Declining fertility rates in South Asia has led to a “youth bulge”—the largest in history—that will be the next generation of workers, parents, citizens, and leaders. Embracing young people aged 12–24, it stands at around 385 million strong. Numbers are expected to rise by a further 50 million to around 435 million in 2030 and decline gradually thereafter (figure 1). This trend results from the interplay between declining fertility and what demographers call population momentum—that is, the inertia in population growth from having large child bearing populations. At the present time, the fertility decline is balanced by the still growing numbers of people of child-bearing age. But over the next two to three decades as the fertility decline becomes stronger and population momentum slows, the number of young people will reach a peak and begin to drop.

**Figure 1: Leveling off**
The number of young people aged 12–24 in South Asia will peak in the next twenty five years

*Source: UN World Population Prospects (2004 Revision), medium variant.*
Within this overall picture, trends differ across countries that comprise the region. In Sri Lanka which experienced the earliest fertility transition the number of young people has just peaked.\(^1\) In India and Bangladesh where the fertility transition is less advanced, numbers will peak in the next two decades (2020–2030). In Afghanistan, Bhutan, Nepal and Pakistan where the fertility transition is the least advanced numbers are expected to grow continuously into the foreseeable future.\(^2\) Although the timing of the peak varies, the broad trends in cohort size — rising, reaching a peak or a plateau, and finally declining — can be expected to be similar.

What does the youth bulge imply for growth and equity? How can countries minimize the risks and seize the opportunities posed by this large cohort? This article summarizes some lessons from the World Bank’s *World Development Report 2007: Development and the Next Generation*, bringing out the issues that are most relevant for the South Asia region. It is intended to be read as a companion piece to the overview of WDR 2007. In the interests of brevity it focuses on investments that facilitate three of the five transitions discussed in WDR 2007: learning, going to work and staying healthy.\(^3\)

**Risks and opportunities**

Some see the swelling numbers of young people as a risk. With rising enrollment in primary school, and growing primary completion rates, there is enormous pressure at the secondary level. Given the higher unit costs at this level, the cost of expanding access to secondary schooling can be prohibitive. One estimate for all low-income countries suggests that the cost of achieving universal primary and secondary education would require an incremental cost of $34 billion-$69 billion per year or around 3 percent of GDP (Cohen and Bloom, 2005). This can be a tall order even in growing economies where there is a strong emphasis on expanding schooling. Other costs — such as that of health services—can also increase. Although youth is one of the healthiest periods of a person’s life, health habits such as tobacco use which start in youth can also lead to poor health in the long term. In India, over one in six 13–15 year old students uses tobacco products (WHO, Govt. of India and Centers for Disease Control and Prevention, 2004).\(^4\) Young people are prone to acquiring diseases such as HIV/AIDS owing to the lack of preparation for sexual initiation and experimentation. Evidence from Nepal suggests that young people, especially young women, have limited knowledge of how to prevent HIV/AIDS.\(^5\)

Another concern is the risk of unemployment. Young people the world over make up one fourth of the working age population but nearly half of the unemployed owing to very high unemployment rates (World Bank 2006). This is mirrored in South Asia. In Bangladesh, unemployment among young men (20–24 years) is 5 percent compared to 1 percent for prime age men (40–49 years). The corresponding figures are 12 and 2 percent in India, 21 and 2 percent in Sri Lanka, and 7 and 1 percent in Pakistan respectively (Riboud, Tan and Savchenko, 2006). Unemployment is not only costly to individuals in terms of foregone learning on the job\(^6\) but high open unemployment also raises the spectre of social unrest, potentially hurting the climate for investment. Sri Lanka for example

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\(^1\) Numbers are based on the UN’s Population Projections (the 2004 revision), medium variant.

\(^2\) Foreseeable future refers to the next 20–25 years or so. Most demographic forecasts are subject to error over long forecasting horizons.

\(^3\) The other two transitions refer to forming families and exercising citizenship.

\(^4\) In the north-eastern states current use of tobacco products among students is as high as 63 percent in Nagaland and Manipur, and 55 percent in Sikkim. Figures for Sri Lanka are much lower at 9 percent (Global Youth Tobacco Survey Collaborative Group, 2002). In Quetta, Pakistan, 15 percent of 8th–10th grade students use tobacco (GYTS fact sheet).

\(^5\) According to the 2001 Demographic and Health Survey, less than 40 percent of Nepalese women compared to 75 percent of Nepalese men aged 15–24 are able to report ways of preventing AIDS.

