THE FUTURE OF WORK

Findings of research commissioned by the Oxfam ‘Empower Youth for Work’ Program

INSTITUTE OF DEVELOPMENT STUDIES (IDS), DIGITAL AND TECHNOLOGY CLUSTER

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Oxfam’s Empower Youth for Work program commissioned the Institute of Development Studies (IDS) to conduct research on ‘The Future of Work’. IDS explored the expected changes in work and income-generating activities for young people in rural areas and whether existing policies anticipate the future of work? The research approaches the future of work according to four ‘megatrends’. The report shows the urgent need for policies that are fit for the future of work for rural youth, in the face of rapid changes in our technological, climate and political realities.
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1 EXECUTIVE SUMMARY

Empower Youth for Work (EYW) is a five-year program (2016-2021) run by Oxfam, funded by the IKEA Foundation. The program focuses on enabling young people, especially young women, in climate change affected rural areas of Pakistan, Bangladesh, Indonesia and Ethiopia to seek and obtain decent work. Working with a wide range of stakeholders (including young people, government and the private sector), the program applies a holistic approach to tackle issues of economic empowerment, gender-based discrimination, youth agency and enabling policy and normative environments – all of which affect young people’s opportunities for and choices about employment. The program activities promote climate-friendly practices and support young people and their communities in adapting to the effects of climate change.

Oxfam has identified four ‘megatrends’ that are shaping the future, including rural youths’ future livelihoods. These are playing out in different ways across rural areas of the four EYW countries:
1. Technological change
2. Demographic change
3. Environmental pressures
4. Shifting power

Without the right interventions, these trends risk increasing the inequalities young people already face – the economic and gender inequality that affect their life chances and the nature of work available to them.

Policies addressing rural youth employment need holistic solutions; ‘one size fits all’ solutions don’t work. We ‘tested’ youth policies from the four EYW countries to assess whether they address the factors and trends affecting rural youth and anticipate the future of work. We found that they work well in terms of their overall approach and focus on the ‘enabling environment’. However, they anticipate the future of work in a limited fashion, with worryingly little attention to technological and environmental change.

Addressing inequalities needs to be at the heart of policy making; there are limits to what can be achieved by focusing on education and employment without also addressing the underlying causes of young people’s unequal position in society. Given the threats to freedom of assembly and association from closing civic space and internet shutdowns, and the backlash against women’s rights worldwide, defending space for civil society and feminist activists is vital to empower and protect rural youth.

Overall, it is crucial to ‘think youth, act structurally’: to act on a larger scale, society-wide, to lift everyone up. Youth are part of families and communities; policies to help rural youth therefore need to address the broader issues of a stable and habitable climate and decent jobs for all, not just for young people. This research shows the urgent need for policies that are fit for the future of work for rural youth, in the face of rapid changes in our technological, climate and political realities.
2 INTRODUCTION

Rural areas have historically lagged in development and employment outcomes, and are now at risk of being left further behind (UNDP 2016). Oxfam recently identified four ‘megatrends’ shaping the future: rapid technological change, demographic change, environmental pressures and shifting power (Artuso and Guijt 2020). These megatrends will also shape the future of work and income, and their impact risks increasing the inequalities already experienced by rural youth.

- Technological change: Digitization is changing the world of work, and automation is closing down traditional paths to rural development such as labor-intensive manufacturing (IFAD 2019; World Bank 2019b).
  - People in rural areas in low- and middle-income countries (LMICs) are being left behind by poor infrastructure and the high costs of connection; they are 40% less likely to use mobile internet than the urban population. Overall, women are 18% less likely than men to use the internet (Bahia and Suardi 2019).

- Demographic change: One out of every six people on the planet is aged 15 to 24, and most of these young people – almost one billion of them – live in developing countries. This ‘youth bulge’ can yield dividends, but only if the economy is strong enough to provide productive employment to young people (Ayele, Khan and Sumberg 2017). The number of youth is expected to increase to 1.3 billion by 2030 due to a rapid increase in the youth population in Africa, where fertility rates remain high (UNDESA 2019).
  - Over half of youth in developing countries live in rural areas: the number of youth is growing fastest in some of the world’s poorest countries, and particularly in rural areas within these countries. While the number of rural youth in Asia is expected to drop from 340 to 230 million by 2050, the number in Africa is expected to nearly double to 180 million (IFAD 2019).

| Table 1 Rural youth population and proportion for EYW countries 2018 |
|---------------------------|---------------------|---------------------|---------------------|
| **Country**               | **Total youth population (aged 15-24)** | **Rural youth population** | **Proportion of rural youth population** |
| Bangladesh               | 30,778,000          | 21,000,000          | 68.2%               |
| Ethiopia                 | 23,648,000          | 17,000,000          | 71.9%               |
| Indonesia                | 45,402,000          | 19,000,000          | 41.8%               |
| Pakistan                 | 41,935,000          | 22,000,000          | 52.5%               |
| **Total**                | 141,764,000         | 79,000,000          | 55.7%               |

(Source: IFAD 2019: 53; UNDESA 2019)
Table 2 Overall Youth population (aged 15-24) changes over time in EYW countries

<table>
<thead>
<tr>
<th>Location</th>
<th>2000</th>
<th>2010</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
<th>2050</th>
</tr>
</thead>
<tbody>
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<td>29,513,000</td>
<td>30,824,000</td>
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<td>28,672,000</td>
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<tr>
<td>Indonesia</td>
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<tr>
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<td>48,193,000</td>
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</tr>
<tr>
<td>EYW countries</td>
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<td>126,022,000</td>
<td>144,266,000</td>
<td>152,489,000</td>
<td>161,696,000</td>
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</tr>
<tr>
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<td>1,293,876,000</td>
<td>1,332,242,000</td>
<td>1,338,497,000</td>
</tr>
</tbody>
</table>

(Source: UNDESA 2019)

- **Environmental pressures:** The frequency and intensity of climatic events such as floods, heatwaves, tropical cyclones and droughts are increasing globally due to climate change.
  - **Rural areas are expected to experience major impacts** on water availability and supply, food security, infrastructure and agricultural incomes. The effects of climate change are expected to be felt especially strongly by rural youth, who mainly work in sectors such as agriculture that have been identified as vulnerable to the effects of climate change (IPCC *et al.* 2014).

- **Shifting power:** NGOs face a challenging environment, where only 3% of the world’s population now live in countries with open civic space. This is highly likely to halt or reverse progress towards reducing inequality, since it is often marginalized and deprived groups whom civil society seeks to empower and protect (Hossain *et al.* 2019).
  - For the **EWY countries this is particularly challenging.** According to the CIVICUS ratings on civic space, Ethiopia, Pakistan and Bangladesh are classed as ‘repressed’ and Indonesia as ‘obstructed’ (CIVICUS 2020).

Alongside these megatrends, extreme economic inequality and gendered inequalities impact on the life chances of young people and the nature of work available to them. As an Oxfam report on youth and inequality states:

> ‘**Market fundamentalism and political capture by elites are at the heart of extreme economic inequality and limit the life chances of millions of youth around the world in numerous ways. Economic inequality limits social mobility, or the prospects that over the course of a lifetime a young person will be able to work his or her way into a better economic situation.**’ (Glassco and Holguín 2016)

Youth are three times more likely to be unemployed than adults (IFAD 2019). Irregular work and a lack of formal employment and social protection leads to working poverty (i.e. where people live below the poverty line despite being in work), which affects as many as 169 million youth worldwide (International Labour Office 2015). In Africa alone, there are projected to be 450 million more people of working age in 2035 than there were in 2015 (Filmer and Fox 2014). But at the current rate, only one formal job is being created for every four African youth entering the workforce (African Development Bank Group 2016).
The backlash against women’s rights and intractable gender relations affect the type of work that women can take on, the places where they can work and the gender-based violence they may experience at home and at work. Women’s heavy and unequal responsibility for care work perpetuates gender and economic inequalities. Globally, unpaid care work carried out by women aged 15 and over is worth at least $10.8 trillion annually – three times the size of the tech industry (Coffey, Revollo, Harvey and Lawson 2020).

Indigenous groups and ethnic minority groups in rural areas are further marginalized and at risk of being left behind, owing to overlapping experiences of exclusion and oppression (Burns et al. 2013). Indigenous rural youth tend to live in the least-connected areas with less access to public services and productive resources, and tend to have less access to education and fewer years of schooling than non-indigenous rural youth (IFAD 2019; World Bank 2018b).

**What is a rural area?**

Three things distinguish rural from urban areas:

1. Abundant land and other natural resources.
2. Significant distances between rural settlements and between these and cities, making the movement of goods costly.
3. Lower incomes and a higher proportion of people living below specified poverty lines.

