

The Promise of Youth: Policy for Youth at-Risk in Latin America and the Caribbean

Executive Summary

INTRODUCTION

Realizing the promise of Latin America's youth is essential not only to their well being but also to the long-term well being of the whole region. And we – young people's families, communities, and governments as well as private, non-profit, and international organizations – have a responsibility to help them to reach their potential. We have succeeded with some but failed with many others. How to build on our successes and correct our failures is the subject of this report.

Young people are generally perceived the source of many problems plaguing the Latin American and Caribbean (LAC) region today. Crime, violence, and illegal drugs are permeating the region. Youth unemployment rates are reaching new highs, and girls are giving birth at younger and younger ages, putting enormous financial and psychological costs on young people and on their societies. Recent initiatives by young people in the region have shown how the youth of Latin America and the Caribbean can be productive and contributing members of society. But governments are often more concerned about those who are not navigating the experimental and youth years successfully and repeatedly ask for advice from international experts about how best to support them. This sub-group of young people – at-risk youth – is the subject of this report.

This report has two objectives: to identify those who are the “at-risk youth” in LAC and to provide evidence-based guidance to policymakers in LAC countries that will help them to increase the effectiveness and efficiency of their youth investments. The report concludes that governments can be more effective in preventing young people from engaging in risky behavior in the first place and also in assisting those who already are engaged in negative behavior. And it provides a set of tools to inform and guide policymakers as they reform their portfolios.

Many recent studies have analyzed the problems of young people in LAC and made policy recommendations. However, this report contributes to the debate in six ways that are intended to deepen our conceptual thinking about youth, to present new tools that will allow for a more accurate analysis of the youth population, and to extend the boundaries of policy options and reforms.

- The report focuses on a sub-group of young people, those who can be considered to be “at –risk.” This group can be defined as those young people who have factors in their lives that lead them to engage in behavior or to experience events that are harmful to themselves and their societies and that affect not just the risk-taker but society in general and future generations. These are leaving school early without learning, being jobless (neither in school nor working), engaging in substance

abuse, behaving violently, initiating sex at a young age, or using unsafe sexual practices.

- The report considers the young person in his or her entirety rather than analyzing and proposing policies specifically for, say, the young unemployed or young mothers or juvenile delinquents. This required the use of data sets that contained information about the many facets of a young person's life and the use of analytical tools that allowed us to view many different dimensions of a young person's life simultaneously.
- It takes into consideration not just the young person, but his or her early experiences and the many actors who shape who the person becomes during his or her youth years. This meant that we were able to make policy recommendations for a wider range of actors than studies that only focus on the young person
- It highlights the common factors that underlie most kinds of risky behavior and argues that a small set of broad policies, if chosen well, can have a bigger impact than a sectorally based portfolio.
- It develops a new methodology to estimate the cost of risky behavior to the individual and to society across Latin America that will yield more accurate information for decision-making at the individual and government levels.
- It narrows down the thousands of youth programs in the world to seven "must have" initiatives, eleven "should have" initiatives, and seven "general" programs and policies that are the most

relevant for at-risk youth in LAC. These 25 programs and policies are the result of an intensive consultation process that we conducted with policymakers, practitioners, and academics to identify the most appropriate policies and programs to support at-risk youth in Latin America.

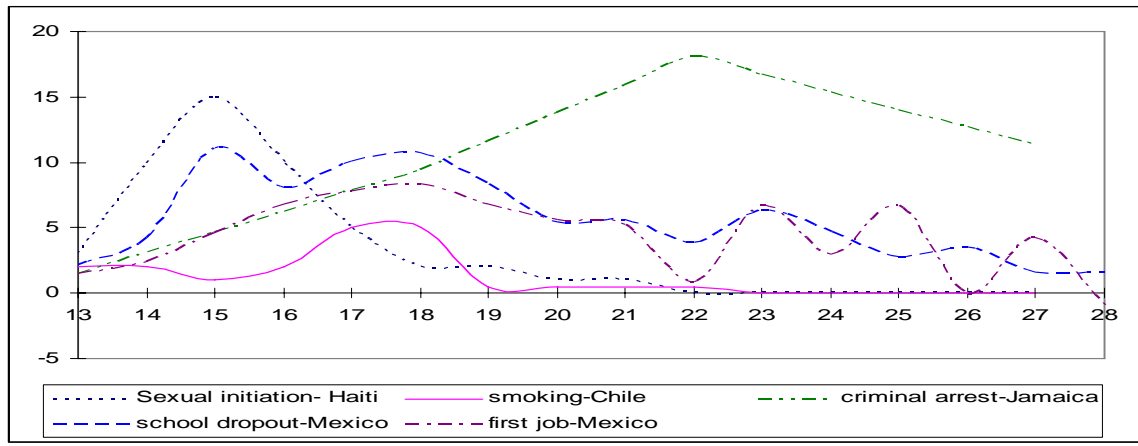
WHY DO YOUNG PEOPLE DESERVE SPECIAL ATTENTION?

Why should 12 to 24 year olds be the subject of their own study? The report presents three reasons why youth development is not an extension of child development and why young people cannot be treated the same as adults in policymaking terms.

Negative behavior begins in the youth years. Although adults engage in violent activities and very young children leave school, the first time that most people engage in these kinds of behavior is between the ages of 12 and 24. For example, Figure 1 shows that sexual initiation peaks at the age of 15 in Haiti, as do school dropouts in Mexico. The largest number of Chileans start smoking at the age of 18, which is also the age at which the largest number of Mexicans go to work for the first time. The first incident of violent behavior peaks later in Jamaica, with an increase until the early 20s, and then it decreases.