\(^6\) As emphasized in WDR 2007 a good deal of learning occurs after school and on the job. For example in Guatemala experience in skilled jobs increases reading comprehension and cognitive skills, skills which are lost to those unable to get these jobs.
South Asia Social Protection

saw two youth insurgencies in the 1970s and 80s that brought the country to the verge of collapse and left a huge number of casualties. These were largely due to frustration among young people from the failure of mainstream institutions to address existing inequalities in the distribution of both resources and gains generated by economic development.7

Yet these large numbers of young people come with an unprecedented opportunity to deepen their human capital. Although countries are at different stages in the demographic transition, they have all entered a phase in which there is a larger proportion of people of working age, relative to the proportion of children and elderly, making more income available per dependent (non-worker) (Fig. 2). In a country whose ratio of children and elderly to workers has declined by 25 percent (e.g. India, Bangladesh) every rupee or taka collected in taxes can finance a 33 percent increase in spending per dependent that could be used to develop and maintain human capital. Within families, a decline in the number of siblings means more resources available per child. Thus the economic circumstances for investing in children and dependent youth have never been better.

With the right policies and institutions, a rising share of working age people in the population can boost economic growth. One study attributes more than 40 percent of the higher growth in the East Asian “tigers” during 1965–90 to the faster growth of the tigers’ working age population, combined with their better policies on trade and human capital development (Bloom and Canning 2004). A key question for countries in South Asia is will they be able to follow suit and ‘cash in’ on their demographic dividend? Critical to this will be the right policy environment for building the skills of

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7 Report of the Presidential Commission on Youth, 1990

**Figure 2: Making the most of the demographic window of opportunity**

All South Asian countries stand to benefit from declining dependency ratios provided they have the right policies and institutions in place.

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**Note:** Dependency ration refers to the ratio of population 0-14 and 65+ relative to population 15–64.

**Source:** UN World Population Prospects (2004 Revision), medium variant.
their labor force, largely done in childhood and youth, and employing their growing working-age populations effectively.

To make the most of their demographic window of opportunity, countries need to provide opportunities for young people to develop their human capital and use it productively; help young people choose among these opportunities; and provide second chances when choices are missed or don’t work.

**Broadening opportunities for young people**

Many countries in South Asia still provide young people far too few opportunities to build their human capital, whether through access to high quality learning or through smooth entry into jobs where they can develop skills.

*Improve quality of basic education: intervene early in the life cycle and focus on the quality of basic education.* Even though there has been dramatic progress in the numbers of young people who are completing primary school, many young people are constrained by poor quality. In India, 35 percent of schoolgoers aged 7-14 in rural areas cannot read a simple paragraph and 60 percent cannot read a simple story in their native language. There is limited evidence on how quality is evolving over time. However, one study of rural Bangladesh suggests that not only is competency in rudimentary mathematics among secondary schoolgoers low, it has changed little in nearly a decade and a half (Asadullah, Chaudhury and Dar, 2006).\(^8\)

To improve basic education, a key requirement is to measure quality well, for example, by applying standardized tests, comparable across schools and countries. In Pakistan, learning outcomes are the focus of the National Education Assessment System (NEAS). This is the first time ever that a national sample test covering all geographical regions has been conducted.\(^9\) The NEAS is the stepping-stone for establishing the institutional framework for a national assessment system. In Bangladesh and India, pilot assessments have been undertaken for secondary-level students based on internationally recognized assessments (such as TIMSS). These pilot assessments are expected to lead to the development of broader national assessment/testing strategies. Countries need to take their national assessments seriously and act on their findings.

Another measure is to focus on the system of learning over the life cycle rather than as compartmentalized sub-sectors of pre-primary, primary, secondary and so on. This means improving the foundations before children enter school through early investments in nutrition, health, and psycho-social development.\(^11\)

Ensuring that basic skills needed for a well functioning society are well established may require that lower secondary school be made universal, as many countries are doing. But again, this should not come at the cost of quality. Setting standards, developing accreditation and evaluation systems, training and motivating teachers, and increasing the accountability of school administrators to parents and local communities are some of the measures required here. Since a renewed focus on quality is not costless, what can be deferred until upper secondary and beyond is the selection and specialization that some countries have from early grades.\(^12\)

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9 The authors test secondary school students in basic numeric skills requiring the knowledge of primary level mathematics.

10 Two rounds of Grade V tests in language and math have taken place and findings disseminated to key stakeholders; in addition Grade VIII test have been administered.