Rural areas are not homogenous: there are significant differences between ‘peri-urban’ and ‘remote’ areas, with a major impact on the enabling conditions for rural youth employment. (Wiggins and Proctor 2001)

### 2.1 About this research

Oxfam Novib commissioned the Institute of Development Studies (IDS) to conduct the research on ‘The Future of Work’ as part of Oxfam’s Empower Youth for Work Program. We set out to answer the following questions, with a focus on LMICs in general and on the four EYW program countries in particular:

1. **What are the expected changes in work and income-generating activities for young people in rural areas?**
2. **Do existing policies anticipate the future of work?**

To answer these questions, we carried out desk research, policy analysis and interviews.

- Findings from a **kick-off workshop with country teams** provided valuable insights, framing and grounding for the research.
- We undertook a **desk review** to analyze existing academic literature and evidence on the long-term future of work. This helped us to understand the changing nature of work and income in the Global South, and the opportunities and challenges faced by rural youth.
- We conducted a **policy analysis** of relevant policies in the EYW countries to assess whether they are anticipating these changes.
- We also carried out **stakeholder interviews** with representatives from academia, think tanks, the private sector and government in the four EYW countries.
The very different political and economic landscapes of the EYW countries – Pakistan, Bangladesh, Indonesia and Ethiopia – makes it challenging to offer ‘one size fits all’ answers, but it is hoped that the findings from this research provide valuable insights.

3 THE CHALLENGE OF RURAL YOUTH EMPLOYMENT

Rural youth lag behind their urban counterparts on key development indicators, including educational attainment (IFAD 2019) and inclusion in decision-making processes (Trivelli and Morel 2019). Young women in rural areas face additional challenges: there are fewer opportunities for formal employment overall in rural areas and social norms mean they are less likely to be employed in informal work.

Employment opportunities for rural youth are impacted by the global megatrends explored above, and by factors at national, community, individual and household levels. These trends and factors overlap and affect the opportunities that are available to rural youth (Irwin, Mader and Flynn 2018; Sumberg, Chamberlin et al. 2019). All of these factors impact on inequalities. They shape the distribution of employment, vulnerability to climate change, income, productive assets, land, technology and agency. They also determine access to decent work, skilled employment opportunities, wage/stable employment and involvement in decision making.

Figure 1 Drivers of inequality for rural youth

Framework based on work by Glover and Hernandez (2016).
3.1 National factors

Existing policies and legal frameworks at a national level shape the rural youth employment landscape, but tackling youth unemployment and underemployment requires fiscal and institutional capacity, which is often lacking in the countries where these interventions are most needed. Rural youth may also be systematically disadvantaged by existing laws and policies.

The material wellbeing, employment opportunities, and the education, training and other support available to rural youth is largely determined by a country’s economic situation at the national level, in terms of growth in GDP as well as distribution of wealth. In countries with a high level of structural transformation, there may be more opportunities for youth to escape poverty through non-farm employment. The poorer the country, the higher the concentration of rural youth in the country. In countries that have low levels of formal/waged work opportunities even in urban areas, it is unlikely that these opportunities will be available in rural areas.

Conflict and fragility often negatively affect the quantity and quality of jobs available and make it more difficult to carry out work. By conservative estimates, 350 million rural youth lived in conflict-affected countries in 2016 and almost one-third of all rural youth experienced conflict directly (Baliki et al. 2019; IFAD 2019). Conflict and fragility are deterrents to private investments. Living in conflict-affected settings can make it even more difficult for rural youth to acquire the skills and knowledge needed to access decent work, both during and after the conflict. Rural young women in conflict settings often experience greater setbacks (IFAD 2019; Schindler and Brück 2011).

3.1.1 Opportunities for rural youth

Access to markets and the natural resource base also shape rural youths’ opportunities and challenges (IFAD 2019; Sumberg, Chamberlin et al. 2019). These vary by location; 67% of rural youth live in areas with high agroecological potential in terms of land, soil and climatic characteristics, but many of these areas have low commercial potential because they lack access to markets, while 24% of rural youth live in areas with both high agroecological potential AND high commercial potential (IFAD 2019). The level of transformation of rural economies can vary as much within countries as it does between them, making it all the more important that national policies do not treat all rural areas in the country as being the same.

On average, 37% of rural youth work in agriculture. There seems to be a correlation between the level of development in a given country and the percentage of youth working in agriculture. Over 70% of rural youth work in agriculture in some low-income countries (OECD 2018), and this figure is higher than 50% in sub-Saharan Africa (Elder et al. 2015). In countries with a poorly performing economy, rural youth are unlikely to find work outside of low-paid, informal agricultural work, and so may choose to move to an urban area in search of employment.

Nabeel Youcef, Radical Growth Solutions, Pakistan

‘I know young people with even 10 acres of good land who chose instead to go to the city and get a job as a driver or home help. Agriculture is hard, unpredictable and precarious. Climate change is making it more unpredictable. Farmers get ripped off by middlemen. Young people prefer a reliable urban wage.’

Young people tend to work at the lower end of the agricultural value chain, in lower-skilled activities like food production, rather than in off-farm agricultural sector jobs such as food processing and agricultural services (OECD 2018). Few value chain youth-integration programs seek to include youth in parts of the value chain associated with higher-skilled employment (OECD 2018). This means that
youth are less likely to be employed in better-quality agricultural jobs like tractor driving, repairing agricultural machinery, providing agricultural services using information and communications technology (ICT), or food processing.

3.1.2 Informal and unregulated work

Rural youth are stuck in insecure, low-quality, poorly paid work; they are challenged by under-qualification and a lack of opportunities, especially in agriculture. Less than half (47%) of rural youth are employed in wage work, while the other half (49.4%) are either self-employed or 'contributing family workers', two types of work that are considered vulnerable employment (OECD 2018). Wage work is associated with higher earnings and better working conditions than informal work and self-employment (Elder and Koné 2014). The availability of wage work is highly correlated with levels of economic transformation, so rural youth in low-income countries are less likely to be able to access such jobs. Male, more educated and older workers are more likely to engage in wage work than women, less educated and younger workers (Elder and Koné 2014; IFAD 2019).

3.1.3 Social protection

Social protection programs transfer income or assets to poor families, protect vulnerable people against livelihood risks, and enhance the social status and rights of marginalized groups (Sabates-Wheeler and Devereux 2008). Social protection programs include interventions such as conditional cash transfers, unconditional cash transfers, in-kind transfers (e.g. food), social pensions, social insurance, universal health coverage, public works programs and employment guarantee schemes (Sumberg, Szyp et al. 2019). A range of social protection programs in developing countries aim to support early steps in young people’s livelihood-building and employment processes (Sumberg, Szyp et al. 2019). These are described below.

• **Cash transfer programs**: These are typically aimed at addressing food insecurity or poverty within households. Young people can benefit from these programs through improved educational outcomes, as many conditional cash transfer programs especially aim to increase these outcomes among children and youth within beneficiary households. Young people may also be the **direct recipients** of cash transfers as young and/or poor heads of households. These programs can be effective in reducing poverty and even tackling inequality; a well-known example is the Bolsa Familia program in Brazil, which helped to bring more than 29 million people out of poverty between 2003 and 2014 (Sánchez-Ancochea and Mattei 2011; World Bank 2019d).

• **Social pensions**: These are typically accrued by older members of society and of family or household units, and thus can usually only benefit young people **indirectly**. However, studies from South Africa and elsewhere have found that a young person living in a beneficiary household can still benefit from these programs via increased household expenditure and/or investment in its members, resulting in better health, increased food consumption, increased motivation (including to work or find work), and potentially increased access to capital to start or expand a self-employment activity or to migrate for work (see also SALDRU 2013; Veras Soares and Robino 2015).

• **Public works programs**: These can be particularly relevant and **directly** or **indirectly** beneficial to rural youth as they can have the effect of stabilizing income and consumption, especially if they are offered off-season when demand for agricultural labor is low.

• **Social insurance programs**: Like social pensions, these are most likely to **indirectly** benefit young people, especially in rural areas, as they are normally financed by contributions from formal employees and employers. Rural young people, who have very little involvement in formal employment, are only likely to benefit indirectly through payments made to the head of household or other senior members of the household, though formal employment in rural areas is typically rare across developing countries.

• **Universal health coverage**: This is very likely to benefit rural young people **directly**, as it will mean they have more finances to spend on establishing or expanding a self-employment activity – including being able to take more risks with investments, looking for or migrating for work, and
participating in education or training to better prepare them for the labor market. They may also benefit indirectly from the increased income at the disposal of the household head or senior members of the household.

