capital) to weather shocks of different kinds. It is the poorest young people who are most at risk of leaving school during a crisis, for example, or of pregnancy during adolescence. In the current crisis, high food prices and the collapse of employment appear to be the two most significant issues affecting youth.

Likewise, longer-term crises appear to be more damaging to young people than shorter-term crises. This is particularly the case for some issues, such as youth crime, which has risen more substantially in long-term crises and then remained high, or crises which limit public investment over a long period.

The gender-based effects are complex. There is evidence of young men suffering more than young women in some countries and in certain dimensions of well-being, such as nutrition and becoming a victim of crime, and in some labour markets. In other contexts, young women face greater discrimination, both in the labour market and in education, or are rendered particularly vulnerable by institutionalised gender inequalities that value young men’s time, leisure, health and well-being more than those of young women.

Demographic impacts: Contrary to commonly held perceptions, there is little evidence that economic crises lead to increased pressures on young women, in particular, to marry early, although there are exceptions. There is clear evidence of young people, particularly men, having to delay marriage during economic crises until they have steady jobs, and thus delaying an important rite of passage into adulthood. There is some evidence of young people facing economic shocks temporarily postponing childbearing, but very little evidence that economic shocks reduce the total number of children they wish to have or aggregate birth rates.

Employment: Young people suffer disproportionately in labour markets in times of crisis. They are particularly vulnerable to layoffs, are more likely to suffer declining wages, face additional barriers in finding their first jobs and frequently are pushed into informal sector work with very poor pay and conditions and very few protective rights.

Health: There is some evidence of increased mortality among young people in crises, although this may be specific to particular circumstances. The available evidence suggests that young people’s use of health services declines disproportionately in crises. General levels of ill-health among young people tend to increase, with particular rises in STDs and substance abuse-related illness. There is some evidence of fewer births being attended, so the risks to mothers and babies rise substantially. This may partially reflect the steeper decline in funding to these services as compared with other areas of health services.

Nutrition: The main evidence of impacts on young people’s nutrition comes from one study in Indonesia. This found that the BMI of mothers declined and the expected increase in adolescents’ BMI did not take place, with boys being particularly affected. Other studies from Indonesia also indicate an increasing incidence of micronutrient deficiencies, such as iron deficiency anaemia and night-blindness during the 1997 to 1999 crisis. There is also anecdotal evidence from Argentina of increasing obesity in the aftermath of the economic crisis of 2001.

Education: In poorer countries, and for poorer groups, the effects of crisis are usually pro-cyclical – education enrolment rates tend to fall and dropout rates increase during a crisis. In better-off countries, by contrast, educational enrolments at secondary and tertiary levels usually increase, as
the opportunity costs decline and young people seek to invest in their future employability. Even so, poorer young people are much less likely to stay in education.

**Other social problems:** Although there is less documentation of hard-to-measure and hard-to-research social problems, such as intra-household conflict, domestic violence, suicide, substance abuse, commercial sex work and mental health problems, there is qualitative (and some quantitative) evidence of increases in all of these among young people during economic crises, past and present. In addition to their effect on the quality of young people’s lives now, many of these social problems can have long-term effects on young people’s health (leading to death in some cases), ability to work, social integration and future poverty. As such, they can affect future generations as well as today’s young people.

‘**Prevention is better than cure.’** Once rates of social problems, such as youth unemployment, alienation of young people or crime, increase, it can be hard to bring them back down to pre-crisis levels. This indicates the importance of preventing a rise in these problems through investment in disadvantaged young people’s economic well-being and social capital before and during crises.

During crisis recovery periods, public expenditure is particularly vulnerable. The effects of declining public expenditure – where this occurs – on young people do not simply arise through cuts to or increased charges for existing services, but also in **foregone investments** that might have tackled particular problems facing young people. In past crises, mental health programmes and HIV/AIDS prevention have been vulnerable to crises; in the current crisis, job subsidy and placement programmes have been cancelled in some OECD countries, such as the UK, arguably at the time when they are most needed.

### 8.2 Policy recommendations

**Develop better evidence on cost-effective ways to support young people in crisis.** A key priority is rigorous analysis of the most cost-effective ways to support disadvantaged young people during crises and, where possible, analysis of the impacts and effectiveness of policies over an extended period. Clearly, there are methodological obstacles to this, such as the lack of appropriate data, the problem of comparing ‘apples with pears’ – unlike interventions with diverse purposes - and the difficulty of taking into account many of the social gains of effective investments in young people’s well-being (such as reduced crime rates and adolescent pregnancy rates). Knowles and Behrman (2005) have developed a methodology for comparing the costs and benefits of over 40 youth-focused policy approaches, which could be applied to key crisis response policies, where sufficient data exist.

In addition, more analysis like Ferreira and Schady’s (2008) discussion of the different priorities for supporting human development in crisis in low- and middle-income countries, which points to the most effective responses in particular contexts, could help ensure increasingly scarce resources are well targeted.

Despite the lack of overall evidence on the cost effectiveness of different interventions, the following policy instruments and approaches have proved effective in helping young people weather crises:

- **Cash transfers** – both conditional and unconditional – have helped poor young people remain in secondary school during times of crisis. The question of whether conditional or unconditional transfers, or subsidies for specific costs, such as school fees, have been most effective is unresolved in relation to both economic crises and chronic poverty (Devereux, 2009).
- **Maintaining or enhancing the quality of education** during crises is a crucial complement to measures to boost demand among poorer adolescents; since in middle- and upper-
income countries education enrolment often increases during times of economic downturn, extra investment may be needed to meet this growing demand without compromising quality. Only good quality education will equip young people with the skills they need, both for adult life in general and for reasonably remunerated work in particular.

- **Job and wage subsidies and on-the-job training** that helps increase productivity have all proven effective in helping create or maintain jobs for young people (Godfrey, 2003).

- **Preventing a rise in youth crime requires both economic empowerment**, which reduces poverty and increases young people’s stake in society, such as employment promotion and cash transfers, **and action to enhance social cohesion**. Although evidence from rigorous evaluations is limited, there is indicative evidence of programmes that engage young people in **sports, drama and community service, mentoring programmes and parenting education for parents and carers of adolescents** all helping provide a supportive social network that in turn reduces the attractiveness of gangs and other criminal groups as a source of social and emotional support.

- Young people’s health is best safeguarded during crisis through **measures that ensure their access to the health system**. This may mean extending guarantees of free health to young people. An effort to **increase the youth friendliness** and accessibility of health care may also be needed for areas of health where young people tend to be overrepresented, such as in sexual and reproductive health and substance abuse, and where they may find services aimed at older users off-putting. There is some indication that **peer-based approaches** are appealing to young people and have helped increase knowledge and change behaviour (the latter less than the former) in relation to sexual behaviour and substance abuse. In some societies, young people may have particular need of **mental health services** as they struggle to make transitions to adulthood in a context of economic insecurity and deprivation.