11 In Jamaica for example, the stimulation of children through play at home and parenting sessions with mothers improved cognitive development, educational achievement and behavioral skills (self esteem) at ages 13–15 (Walker and others 2005).

12 Benavot (2004). Although the region does not stand out as an outlier with respect to early tracking, it continues to track some students too early, e.g. at secondary level.
Meet demands for higher skill levels: improve the relevance of upper secondary and tertiary education.

Even as they face the challenge of improving the quality of basic education, countries are challenged by the growing demand for higher order skills in the global economy. Contrary to the expectation that trade liberalization would raise the demand for unskilled workers, there is a growing demand for workers with higher education in developing countries. In India, firms have substantially increased their demand for educated workers, especially those with higher secondary and tertiary education. As a result, the relative wages of workers with these skills has increased even though they are becoming more abundant.13 Anecdotal evidence suggests that skill constraints could soon impact growth rates in countries such as India (Johnson and McGregor, 2006) and Bangladesh.

This pressure can be eased if upper secondary schools and universities produce more graduates with the right skills. Simply increasing the flow of students through the system is not enough and can in fact this can lead to the problems of ‘fit’ as employers also demand quality and relevance. Important is an upper secondary curriculum that emphasizes practical thinking and behavioral skills and offers more of a blend of academic and vocational subjects. Some countries, such as South Africa, are moving in this direction by reforming their secondary curriculum. In South Asia, Sri Lanka’s ongoing education reforms stresses modern international trends in curriculum practice and greater orientation to the to the world of work.14

The transition from school to work can also be eased by linking educational institutions with prospective employers so as to provide feedback on curriculum. Some of the more successful ‘second chance’ programs – such as the Underprivileged Children’s Education Program in Bangladesh discussed below – have continuous linkages with industry. This is deserving of wider emulation. In Chile, vocational training institutes have employers on governing boards. In China, universities and research institutes have contributed much to the growth of local industry - some of the largest Chinese high-technology firms (Lenovo, Tongfang) are spin-offs from university-industry joint projects.

Improving the quality and relevance of upper secondary and tertiary education also needs a well-motivated and well-prepared teaching force. Teachers need good pre-service and in-service training, but also the right incentives to perform. Available evidence suggests that salaries matter, but so do individual incentives to perform. Countries such as Chile are at the forefront of efforts to make teacher salaries more performance-based. Most experiments in South Asia have been either on a small scale or have not yet been properly evaluated. An experiment in one state in India gives cash bonuses to public school teachers based upon better attendance and pupil performance. In Bangladesh, a funding program linking financing of secondary schools (not teachers) to performance in standardized examinations is under implementation since last year.

Increasing the accountability of schools and universities for student achievement is also important. Two measures that can go some way towards increasing accountability are collecting and publicizing comparable information on student performance, and greater participation of students, families and other stakeholders in the management of institutions of learning. In a pilot study in Uttar Pradesh (India), information dissemination was found to have a significant effect on reducing corruption in schools and increasing the utilization of resources in schools, all important for raising student achievement.15

13 Evidence based on nationally representative time series data from the Indian National Sample Survey (NSS), conducted by the census bureau. NSS rounds used for analysis were 1983/84, 1988/9, 1993/4, 1998/9 and 2003/4.

14 Curriculum reform pays attention to subject content as concepts, rules and principles, meta-cognitive and self-regulating skills involving planning and monitoring, and non-cognitive factors such as motivation and perceived self-efficiency.

Stakeholder participation at the school level has been vigorously encouraged in Bangladesh and Pakistan.

Such reforms can be costly because of the higher unit costs of educating students beyond the basics. Efficiency gains may be possible through better incentives for teachers and administrators. But many educational systems can and have expanded through private contributions from students and their families. This is fine provided that meritorious students whose families are too poor to finance upper secondary and tertiary education have an equal chance at entry. In many countries, tuition is free at tertiary institutions in the interests of making it accessible. However free tuition is neither sustainable (especially if a significant expansion of the system is sought) nor does it direct benefit the poor as most university students are not from the poorest households. As an alternative, subsidies to students from disadvantaged families could be both efficient and sustainable.

Many countries (outside South Asia) subsidize private secondary and tertiary institutions according to the number of low-income students they enroll. The Bangladesh Female Secondary Stipend program and more recently, the Pakistan Girls Stipend Program, are good examples of cases where resources are transferred to girls directly to encourage them to go to school. Especially for older students, there is strong case that subsidies be directed not only to institutions, or even the students’ families, but to the young person to recognize them as growing decision makers and hold them accountable. Building the capability of young people in this way is further discussed below.