Programs which are most likely to directly benefit rural young people, who are mainly informally employed (or unemployed), are ‘social assistance’ or ‘safety net’ programs, which are normally tax-financed and thus of no direct cost to young people (these include public works programs, universal health coverage, cash transfers, etc.) (Barrientos and Hulme 2008).

Finally, universal basic income (UBI) involves paying an unconditional sum to every citizen, irrespective of their work status, as a form of social protection. Various UBI pilots have been carried out by governments and donor organizations over the last decade including in India, Finland and Namibia (Standing 2015). As UBI is paid to all citizens regardless of work status, it ends up channeling a lot of money to people who are already well off. Some therefore argue that a more effective and equitable means of providing social security is the provision of universal basic services (UBS) (Portes, Reed and Percy 2017). The objective of UBS is to extend public provision of education and healthcare, shelter and food, and even transport and connectivity, to all citizens. This system is designed to enable all citizens to access the basic necessities for full participation in a modern economy. UBI and UBS are not mutually exclusive and can be complementary.

Social protection programs in EYW countries

**Bangladesh:** While the number of programs nearly tripled between 2008-09 and 2014-15, from 56 to 152, spending on social protection programs has remained constant at around 2% of GDP over the last decade (representing more than a doubling of actual spending). With regard to ‘safety nets’ (which include poverty-targeted cash transfers, public works programs, etc.), which are the most common social protection interventions in Bangladesh, there were 140 such programs in 2014-15, representing 1.4% of GDP. This is comparatively high for the South Asia region, but still low across developing countries more broadly (average of 1.6%). The nine largest safety net programs represented 46% of expenditures in 2014-15, including a cash-based public works program (Employment Generation Program for the Poorest – EGPP). Cash transfer and public works programs have clear target groups relying on pro-poor (self-) targeting, while food-based relief programs have less clear target groups (World Bank 2016b).

Some of these programs target primary schoolchildren and female secondary schoolchildren, while also mainly targeting the ‘categorically poor’ (people without land ownership and family income, and those from certain backgrounds). Young rural household heads are likely to have benefited from the programming targeting the ‘categorically poor’, including the EGPP, which provides 40 days of work (at rates higher than local minimum wages), twice a year, to household heads who otherwise work as ‘day laborers’ and who have less than 0.5 acres of land. There is a requirement for one-third of EGPP beneficiaries to be women, which has led to higher female participation than in other public works programs.

**Ethiopia:** The National Social Protection Policy was enacted in 2016, with five priority areas: 1) social safety nets; 2) livelihood and employment schemes; 3) social insurance; 4) addressing inequalities in access to basic services; and 5) providing legal protection and support to victims of exploitation and abuse. The government has pledged to invest 2-3% of GDP to social protection.

The largest social protection program in Ethiopia (and the one most relevant to rural youth employment) is the ‘Productive Safety Net Program’ (PSNP), which supports eight million people (just below 8% of the population). The PSNP has three aims: 1) ‘consumption smoothing’ during the hunger season; 2) protecting household assets from depletion due to chronic food insecurity
or hunger; and 3) providing community assets through a public works program. The PSNP’s components include: 1) participation in public works to develop community assets (e.g. roads, ponds), requiring the services of at least one able-bodied person in the household, in return receiving food or cash transfers for up to six months per year; 2) conditional credit (if beneficiaries demonstrate an ability to save beforehand) to invest in income-generating activities of their choice; and 3) direct transfers throughout the year to non-able-bodied participants.

Other programs are also being piloted, including in certain regions, such as a cash transfer program in Tigray and the Southern Nations, Nationalities, and Peoples’ Region (SNNPRS), and weather insurance, school feeding programs, etc. (Lemma and Cochrane 2019).

**Indonesia:** The National Medium-Term Development Plan (RPJMN) for 2014-2019 calls for comprehensive coverage of all citizens throughout the lifecycle, including special programs for poor people. Overall, social assistance funding has been relatively weak as part of Indonesian social protection policy, representing only 29.7% of the social protection budget in 2015. However, this is apparently starting to change, as the current president has placed social assistance at the center of Indonesia’s inclusive growth strategy. Social assistance is also an important component of the RPJMN (2014-2019), which focuses on reducing inequality between income groups.

Relevant programs include the ‘Rice for the Poor: Rastra’ food subsidy program, which benefits about one-quarter of Indonesian households and provides 15kg of rice per household at $0.12/kg (rice represents 25% of poor households’ monthly expenditure); a cash transfer targeting schoolchildren and students aged 6-21, paid directly to eligible beneficiaries to support schooling expenses (e.g. supplies, fees, transport); a conditional cash transfer targeting poor families with lactating or pregnant mothers or with children who are still in primary or secondary education, or with adults aged 70 or over who do not receive any other social assistance transfers or who are severely disabled; and a grant program to incubate small businesses; etc. (OECD 2019).

Of particular importance to the social protection structure in Indonesia, especially concerning targeting, is the development of and reliance on the Unified Database (UDB), which serves as the basis for social assistance programs and their eligibility and targeting. It contains details of the poorest 40% of the population, i.e. nearly 25 million households or almost 100 million individuals.

**Pakistan:** In 2019, Pakistan launched a new social protection program named ‘Ehsaas’, meaning ‘empathy’. The new program is meant to turn Pakistan into a ‘welfare state’, including by ‘leveraging 21st century tools’ such as data and technology for precision targeting, access to digital services, etc. The program’s four pillars include: ‘addressing elite capture and making the government system work to create equality; safety nets for disadvantaged segments of the population; jobs and livelihoods; and human capital development’ (Government of Pakistan 2019). The initiative has given rise to a total of 134 policies so far. The overarching goals of Ehsaas are to establish a safety net for at least 10 million families, livelihood opportunities for 3.8 million individuals, financial access to healthcare for 10 million families, scholarships and education incentives for five million students (50% girls), financial and digital inclusion for seven million individuals (90% women), etc. Under this program, social protection spending in Pakistan will be increased from 0.7% of GDP to 1% of GDP by 2021. The program also plans to create livelihood opportunities in rural areas by developing the agricultural sector, which it identifies as the ‘backbone’ of Pakistan’s economy. It aims to do so, for example, by developing locally relevant value chains, and ultimately increasing the productivity and incomes of subsistence farmers.
The ‘Kifalat’ component will bring reform to the Benazir Income Support Programme (BISP), the largest and most well-known social protection program in Pakistan, including by increasing the size of the cash transfer to bring it in line with inflation, and by increasing the options available to graduate out of the program. BISP is an unconditional cash transfer program which started in 2008, and which had reached 5.7 million of 7.7 eligible families as of 2016. Of the beneficiaries, 48% were in the poorest quintile; this is slightly lower than the proportion of the poorest quintile in the Bolsa Familia (55%). The transfer, which in 2013 increased from 1,000 Rs. to 1,500 Rs., is paid monthly, exclusively to women aged 15 or older. Most beneficiaries (80%) are reported to have prioritized food expenditure from the transfer, and another study found a statistically significant increase in food expenditure as a result of the transfer. BISP was shown not to have a negative impact on labor force participation rates, which decreased across all quintiles between 2005-06 and 2010-11.

3.2 Individual and household factors

Young peoples’ employment and life outcomes depend on whether they live in an enabling context: an area with high-performing schools, healthcare, safe neighborhoods, stable housing and adherence to social norms may prepare them well for work (Sumberg, Chamberlin et al. 2019). Most (72%) rural youth in developing countries live in places with low levels of agricultural value-added per worker (IFAD 2019), making it difficult for them to escape poverty through farming activities. They typically live as dependents in large families, which also shapes their opportunities (IFAD 2019).

3.2.1 Education and skills

Rural youth have significantly lower levels of education and skills than their urban counterparts; 19% of rural youth have never attended school, and 48% have only completed primary school (OECD 2018). Only 10.5% and 10% of rural youth have completed vocational training or tertiary education, respectively. Meanwhile over 60% of their urban neighbors are likely to complete at least secondary school, and are also more likely to complete vocational training (11.5%) and tertiary education (18.1%) (OECD 2018). Rural youth in sub-Saharan Africa and in low-income countries are the least likely to go to or complete school: the more rural the area a young person lives in, the less likely they are to go to school (Sumberg, Chamberlin et al. 2019).