The circumstances and actions that lead to overall inequality in LAC first emerge during the youth period. While school enrollment among children (before the age of 12) is nearly universal in LAC, secondary school enrollment is far from universal, particularly among the poor. Very few children are parents, but most poor 17-year-old girls are parents. Criminality

Figure 1: The Share of Each Age Group that Engages in Each Kind of Behavior at Each Age, by Country



disproportionately affects the poorer segments of society. The factors responsible for these gaps may emerge in childhood, but the negative results materialize during the youth years.

Policies directed toward young people should be different from those for adults or children since young people respond to incentives differently. Peer pressure, the formation of identity, and the need to establish independence are more crucial considerations to young people when they make decisions than they are to adults or children. Young people are more prone to impulsive behavior and thrill-seeking than adults. Science supports the stereotype of the moody youth, in that it has been found that the part of the brain that regulates impulses (the prefrontal cortex) is the last to develop and thus works less efficiently than other parts of the brain during the youth period. And, adults take more options, risks, and long-term consequences into consideration than young people do and thus tend to make better decisions. This may be a matter of experience, in that young people have not had the time to collect enough experiences that are useful in decision-making. Alternatively, it may be due to the fact that the area of the brain that regulates decision-making (the cerebellum) is still developing during

adolescence. The ability to think ahead into the future increases with age, and, with it, the ability to make better decision-making increases as well.

KEY MESSAGES

Message 1: Many young people in LAC are at risk, and investing in them will have a positive impact on social and economic development in the region, both today and well into the future.

More than half of all young people in LAC can be considered to be at risk. The youth population (defined as those between the ages of 12 and 24) is often taken as a homogenous group, but a closer look reveals four distinct groups of young people.

- Those at risk and beyond. As many as 25 to 32 percent of the 12 to – 24-year-old population are suffering the consequences of at least one kind of risky behavior. These young people have dropped out of school, are young parents, are not employed, are addicted to drugs, or have been arrested.

- Those engaging in negative behavior and at risk of suffering consequences. The 8 to 28 percent of the youth population in this group are often absent from school, are involved in risky sexual activity, and are experimenting with alcohol or drugs. They have not left school, do not have children, and have not been arrested, but their behavior predisposes them to these outcomes. Although their behavior may not have affected their well being yet, they may have affected the well being of society, by means of increased crime and violence, for example.
- Those at risk of engaging in negative behavior. Another 10 to 20 percent of 12 to 24 year olds are in circumstances that predispose them to engage in negative behavior, including experiencing domestic abuse in the household, having low self-esteem, and not feeling connected to schools, their neighborhood, or adults.
- Not at-risk. Around 20 to 55 percent of the youth population in LAC is in school, beginning their work and family lives after completing their education, initiating sexual activity at a later age, using safe sexual practices, and staying away from substance abuse and violence.

Youth at risk tend to come from poor families, which suggests that targeting prevention programs to the poor may be a successful strategy. Some risky kinds of behavior, such as school dropout and early employment, are a result of poverty, but no causal relationship has yet been statistically identified between poverty and violence,

early and risky sexual activity, or substance use. Nonetheless, the fact that poverty and these other kinds of behavior are correlated allows us to use poverty status as a means to target programs to those who are most at risk of engaging in negative behavior during their youth years. Young people living in rural areas and ethnic minorities also have a higher incidence of risky behavior.

Risky youth behavior reduces economic growth in LAC by up to 2 percent annually. If today's 15 to 24-year-old school dropouts had completed secondary school, they would earn more over their working lives than if they had not left school so early. This "lost" income, or foregone output, over their lifetime is equivalent to 11 to 58 percent of GDP measured in today's terms. For example, if Guatemalan dropouts who are aged 15 to 24 today had completed secondary school, their total earnings over

Table 1: The Cost of Secondary School Dropouts (% of Current Year's GDP)

Country	Lost output over the lifetime of the current youth cohort
Argentina	11.4
Bolivia	18.2
Brazil	14.4
Colombia	22.4
Dominican Republic	28.2
Ecuador	30.4
El Salvador	36.0
Guatemala	58.8
Jamaica	15.5
Mexico	25.5
Nicaragua	49.3
Panama	19.0
Peru	17.1
Trinidad and Tobago	12.7
Venezuela	27.6

Source: Cunningham and Garcia-Verdu,(2007)

their lifetimes would be equal to more than half of the country's GDP for this year (Table 1). These foregone earnings mean less income and a lower standard of living for the young person and his or her family over their lifetimes, and it also slows down the economic growth of Guatemala. Youth unemployment, violence, unplanned pregnancies, STIs, and substance use can reduce a country's output by up to 1.4 percent of GDP, each. For some kinds of risky behavior, the costs are lower since the long-term effects are smaller (as in the case of youth unemployment) or because the affected population is smaller (as in the case of HIV-related deaths).

Risky youth behavior costs national treasuries in LAC billions of dollars. The out-of-pocket costs of risky youth behavior can be equivalent to up to 1 percent of GDP. While some kinds of youth behavior, such as early school leaving, save the Treasury money and others, such as youth unemployment, are cost-neutral, others impose real costs. For example, in the case of violence, substance addiction, STIs, or teen pregnancy, the Treasury has to spend its resources to assist (or to punish) these young people and to protect the rest of society from their behavior, particularly from violence.

And risky behavior by young people costs them and their families large sums of either foregone or out-of-pocket expenses. For example, school dropouts in LAC who are aged 15 to 24 today will have lower earnings over their lifetimes equivalent to 486 percent of today's per capita GDP. In other words, each school dropout forfeits the equivalent of 14 percent of per capita GDP each year of his or her working life. This ranges between 345 percent in Argentina to 688 percent in Guatemala. The costs of unplanned pregnancy in Mexico in 2006 reached as high as 339 percent of per capita GDP, while, also in

Mexico, substance use is responsible for more than 500 percent of per capita GDP in foregone lifetime earnings.