And the following approaches have a less good track record:

- Although **temporary employment programmes** are a common crisis response, their effectiveness in helping young people gain skills or move into longer-term work is limited. They are, however, an effective poverty alleviation instrument for poor people in crisis, and as such are potentially relevant to young people.

- **Pre-employment skills training** for young people also has a poor record in helping young people find employment or increasing levels of remuneration once they are in employment. On-the-job training and training through apprenticeships or job placement programmes for unemployed young people have been more effective at both goals. Adult education in functional literacy and numeracy has also proven helpful in enabling young people who missed out on basic education to work more effectively.

- Most effective **programmes to support young people’s entrepreneurship** are highly costly; many young people’s businesses fail, and supporting youth enterprise is not a simple alternative to active labour market measures to increase employment opportunities for young people.
The Impacts of Economic Crisis on Youth

References


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Annex 1: Youth and economic crisis vulnerability matrix

<table>
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<tr>
<th>Type of risk</th>
<th>Youth-specific experiences</th>
<th>Gender-specific manifestations</th>
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</table>
| 1. Economic risks | *Lower levels of experience, skills and qualifications, limited productive and social assets and weak political agency make youth particularly vulnerable to economic shocks. In some contexts, discriminatory norms of entitlement (e.g. gender, caste, ethnicity, age) prevent young people from accessing, owning or managing assets, leaving them dependent on older relatives.* | *Young women typically face a greater risk of retrenchment, since they are traditionally perceived as a cheap, expendable workforce and secondary income earners.*  
*Youth may undertake risky work to generate livelihoods (e.g. sex work (especially females), criminal work (especially males)). Both may migrate, and young women are especially vulnerable to trafficking.*  
*Threat of layoffs may lead to increased risk of sexual harassment and abuse in the workplace.* |
| 1.1. Decrease in demand for labour leading to greater youth unemployment, and declining earnings and quality of work | • Youth are disproportionately concentrated among temporary workers – often the first to be fired in a slowdown – and in certain ‘vulnerable’ sectors (e.g. construction, manufacturing, tourism, services).  
• Limited employment opportunities and lack of ownership of productive assets may force young people to: i) accept worsening working conditions (e.g. less overtime, wage decline, longer working hours; ii) shift to the informal sector; iii) incur debts to finance a job search and/or training; iv) emigrate in search for work. Spill-over risks include fewer opportunities to accumulate human capital, social marginalisation, etc.  
• Long-term unemployed youth risk long inactivity and permanent exclusion from labour market, as their knowledge, skills and social networks go out of date; they may also be prevented from accessing loans/assets; new labour market entrants are particularly vulnerable to lack of employment opportunities.  
• Difficulties young entrepreneurs face in starting and financing business may be exacerbated by tighter credit markets and more challenging business environment. | *Limited employment opportunities and lack of ownership of productive assets may force young people to: i) accept worsening working conditions (e.g. less overtime, wage decline, longer working hours; ii) shift to the informal sector; iii) incur debts to finance a job search and/or training; iv) emigrate in search for work. Spill-over risks include fewer opportunities to accumulate human capital, social marginalisation, etc.*  
*Long-term unemployed youth risk long inactivity and permanent exclusion from labour market, as their knowledge, skills and social networks go out of date; they may also be prevented from accessing loans/assets; new labour market entrants are particularly vulnerable to lack of employment opportunities.*  
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*Youth may undertake risky work to generate livelihoods (e.g. sex work (especially females), criminal work (especially males)). Both may migrate, and young women are especially vulnerable to trafficking.*  
*Threat of layoffs may lead to increased risk of sexual harassment and abuse in the workplace.* |
| 1.2. Decrease in real household income leading to reduced purchasing power | • Reduced food consumption (quantity/quality) placing youth at risk of malnutrition or obesity. This may affect their physical and cognitive capacity, especially younger cohorts who are still growing. Long-term implications may include lower educational outcomes and lifetime earnings, weaker health as an adult.  
• Cuts in household expenditure on education can reduce participation at secondary and tertiary levels and lead to lower academic achievement.  
• Adolescents may leave school and start to work, sometimes in hazardous activities. This can affect their future employment prospects, school attainment, health outcomes and time poverty; older youth may be expected to support the household through migratory employment (in-country and international) and sending remittances. | *Reduced food consumption (quantity/quality) placing youth at risk of malnutrition or obesity. This may affect their physical and cognitive capacity, especially younger cohorts who are still growing. Long-term implications may include lower educational outcomes and lifetime earnings, weaker health as an adult.*  
*Cuts in household expenditure on education can reduce participation at secondary and tertiary levels and lead to lower academic achievement.*  
*Adolescents may leave school and start to work, sometimes in hazardous activities. This can affect their future employment prospects, school attainment, health outcomes and time poverty; older youth may be expected to support the household through migratory employment (in-country and international) and sending remittances.*  
*Young women’s nutrition may be perceived as lower priority than that of young men, resulting in girls and young women eating less. A low BMI is associated with poor pregnancy outcomes and susceptibility to illness and anaemia for young mothers. Young men who have to do long hours of hard labour on inadequate food intake are also exposed to risks.*  
*Decline in utilisation of reproductive health services can put young women at risk of STDS and unwanted pregnancies; Harmful coping strategies include adolescent labour (especially males); dropping out of school (especially females); early marriage (especially females).*  
*Growing intra-household tensions place young women (especially young wives) at risk of domestic violence and/or increased conflict at home, and job loss may undermine their personal autonomy.*  
*Care and domestic responsibilities increase (especially for young females) in response to parents’ increased paid work responsibilities.* |
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| 1.3. Decline in government revenues reduces government social spending | • This is very important for young people, as accumulation of human capital in particular depends on public investments.  
  • Reduction in preventative health programmes (e.g. HIV prevention campaigns, health promotion for youth, family planning, anti-substance abuse programmes) may lead to a rise in ill-health among youth.  
  • Reduced access to and quality of education affect school enrolment, attendance and school qualifications. Already disadvantaged youth (e.g. orphans, disabled, ethnic minorities, etc) are at particular risk of discontinuing their education. Reduced quality of education may further exacerbate their inequality in society.  
  • Cutbacks in programmes for youth (e.g. youth-specific job creation, youth clubs, sports, extra-curricular activities, night schools, adult education) may increase the likelihood of social exclusion and of youth engagement in crime, violence and substance abuse; they also limit young people’s opportunities to form social capital.  
  • Cutbacks in publicly supported loans (e.g. microfinance, support to youth entrepreneurs, agricultural support) may force youth to borrow from moneylenders. This means higher interest rates, as bank loans with lower interest are not readily available to young people. | • Young women are often more affected by basic service cuts, as they typically have greater responsibility for care of family members.  
  • Reduced access to maternal and child health services increases vulnerability to maternal and infant mortality, and diminished sexual/reproductive health care (contraception, access to safe abortion facilities, cancer screening and treatment, response to STDs, protection against violence) increases health risks.  
  • Cutbacks in sexual education programmes, especially among high risk-groups (e.g. sex workers, drug users) place young women at particular risk of unwanted pregnancies, STDs and mortality.  
  • Cuts to public transport may place women at greater risk of violence. Perceived insecurity may prevent them from accessing markets, schooling and health care. Lack of transport impacts also on access to employment (irrespective of gender). |
| 2. Age-related vulnerabilities | Particularly significant as youth are undergoing important life transitions; these interact with economic and social vulnerabilities. |  |
| 2.1. Moving from school to work | • New entrants into the labour market are particularly hard hit by diminished labour market prospects, having to compete with a growing number of jobseekers for fewer job vacancies.  
  • Early unemployment spells and insecurity may have harmful long-term effects on a number of outcomes, e.g. happiness, job satisfaction, future wages and health.  
  • Youth who are unable to find/keep decent work are more likely to migrate, and/or participate in crime or militant groups. | • Young women are at increased risk of discrimination in formal labour markets.  
  • Young women are more likely than young men to be unemployed and to stay out of the labour force entirely.  
  • Lack of economic opportunities contributes to conditions in which young women are vulnerable to sex work, trafficking and exploitation in the informal sector (especially single women, single mothers, those from poor families, etc.). |
| 2.2. Learning for work and life | • There is an increase in school dropout rates among poorest groups, particularly at transition from junior to senior secondary school and tertiary level. In some middle- and upper-income countries, youth stay in education longer in times of recession because of lack of labour market opportunities.  
  • Unskilled school leavers are ill-prepared for the labour market and are at risk of unemployment and lower lifetime earnings.  
  • Declining quality of education (e.g. teacher absenteeism, inability to afford new or upgrade technological equipment) increases the risk of social marginalisation of youth.  
  • Halting educational reforms because of expenditure reductions is risky, as inadequate education systems fail to prepare young workers for competitive labour markets. | • When employment opportunities or further educational opportunities are cut off, young women face increased pressure to succumb to early marriage, exploitation or harsh working conditions.  
  • Once removed from school, adolescent girls are less likely than males to go back and, at the same time, are more disadvantaged in labour markets than males. |
### The Impacts of Economic Crisis on Youth