Table 3 Primary school completion rates among population aged 3-5 years above graduation age (%)

<table>
<thead>
<tr>
<th>Countries</th>
<th>Total</th>
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<th>Female</th>
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<th>Rural</th>
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(Source: UNICEF 2018)
### Table 4 Upper secondary school completion rates among population aged 3-5 years above graduation age (%)

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<th>Urban</th>
<th>Rural</th>
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<td>31</td>
<td>26</td>
<td>36</td>
<td>25</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>13</td>
<td>13</td>
<td>12</td>
<td>32</td>
<td>5</td>
</tr>
<tr>
<td>Indonesia</td>
<td>50</td>
<td>52</td>
<td>48</td>
<td>65</td>
<td>33</td>
</tr>
<tr>
<td>Pakistan</td>
<td>36</td>
<td>40</td>
<td>32</td>
<td>53</td>
<td>27</td>
</tr>
</tbody>
</table>

(Source: UNICEF 2018)

Rural youth lack the skills and qualifications to access better-paying wage work; private sector employers in rural areas struggle to find qualified candidates for job openings. Technical and Vocational Education Training (TVET) programs often either fail to teach subjects and skills that are relevant to the labor market, or do not reach out-of-school and low-educated youth. Only 39.4% of rural youth have achieved the level of education required for their current job, compared to 46.9% in urban areas. As always, there is great variance between countries: under-qualification is most prevalent in sub-Saharan Africa and Asia (OECD 2018).

### 3.2.2 Gender and social norms

Rural young women face triple and overlapping discrimination on the basis of their gender, rural location and age. From a young age, social norms often mean girls are overlooked when it comes to parents’ investments in their children. Gender norms often dictate which jobs are seen as socially acceptable and/or ‘normal’ for rural young women, and these tend to be less productive jobs. In 104 countries there are laws that make it illegal for women to work in certain occupations (IFAD 2019; World Bank 2018a).

*Christian Meyer, Postdoctoral Prize Research Fellow at Nuffield College and the Department of Economics at the University of Oxford*

‘In Ethiopia women are strongly disadvantaged in the labor market in general and in rural labor markets in particular’.

Gender inequalities are also perpetuated through agricultural work; men tend to be assigned to more productive and profitable plots of land than women. In non-farm rural employment, women tend to focus on lower-productivity work such as food preparation and delivery, while men work in higher-productivity jobs (IFAD 2019). Rural young women also tend to own fewer, lower-value and less productive assets, meaning they are less able to use them as collateral for financial services, to overcome shocks or to make productive use of them to earn higher incomes. Rural young women are 50% less likely than rural young men to have sole ownership of land (IFAD 2019), and inheritance laws are often written and interpreted in ways that discriminate against women.

### 3.2.3 Access to finance and land

Access to finance is a barrier for rural youth employment on and off the farm. The profitability of farming depends on access to inputs, especially when producing for external markets, but these inputs may be unaffordable to rural youth without the use of credit. Self-employment in non-farm activities often requires initial investment, which again may be out of the reach of rural youth without credit (IFAD 2019).
Rural youth are significantly less likely than their urban peers to have a formal bank account (Gasparri and Munoz 2019) and women are less likely to have a bank account than men, making rural young women especially unlikely to have an account with a formal banking institution. A lack of credit history and land/assets that could be used as collateral make it even more difficult for rural youth, and particularly rural young women, to access formal financial services.

Access to land has always been a challenge for rural youth, and this situation is worsening. Rural areas are now more densely populated than in the past, meaning available plots are smaller; increased longevity means youth inherit land later in life; and medium-scale commercial farms have been increasing in number, leading to increased competition over land (Bezu and Holden 2014).

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**Samuel Keno, Ethiopian Agricultural Transformation Agency**

‘There are some opportunities and challenges to expand rural employment in rural areas. For example, in agricultural crop production, only 25% of the potential arable land is cultivated with the existing resources and technologies. So, there is a wide opportunity for employment to cultivate the uncultivated land by supporting people with technologies. The existing government policy encourages both rural youth employment creation and the development of uncultivated lands for agricultural production. But there are some challenges: almost all farm operations are carried out in the traditional way of farming and not supported by agricultural mechanization. The market linkage system is not in place. Most rural youth seems to have less interest in engaging in agricultural production and prefer to migrate to urban areas for daily labor work. Even those youth that remain in rural areas find that their family land gets divided into smaller and smaller parcels for each generation, or the land may be transferred to investors which discourages them from remaining in the sector’.
4 MEGATRENDS AND THE FUTURE OF WORK

This section explores the four ‘megatrends’ that are expected to impact the future of work in LMICs, specifically in relation to rural areas of the four EYW countries. These are: demographic change, climate change, technological change and shifting power.

4.1 Demographic change

Two-thirds of the global population live in either a rural area or an urban settlement with fewer than 300,000 people (UNDESA 2019). The global urban population has grown 50% faster than the global population more generally (UNDESA 2019), but rural populations have doubled since 1950 and have nearly quadrupled in least developed countries. Rural areas have also become more densely populated (IFAD 2019).

*Ruchika Bahl, ILO Country Office for Ethiopia and Somalia*

‘Ethiopia has a youth bulge and high levels of graduate unemployment. Many young people cannot access decent work and employment on completion of their full time education. There is no effective school-to-work transition model in the country and schools do not provide the life skills necessary to participate in the labor market’.

Some 58% of the global urban population are concentrated in secondary cities and urban settlements with fewer than one million people, which are growing faster than primary capital cities and megacities. They are vital hubs and catalysts: unlocking the development potential of sub-regions by performing important governance, logistical and production functions (Roberts and Hohmann 2014: 3). Supporting secondary cities and rural towns can improve employment prospects for rural youth, especially by creating off-farm opportunities. But despite this growth and potential, secondary cities have difficulties attracting investment, creating and retaining jobs, lowering unemployment levels, and diversifying and revitalizing their economies. They are also more likely than primary cities and megacities to have inadequate essential urban services, housing and infrastructure.

4.1.1 Urbanization in EYW countries

All four EYW countries are among the 10 countries identified by the UN as being due to increase their urban populations by at least 50 million between 2018 and 2050 (UNDESA 2019). Together, these 10 countries are expected to contribute to 50% of global urbanization by 2050. All four EYW countries are also among the top eight countries with regards to rural population size (UNDESA 2019). Globally, the rural population is expected to decline slightly between 2018 and 2050, from 3.4 billion to 3.1 billion. However, there is great disparity between rural trends in the four EYW countries, as shown in the table below.
Table 5 Changes in rural populations in EYW countries (Source: UNDESA 2019)

<table>
<thead>
<tr>
<th>Country</th>
<th>Projected change in rural population between 2018 and 2050</th>
<th>Relative change in rural population</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethiopia</td>
<td>+ 31,126,000</td>
<td>+ 36.5%</td>
<td>1st greatest projected increase</td>
</tr>
<tr>
<td>Pakistan</td>
<td>+ 19,529,000</td>
<td>+ 15.4%</td>
<td>7th greatest projected increase</td>
</tr>
<tr>
<td>Indonesia</td>
<td>-31,746,000</td>
<td>-26.6%</td>
<td>3rd largest projected decrease</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>-21,334,000</td>
<td>-20.2%</td>
<td>4th largest projected decrease</td>
</tr>
</tbody>
</table>

Two EYW countries with growing rural populations

Two EYW countries with decreasing rural populations

4.1.2 Migration

In developing economies as much as 10% of the population work overseas, and migrant worker remittances now exceed half a trillion dollars annually (World Bank 2019a). These incomes are a key source of foreign exchange earnings and a substantial economic contributor to millions of family incomes. The importance of this sector to the economy is reflected in the establishment in several countries of a ministry for overseas workers, that in some cases contract with other nations to provide millions of trained workers annually. Talent migration (‘brain drain’), family fracture and remittance dependency are major challenges facing developing economies worldwide, including in Haiti, Honduras, Nepal and Liberia (McCarthy 2018). Migrant workers often face precarity, discrimination and abuse due to unequal power relations along lines of gender, ethnicity and class (Lan 2006; Miles et al. 2019).

Anis Zaman, Skills 21 Project of International Labour Organisation, Bangladesh

‘The country is producing thousands of trained youth, but they are not getting jobs as per their expectation and in some cases. The job market is also not wider in Bangladesh in terms of its’ population. Therefore the country is exporting it’s skilled human resources for jobs that exist in the Middle East and elsewhere through ministry of expatriates’ welfare & overseas employment (MoEWFE). We have conducted research into how many jobs overseas will be required in each of our focal areas - electrical, construction, etc. We estimate 40% future growth of needs in these areas.

People get overseas work through government programs or through private recruitment agencies. What we are trying to promote is skills certification for export labor. Govt and private. When they go private they are losing because they often sell land or take loans to pay $5,000 to get a job overseas. Then they come back with nothing, no land and debts.