Governments under-invest in young people because they tend to under-estimate the true costs of negative behavior. And, even though the costs of engaging in risky behavior are very high, young people continue to take these risks. These poor decisions are the results of information failures that can be corrected. First, most of the cost is lost output – what would have been possible if the young person would have completed secondary school or not become addicted to alcohol – which is often not perceived as a “cost” in the way that an out-of-pocket cost is considered. Second, many of the costs become due in the future rather than at the time when the decision is made. Since both young people and policymakers tend to focus on the immediate consequences of young people's decisions, rather than on the longer-term costs, poor decisions are made in the short-run. Finally, young people tend to underestimate the probability that a negative outcome will happen to them. While they know that risky sex leads to HIV infections, they assume that it will not happen to *them* when they decide not use a condom.

Demographic trends in LAC mean that the costs of risky behavior by young people will increase in the future. The total number of young people in LAC will increase until 2025, although their share of the population will decline with time. However, given the fact that at-risk youth have higher birth rates than the general population and the likelihood that they will pass on this behavior to successive generations, the growth in the at-risk population will decline more slowly than the general youth growth rate.

Message 2: Understanding the nature and incidence of youth behavior helps us to recommend the best policies for at-risk youth.

Young people in LAC are engaging in a range of risky kinds of behavior. Table 2 demonstrates the incidence of each kind of behavior and each negative outcome for seven countries in LAC and the US. Secondary school dropouts range from 25 to 63 percent in the sample compared with 15 percent in the US. Youth jobless rates are as high as 33 percent in Colombia, much higher than youth unemployment rates. Low contraception use, as low as only one in five sexually active Nicaraguan men and women, is responsible for the fact that 12 to 27 percent of adolescent girls in the countries featured in the table are already mothers. Youth homicides are higher in LAC than in the rest of the world, with up to 213 young men dying in Colombia for every 100,000 young men in the population. Substance use is as high as 38 percent (tobacco use in Chile), though

there are higher rates in the US than in most LAC countries.

Evidence from Mexico, Chile, the Caribbean, Honduras, Brazil, and Argentina shows that young people who engage in one risky behavior often engage in several other kinds of risky behavior. This is due to two factors. First, a common set of underlying factors lead young people to engage in many types of behavior. For example, an unsupportive home life is correlated with early school leaving in many countries, and it is also correlated with engagement in risky sexual behavior. Second, some kinds of behavior can cause other kinds of behavior. For example, many schools do not make any special provisions for adolescent mothers, which means that they have to drop out of school to take care of their babies. This co-occurrence of behaviors has several implications for policy. First, programs that target several different kinds of behaviors are more efficient than those that target only one. Second, since some of these

Table 2: Incidence of Risky Behavior and Outcomes in Selected LAC Countries

	% of secondary school-aged youth who are not enrolled in secondary school	Jobless rate	Contraception Use		Teen pregnancy	Homicide (per 100,000 youth)	Heavy drinking (male)	Tobacco use	Cannabis
			male	female					
Bolivia	33	n.a.	58	50	16	69	n.a.	69	4
Brazil	28	25	73	66	18	81	26	n.a.	8
Chile	25	28	n.a.	n.a.	n.a.	7	7	38	23
Colombia	46	33	n.a.	45	21	213	15	n.a.	3
Dominican Republic	59	n.a.	69	50	23	35	18	n.a.	2
Nicaragua	63	n.a.	22	22	27	n.a.	n.a.	n.a.	
Peru	33	21	73	70	12	n.a.	n.a.	20	2
US	15	8	80	80	25	24	11	23	36

Note: n.a. indicates that the indicator is not available.

kinds of behavior are unobservable (such as risky sex), we can target programs that modify these unobservable behaviors toward young people who are engaging in an easily observable kind of behavior, like, for example, dropping out of school.

The report focuses on five types of youth behavior or outcomes: leaving school without learning, being jobless, engaging in early and risky sexual behavior, engaging in crime and violence, and abusing substances. This report highlights the key policy messages related to each youth behavior or outcome.

Leaving school without learning puts LAC youth at a global disadvantage.

While today’s youth in LAC are the most educated in history, they are lagging behind the rest of the world. Thirty million secondary school-aged people in LAC are not enrolled in school, equivalent to one in every three secondary school-aged young people. The range for the region for non-enrolled young people is a low of 4.5 percent in St. Kitts and Nevis and a high of 71.8 percent in Guatemala. The poor are lagging even further behind, with only 33 percent of young people from the poorest 40 percent of the LAC population having completed 9th grade compared with 67 percent of young people from the wealthiest 20 percent of the population. Although the number of years of completed education has increased in LAC by 50 to 100 percent between 1960 and today, the increase has been even greater in other regions that had the same level of educational attainment as did LAC in 1960.

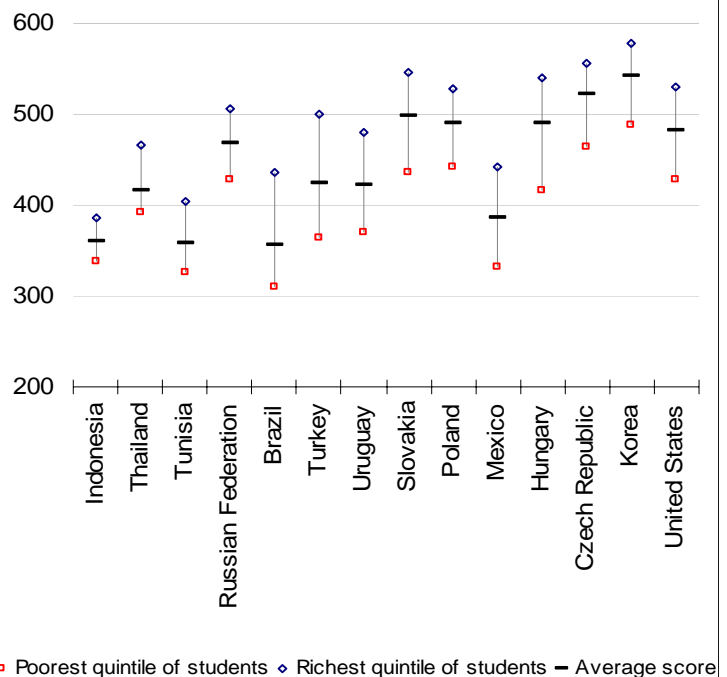
These are now LAC’s global competitors.