Help young people acquire skills on the job: Ease labor market entry and facilitate mobility. Many skills are acquired on the job. But young people everywhere have a hard time getting started (Fig. 3). Some wait a long time for a job; others take low-paying (often informal sector) jobs that teach them few new skills making it difficult to move up the skill-ladder. Some are imprisoned by other constraints (credit, information) that limit mobility.

Broadening opportunities for young people’s employment is best premised on economy-wide growth that stimulates demand: a rising tide that lifts all boats, including that of young people. While ensuring that economic growth takes place to increase demand for workers of all ages, it is important to ensure that young people can compete for jobs on a more equal basis. In many countries labor market institutions penalize new entrants. Employment protection laws tend to constrain new entrants more than others and lengthen the transition to work by dampening flows into and out of employment. In India, employment protection laws have been shown to slow the growth of manufacturing output and employment significantly (Besley and Burgess, 2004), while in Sri Lanka, the highly generous severance pay system (TEWA) seems to reduce job prospects for young people, particularly the disadvantaged. Other labor market institutions, such as wage-setting mechanisms that create a gap between better paying jobs in the public sector and the “protected” private sector may also hinder job creation in the formal sector and encourage young people to remain unemployed while they queue for good (protected) jobs. These are not arguments to scrap all such laws and regulations – indeed labor market institutions that help protect the basic rights of workers can improve efficiency and equity. Instead, they are a call to develop policies that provide the basic protections without stifling opportunities for groups such as new labor market entrants who are already disadvantaged by their lack of work experience.

Many young people find their first jobs in the informal sector. If these jobs are to be the first rungs rather than the last stop on the career ladder, young people have to acquire further skills on these jobs. Practical training in occupational and general behavioral skills can make young people

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more mobile. The track record of public training institutions providing such skills is uninspiring, especially to those with limited education who are most in need. However, there have been some positive developments such as in India where the Industrial Training Institutes are increasingly managed by Institute Management Committees that are chaired by local industry representatives who manage finances, staff and faculty, students and develop curricula. There are also some good examples from other parts of the world of outsourcing programs to the private sector which use vouchers to elicit the nature of demand from those seeking training and where the main role of the government is regulating training and setting standards.

Another option for the young is self-employment. Some young people are entrepreneurs of necessity, others by opportunity. Both types face constraints, made more binding by their age, such as access to capital and networks. Programs that promote entrepreneurship may be effective – however this is an area where there is little solid evidence of what works (WDR 2007). The best way to proceed would be to begin small and learn from monitoring and evaluations of outcomes.

Geographic mobility broadens opportunities, and the young are a disproportionately large share of all migrants both to urban areas and to other countries. Policies that smooth the transition to cities and across borders would be efficient and equitable, such as job-search and information assistance and job counseling. Countries can do a lot more to expand opportunities for young people to migrate internationally (such as developing bilateral work arrangements), increase the benefits from their existing youth migrants (such as recognizing skills gained abroad and working to lower remittance costs), and working to mitigate some of the risks and problems associated with migration (information campaigns to reduce the risk of trafficking especially of women, working with receiving countries to enable families to join migrants).

### Choosing among opportunities

Many young people enter adulthood without the information, financial resources, or decision-
making skills they need to choose well among life’s opportunities. As well as broadening opportunities for investing in human capital, policies need to focus on helping young people become capable decision makers.

**Inform young people.** This can be done in four main ways: use schools, use media, improve the content of dissemination campaigns and harness new technologies.

**Use schools:** Curriculum in schools needs to go beyond what is needed for further schooling and work. Young people pick up much of what know about the practicalities of daily living in school environments. Health education programs can teach them about good health and sanitation practices. School health policies have been found to be effective in increasing young people’s knowledge and adoption of safe health behaviors. While most countries in South Asia offer students information on HIV prevention and reproductive health, only a few educate them on dangers of tobacco use, alcohol and substance abuse, and the risk of obesity (table 1).