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| **2.3. Starting a family** | • Shortage of employment/economic insecurity, and limited access to housing, may mean that youth postpone marriage and family planning decisions and may lengthen the period during which young people remain economically dependent on parents/elders. In some contexts, however, economic pressures may force young people to adopt adult responsibilities at a younger age.  
  • Delayed adulthood can undermine young people’s sense of emotional well-being and lead to mental health problems and substance abuse.  
  • Single young parents and/or couples living in insecure family contexts (and their children) are at a greater risk of poverty, deprivation and stress, and may have less social support during times of crisis. | • Adolescent girls may be at increased risk of early and forced marriage, leading to early childbearing and heightened risk of ill-health and maternal mortality.  
  • Young women who are forced to undertake risky jobs to support themselves (e.g. domestic and sex work, hawking) are particularly vulnerable to sexual exploitation resulting in unwanted pregnancies.  
  • For single teen mothers, economic hardship compounded by psychological immaturity and lack of social support raises the risk of child abandonment, neglect and abuse, and of intergenerational poverty. |
| **2.4. Growing up healthy and risk taking** | • Because of psychological immaturity (less capable of perceiving risks), youth are more susceptible to involvement in risky activities than adults.  
  • Alienation and frustration, compounded by a withdrawal of government services and erosion of social capital, may increase risk-taking behaviour among young people (e.g. substance abuse, unsafe sexual activity, crime).  
  • Economic crisis may increase availability of drugs, alcohol, tobacco in the ‘grey economy.’  
  • Mental health problems and risk of suicide increase. | • Young men cope less well with economic stresses than females, and are more at risk of suicide, substance abuse and engaging in criminal activities. |
| **3. Social risks** | **Being young increases one’s chances of facing social risks including discrimination and exclusion from intra-household and community decision making. Specific experiences are shaped by gender, caste, class, ethnicity and religion. Limited ‘bridging’ social capital makes youth highly dependent on the social capital of their households and communities.** |  |

**3.1. Family structure and dynamics**

| Family structure | Young people living in single-parent households and large families, and those growing up without parental care and support (e.g. orphans, street youth), are more vulnerable to economic shocks and risk of deprivation.  
  **Intra-household dynamics:** Limited decision making in the household, combined with economic dependence, makes young people (especially adolescents) vulnerable to abuse and exploitation.  
  **Family conflict and break-up:** Economic hardship may have adverse effects on parental relationships affecting adolescents’ self-esteem, psychological well-being and physical health.  
  **Abuse and neglect:** Economic stress may increase intra-household violence and substance abuse and disrupt parental care, resulting in abuse, neglect of adolescents and premature autonomy. This increases the risk of young people seeking refuge on the streets and of exploitation outside the home (e.g. sexual exploitation, trafficking, being used by criminals). |  
  • In some contexts, young people growing up in female-headed households face a higher risk of poverty. |
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| 3.2. Social exclusion and discrimination | - The already limited access of youth from disadvantaged social groups (e.g. disabled, ethnic and religious minorities) and migrants to productive assets, information or training opportunities may be further limited in times of economic stress and competition for resources. They face increased risk of scapegoating in resource-related conflict.  
  - Street adolescents face particular isolation and hardship – they do not attend school, are often illiterate, are exposed to multiple risks and are subject to sexual and physical abuse (14 to 17 year olds constitute the largest group).  
  - Young migrants, particularly those forced to migrate by a combination of environmental and economic shocks, have limited social networks and access to physical, cultural and social resources in destination communities, which may undermine their livelihoods and in turn their successful integration. Lack of employment opportunities in new location can also lead to additional risks (e.g. insecure/temporary accommodation, youth frustration and political unrest, social marginalisation). | - Generalised gender inequality in underpins vulnerability of young women to economic shocks, and limits their access to the productive assets and financial support mechanisms crucial for recovery.  
- Social expectations that young women should perform the bulk of reproductive labour, and constraints placed on young women’s personal freedom, limit their educational opportunities and chance of establishing contacts relevant to securing paid employment.  
- Female migrants face increased vulnerability from disruption to reproductive health care.  
- Migration of young men can increase the caring and livelihood responsibilities of young women (both adolescent girls and young wives) left behind; young women may be forced to migrate without children, affecting the emotional well-being of both. |
| 3.3. Extra-family violence and social upheaval | - Young people are disproportionately perpetrators and victims of violence; economic stresses may lead to their increased involvement in crime, violence and social unrest.  
  - The fewer assets youth have, the more likely they are to turn to alternative means of survival (e.g. crime).  
  - Unemployment, idleness, social alienation and family dysfunction underlie juvenile criminality, resulting in diminished human capital and high rates of homicide and injury. | - Frustration arising from unemployment disproportionately affects young men, increasing the likelihood of their participation in militant groups or extremist organisations.  
- Young men are the main perpetrators of violence and victims of homicide; young women also face very high levels of violence, especially as victims (e.g. of rape, domestic violence).  
- In conflict-affected environments, young people (especially young men) recently demobilised from conflict may be particularly vulnerable to impacts of economic crisis. |
| 3.4. Social capital | - Fewer opportunities for youth to develop social capital/relationships.  
  - Eroded social capital increases the risk of adolescent labour, school dropout, neglect and abandonment, suicide, deterioration of mental health, crime and drug use.  
  - Social networks are central to young people’s management of the risk environment, but may be sites of mutual exploitation as well as cooperation, support and trust. | - The erosion of social capital at both family and community level (e.g. withdrawal of child care support) may lead to increased work and domestic responsibility (especially for young females) and thus fewer opportunities to make and maintain social connections and increased labour exploitation (especially for males), including hazardous work (e.g. drug trafficking). |
Annex 2: Typology of youth-focused policy responses