Perhaps even more worrisome than the lagging educational attainment is the fact that young people are not learning. PISA education quality tests have shown that LAC students consistently perform below the level expected of them, given their countries’ GDPs. And those from the poorest LAC households are the worst performers in the entire sample (Figure 2).

Joblessness, not Unemployment, is the Issue

Most young people make school –to work transition well, but those at risk have greater difficulty. Most young people find jobs soon after leaving school, but this depends on the economic conditions in the country. In labor markets with low

Figure 2: Average PISA Scores by Country and by Household Poverty Level, 2003



Source: World Bank 2006a.

unemployment such as Mexico, only 5 percent of school leavers have not found a job within a year, while in the more difficult labor markets, like Argentina, 16 percent cannot find work within two years of leaving school. Those from poorer families move from school directly to work more frequently than young people from non-poor families, partly because they are willing leave school early to take advantage of any job opportunity that arises.

Youth unemployment is similar to adult unemployment. Although youth unemployment rates are up to double those of adults, young people's unemployment duration is about equal to that of adults, lasting about three months in Mexico, with its low unemployment, or nine months in Argentina, where unemployment is high. This suggests that young people do not have trouble getting a job but that they become unemployed more frequently than adults. There are two reasons for this. First, young people move around more than adults - about 13 percent of young people leave school or work in any period compared with only 10 percent of adults. Second, when they move, young people are 2 to 3 percentage points more likely than adults to move from work to unemployment rather than from one job directly into another job. This corresponds to patterns observed among young people in the US and the OECD who spend the first two years out of school gaining experience and "shopping" for a job that might lead to a career.

Joblessness is the problem in LAC rather than unemployment *per se*. One in four young people in LAC are jobless, and most of these are inactive (neither working nor in school) rather than unemployed. This concept is more analytically useful than "unemployment" since it is hard to differentiate between unemployment and inactivity. In contrast with unemployment

rates, jobless rates tend to be relatively similar across LAC. The jobless rate is significantly higher for the 20 to 24 age group than for the 14 to 19 age group, as a result of the fact that a large share of young people aged between 14 and 19 years of age are still enrolled in school, whereas a large share of young people aged between 20 and 24 have already left school. And, it is higher for women than men, given the tendency of societies to expect women to dedicate themselves full-time to caring for the household.

Sexual initiation is beginning earlier and sex is getting riskier.

Sexual activity is starting earlier than in previous generations. Up to 16 percent of women aged 25 to 29 report that they had initiated their sexual lives by the age of 15. This is an increase of 8 to 50 percent in the four countries for which such evidence exist - Colombia, Haiti, Nicaragua, and the Dominican Republic. The situation is even worse in the English-speaking Caribbean where 82 percent of young men and 52 percent of young women between the ages of 10 and 18 years who were sexually active state that they had initiated sexual activity by 13 years of age. Many of these young people report that their first sexual experience was forced.

Sexual activity is also riskier than in previous generations. Because people in LAC marry later than they used to, half of women and almost all men reported having had sex with a non-marital, non-cohabiting partner, and few reported using a condom. Adolescents aged 15 to 19 are less likely to use a condom than the 20 to 24 age group, and women are two times less likely than men to report that a condom was used during the last sexual experience.

Many consequences of risky sex are graver today than in the past. Even though teen birth rates have declined over time because there is more information and access to contraception, there are more teen mothers today than at any time in history due to the increasing size of the teenage population. Also, pregnancy rates are three to five times higher among poor adolescents than among non-poor adolescents (Figure 3). Women are giving birth at younger ages than in the past. This trend is driven by a decrease in the median age of women at the time of their first birth among uneducated young women in rural areas. Furthermore, sexually transmitted infections, including HIV, are an increasing problem for young people, particularly in Central America and the Caribbean, which has the second highest HIV prevalence rate among young people aged 15 to 24 years old after Sub-Saharan Africa.

New forms of crime and violence are emerging in LAC.

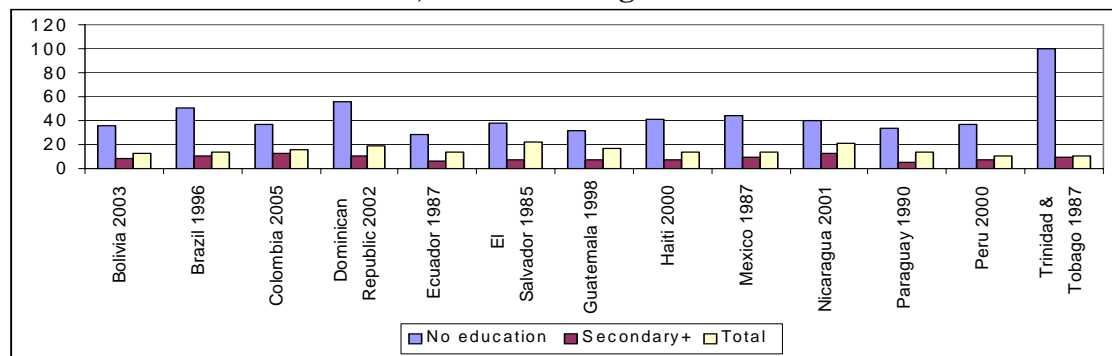
The LAC region has the highest homicide rate of men between the ages of 15 and 29 (69 per 100,000) in the world. With 19.3 homicides per 100,000 people in the 1990s, rates for the LAC region are almost double the world average of 8.8. The gap widens even more within the youth population.