**Use options outside school:** But it is not enough to intervene in schools because many youth drop out. This is often due to poverty, but it is also because young people can be poorly informed about the benefits of continuing education. Simple and relatively cheap interventions that inform young people...
people of the payoffs from further schooling can improve their decision-making.\footnote{In the Dominican Republic, a survey of boys in the final year of primary school showed that they underestimated the returns to completing secondary school by up to a factor of ten. Boys at randomly selected schools were then told about the “true” earnings premium to secondary education. Four years later they were found to have completed more years of secondary school than those who had not been told (Jensen 2006). In addition to providing information the type/nature of information, the frequency of provision and the effectiveness of delivery of information are also important.}

Where many young people are not in school it is important to motivate them in ways that go outside traditional institutions such as schools. Both Cambodia and Thailand have contained the spread of HIV/AIDS partly through structured information campaigns that worked through media and information providers in all sectors of the economy. Young people can become more informed and involved in decisions that affect their lives through the use of non-traditional teaching methods. In India, the \textit{Better Life Options} program which operated in peri-urban and rural areas had some success in getting young women (aged 12–20) more involved in key life decisions through a combination of life skills training, vocational training and recreational events that build confidence and self-esteem.\footnote{Multivariate analysis indicates that those in the program were more likely to be involved in key life decision such as when to marry and whether to continue in school, than those who were not. See Center for Development and Population Activities (2001).}

Improve the content and delivery of dissemination campaigns: Information dissemination campaigns providing accurate and specific information are more effective than those providing vague or general information. For example, a school-based sex education intervention in Kenya that provided young girls with information about the higher prevalence of HIV infection among older men reduced the incidence of intergenerational sex and significantly reduced pregnancies among girls—in a setting where age-mixing is quite common.\footnote{Dupas (2005).} Information campaigns must also be culturally relevant. For example, an evaluation of the World Bank’s Bangladesh Integrated Nutrition Program (BINP) showed that the program increased women’s knowledge about appropriate nutrition-related behaviors but few mothers actually practiced them.\footnote{White (2005).} One reason was that the program did not adequately involve husbands and mothers-in-law.

Those who deliver the information to young people must also be skilled at communicating with them. Some who purport to be trainers are often poorly trained themselves. Addressing this requires better training and incentives for trainers. School-based career guidance services, a fairly new initiative, have shown promise in Chile, the Philippines, Poland, Romania, Russia, South Africa, and Turkey and more recently in Industrial Training Institutes in India. One consistent finding is that success depends on information available to counselors. Some programs give peers a prominent role (e.g. programs to combat HIV/AIDS).

Using new technologies: Given high usage by the young, the internet can be an important source of information for young people, not just on matters of health but also education and work opportunities. More reliable information and greater guidance on how to access this information can be helpful to young people. Other new technologies that can be used to provide information include SMS (text messages). Job information services use SMS in Sri Lanka to provide information on jobs to subscribing users. In India, an HIV/AIDS awareness program, “Gain from Gyan” (Gain from knowledge), used text message service to reach young people (Kaiser Family Foundation, 2006).

\textit{Help them command resources.} Because young people are only beginning to be financially independent they naturally confront more constraints on their consumption and investment decisions. Nepal is in the process of introducing student loan schemes at the higher secondary and university levels, one of the first countries in the region to do so.
Choosing to invest in skills presents substantial costs. Out of pocket costs for private university education tend to vary but can be well beyond the means of poor youth. Even for students in free public universities the opportunity costs are substantial. Well-designed loan schemes, coupled with grants targeted to merit and need, can help lift these constraints. Australia has pioneered a system that makes repayment contingent on graduates’ incomes, as tracked in tax systems. Developing countries with well-developed tax systems such as Thailand are only now starting to try such schemes, which are worth monitoring and evaluating. For countries with poorly developed income tax systems, such as in South Asia, alternative mechanisms such as targeted vouchers and individual learning accounts that encourage savings for education may be better (see box).

The income constraint can be binding even for secondary education. Where income is one of the main constraints subsidies that are paid to the household conditional on achieving youth-related outcomes have been found to be successful. In Bangladesh under the Female Stipend Program (FSP) initiated in 1994 girls in grades 6 to 10 receive monthly stipends conditional on their performing well enough to pass in school. Combined with other measures it is credited with leading to a significant expansion in female secondary enrollment.

Such programs do more than help young people invest in further education. They help young people “buy into” the decision to study further and take more responsibility for it. Being empowered in this way helps build experience in decision making.

Enhance the capacity to decide well. Young people, once better informed and equipped, still have to filter and assess information. Despite the big gains in enrollment rates, many education systems fail because they emphasize rote learning of facts. Almost none emphasize the thinking and behavioral skills—motivation, persistence, cooperation, team-building, ability to manage risk and conflict—that individuals need to process information and make wise decisions. Methods of teaching these skills have been well tested in developed country settings and are now beginning to be tried in developing countries. They are well worth pursuing. Sri Lanka is in the process of implementing a curriculum reform that seeks to promote such attributes.