<table>
<thead>
<tr>
<th>Type of policy/measure</th>
<th>General household/community level measures</th>
<th>Youth-focused policy instruments and programme examples</th>
<th>Key lessons (pros/cons)</th>
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<tr>
<td>1. Labour policies</td>
<td>Goal: Expanding employment and income generation opportunities in order to maintain purchasing power. Targeting: Youth aged 16+; poor and disadvantaged youth.</td>
<td>Public works schemes are sometimes considered a partial solution to youth unemployment. <strong>Example: Kazakhstan’s Road Map programme</strong> Launched in 2008, the Road Map focuses on women and youth. It combines public works, vocational training initiatives and social jobs (e.g. in providing care). Within a one-year period, the Road Map programme created 252,277 jobs; the retraining programme has benefited 44,675 people; and the internship component has achieved 98% of its target benefiting 34,452 people. The programme has been criticised for not providing child care and ignoring long-term employment issues, as public works jobs are seasonal and low paid (Gavrilovic et al., 2009).</td>
<td>1. Often not designed properly and launched in an ad hoc manner, resulting in poor targeting; also inadequate evaluation of the long-term effects. 2. Do little to build skills or future employability. In Chile’s Temporary Employment Programme of the late 1980s, poor workers who took temporary jobs actually had more difficulty finding jobs after the crisis than those who did not participate in the programme (Mazza et al., 2009). 3. Tend to benefit men more than female workers because jobs are usually in male-dominated sectors (e.g. construction), although programmes in Argentina, Peru and India have all had rates of female participation of around 70% to 80% through providing on-site child care and facilitating home-based production (van der Gaag, 2009).</td>
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<tr>
<td>1.1. Stimulating new jobs through temporary employment programmes (e.g. public works)</td>
<td>Labour-intensive public works schemes. Used widely as key job creation initiatives in cases of acute or cyclical employment problems. Chile, Argentina, Peru, Bolivia, Indonesia, Thailand have a relatively good track record (Blomquist et al., 2001; Mazza et al., 2009). When designed well, can reach large numbers in a short time span (at its height, the South Korean temporary employment programme covered 70% of the unemployed, benefiting around 2.5 times more people than unemployment insurance). Mazza et al. (2009) suggest that they are most suited to crises with large-scale unemployment of very poor; otherwise, measures that protect existing jobs or help disadvantaged people into longer-term work are more effective.</td>
<td>Usually intended to help bridge skills gaps of disadvantaged youth, or to help young people adjust to new labour market conditions during periods of change. <strong>Example: Mexico’s Probecat</strong> provides job training to the unemployed (mainly targeting youth 16 to 29 from the lowest income quintile) and a stipend of up to three months of minimum wage income to trainees. The programme was enlarged during the 1994 to 1995 crisis, serving 198,000 workers in 1994, 412,000 in 1995 and 544,200 in 1996 (Mazza et al., 2009; Pereznieto and Jones, 2009).</td>
<td>1. Evaluations show on-the-job-training both helps secure jobs in the short term (during crisis) and build in the medium term capacity to continue such programmes post-crisis (Mazza et al., 2009). 2. Success depends strongly on ensuring that firms participating make the required commitments to hire a high percentage of the trainees. 3. Little is known about the long-term impacts in terms of increased salaries.</td>
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<td>1.2. Training</td>
<td>Subsidies for on-the-job training. Intended to help retain workers during a downturn and help the unemployed back into the labour market. Widely used in Latin America and OECD countries to retain formal sector workers in their jobs through short-term skill upgrading of the existing workforce during the crisis. It can be focused on ‘retooling’ workers in their current firms, implementing new technologies or new</td>
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43 This is intended to be illustrative of approaches and examples rather than a comprehensive overview. Where no information could be found on measures developed to support youth during economic crises, we have included findings from the general youth policy literature. See Knowles and Behrman (2005) and Golombek (2002) for useful overviews of youth-focused development policies.
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<tr>
<td>General household/community level measures</td>
<td>market lines, upgrading the current workforce or other measures that can keep workers in place and add value for the post-crisis economy (Mazza et al., 2009).</td>
<td>Apprenticeship programmes, when well integrated with private sector demand, can be an effective way for young people to acquire skills. Examples: Kenya’s Jua Kali, which provides vouchers for disadvantaged unemployed people to use for training, mostly with master craftsmen, and Chile Joven, which provides a three-month apprenticeship in a private sector setting (Mazza et al., 2009).</td>
<td>and employability of clients (ibid).</td>
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<td>Pre-employment training generally has a poor record. It often offers outdated skills for which there is a limited market, and evaluations show little evidence that it increases employability or wage rates (Godfrey, 2003).</td>
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<tr>
<td>1.3. Job intermediation activities</td>
<td>Aim to improve flow of information between employers and job seekers. Expanded in Asian Financial Crisis in South Korea and Philippines (Godfrey, 2003).</td>
<td>May be made more youth friendly and useful by using technology such as SMS, ensuring information is up-to-date.</td>
<td>Rarely used by young people as information often not up to date.</td>
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<td>1.4. Protecting existing jobs or creating new jobs</td>
<td>Tax relief and other financial incentives to businesses to retain young workers and recruit first-time job seekers, on reduced hours if necessary, can help create opportunities for youth. In crises, this could be targeted to: i) sectors heavily affected by downturn, such as tourism, construction and export-oriented industries, which are likely to lay off workers; ii) sectors employing significant numbers of youth. Job subsidies. To reduce job loss in the 1998 crisis, South Korea introduced a job-maintenance programme by subsidising otherwise viable firms in danger of being driven to bankruptcy. No data could be found on the number of jobs this saved.</td>
<td>Wage subsidies and temporary reduction of social security taxes for new, young employees are the most commonly used instruments to retain/employ youth. Wage subsidies for unemployed youth have been applied with relative success in Mexico, South Korea and Chile during crisis periods. As part of a broader youth employment promotion effort in Mexico, Primer Empleo supports firms to hire new workers through a subsidy covering part of the mandatory social security fees employees pay for a period of 12 months. The programme is intended to generate 2 million new jobs by 2012.</td>
<td>1. Can be implemented quickly after the onset of crisis. 2. Can be targeted at individuals with a variety of skills and experience. 3. Biased to urban formal sector, though this is not a problem if effects of the crisis are concentrated here.</td>
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<tr>
<td>1.5. Supporting youth entrepreneurship</td>
<td>Support to youth entrepreneurship can be an effective response to persistently high youth unemployment. In Hungary, EletPALLYA provides support to youth entrepreneurs through finance and mentoring programmes. It promotes informed decision making through: an enquiry service consisting of business-related materials and free</td>
<td></td>
<td>For youth entrepreneurship to be successful, in addition to special skills and knowledge and access to credit, young people also need to be aware of the potential benefits and the possible risks of running a business. The cost</td>
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<td><strong>1.6. Unemployment Insurance</strong></td>
<td><strong>Unemployment insurance.</strong> In 1998 South Korea expanded its unemployment insurance programmes to cover temporary workers, and shortened the required contribution period before eligibility, which benefited younger workers (Blomquist et al., 2001).</td>
<td><strong>Unemployment insurance needs to be expanded to better cover young workers.</strong> In OECD countries, many laid-off youth do not qualify for unemployment benefits and face a significant risk of poverty during the economic downturn. Several OECD countries are addressing income poverty among job losers by increasing eligibility for unemployment insurance. Japan has expanded coverage of unemployment insurance by reducing from 12 to 6 the number of months of work required to be eligible and, as a result, has increased the coverage of young workers (OECD, 2009).</td>
<td>1. Crisis is not the best time for enacting such schemes, which are costly to set up (Blomquist et al., 2001). 2. Usually does not cover first-time job seekers and the self-employed in informal sectors. It is therefore a less relevant policy option in developing countries with high informal sectors and poor administrative capacity (ibid).</td>
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<td><strong>2. Social protection</strong></td>
<td><strong>Goal:</strong> Providing a safety net to households most likely to be affected by crisis. <strong>Targeting:</strong> Youth 12+; adolescents with special focus on adolescent girls and young mothers; “at risk” youth.</td>
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<td><strong>2.1. Conditional and unconditional cash transfers</strong></td>