The homicide rates for young men range from 7 per 100,000 young men in Chile (compared with 5.4 per 100,000 males of all ages) to 212 per 100,000 young men in Colombia (compared with 116 per 100,000 men of any age). Young women’s homicide rates are one-tenth those of men’s, but they still have higher homicide rates than do all females. Violent crimes tend to be geographically concentrated in poor urban communities.

Perpetrators of violent crimes are mostly young men between the ages of 16 and 25. For example, among those arrested in 2004 in Jamaica, more than half were men aged 16 to –30, and men in the narrower age group of 16-25 committed the majority of major crimes. However, arrest records give only a partial picture of youth violence. Evidence from the United States indicates that, for every youth arrested in any given year, at least 10 were engaged in some form of violent behavior that could have seriously injured or killed another person.

Two new types of violence are emerging in LAC - gang and drug-related violence and school-based violence. Gang and drug-related violence is on the increase, with young people as the most visible culprits. There are approximately 25,000 to 125,000 active gang members in Guatemala, El Salvador, and Honduras. Younger gang members are responsible for a

Figure 3: Teenage Pregnancy and Motherhood by Mother’s Education Level, per 100,000 Women Age 15 to 19



disproportionately large share of offenses, committing more serious and violent crimes while they are gang members than after they leave the gang. The phenomenon of school violence – all incidents in which any member of the school community is subject to abuse, to threatening, intimidating, or humiliating behavior, or physical assault from students, teachers, or other staff – is widespread in LAC. Violence among students is the most common type, followed by violence on the part of students directed at teachers and violence on the part of parents toward teachers (Box 1).

Binge substance use is on the Rise.

While Latin American adolescents consume less alcohol than adolescents in Western Europe, binge use is on the rise. Drinking to get drunk is the pattern favored by a growing minority of young people. Increased binge drinking and intoxication in young people – the pattern of consumption associated with Northern Europe – is now being seen in countries such as Brazil and Paraguay.

About 25 percent of young people in Latin America aged 13 to 15 use tobacco, which is similar to teen smoking rates in United States. The countries with the highest prevalence of adolescents smoking in LAC are Chile, Uruguay, Argentina, and Bolivia. Young people mistakenly assume that they have control over their smoking habit. Among high school seniors in the US who smoke, 56 percent say that they will no longer be smoking five years later, but only 31 percent of them have in fact quit five years later. Furthermore, a number of studies have noted a pattern of progression from non-use to tobacco, to marijuana, and to other illicit drugs in the United States and Colombia.

What little evidence there is in LAC shows that young people are not particularly heavy users of these substances. However, the trends are going in the wrong direction, with increased binge use and earlier use of marijuana, inhalants, cocaine, and other illicit drugs.

Box 1: School-based Violence in LAC School violence is becoming an increasingly prevalent problem in LAC. For example:

- In Brazil, 84 percent of students in 143 schools from six state capitals consider their school to be violent, and 70 percent admitted having been victims of violence in school.
- In Bogota, Colombia, almost 30 percent of males and 17 percent of females have been it at least one fight in school.
- In Managua, Nicaragua, 45 percent and 37 percent of primary school students have suffered from bullying and physical aggression within their schools, compared with 50 percent and 22 percent for secondary school students.
- In San Salvador, around 15 percent of middle and secondary school students are involved in at least one school fight in any given month, and almost 20 percent carry bats or sticks to school for self defense.
- In Kingston, Jamaica, 90 percent of students are worried about school violence. Twenty-one percent of the students had attacked teachers or staff, and 22 percent had suffered violence from other students.

IADB (2004)

Message 3: A core set of factors lies behind risky behavior by young people.

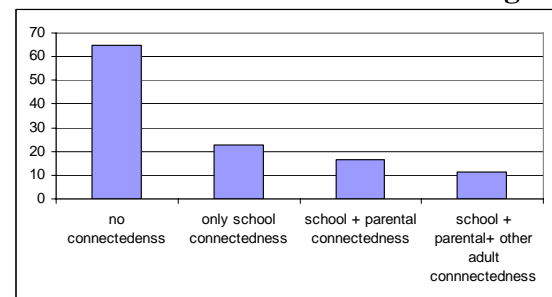
Feeling connected to school has emerged from the research as an explanatory factor for all kinds of risky behavior, and, some argue that it is the most important factor affecting all kinds of behavior. School connectedness – feeling that someone in a young person’s school cares about his or her well being – is negatively correlated with school repetition, school leaving, early employment, risky sexual activity, early sexual initiation, violence, and substance use. This is not only the fact of attending school, since the correlation emerges even after controlling for age and education level. Nor does it have to do with school quality, since young people in poor and non-poor schools can feel school connectedness. However, presumably schools with dangerous environments and over-worked teachers will have less of a chance to connect with students than safe schools with a caring staff.

The feeling of having a parent who cares is a protective factor for all five of the risky kinds of behavior that are discussed in this report. Young people who feel a connection with a parent stay in school, do not enter the labor force early (or if they do, they stay in school), initiate sex at a later age and use precautions, minimize their use of drugs and alcohol, and are less violent than those who do not have this emotional connection to their parents (Figure 4). It is clear that young people who live with their parents engage in fewer kinds of risky behavior than those who live with one or no parents. However, even after controlling for living situations, young people who participate in activities with their parents, who feel that they can talk to their parents, or who feel a sense of closeness to their

parents are less likely to engage in risky behavior than those who do not have these connections. This is true in all of the five LAC countries examined in this chapter. When young people have no sense of connection with their parents, a feeling of connection with other adults can partly compensate (last bar, Figure 4). Also, any psychological, physical, or sexual abuse in the household is correlated with risky behavior by young people.