Coming to the correct decision can also be influenced by incentives, especially where young people would not take into account the effects of their decisions on others (or themselves in the long run) even with adequate information and decision-making skills. In Indonesia, an increase in the price of cigarettes is estimated to affect consumption of the young more than that of adults, a finding which is consistent with that from richer countries. Taxation of cigarette and other tobacco products can therefore be a particularly effective tool to curb tobacco use among the young. Comprehensive bans

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<td>Individual learning accounts can be a promising education financing option because of easy implementation and attractive features—induced savings, consumption smoothing, and a low public burden. Becoming more popular in OECD countries such as Brazil and Mexico, they provide incentives for poor young people to learn, to continue with higher education and to save. The amount an individual is entitled to depends on the amount saved and the kind of training, among other things. Brazil experimented with a graduation incentive (Poupança Escola) for poor children completing primary and secondary education under the first version of Bolsa Escola (a conditional cash transfer program encouraging school attendance among the poor). Oportunidades in Mexico (another conditional cash transfer program designed to build human capital among the poor) introduced Jovenes con Oportunidades, through which conditional cash transfer beneficiaries accumulate points from the last year of lower secondary until the end of secondary school. Credit points are converted into a savings points and deposited into individual accounts in the National Savings Bank, which beneficiaries can tap for further study or to start a business if they complete upper secondary before turning 22.</td>
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Source: World Bank 2006
on cigarette advertisements and setting minimum ages for smoking would also be effective in raising the “price” of tobacco use.

Providing second chances

Invariably, bad choices will be made. Young people may drop out of school, or enter work too early, or end up with jobs that lead nowhere. This can result in an enormous missed opportunity not just for the young but also for society as a whole. Policies that help young people recover from bad choices or poor circumstances can provide a safety net that benefit society well into the future. But because remediation is costly, programs must be directed to the neediest, be well coordinated with the mainstream, and give beneficiaries the right incentives.

A good example of a second chance program that is targeted to the neediest and well integrated with the mainstream is Bangladesh’s Underprivileged Children Education Program. It helps 10–16 year olds who have dropped out of primary school, providing basic schooling and channeling them into UCEP-run vocational programs which have good links with potential employers. The program, which served 36,000 students in 2002, costs roughly the same per student as regular schooling.

Any remediation program confronts what economists call moral hazard. If the consequences of one’s actions are mitigated by a government program or insurance, there is an incentive to take more risks than warranted. For example, the news of the availability of anti-retroviral therapy in the United States is leading to the fear that people may to taking fewer precautions against contracting HIV/AIDS. In Kenya, condom use fell after the government announced a “cure” for AIDS. The solution here is not to deny second chances. Instead, it is to build incentives that encourage caretaking behavior to persist even after treatment. That is why programs that enhance capabilities as well as providing second chances have a greater chance of success. This concept is well illustrated in vocational training programs for out-of-school youth. These generally do not pass cost-benefit tests. But when training is provided as part of a comprehensive package of services that gives recipients information and incentives to find jobs – as in the case of the Jovenes22 training programs in Latin America - they have better outcomes.

Footing the bill

Some of the policy directions recommended here require a reallocation of resources. The biggest bill may be to expand access and improve the quality of basic education – and to expand the definition of basic to include at least some secondary education. They also require governments’ commitment to evaluate and learn from programs: of the programs described in this note only a few have been rigorously evaluated for their impact. But with growing economies, spending on and learning from promising programs are not outside the capabilities of most countries in South Asia.

Other measures that have been mentioned here may not require financial, as much as political, capital. Improving the accountability of schools to students and their families, or directing education subsidies towards those who need it the most is not easy to do. Neither is the reform of employment protection legislation which may threaten the entitlements of older workers. Similarly, providing more information in the hands of young people and developing their capability as decision making agents, too, may be controversial. At the same time there are many good examples of ways to move forward which would allow young people, supported by good policies and institutions, to flourish and thereby contribute not only to their futures but that of the societies they live in.

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22 The Jovenes programs offer comprehensive training to unemployed and economically disadvantaged youth aiming to improve their human and social capital and employability. Technical training and internship experiences with employers are combined with basic life skills and other support services to ensure social integration and job readiness. While costly, these programs have positive net present values, even when externalities such as better health as a result of employment are not taken into account. See World Bank 2006.
References


Walker and others (2005)