The government is targeting to export one million workers every year in order to increase remittance incomes. There is a dedicated Ministry of Expatriate Employment to support worker export and increase remittances. If our workers are not adequately trained and certificated they will not earn high incomes and will remit less. The system needs to respond to foreign market demand and supply certificated, trained labor with soft skills. We need to ensure decent jobs and increase remittance per capita. Many workers going overseas are not properly trained and certificated and therefore not earning enough money to remit.’
4.2 Climate change

*Ruchika Bahl, ILO Country Office for Ethiopia and Somalia*

‘Climate change means shifts in agricultural outcomes. Lands are suffering from climate change and overuse. Young people are moving away from traditional subsistence agriculture.’

Three elements determine an individual or group’s vulnerability to climate change: exposure, sensitivity and adaptive capacity (Füssel 2007; IPCC 2014). Rural youth are more likely to be worse off than the rest of the population with regard to all three, and are heavily concentrated in countries with a medium or high risk of increased heat stress due to climate change. Rural youth, and especially those in low-income countries and in sub-Saharan Africa, are severely exposed. They have limited options for work outside of the agricultural sector and lack social capital, skills and agency (IFAD 2019). This lack of access to resources and assets lowers their adaptive capacity.

Agriculture will be negatively affected by climate change along with other sectors that largely depend on natural resources, such as forestry, fisheries and livestock – all of which are prevalent employment sectors in rural areas.

**EYW countries and climate change**

**Indonesia** is highly sensitive to climate change because of its many small islands. Many Indonesians in rural areas are reliant on climate-sensitive agriculture and fisheries (Wise et al. 2016).

**Ethiopia** is overwhelmingly dependent on rain-fed agriculture and is hit by drought with increasing regularity (Mersha and Van Laerhoven 2016). Climate change is expected to severely impact farming and increase food insecurity (Weldegebriel and Prowse 2013).

**Bangladesh** is one of the most climate-vulnerable countries in the world, and is highly susceptible to agricultural damage. In coastal Bangladesh, 35 million people are vulnerable and exposed to multiple climate change hazards. Climate change is destroying biodiversity, leading to a loss of agricultural jobs, a reduction in agricultural production and mounting food insecurity (Huq et al. 2015).

**Pakistan** is highly vulnerable to climate change, with changes in rainfall patterns, droughts and floods already evident. The economy of Pakistan is largely agrarian, employing 42.3% of the labor force and providing livelihood opportunities for around 62% of the rural population (Gadiwala and Burke 2019). Climate change threatens water, food and livelihood security, particularly in rural areas (Ali et al. 2017).

Climate change is expected to further exacerbate land ownership issues for rural youth, as it might render much of today’s agriculturally productive land unproductive (De Schutter 2014). The productivity of major crops is expected to decrease, causing prices to increase (IFAD 2019). Furthermore, climate change is expected to put additional strain on already relatively poor infrastructure, including roads and water systems, in rural areas – especially the least connected ones – making it even harder for rural youth to access markets in the future (IFAD 2019).
4.2.1. Mitigating the impacts of climate change

The impacts of climate change will vary across countries, and strategies are needed to address the impact in specific rural areas within countries. A balance is needed between visible short-term adaptation measures and long-term measures. One worrying trend is that low-income countries are more likely to have a higher proportion of rural youth in their population, and thus have a more urgent need to deal with climate change, while at the same time having the least capacity to invest in measures to adapt to and mitigate climate change related impacts (IFAD 2019).

4.3 Technological change

Today’s rural youth are facing an unprecedented rate of technological change with the growth in digital technologies. Mobile phones and the internet can help rural youth farmers to link with markets and access accurate weather information. E-commerce can help farmers to find and be found by more customers. Apps, websites and online platforms can help farmers integrate into the value chains serving international markets. However, digital divides in access to and use of technologies mean that rural youth, and especially rural young women, are unlikely to be able to take advantage of these opportunities and risk being left behind (Hernandez and Roberts 2018).

It is also pointless to introduce digital technologies into an agricultural context without first addressing farmers’ needs for resources such as seeds and agricultural equipment to improve their yields. The underlying logic of many mobile agriculture or ‘m-agriculture’ services is that farmers do not switch to more productive practices because they lack information on how to do so. However, research on m-agriculture services shows that farmers simply putting mobile agriculture advice into practice is unlikely. While farmers might act upon low-risk, no-expense advice delivered via mobile phone, they need additional advice and resources to implement more complex, high-risk practices (Barnett et al. 2019). Automation is also affecting agricultural work, with the potential for jobs to be lost to planting and harvesting machinery.

Imtinan Ahmed, Skill Gains Limited, Pakistan

‘New technologies are replacing people at work in agriculture; spraying seeds, pesticides and insecticides through drones and the use of tractors will replace farmers spraying them manually. Automated water sprinklers will replace gardeners.’

Just as the Ethiopian government invests in the garment industry, attempting to get market share from Bangladesh, this industry is rapidly automating, with ‘sewbots’ (sewing robots) now able to slash the time taken by humans in manufacturing clothes and shoes (Nicolaou and Stacey 2017). It is also questionable whether jobs in these factories can be seen as ‘decent work’, as evidenced by recent research into jobs at Hawassa Industrial Park; the Ethiopian government set the lowest base wage in any garment-producing country to promote investment, but this leaves the predominantly female, rural labor force unable to afford housing, food and transport (Barrett and Baumann-Pauly 2019).
Christian Meyer, Postdoctoral Prize Research Fellow at Nuffield College and the Department of Economics at the University of Oxford.

‘The Government of Ethiopia has pursued a strategy of labor-intensive industrialization through export-oriented light manufacturing. The strategy is predicated on the use of low-cost and abundant labor as a source of competitive advantage within Global Value Chains, thereby addressing the twin challenges of job provision and industrial upgrading. For this purpose, the Government has encouraged foreign direct investment in the manufacturing sector, invested massively into enabling infrastructure, and set up a series of industrial parks spread across the country. Although it is too early to evaluate the effects of the overall development strategy, pieces of evidence so far point towards both successes and challenges’.

Digital skills are vital even in jobs that existed before digital technology, or in roles that people would not necessarily immediately associate with digital technology (Hernandez and Roberts 2018; S4YE 2018). S4YE (2018) has created a nuanced categorization of digital work:

- **ICT-intensive jobs**, like mobile app development, are jobs that exist because of digital technology production or intensive use of digital technologies.
- **ICT-dependent jobs**, such as online freelance work or customer services, are jobs that cannot be done without using digital technology as a tool.
- **ICT-enhanced jobs**, like accounting and graphic design, are jobs that can be done more effectively or efficiently using digital technology but do not necessarily require its use.

**a2i-Innovate for all Bangladesh**

‘5.5 million people, which is 47% of the workforce of five sectors will lose their jobs due to automation by 2041. Breaking down this number across the industries show that 2.7M (60%) will lose their jobs in Readymade Garments & Textile sector, 1.5M (60%) in Furniture sector, 600,000 (40%) in Agro-food processing; 100,000 (35%) in Leather & Footwear; and 600,000 (20%) in Tourism and Hospitality sectors, respectively’.

For more information, see a2i (2019) Future Skills: Finding Emerging Skills to Tackle the Challenges of Automation in Bangladesh https://a2i.gov.bd/publication/automation-in-bangladesh/

**4.3.1 Gender and access to technology**

Women face many barriers to accessing digital employment. These include: lower levels of digital device ownership and control; lower digital literacy and ICT skills and complementary non-ICT skills; low digital self-efficacy and self-confidence; biases against women pursuing an ICT-related education and career; and online safety concerns and threats of violence (S4YE 2018). Social norms shape access to technology. In 2019, 48% of women globally were using the internet compared to 58% of men, with great levels of variation between and within countries. In the least developed countries, men are almost twice as likely as women (24.4% compared to 13.9%) to be online (ITU 2019).

Girls are more likely than boys to have their access to digital technology mediated by a family member – usually a male – and only to have access by borrowing a device, which gives them less autonomy and privacy when they use digital technology (Girl Effect 2018). Often when a computer or mobile phone is bought, parents intend it to be used mostly by boys rather than girls (GSMA 2015; S4YE 2018).
Bayezid Khan, Assistant Professor of Development Studies, Khulna University, Bangladesh

‘The government of Bangladesh has initiated many rural training programmes and set up more than 5,000 Union Digital Centres under the Digital Bangladesh project. There should be one female and one male entrepreneur running each Digital Centre. But in reality, all of the Centres are seen to be running by the male entrepreneurs where female entrepreneurs are absent.’