Household poverty is a strong and consistent correlate of risky behavior in all of the countries studied. Only alcohol use was not correlated with household poverty in all countries, but this may be due to the widespread social acceptance of drinking that cuts across classes. In some cases, we can claim that household poverty is a direct factor in affecting youth behavior; for example, school dropouts and labor force entry increase when a parent loses a job but school attendance increases when households are given cash in exchange for secondary school attendance. In other cases, such as the link between poverty and crime and violence or substance abuse, the causal relationship is less clear, but a strong correlation has been observed. Notably, macroeconomic fluctuations alone were not sufficient to cause a change in young people’s behavior. Instead, it is when the macroeconomic slowdowns trickle down to the level of the household that poverty

Figure 4: Probability that a 16-18 Year Old in the Caribbean Will Use Drugs



Source: Blum (2003)

starts to affect behavior.

Men and women engage to different extents in different kinds of risky behavior. Males are more likely to drop out of school, to enter the workforce early, to engage in violent behavior, and to use substances. The school dropout and early employment may be connected, as young males are much more likely to engage in paid labor than females. Male propensity for violence and drugs may be part of their search for identity, given that a machismo culture glorifies risky behavior. Girls also engage in certain kinds of behavior in a search for gender identity. However, early and risky sexual activity and early marriage are ways to connect and to have a role in society. Young girls from poor neighborhoods across the region have stated that their reason for having a child at a young age is to be considered as a woman and occupy the role of mother in society.

Some laws have a disproportionate effect on young people's risky behavior. Specifically, labor legislation limits youth employment and contributes to joblessness, as do maternity laws that limit young women's participation in the labor force. An absence of legislation protecting the rights of adolescent mothers causes them to have to drop out of school to take care of themselves while pregnant or their children. On the other hand, laws can have a positive effect on risky behavior. For example, laws that limit the location and hours of tobacco and alcohol sales reduce use of these substances by young people more than that of adults.

Mental health, manifested through feelings of inclusion, is correlated with all five kinds of behavior considered in the study. Young people who feel a part of their community, who have friends, and who do not feel alone have a lower incidence of engaging in risky behavior. This is clearly related to the

parental and school connectedness discussed above, but it reaches a wider group. Clearly, the wrong kind of inclusion, as in gangs, increases negative behavior, but in other circumstances, social inclusion is a protective factor.

Although each of these factors can on its own increase risk or protect against it, they are, in fact, cumulative in nature. As the number of protective (good) factors in a young person's life increases – for example, caring parents, connection to school, and a secure gender identity – his or her risky behavior decreases as shown in Figure 4. Conversely, as the number of risk factors increases – such as social exclusion and abusive home environments – the propensity for young people to engage in negative behavior also increases. The challenge is to build up as many protective factors in a young person's life while minimizing the risk factors.

DESIGNING EFFECTIVE INTERVENTIONS

An effective portfolio for youth at risk can be developed without significant additional cost. This requires effective targeting of interventions, scaling up programs that affect several kinds of risky behavior, and scaling down those that have had little or no impact.

The policy section of the report presents a set of recommendations based on the international evidence of what does and does not work in terms of helping youth at risk. It draws on the conclusions of a working group of practitioners, policymakers, and academics from Latin America and elsewhere that specialize in youth at risk. This group identified a short list of what they believe to be the best policies and programs for preventing or mitigating risky behavior among young

people in a cost-effective manner in the context of LAC.

Principles of Good Policy for Youth Provide a Structure to the Portfolio

Five principles can provide a structure for a high-quality, efficient youth portfolio.

- *Treat the youth portfolio as an investment and design it accordingly.* Negative outcomes from risky behavior by young people have significant costs both to the individual and to society, and the incidence of risky behavior among youth is increasing in some cases. Preventing these kinds of behavior would help young people to enjoy better health status, greater earnings potential, and a greater potential to enjoy life. It would also eliminate social costs, thus freeing up public resources to be spent on other initiatives and increasing growth as young people would have greater human capital and thus greater productive capacity. This suggests that public monies spent on youth development are a necessary aspect of a country's investment in economic and social development. The ideal pattern would be to make heavy investments in people early in their lives, which should lead to less of a need to invest in people later in their lifecycle.
- *Include programs for preventing risk behavior, which begins at birth.* A youth portfolio that only includes policies and programs for those aged 12 to 24 is starting too late. Preferences and behavior are formed from a very early age, so programs to prevent risky behavior need to start at a very early age. The focus should not only be on children but also on their families and schools

and the other environments that shape their young minds.

- *Include programs for at-risk youth who need second chances.* Even if high-quality early investments are made in children, some young people will still engage in risky behavior. Regardless of the reasons for this (individual misjudgment, family decisions and behavior, market failures, or a failure by policymakers to deliver basic services), young people need and deserve a second chance to build their futures. Thus, a clear set of second chance programs should be included in any at-risk youth strategy. These programs focus on helping those affected by their own risky behavior to recover and return to a safe and productive path to adulthood, and should stress human development rather than punishing the risky behavior.
- *Target those most at risk.* While we would like to provide prevention programs to all children and young people, budget constraints make that impossible. Therefore, the best strategy with the largest returns may be to target interventions to those who are most at risk. Good targeting mechanisms are those that are easily observed and measurable, which is a particular challenge in prevention programs (for example, how does one identify those who are most at risk?) given that many kinds of behavior are not observable (risky sexual activity, for example). The best targeting indicator for prevention programs is poverty, followed by rural residence. The best target group for second chance programs is school dropouts, followed by targeting by age since age-appropriate programs have a greater impact than do general programs.