<td><strong>CCT programmes</strong> can mitigate the impacts of shocks and prevent potential losses in human capital development resulting from crisis. In Mexico, Oportunidades protected poor rural families from further impoverishment in the aftermath of the tequila crisis 1994/95 (Blomquist et al., 2001). While earlier programmes focused on children, some more recent CCTs target adolescents and young adults. <strong>Unconditional cash transfers,</strong> such as South Africa’s old age pensions programme, have also proved effective in helping poor secondary school students remain in school (May and Hunter, 2002).</td>
<td>Increasingly, CCT programmes are being used to reach vulnerable youth. In 2002, Oportunidades (Mexico) began a youth-focused programme, Jovenes con Oportunidades, which provides cash grants to Oportunidades students as an incentive to continue high school; and links youth with labour markets and higher education by providing direct access to scholarships and organising urban and rural job fairs. Initial evaluations show significant uptake and a strong preference for cash grants over health insurance or home loans, which were part of the initial package. <strong>Youth Agent and Youth Action Programmes in Campinas, Brazil,</strong> have been created to foster social inclusion among most disadvantaged youths, helping them to improve their schooling and job opportunities and take part in community development activities. Youth Agent beneficiaries are aged 15 to 17 and include youth who are out of school and personally and socially at risk. Youth Action targets youth 15 and 24 under probation. Youth Agent, in addition to promoting economic inclusion, also helps young people become active members of society and assume a positive role as they are aged 15 to 17 and include youth who are out of school and personally and socially at risk. Youth Action targets youth 15 and 24 under probation. Youth Agent, in addition to promoting economic inclusion, also helps young people become active members of society and assume a positive role.</td>
<td>1. CCT programmes have shown positive effects on school enrolment and attendance, improvements in the health of beneficiaries and increases in food consumption in times of crisis. Progresa (precursor of Oportunidades) significantly reduced secondary school dropout during 1994 to 1996 crisis (de Janvry et al., 2006). 2. CCTs are comparatively low cost (e.g. average estimated overhead $500 per child) (Johannsen et al., 2009 in Mazza, et al, 2009). 3. Complementary CCT programmes aimed at the most vulnerable youth depend on political support strong enough to survive changes in administration and to guarantee necessary resource allocation. 4. Because administration is decentralised, their quality may also vary widely. 5. Where demand for education is high,</td>
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<td><strong>2.2. Social welfare services</strong></td>
<td>Expanding a network of support services to prevent family breakdown and potential exploitation, abuse and neglect of children and youth. This includes services to: prevent and treat alcohol and drug abuse (see 4. Health); prevent suicide; support families in childcare; prevent domestic violence; and support victims of domestic violence. During the transition period, Russia developed a ‘social patronage’ programme for families in crisis, including those with adolescent children. Social workers provided social assistance, mediation, access to rehabilitation services and emotional support. The programme is estimated to cover more than 321,000 families per year and to have helped reduce institutionalisation of children and adolescents.</td>
<td>The increase of social problems among youth in crisis means that improving access to social services for vulnerable youth – including those in conflict with the law, pregnant adolescents, drug users and undereducated and unemployed youth – is a high priority. There is little evidence of programmes of this type being expanded during crisis. <strong>Examples</strong> Indonesian programme for street and neglected children/adolescents (e.g. those in conflict with the law and at risk of commercial sexual exploitation) during the recovery period: scholarships, vocational training, supplementary feeding and operating funds for open houses and social workers. Coverage was low (several thousand), but it had a positive impact on well-being: almost all beneficiaries completed training, one-third found safe employment and a number rejoined their families (Jones and Marsden, 2009). <strong>In Albania and Moldova</strong>, improving local employment opportunities and incentives to stop the poorest and most marginalised youth dropping out of school, combined with broader life skills, has helped reduce trafficking. In Moldova, NGOs have provided information to girls and young women on the dangers of trafficking and a hotline for potential and actual victims of trafficking (Homans, 2003).</td>
<td>1. Marginalised populations, such as migrants, refugees, IDPs, are often excluded from prevention initiatives, as even in good economic times they are often unreachable and excluded from prevention services. 2. Insufficient human and financial resources often undermine social welfare service provision, with in particular a lack of social workers specialised in the special needs of vulnerable families and youth. This is even more acute in times of crisis.</td>
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<td><strong>3. Basic social Services</strong></td>
<td><strong>Goal:</strong> Preserving access and utilisation of basic services and safeguarding human development, focusing on most vulnerable individuals and households. <strong>Key general approach:</strong> Protection of social sector expenditures during period of fiscal restraint and maintenance/and/or reorientation of budget to key programmes targeted at the most vulnerable groups. <strong>Targeting:</strong> Youth 12+; adolescents with special focus on adolescent girls and young mothers; ‘most at risk’ youth.</td>
<td>Common strategies for maintaining access to education during crisis include: i) protecting the overall education budget and increasing it for basic education; ii) targeted subsidies to keep children in school; and iii) Scholarships for secondary school students are the most common form of government support to low-income families. <strong>Argentina’s National Student Scholarships Programme</strong>, launched post-crisis in 2000, has been effective at retaining children in school (Blomquist et al., 2001).</td>
<td>1. Scholarship targeting often ineffective and subject to political interference by school and village elites (Knowles et al., 1999). 2. Crisis interventions should be aligned with longer-term policies. For</td>
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<td>preventing deterioration of quality.</td>
<td><strong>Indonesia's Back to School Campaign.</strong> In 1998, with World Bank and ADB support, the government launched a scholarships programme for poor children in primary, junior and senior secondary schools and block grants to schools serving poor communities. The total cost of the initiative was roughly $382 million (Pritchett et al., 2002). This programme was relatively successful in removing cost barriers for poor students. About 2.6 million of the poorest junior secondary students received a scholarship of $30 in voucher form intended to cover costs such as notebooks, uniforms, transportation costs and school fees. Amounts received at senior secondary level were three times those allocated at primary level (Cameron, 2000). Targeting criteria appear to have been followed quite closely, leading to the poorest students receiving a greater than proportional share of the scholarships (63% of all recipients). Moreover, girls were 6% more likely to receive a scholarship at upper secondary school level than boys (ibid). A lower secondary school student in a household that received scholarship funding had a 3.5 percentage point lower probability of dropping out than a similar student in a household that received no funding. <strong>School feeding</strong> is a common crisis response and used as an incentive for children to attend school. As a response to the current crisis, <strong>Yemen</strong> launched a feeding programme in primary and junior secondary school which aims to promote girls’ enrolment in school, by requiring that girls enrolled in schools attend more than 80% of class days in order to receive take-home rations (Jones et al, 2009). <strong>Fieldwork in Kazakhstan</strong> revealed that free hot meals provided at primary and secondary school were considered by poor families to be one of the most important forms of government support during the crisis (Gavrilovic et al., 2009). <strong>Higher education:</strong> <strong>Malaysia</strong> and <strong>Kazakhstan</strong> are rare examples of public support to higher education. In 1999, Malaysia expedited construction of facilities in two new universities, increasing capacity. This became urgent after many students could not afford to continue studying abroad (Ablett and Slengesol, 2001). To reduce the cost of tertiary education, in 2008 Kazakhstan expanded its scholarship scheme, letting more low-income students embark on or continue university degrees (Gavrilovic et al., 2009).</td>
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<td>Targeted subsidies include: i) <strong>block grants</strong> to schools to compensate for reduced parental contributions; ii) <strong>scholarships and fee waivers</strong> to poor students to help them with costs of schooling; iii) broader loan-programmes to finance fees for the non-poor (who can afford loans).</td>