Girls in LMICs tend to be given access to digital technology at a later age than boys, and their parents are more likely to associate ICT-related jobs with boys than with girls (Girl Effect 2018; Livingstone et al. 2017). Girls are more likely than boys to think of the online space as unsafe, or their families are more likely to see it as unsafe for them to use (APC 2018).

Table 6 Inequalities in mobile phone ownership in EYW countries (Source: Financial Inclusion Insights, 2017-2018)

<table>
<thead>
<tr>
<th>Country*</th>
<th>Total</th>
<th>Rural – Urban</th>
<th>Women – Men</th>
<th>Poor – Non-poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh (2018)</td>
<td>71%</td>
<td>68% - 78%</td>
<td>59% - 84%</td>
<td>68% - 80%</td>
</tr>
<tr>
<td>Indonesia (2018)</td>
<td>70%</td>
<td>64% - 76%</td>
<td>66% - 75%</td>
<td>64% - 82%</td>
</tr>
<tr>
<td>Pakistan (2017)</td>
<td>60%</td>
<td>55% - 70%</td>
<td>39% - 80%</td>
<td>52% - 69%</td>
</tr>
</tbody>
</table>

* Figures were unavailable for Ethiopia

4.3.2 Working online

Online work can provide flexibility which can help women combine paid employment with unpaid care work, and often pays at a similar level to or more than the work available in the local market (S4YE 2018). However, it does not help women overcome the problems of mobility and expectations that mean they have less agency than men.

Fardous Mohammad Safiul Azam, YPARD (Young Professionals for Agricultural Development) Bangladesh

‘Rural communities are disadvantaged in the North and South-east where several ethnic groups also live. Political parties and therefore government have an urban focus in earlier decades in Bangladesh. Rural areas do not get the best connectivity. Also gendered social norms in Bangladesh require women to spend more time in the home. Online freelancing may allow rural, ethnic women to find work that fits around their domestic work and enable them to generate independent income from home’.

Online work also brings new challenges. Online workers are typically considered to be self-employed, and thus have less job security, do not receive benefits such as paid holiday and sick pay that formally employed workers may receive, and work in more precarious conditions. They often remain invisible to governments, making it difficult for governments to put in place labor regulation to tax the digital economy, and also to offer adequate social protection for online workers.

The internet has changed the way people find out about and apply for job openings, as well as how employers advertise jobs and scan potential employees. Some job-matching apps, like ‘MatchMe’ in Africa, Asia and the Middle East, allow potential applicants to be contacted via instant messaging services such as Facebook Messenger, WhatsApp and SMS. Others, like
Babajob in India and Duma Works in Kenya, use SMS and automated voice calls. Digital technology can help workers in the informal economy to deal with uncertainty. For example, Lynk is a Kenyan online matching platform that helps workers in the informal economy (e.g. hairdressers, self-employed artisans, chefs and carpenters) to connect with customers, and provides them with additional services like onboarding and training (S4YE 2018).

Several developing countries have managed to hold a significant portion of the market share in online freelance work, with India being home to 25% of all online work. Two EYW countries have also managed to access significant amounts of online work: Bangladesh and Pakistan are the second and fourth largest suppliers of online labor, with 13% and 10% of the market in 2017, respectively (Ojanpera 2019).

### 4.3.3. Outsourcing, microtasking and freelancing

Business are increasingly outsourcing their business processes – including customer service, accounting, finance and human resources – to smaller firms in developing countries, where wages are lower. In some places where the business process outsourcing (BPO) sector has taken off, women make up a larger percentage of the workforce than they do in the rest of the economy. However, because they are dominated by companies from Anglophone countries (including the US, the UK and Australia), the majority of jobs in the BPO industry require a high level of English – which rural youth are less likely to have, especially in countries where English is not widely spoken.

Unsurprisingly, countries with large numbers of people who are fluent in English, such as India and the Philippines, attract the most investment in BPO services. Although there are many countries in sub-Saharan Africa where the language skills exist to provide BPO services in English and French, inadequate ICT and power infrastructure and a lack of IT specialists have been shown to be a barrier in all except South Africa and Mauritius (S4YE 2018). ‘Impact outsourcing’ builds BPO businesses that target historically disadvantaged communities, but is out of the reach of most marginalized youth, especially in rural settings where school attendance and attainment lags in comparison to urban areas (Rockefeller Foundation and Dalberg 2013: 4).

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**Bayezid Khan, Assistant Professor of Development Studies, Khulna University, Bangladesh**

‘A good number of youth are doing good in online freelance work and the number is rising. However, they are also experiencing insecurity in securing contracts and in receiving payments. If these problems can be solved, there will be an expansion in this work. Even people without formal education are getting benefitted. However, their family mindset always regards being in front of a computer at home as wasting time – even if they are earning more money than a government job. Families want their children to have a proper government job’.

‘Again, families want their children to have proper government jobs in an office. They don’t understand online freelancing. They want to see their children in formal jobs’.

Self-employed individuals can offer services requiring technical and professional expertise (e.g. web design, market research, app development) online through ‘virtual freelancing’. Virtual freelance platforms such as Fiverr, Freelance, Guru and PeoplePerHour have emerged, where employers and freelancers can find each other. Freelancers tend to be paid relatively well, with the average freelance salary being $19 per hour globally, and workers typically earning wages comparable to or higher than those of people working in their local markets (Pofeldt 2017; S4YE 2018: 4; World Bank 2015).
Through the Digital Bangladesh initiative the Government has been promoting outsourcing for nearly a decade. It is carried out mostly young people who can earn more online. Already in Bangladesh connectivity coverage in rural areas is already quite good and improving day by day. However, in government offices in rural areas and TVET centers the facilities there are need to be modernized with adequate ICT facilities. For most people there is good coverage – mostly 3G - but it is still expensive. If we want rural youth to be connected improvement needs to be made.

Digital technologies also make ‘microtasking’ possible as a form of employment, where employees are paid for individual tasks or pieces of work – typically small clerical tasks that can be completed quickly using a computer or smartphone. Some of the tasks done by microworkers include responding to surveys, proofreading, taking part in experiments, image identification, image tagging, audio and video transcription, translation, data verification, data collection and processing, and content moderation (ILO 2018: xv).

Despite microwork in theory being available to anyone, in reality some countries have a much bigger share of the market than others; for example, 85% of microwork on ODesk – a popular microtask platform – is done by workers from just seven countries: India, the Philippines, Bangladesh, Pakistan, the US, Russia and Ukraine (Graham 2014). Moreover, microtasking seems to be out of the reach of many rural youth. People employed in microtasks tend to be well educated, male, older and urban. Less than 18% of microworkers were found to have qualifications lower than a high school degree (ILO 2018). Similarly, over 90% of microworkers on the Amazon Mechanical Turk (MTurk) platform in India have at least a Bachelor’s degree, and 69% of them are men (Berg 2016). Globally, only one-third of microworkers are women. The gender gap is even more acute in developing countries, where women make up just one-fifth of microworkers (ILO 2018).

Microworkers typically earn a few cents or dollars per task that they complete; this varies enormously in terms of actual earnings and how these compare with the average wage. In India, for example, microworkers can earn up to 14 times the average national salary, while microworkers in other countries like the US can earn below the minimum wage (De Groen and Maselli 2016). On average, workers on these platforms earn $4.70 an hour in North America and only $1.33 and $2.22 an hour in Africa and Asia, respectively. Microtasking does not tend to be sufficient on its own, but is mainly used as a complementary source of income (S4YE 2018). Almost 60% of people working in microtasks feel there is an insufficient number of tasks available (ILO 2018). Microwork is also dependent on the quality of the supporting infrastructure, such as sufficiently fast internet connectivity.

'I do not believe that online microwork platforms or online labor markets can create significant employment in Ethiopia’s rural areas. Significant challenges relate to lack of telecommunication infrastructure and electricity shortages, as well as skill gaps'.

Gig work

Gig-work platforms include ‘ride-hailing’ apps (e.g. Uber), food delivery, courier and package transport, running errands, repairs, home cleaning, etc. While ride-hailing services are increasingly popular they require digital skills, access to a vehicle, access to a continuously connected digital device, and a driving license (S4YE 2018). On-demand services that women
are traditionally heavily involved in, such as domestic work, are also gaining traction. This is providing increased mobility for domestic workers and potentially reduces previous reliance on social capital and connections to gain such employment. (Hunt and Machingura 2016; S4YE 2018).