- *Prioritize policies and programs that affect multiple risks.* It is not fiscally feasible or possible to have a separate set of programs for each kind of risky behavior. Since the factors that affect one type of behavior affect many types of behavior, many programs necessarily affect multiple kinds of behavior. For example, job-training programs may be primarily aimed at teaching young people a trade, but they are more likely to reach their goal of finding jobs for these young people if they also teach them social skills that will apply in the workplace and discuss how best to maintain a work-life balance. The most effective programs combine components that address not only individual risks but also environmental conditions.

Twenty-five Elements of a Policy Portfolio for At-risk Youth

There is general agreement on the eight “core” programs and policies that should be a definite and immediate part of every investment portfolio for youth because there is very strong evidence that they have been successful in cost-effectively preventing multiple kinds of risky behavior. These are:

- *Integrated early childhood development (ECD) for children from poor households.* ECD programs have been shown to reduce all five kinds of risky behavior discussed in this report. Targeting high-quality health, nutrition, cognitive development, and parenting services to the poorest families and children is necessary to achieve the greatest impact.
- *Secondary school completion.* Finishing school is perhaps the most important strategy for reducing all five kinds of risky behavior. Not only does staying in school provide young people with more pedagogy (in which there is room for improvement in most LAC countries), but it also enhances young people’s feelings of safety and belonging, which can also prevent all kinds of risky behavior.
- *School-based prevention programs.* Sex education classes in schools have been proven to be effective because the young people are a captive audience for the information. These programs are especially effective when they are designed to take into account the age and sexual experience of their beneficiaries. However, similar programs aimed at preventing violence have not been successful.
- *School-based remediation services.* Programs to train teachers or other school staff in identifying students’ health and education deficiencies early and to guide the young person on services or special programs to help them overcome these limitations have been shown to reduce school leaving, risky sexual activity, violence, and substance use.
- *Youth-friendly health and pharmaceutical services.* Many young people know how to avoid pregnancy and STIs, but access to health centers, whether geographical or psychological, can be increased by funding outreach programs and mobile clinics.
- *Use of the media for prevention messages (combined with improved services).* In some countries, the media have been successfully used to reduce

risky sexual behavior, violence, and substance abuse. The prevention messages are most effective if they are written from the point of view of the young person and offer messages that are culturally and socially acceptable.

- *Improved caregiving.* Mentoring programs that teach parenting skills - positive discipline, parent-child communication, non-violent coping skills, and nutrition - to parents and guardians of children and young people, especially when they are combined with financial incentives to encourage them to make good choices for their children. These programs have been found to reduce all five kinds of risky behavior.
- *Monitoring indicators to track progress.* Using indicators to track progress in reducing risky behavior reduces all five kinds of risky behavior because it allows policymakers and program coordinators to determine whether or not the interventions are effective and then to make rapid adjustments to the portfolio to make it more effective.

The portfolio should also include promising second chance programs, accompanied by frequent and thorough monitoring and impact evaluations. Unfortunately, the few program evaluations that exist in LAC are only for prevention programs. However, since second-chance programs must be included in the portfolio, the policy experts identified a number of “promising” programs for which there is some evidence of a positive impact but which need to be further evaluated before being given a permanent place in the portfolio. These are:

- *Education equivalency and lifelong learning.* Given the high incidence of secondary school dropouts, remedial education programs offered on a flexible time schedule and appropriate for the needs of its students has yielded positive results in a small number of countries. Receiving an equivalency degree of this kind is particularly important to enable young people to enter the labor force. There is evidence that this kind of intervention affects all five types of risky behavior in a positive way.
- *A new model for youth job training.* The LAC region has created an alternative training program targeted to at-risk youth, which was implemented by NGOs and the private sector and was regulated by the public sector. This method has been proven to increase youth employment by more than traditional technical and vocational training.
- *Cash transfers for secondary school completion.* The opportunity costs to households of keeping children school increases as the children get older, so offsetting these cost by providing households with cash transfers that are contingent on secondary school completion makes sense. Programs like this have been implemented across LAC, but there are not any evaluations about whether the current programs increase secondary school completion. Thus this program is on the “promising approaches” list. It is expected to positively affect all five kinds of risky behavior.

- *Supervised after-school programs.* Structured activities in existing spaces – school, churches, parks, community centers – are found to reduce a host of risky behaviors in the US. The evidence from LAC is more scarce, but hopeful.
- *Home visitation to families with young children or high-risk youth.* According to impact evidence from the US, visits to families by youth development specialists have provided parents and families with communication and coping skills that have decreased all kinds of risky behavior by young people.
- *Youth service programs.* Voluntary service programs can give young people work experience and teach them how to be better workers and citizens. The impact of these programs in the US has been positive, and the anecdotal evidence from LAC is hopeful but yet to be evaluated.
- *Mentoring.* High quality mentoring programs have been shown to create a feeling of connection between a young person and an adult, which has a positive impact on all kinds of risky behavior. Evaluations of the effects of these programs in the US have been strongly positive.
- *Youth employment services.* Young people claim that they have trouble finding employment, so labor intermediation services to help them with their job searches may be a solution. However, there is no evidence on whether these kinds of programs are effective.
- *Life skills training.* Learning to be an adult can be difficult, but life-skills training embedded in other youth-oriented programs can teach young people the self-concept skills, the cognitive skills, and the social skills that will help them to make better decisions. No rigorous evaluations have been carried out to discover whether these programs are effective.
- *Specific support to young entrepreneurs.* Although self-employment is the least popular labor market sector for young people, it is often a necessity in areas with no labor demand. We were only able to find one small program in Peru that supported young entrepreneurs that had been evaluated as having had a positive impact. More research needs to be done to determine what aspects of these programs are most effective in helping youth at risk to become successfully self-employed.
- *Complement specific interventions with general policies that have a disproportionately positive impact on young people.* Youth development is not confined to programs or policies targeted to young people or their immediate parents, teachers, and friends. More general policies also contribute to the youth portfolio. For example, raising taxes on cigarettes has been shown to have a disproportionate effect on reducing tobacco consumption by young people. On the other hand, minimum wage laws disproportionately *negatively* affect youth in LAC since they are the ones to lose their jobs when the minimum wage increases. Other general policy interventions that have been shown to have a

particularly positive effect on young people's behavior are investing in infrastructure in poor communities, reducing the availability of firearms, licensing alcohol distributors, disseminating messages of non-violence, improving the justice system, and providing birth registration to the undocumented.