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<td>example, scholarships that can continued to be accessed for several years have greater impacts on attainment and graduation than scholarships applied for on a yearly basis (Mazza et al., 2007). 3. Long-term measures that involve sustaining/improving quality and broad-based educational expansion are central to shaping the future workforce, combating the labour market disadvantage of poor young people and promoting the competitiveness of economies. This entails greater attention to functional literacy and numeracy and problem-solving skills, and may also involve developing more relevant curricula for vocational training and tertiary education to facilitate the incorporation of young people into the labour market (World Bank, 2007). 4. School feeding programmes are considered to be cost-effective interventions for maintaining enrolment, although nutritionally ineffective. Average cost less than $50 per child. 5. May need to be complemented by cash transfers and/or other in-kind assistance, e.g. free textbooks.</td>
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<td>3.2. Health (health insurance schemes, fee waivers, youth-friendly sexual and reproductive health services, etc)</td>
<td>To protect health during crises <strong>essential public health programmes</strong>, such as immunisation, control of communicable (TB, HIV/AIDS) and vector-borne diseases (malaria, etc), safe blood supply need to be maintained. Other health promotion activities – maternal and child health, prevention and control of chronic diseases including mental illness – are also important to preserve (and scale up), given the effects of crisis on these outcomes (Glassman et al., 2009). <strong>Use of targeted vouchers/fee waivers and low-cost insurance</strong> to subsidise the price of health services and drugs can help assure delivery and utilisation of critical services and products. Thailand’s low-cost health insurance programme (the 30 Baht scheme), set up in the 1997 crisis, was hailed as a regional model of a lower-middle country building a social protection system in the face of severe economic challenges. In Indonesia’s Health Sector Social Safety Net, poor households were issued with health cards to obtain free health services including basic health services, health services for pregnant women, food and nutrition interventions and hospital operational costs. This also subsidised medical services, provided operational support for health centres, subsidised medicines and imported medical equipment and provided additional finance for family planning, midwifery and nutritional support (Pritchett et al., 2002; Sumarto et al., 2000).</td>
<td>In addition to mainstream health care, attention needs to be paid to <strong>safeguarding the healthy habits of young people by providing youth-friendly sexual and reproductive health services and substance prevention and harm reduction support</strong>. While no specific crisis-related programmes have been identified, there are important examples of successful interventions and lessons derived from good practice. Provision of youth-friendly services entails: public education, preventative care, health promotion, support networks, counselling, hotlines, shelters and other participatory and empowering initiatives. <strong>UNFPA, for example, advocates a core package of services for young people</strong>, including: contraception, HIV prevention and maternal health services targeting hard-to-reach people, especially married and unmarried girls. Gender-sensitive, life skills-based sexual and reproductive health education in schools and community settings with both young men and young women can be effective. Family Life Education programmes, for example, from primary to tertiary school levels, can ensure that all young people going through the school system are educated on various topics related to family planning and sexual health. Community-based initiatives are also needed to target out-of-school youth (UNICEF, 2000). Youth-friendly communication strategies are a key part of a package promoting healthy behaviour. To help change behaviour, for example, in <strong>Albania</strong>, Population Services International has developed a social marketing programme which seeks to motivate young people to buy and use condoms. This is carried out through the medium of a radio talk shows with youth to reduce the social stigma associated with condoms (ibid). <strong>Engaging peer educators and promoters is usually effective</strong>, particularly when working with hard-to-reach youth, who prefer to receive health information from peers. In Romania, HIV/AIDS prevention work with street children involved peer educators (trained street children) who are mobilised to provide education and counselling on STDS and HIV, facilitate street children’s access to medical and social services and distribute hygiene materials (ibid).</td>
<td>1. Lack of awareness of services is often a barrier, which impedes access to these services, even if they are free. Stronger communication with marginalised citizens can help address this. 2. Programmes are often at risk from inadequate budgets, particularly during crises, and especially where they are locally funded. 3. Young people are more likely to use services if they are: i) culturally appropriate to the needs and perceptions of youth; ii) affordable; iii) comprehensive ‘one-stop’ services. 4. There is mounting evidence to show significant long-term benefits when peer-based interventions are carefully planned and implemented. They are also often strikingly cost-effective (UNICEF, 2000).</td>
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<td>maternal and child health, including youth under 20 years of age, and had a positive impact on maintaining women’s access to family planning services.</td>
<td>Broad nutritional programmes specifically targeting adolescents and young people are rarely prioritised during crises. Malaysia’s Food and Nutrition Programme is the only programme identified with a youth-specific focus. This aims to ensure equitable access to nutritious food and promotes healthy eating habits among schoolchildren and adolescents.</td>
<td>1. Food subsidies can be efficient policy responses provided adequate targeting mechanisms are in place and rapid evaluations are conducted to inform quick up-scaling and avoid leakage (Sumarto and Suryahadi 2003); however, this is difficult to achieve in practice. 2. May be susceptible to corruption, as in Indonesia’s rice subsidy programme, where officials used their distribution power for political and financial gain (ibid).</td>
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<td>3.3. Health (nutrition)</td>
<td><strong>Nutritional support measures.</strong> Options for preventing malnutrition among adolescents include: i) transfers in kind or cash (e.g. food stamps or vouchers in Guyana, Brazil, Argentina); ii) free distribution of micronutrient supplements at pharmacies, clinics, schools, stores, with training for those using them (e.g. Kazakhstan vitamin supplements) (Mazza et al., 2007; Gavrilovic et al., 2009). <strong>Example: Indonesia’s rice subsidy programme.</strong> Indonesia’s targeted cheap rice programme provided 10kg of rice per poor family per month at around a third of the market price (Sumarto et al., 2000). Each village and urban community was assigned an allocation of subsidised rice on the basis of their poverty level; subsidised rice was supposed to be available to the bottom two socioeconomic groups. The programme is reported to have contributed to continuing the downward trend in child malnutrition. Poor targeting meant that much of the subsidy leaked to better-off households and those which had not experienced income shocks during the crisis (Sumarto and Suryahadi, 2003).</td>
<td>1. Existing harm reduction services are uneven with relatively low coverage. 2. Barriers to scaling up and mainstreaming harm reduction services include inadequate funding, political commitment, leadership and technical assistance (IHRA, 2010).</td>
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<td>3.4. Health (harm reduction interventions)</td>
<td>Existing donor commitments to harm reduction have so far been maintained globally. There are indications, however, of some national government spending cuts (especially in Eastern Europe), on top of already limited budgets and programs (IHRA, 2010).</td>
<td>No information could be found on crisis-related harm reduction responses; however, there are a few good practice examples. For example, Ukraine’s response to harm reduction has become one of the most comprehensive in the Eastern European region. By late 2009, up to 5,000 people received opioid substitution therapy. A large-scale social campaign known as Return Ticket has been launched to sensitise Ukrainian society, to stimulate open dialogue about</td>
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<td><strong>In crises, there is an urgent need to introduce and/or rapidly scale up youth-centred harm reduction interventions to reduce the hazards associated with substance abuse.</strong> This entails activities that improve access to treatment and prevention and work to mitigate the harms associated with substance use (e.g. alcohol and tobacco programmes, provision of safer means of using drugs – syringe exchanges, opioid substitution therapy); removal of stigma and age-related barriers in youth access to drug treatment and services like HIV testing; implementation of humane drug laws and policies in accordance with the UN Convention on the Rights of the Child (Youth RISE, 2010).</td>
<td>drug dependence therapy and to build support among policymakers, law enforcement agencies and the general population (IHRA, 2010). Regional youth networks also play an important advocacy and programme delivery role. Youth RISE is a youth-driven network working with young people from around the world to reduce the risks and harms associated with substance use. Youth RISE focuses on youth peer-to-peer leadership, with youth supported by mentors.</td>
<td><strong>3. Addressing the needs of most-at-risk and usually neglected adolescents and young people (e.g. young sex workers, young men who have sex with men and young injecting drug users) is a priority.</strong></td>
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**4. Security**  
**Goal:** Preventative and protective policies are designed to protect young people in difficult or at-risk situations (e.g. juvenile offenders, victims of violence).  
**Targeting:** Youth aged 12+.  