**Mahatmi Saraonto, Director for Manpower and Expansion of Employment Opportunities: National Development Planning Agency, Indonesia**

‘With the rise of application-based start-up companies in Indonesia, there has been an increase in job opportunities. Gojek has successfully employed more than a million driver partners all over Indonesia, with a significant number of youth partners engaged in this work. Youth in rural areas are now getting more options of work. They may utilize the internet to sell their own product through mobile apps like Bukalapak, Tokopedia, etc. They may also apply to be a partner of Gojek and other start-up companies. However, this privilege only works for the rural areas which are located relatively near the city, with a decent internet infrastructure. Some of the remote areas are not able to access the internet because the communications infrastructure is still lacking.’

Rural youth, especially those living in remote areas, are more likely to be structurally excluded from working on ride-hailing apps. Gojek in Indonesia requires at least a lower-secondary education, and 83% of drivers surveyed by S4YE (2018) had completed upper-secondary education. In Pakistan, on-demand gig-economy start-ups contribute to producing new jobs that draw young people away from rural areas.

**Muhammad Nasiruddin, The Hunar Foundation, Pakistan**

‘Mobile apps such as Uber, Careem and Foodpanda have played a great role in urban areas, providing new avenues of work. Those migrating from rural areas are observed to benefit from these apps and earn decent livelihoods. There are few efforts to tap into rural markets. This in turn increases the marginalization of rural youth.’

**4.3.5 Digital skills and inequalities**

Digital skills are increasingly a necessity for anyone seeking formal employment (Hernandez and Roberts 2018; S4YE 2018). Many services, tools and products used by self-employed people and people working in the informal sector are also increasingly being delivered digitally. Climate change might also increase the value of digital and cognitive skills for rural youth working in agriculture. In order to develop adaptation strategies they will need to be able to rapidly process increasingly complex information (IFAD 2019: 195).

**Anis Zaman, Skills 21, Bangladesh**

‘The government is keen to introduce new technologies. Yet TVET institutions don’t have good internet connections and they are not well equipped. We need good-quality, reliable internet. We can’t download attachments easily. When 100 people apply to study on digital courses, we have to turn 80 away.’

Digital skills are amplified by and in turn amplify offline skills (UNESCO et al. 2018). Cognitive as well as ‘soft’ socio-emotional and behavioral skills – known as non-cognitive skills – have been identified as particularly important for the future of work because they complement digital
skills (World Bank 2016b), although it should be noted that training in these skills does not necessarily lead to better outcomes Kluve et al. 2017).

Our interviewees highlighted how work opportunities that are enabled by digital platforms can actually exacerbate inequalities, reinforce gender norms and stereotypes through the type of work on offer, and discriminate against disabled people.

**Mahatmi Saraonto, Director for Manpower and Expansion of Employment Opportunities: National Development Planning Agency, Indonesia**

‘In Indonesia, Gojek now employs more women, not only as drivers but also as workers for Go-clean (the cleaning service) and Go-glam (make-up and beauty salon service), go massage (home-massage service), etc. People with disabilities face more challenges in upgrading their skills to be able to cope with the changing nature of work in the future. Despite having a regulation to employ people with disabilities in a workplace, the compliance rate for this policy remains low. For this group, the challenge is very complex, since public infrastructure in Indonesia is not disability-friendly yet. And few ethnic minorities in rural Indonesia could benefit from the development of the new technology due to language, infrastructure and cultural barriers.’

Interviewees also emphasized how these platforms will not benefit those without good English skills.

**Bayezid Khan, Assistant Professor of Development Studies, Khulna University, Bangladesh**

‘In rural areas, low fluency in the English language is a barrier. The availability of the internet is not so good – so the advantage goes to urban educated, middle-class youth with good internet and English fluency. They are also facing some challenges here. They experience difficulties in currency charges and fees and hidden charges. These challenges can be addressed with a proper concentration on the benefit of the youth group of Bangladesh.’

### 4.4. Shifting power

Recent years have seen a shift of power away from civil society towards authoritarian government, while many countries have experienced a closing of the civic spaces in which citizens can safely exercise their democratic rights to freedom of association and freedom of expression (Dupuy, Ron and Prakash 2016). Only 3% of the world’s population lives in countries with open civic space (CIVICUS 2020). The closing of civic space contributes to inequality by reducing the space in which civil society organizations can voice the concerns and priorities and defend the interests of marginalized and deprived groups, including rural youth and women.

According to the most recent ratings, Ethiopia, Pakistan and Bangladesh are classified as having ‘repressed civic space’ and Indonesia is classified as having ‘obstructed civic space’. In countries classified as having repressed civic space, civil society members who criticize power holders risk surveillance, harassment, intimidation, imprisonment, injury and death. Obstructed civic space is defined as civic space that is heavily contested by power holders who impose a combination of legal and practical constraints on the full enjoyment of fundamental rights (CIVICUS 2020). For example, youth organizations in Ethiopia that opposed the authoritarian government had to organize underground, in exile and online (Roberts 2019), while women
journalists in Pakistan experience online harassment and digital disinformation campaigns (Digital Rights Foundation 2020).

These shifts in power do not affect all civil society groups in the same way: civic space has closed for democratic and human rights groups and for those confronting corruption and unaccountable governance. However, the civic space for some ‘nativist’, ultra-conservative and ‘alt-right’ groups has widened (Hossain et al. 2019). Nor is the shift in power linear or uncontested, with openings and closings happening both offline and online.

The closing of civic space directly threatens achievement of Sustainable Development Goal 16.7, which is ‘inclusive, participatory, representative decision-making at every level’. The groups most at risk of being excluded from participation by closing civic space include rural youth, women and labor rights organizations. This power shift is also being played out in online spaces. In response to a closing of civic space offline, young people have made creative use of mobile tools to create new openings for civic space online, in which they exercise freedom of expression and association. For example, youth movements and smallholders in Ethiopia organized online to contest government land grabs for industrial agriculture, using mobile phones and social media (Roberts 2019). Facebook, Instagram and WhatsApp are used to constitute new digital public spheres that young people use to voice their opinions, priorities and policy alternatives. However, availability, affordability, awareness, accessibility and agency limit the reach of digital civic space in many rural areas (Roberts and Hernandez 2019).

Online civic space is also limited by internet shutdowns, digital surveillance and coordinated disinformation campaigns in a process that some analysts have referred to as a descent into ‘digital authoritarianism’. Authoritarian governments, military units, criminal and terrorist groups and the alt-right now spend millions of dollars annually on disinformation to shape discourse, manufacture opinion and radicalize youth. They achieve this in part by employing small armies of human operatives and computerized ‘bots’ to influence opinion on social media and across this new digital public sphere (Woolley and Howard 2017). The shifts in power associated with closing civic space and towards online contestation and influencing are critical determinants of which voices will be heard in the shaping of future work. Young people have used digital spaces creatively and politically, and the gig and online freelance economies have provided new youth employment opportunities. However, rural youth have limited access and connectivity, and online gender-based violence is being used to close civic space for women. Enabling rural youth to take an active part in debates shaping the future of work, and extending the potential benefits of online freelance work and the gig economy to rural areas, will require interventions that specifically design for equity from the outset.
5 POLICIES FOR YOUTH EMPLOYMENT

As we saw in section 3, ‘The Challenge of Rural Youth Employment’, employment opportunities for rural youth are impacted by factors at national, community, individual and household levels as well as by the global megatrends explored above. Each factor and trend impacts across all levels and is linked: policies addressing rural youth employment therefore need holistic approaches and integration between policy levels.

Imtinan Ahmed Pakistan, Skill Gains Limited, Pakistan

‘Implementing urban models in rural settings has never worked, as the problems faced by metropoles and small rural areas are different; therefore, they require different and specialized solutions.’

At the end of this section we look at how the EYW countries are prepared for these trends and what civil society can do to influence policy in each country. Firstly, we look at the evidence for the policies on youth employment; we then explore the most effective way to analyze policies. Finally, we assess key youth employment policies in the EYW countries.

It is clear that ‘one size fits all’ solutions don’t work; for example, in Indonesia the realities for youth in a rural area living close to a major city will differ substantially from those facing youth in a very remote area. Poorly educated young people, women and migrants living in rural areas will have very different experiences from well-educated, male, non-migrant youth.

5.1. Tackling youth employment: policies versus structural transformation

Addressing inequalities needs to be at the heart of policy making; there are limits to what can be achieved by focusing on education and employment without addressing the underlying causes of young people’s unequal position in society (Glassco and Holguin 2016). Given these constraints, it is unsurprising that there is a lack of evidence as to whether interventions to improve rural youth employment outcomes actually work (Hatayama 2018): almost two out of every three youth employment interventions fail to show any impact (S4YE 2018).