A More Effective Youth Portfolio Can be Built in a Budget Constrained Environment

The first principle for building a youth portfolio despite budget constraints is to reallocate resources away from programs that do not work. There are several programs, variations of which exist in many countries in the region, that governments should consider reducing or eliminating from their at-risk youth portfolio. This may not be an easy decision because many of these programs have popular support, particularly because they show that government is "getting tough" on risks that affect all of society, such as crime and violence. However, recent work in many countries has shown that these programs are either ineffective or actually encourage risky behavior by young people. These include:

- *Mano dura* strategies, including increased youth incarceration, trying young people in adult courts, and placing them in adult criminal institutions, which have been shown to increase delinquency.
- Gun buybacks, which do not work in reducing violence, and in fact can increase the availability of guns by providing a market for their purchase.

- Zero tolerance or shock programs used in both violence and drug prevention, which have been repeatedly shown to be ineffective.
- Boot camps, which provide no significant effects on recidivism and, in some cases, actually increase delinquent and criminal behavior.
- Non-promotion to succeeding grades and early tracking in school, which have shown no demonstrable benefits.
- Traditional publicly funded vocational education courses, which tend to be both expensive and ineffective.
- Constructing youth centers, which is a costly approach to holistic youth development that has shown little to no effects in reducing risky behavior among young people.
- Abstinence-only programs to delay the transmission of STIs and HIV and to prevent pregnancy, which have no track record of success.

The second principle for building a youth portfolio despite budget constraints is to reallocate resources toward programs that have been seen to have a positive impact and that are cost-effective. In this report, we have highlighted 25 core programs, promising approaches, and general policies that are all good candidates to be included in a youth portfolio, but how to select among those programs? We propose three strategies for making this selection:

Evaluate the impact of programs to yield evidence to identify which of those programs have the greatest position effect on the kinds of behavior that is of interest to policymakers. Due to the absence of country-specific evidence about the impact of many of these programs, billions of dollars are spent worldwide on programs that may have very little effect on preventing risky behavior or mitigating its effects. Thus, evaluation should be a key component of any youth investment strategy to help policymakers to sort out what works, what is ineffective, and what will actually make the problem worse. The best impact evaluations collect data by measuring the appropriate indicators both before and after the program for two groups of young people - a group that went through the program (treatment group) and a group that was not included in the program (a control group). The creation and analysis of data take time, so early planning and budgeting for an evaluation is necessary. Programs should be evaluated both for their impact on the primary program goal and for their effectiveness in reducing other kinds of risky behavior, in case it turns out to be effective in preventing or mitigating on multiple kinds of behavior.

Use cost effectiveness criteria to select the program that has the biggest “bang for the buck.” While different programs may affect the same kinds of behavior, the cost per unit of “output” (in other words, per behavior changed and the magnitude of the change) will differ between programs. Thus, program cost information should be collected and analyzed along with

the program impact evaluation to determine which program produces the desired results at the lowest cost.

Identify outcome-based goals for the portfolio and monitor these outcomes. The youth portfolio should be accompanied by a set of indicators to monitor the progress made by the interventions toward reaching its goals. The most appropriate indicators will measure *outcomes* – such as secondary school completion rates, numbers of young people who are jobless, sexual initiation ages, and youth arrests – for 12 to 24 year olds and should be constantly monitored to track progress. The monitoring indicators should be accompanied by program monitoring indicators (output indicators), such as the number of young people participating in the program.

The third principle for building a youth portfolio despite budget constraints is to maximize the inputs of each actor by re-assigning roles based on their comparative advantages. Families, communities, NGOs, local institutions, the private sector, and young people themselves all have crucial roles to play in improving the outlook for young people in LAC, and, without their participation, any government strategy will be less successful. These actors are all already involved in this process, but their impact is likely to be greater if they each play the role that fits most closely to their comparative advantage. For example, young people are in the best position to identify what kinds of programs would resonate with the youth crowd, thus giving them a role in the development of youth-oriented programs. And, they are active in their communities, thus making them a part of the group that implements and monitors

programs at the local and national levels, while the national government has a comparative advantage in defining and funding general strategies, monitoring outcomes, and coordinating among all of the various actors involved.

CONCLUSION

Although the challenges facing young people today are great and those who are at risk are at a particular disadvantage, there are some effective solutions. Governments should view their portfolios as an investment in young people and should include both prevention and second-chance programs and policies that affect multiple kinds of behavior and should target young people who are most at risk. The gold standard programs for prevention are well known and should form the basis of any portfolio. The best second-chance programs are less well known, but we have a good idea about which are worth investing in and which general policies are needed to complement the larger portfolio. These programs can be funded by reallocating resources away from current programs that do not have an impact and by selecting the most cost-effective programs that are known to have had an impact. Also, efficiency can be increased by maximizing the inputs of families, communities, NGOs, local institutions, the private sector, and young people themselves by re-assigning roles to each of them based on their comparative advantages.

The transition process will not be easy, since there will winners and losers. This points to the need for consultations, consensus building, discipline, phasing, and careful planning to design and implement the youth portfolio most

appropriate for a specific country. How to manage this process will depend on the needs, political environment, and goals of each country. This report offers some tools that may help policymakers to formulate the process, but the work to actually realize the promise of youth has to be done at the country –level. It will require hard work and commitment, but the rewards that can be reaped by the young people of LAC and by society at large are enormous.