**4.1. Prevention of youth crime**  
In crises, approaches to criminal justice often become more punitive. A key challenge is therefore to maintain more sensitive approaches to dealing with youth delinquency and violence prevention and treatment that involve addressing the root causes (i.e. social, political and economic conditions) underpinning youth crime. Policy approaches range from sector-specific interventions (human rights training for police officers, community policing), to more holistic strategies to prevent crime and improve citizen security through urban renewal, strengthening social capital and cohesion through local organisation, providing employment and microcredit and empowering and integrating at-risk youth (Benvenuti, 2008; Elliott, 1994; Moser and von Bronkhorst, 1999).  

**Neighbourhood or community interventions** to combat youth violence bring together the main institutions that serve youth (e.g. families, health agencies, schools, employment and justice system) in a coordinated effort to develop effective neighbourhood organisations and deliver the full range of services needed at a single site. Specific measures include educational awareness programmes, family support, community development activities and school-based clinics. Sports, street theatre and arts programmes (often initiated by civil society and run by young people), which help build social cohesion and youth’s self-esteem, can form part of a crime prevention package (Benvenuti, 2008; Elliott, 1994).  

Youth organisations are also actively involved with young people in conflict with the law in both prevention and intervention. For example, in El Salvador, the Homies Unidos, a youth organisation of former gang members, aims to diminish violence and to reintegrate gang members into society through various educational programmes, such as group discussion on the topics of violence prevention, English and art classes, human rights training and psychological support. This example of engaging of young people...  

**1. Often, neighbourhood programmes lack resources and capacity to provide a comprehensive range of services or a cohesive neighbourhood organisation.** At the same time, when such programmes are well implemented, the positive effects are substantially greater and quite cost effective.  
**2. Efforts to confront and incorporate the issue of fear into violence prevention and reduction strategies are still largely missing** (Moser and von Bronkhorst, 1999). |
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<td>More specific actions such as weapon amnesties and enforcing prohibitions on weapons can reduce youth homicide rates (World Bank, 2007).</td>
<td>people – and former gang members in particular – in designing appropriate solutions is unusual (Elliott, 1994).</td>
<td>- More specific actions such as weapon amnesties and enforcing prohibitions on weapons can reduce youth homicide rates (World Bank, 2007).</td>
<td>1. Greater impact is likely to result from non-custodial interventions, which have also proven to be less costly.</td>
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| 4.2. Protection and rehabilitation of juvenile offenders                              | Improving juvenile justice requires bringing legislation in line with international standards and strengthening capacity of key actors to implement new policies taking into account children’s and youth rights. A relatively new trend includes pilot projects for: i) diversion or reintegration of juvenile offenders into society; ii) establishment of child- and youth-sensitive procedures and systems of legal assistance; and iii) setting up community-based alternatives to incarceration of young offenders (restorative justice). For those in detention, protective measures are needed to safeguard human rights (e.g. access to adequate health care; protection against abuse and exploitation (torture, physical and sexual violence and other forms of cruel punishment) (Bergeron, 2009). | During the Asian financial crisis, the Community-Based Rehabilitation Services programme in the Philippines provided valuable support to rehabilitated youth offenders, assisting them with reintegration into mainstream society. Support was also provided to their families, including capital assistance for income-generating projects and parent and child counselling to strengthen parents’ capacity to supervise their children (Pineda, 1999). Other examples of good practice in the Philippines include the following two programmes.  

The NGO-run Community-Based Prevention and Diversion Programme in Cebu City aimed to reduce the number of youths reoffending and to support children in detention through: provision of free legal assistance; rehabilitation of offenders; and a prevention and diversion programme for offenders. A broad range of support is provided by a network of peer facilitators, including: skills training for out-of-school youth, including HIV awareness activities; educational assistance through the provision of school supplies, school uniforms and enrolment fees; and micro-loans targeted to parents of the children to augment family income. Peer facilitators (who work closely with the Children’s Justice Committee) provide an opportunity for children in conflict with the law to share their experiences, circumstances and difficulties – leading to an exchange of ideas on how to help one another and ways of being useful to the community.  

The NGO-run Balay Pasilungan programme in the Philippines provides temporary shelter and a continuing rehabilitation programme to released youth offenders (mainly males) supporting their return to normal life (Bergeron, 2009). | 2. More attention is needed to address the specific needs of girl offenders.  
3. Public support for crime prevention and for youth-sensitive approaches needs to be fostered. This takes time.  
4. Youth peer educators play an important outreach role with hard-to-reach young people. Former offenders who can act as role models can be particularly effective (Bergeron, 2009). |
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<td>Rehabilitation and support services for the victims of violence are inadequate. This review was unable to identify any examples of such services.</td>
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<td><strong>5. Civic engagement</strong></td>
<td>Goal: Empowering and developing the capacity of all young people to realise their rights through authentic participation. Targeting: Youth aged 12+; socially excluded young people (e.g. young people with disabilities, ethnic minorities, rural youth, especially young females).</td>
<td>Young people are generally marginalised in public life (in civil society and broader political processes). To build effective policies and young people’s stake in them, measures that foster genuine participation of youth anti-crisis policies and programmes are crucial. Approaches to youth civic engagement include participation in governance, media, social entrepreneurship and campaigning. In order to encourage youth civic engagement, youth need capabilities and opportunities to participate in public decision making. They also need access to information and mechanisms for their voices to be heard and taken into account in this process (Golombek, 2002; UNICEF, 2000; World Bank, 2007).</td>
<td>Institutional mechanisms supporting young people’s engagement in policy processes. National youth councils and youth parliaments are a way for youth to influence policies and legislation. In Montenegro, Youth Parliaments in school provide young people with a channel for democratic decision making. They have regular meetings with the local mayor to discuss changes to make the town more youth friendly. Some positive outcomes are: a better school environment with decreased rates of truancy; the development of life skills; less tobacco and drug use and fewer school fights; and an increase in self-confidence among youth. Simulated parliamentary and municipal council sessions in Bulgaria and civic education classes in secondary schools in Montenegro help youth develop skills to participate in public policy processes (Homans, 2003). Mechanisms for including young people’s voices. These include research, opinion polls and stakeholder analysis. E.g UNICEF’s Young Voices Survey of Children and Youth. These are most effective when integrated into change processes. Mechanisms for encouraging and promoting young people’s access to information. Making information available to young people requires making use of ICT; some activities include informal ‘phone-in, talk-back,’ computer notice boards and chat rooms (UNICEF, 2000).</td>
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## Annex 3: Evidence from longitudinal and panel surveys

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<th>Survey</th>
<th>Type</th>
<th>Size</th>
<th>Country and period</th>
<th>Areas covered &amp; findings</th>
<th>References</th>
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<tr>
<td>Indonesian Family Life Survey</td>
<td>Longitudinal</td>
<td>32,000 individuals (over 6,000 of these are 15-24 year olds)</td>
<td>Indonesia, 1993, 1997/98, late 1998, 2000</td>
<td>Socioeconomic issues, health, fertility, contraceptive use; education. Found contraceptive use and fertility not much affected; adolescent nutritional well-being declined; education of adolescents protected over younger children.</td>
<td>Frankenberg et al. 1998; Frankenberg et al. 2004; Nobles and Buttenheim nd</td>
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<td>Cape Area Panel Survey</td>
<td>Longitudinal</td>
<td>2,993 17-22 year olds (in data used by Dinkelman et al.)</td>
<td>South Africa, 2002, 2005</td>
<td>Sexual behaviour, socioeconomic issues. Found riskiness of youth sexual behaviour did not increase in recession but poverty reduced condom use and education reduced age of sexual debut.</td>
<td>Dinkelman et al. 2007</td>
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<td>Brazil Monthly Employment Survey</td>
<td>Rotating panels</td>
<td>10-16 year olds in 6 largest cities</td>
<td>Brazil, 1982-1999 (periods of economic crisis and instability)</td>
<td>Paternal unemployment shocks increased likelihood of school drop out. Review of other Latin American evidence: most finds that economic shocks lead to increased school dropout and child labour, particularly for girls.</td>
<td>Duryea et al. 2007</td>
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<td>Transitions to Adulthood Among Adolescents</td>
<td>Panel</td>
<td>1st round 1999, 2,007 household interviews; 3,096 interviews with adolescents 14-22</td>
<td>Durban, South Africa</td>
<td>Poor families do utmost to keep children in secondary school as job opportunities increase significantly with school-leaving certificate.</td>
<td>Hunter and May 2002</td>
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<td>Living Standards Monitoring Survey</td>
<td>Repeated cross sections</td>
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<td>Peru before the crisis (1985/86), during the crisis (1991) and after the crisis (1997)</td>
<td>Found no increase in adolescent labour; adolescent educational enrolment increased as labour market opportunities declined.</td>
<td>Schady 2002</td>
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<td>National Mexican Urban Employment Survey</td>
<td>Longitudinal</td>
<td>4,589 families in data analysed, people aged 12+</td>
<td>Urban Mexico. One panel during the peso crisis and the other during recovery period</td>
<td>Concluded that children’s (adolescents’) school attendance, at least in the short run, is insulated from idiosyncratic shocks to households. The effect of these same shocks on the work hours of both boys and girls takes place at the expense of children’s leisure rather than schooling.</td>
<td>Skoufias and Parker 2002</td>
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<td>Canadian Survey of Labour and Income Dynamics</td>
<td>Longitudinal</td>
<td>1993-2001</td>
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<td>Persistent negative parental income shocks attributable to exogenous job loss have significant negative impacts on university attendance (reduce probability of attendance by 7% compared with 1% for temporary shock).</td>
<td>Coelli 2004</td>
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