The inclusion of rural youth in policy-making processes can help create policies that are better informed by the lived experiences of rural youth, and better able to tackle the problems they face (IFAD 2019). There are different levels of youth engagement in decision making: these range from simply receiving information, being consulted by decision makers, through to co-decision making and youth making autonomous decisions. The higher levels of youth engagement require youth to have higher levels of communication and leadership skills in order to engage effectively (OECD 2018). It is also vital to recognize the heterogeneity of experience among rural youth, both within and between different rural communities.

The sections below look at a range of policies aimed at tackling youth employment.

5.1.1. Supply- and demand-side interventions

Policies to tackle youth employment are typically categorized into demand- and supply-side interventions. They are based on different assumptions; either a demand created by a good business climate and availability of jobs, or a supply of youth with the right skills and potential.
However, these assumptions rarely hold true in developing countries, especially in rural areas where both the business climate and youth employability are likely to be inadequate. Rural youth employment issues are likely to be best addressed by several interventions implemented in tandem (Fox and Kaul 2018). For example, skills training interventions have limited outcomes on their own, but have more impact when combined with other interventions (Hatayama 2018).

**Dr Shahid Qureshi, Associate Professor and Program Director, AMAN Center for Entrepreneurial Development, Pakistan**

‘The existing school systems lacks the entrepreneurial mindset, innovation and creativity to prepare the leaders of tomorrow. This needs to be inculcated. The stakeholders should promote the entrepreneurial mindset through advocacy revolving around local problems and opportunities. Resources need to be given to developing an entrepreneurial mindset to create opportunities and solve local problems which are environmentally, socially and ethically sensitive’.

The OECD (2018) recommends that improving the access of rural youth to jobs in the agricultural value chain requires work at three levels: macro (regulatory frameworks, national development strategies and trade policies), meso (e.g. industry standards) and micro (capacity building, equipment upgrades and access to capital for youth and small-scale farmers).

### Assumptions underpinning interventions

**Supply-side** interventions assume that there is an adequate business climate and that an adequate number of jobs are available, but that youth are currently not sufficiently qualified to fill them. Supply-side interventions include skills training (e.g. vocational, technical, business, life skills, employability), counselling and mentoring services for self-employment and wage employment, transportation subsidies to make it easier for youth to search for jobs, and matching services that link youth with job vacancies.

**Demand-side** interventions – also known as ‘business climate interventions’ – assume an adequate supply of youth with the characteristics needed to be successful in the labor market, that could be brought into work or benefit from better wages if the business climate improves. Common demand-side interventions include improving access to finance and microfinance, reducing firm taxation, seeking to improve the profitability of firms (e.g. through management training and mentoring) and providing firms with employment subsidies to encourage hiring of youth (Fox and Kaul 2018).

S4YE (2018) found that supply-side programs targeting women tended to face challenges in recruiting women due to time constraints resulting from household responsibilities, safety concerns that hinder women’s mobility, and affordability concerns regarding travel and meals.

**Anis Zaman, Skills 21, Bangladesh**

‘We are trying to ensure the same treatment for all. We have targets to increase inclusion. We are making “reasonable adjustments” to include people with disabilities in training. There are targets to increase the number of people with disabilities. However, the truth is that if men and women have exactly the same qualifications it is still men that get more benefit. Most employers prefer to employ men. We are trying to change their mindset to balance gender equality. Having industry-institution panels is one way to have these conversations.’
Skills training programs aim to enhance the human capital of youth to achieve long-term improvements in employment, earnings and business performance. Skills training and entrepreneurship promotion interventions appear to yield positive results, but training programs implemented in multiple settings (e.g. classroom and on the job) are more effective than those that take place in only one setting (Kluve et al. 2017).

Mahatmi Saraonto, Director for Manpower and Expansion of Employment Opportunities: National Development Planning Agency, Indonesia

'Targeting is the key to reduce the inequality in skills in different groups. For instance, in entrepreneurship opportunities there are some programs specifically targeting women in rural areas as their beneficiaries, in order to improve gender equality. In addition, affirmative policies are also able to overcome this inequality issue. Specific policies or programs targeting people with disability with work opportunities may improve their involvement in the labor market and [enable them to] be productive. We believe that an effective targeting approach is the key to deal with rising inequality.'

In many places it is seen as inappropriate for rural young women to travel outside the home without the presence of a male guardian. They therefore find it more difficult to access training, apprenticeships and internships, since these tend to require travel and their mobility is likely to be constrained by social norms (OECD 2018). For this reason, trainings that take place closer to where rural young people live – rather than trainings in urban areas, that require them to travel – are more likely to be inclusive of rural young women. A lack of mobility limits the networks that rural young women can access, and thus restricts their social, economic and political participation (IFAD 2019).

Despite the increasing awareness and popularity of soft skills such as self-management, teamwork and communication, trainings in these skills have not been shown to systematically lead to better employment outcomes (Kluve et al. 2017).

Muhammad Nasiruddin, The Hunar Foundation, Pakistan

'Most of the training opportunities are available in big cities. It is costly for rural youth to relocate and learn skills. We at Hunar Foundation established training institutes in smaller towns so that rural and semi-urban youth can benefit. Other private sector organizations and government institutes need to be placed in locations which ensure access for rural youth.

We are working on increasing awareness among youth. We have strategically located our seven campuses, which equally helps rural youth and urban/semi-urban youth. To increase interest in vocational trainings, we have signed MOUs with local employers for internships/apprenticeships.

In Pakistan, in government institutes, review of the curriculum is not existent. Courses are run for years without realizing that these courses are outdated. Few private sector institutions introduce new courses such as Facebook marketing, 3D systems, website development, freelancing, etc. There is lack of new technology and content as well. It is important to upgrade the institutes as per current technology, so that skills of the workforce keep up with technology.'

Employment services match jobseekers with vacancies through placements, mentoring and financial support for job seeking, such as covering transport and childcare costs. However, there is not a strong evidence base for these interventions in LMICs, especially in rural areas. The impacts of employment-matching services have been found to be largely transitory, rather
than providing youth with a stepping stone to sustained employment or better wages (Franklin 2014; Kluve et al. 2017).

### Promoting entrepreneurship and self-employment

Interventions to promote entrepreneurship and self-employment seek to reduce the external constraints that youth experience when starting or growing a business, through improving entrepreneurial skills and access to credit. They include business and management training, business advisory services, improved access to markets and value chains, and improved access to credit, grants and micro franchising. They need national policy intervention through reform and more consistent enforcement of business regulation, in order to reduce red tape and increase transparency (Kilimani 2017). (Kluve et al. 2017).

In many contexts, self-employment can be seen as the only feasible way for young people to generate an income in low-employment or economically depressed areas where no formal opportunities exist, given the already overloaded public sectors of many LMICs. Improving macro conditions and economic growth appears to reduce levels of self-employment and the need to enter informal labor markets. The ILO reflects that ‘encouraging self-employment is not a particularly effective policy mechanism by which to promote upward social mobility or reduce poverty’ (Burchell, Coutts, Hall and Pye 2015).

### Wage subsidy programs

These seek to incentivize the hiring of youth who may have lower levels of productivity. Wage subsidies work better in middle-income countries than in high-income countries, though there is a lack of evidence on wage subsidy programs in rural areas in low-income countries (Kluve et al. 2017).

## 5.2. What are EYW countries doing?

Rural youth employment is shaped by and shapes many other factors and issues, making it hard for different actors to know how to intervene. However, an analysis of the existing policies can provide some directions for actors, as described in the policy-making framework set out by Sumner et al. (2011), which is outlined below.

Evidence can help shape policy making in three ways:

- **Agenda setting**: using evidence to change priorities or to prioritize something that was previously under-emphasized.
- **Changes in policy content**: changes to the way a specific problem is approached or how the resources are allocated to specific interventions.
- **Changes in the policy delivery approach**: substantive change in the way policy is implemented and/or the way policy is delivered to intended recipients.

The framework breaks this down further into seven actions for civil society.

### 1. Agenda setting:

- Applaud policy maker for including the issue on the agenda and seek to check whether it is being implemented as per the policy.
- Put something on the agenda that is not currently being tackled.

### 2. Changes in policy content:

- Where the issue is mentioned but nothing is being done, advocate for something to be done or for linkages to be made with actors that can do something about it.
• Where an issue is acknowledged but is being tackled in the wrong way, advocate for different approaches.

3. Changes in the policy delivery approach:

• Applaud policy makers for taking ‘evidence-informed’ approaches to the policy in general (e.g. coordinating between ministries, taking extra steps to ensure the inclusion of vulnerable youth, etc.) and check whether it is being implemented.

• Advocate to put the evidence-informed approach on the agenda, if the policy shows no signs of it.

• Advocate for something to change or something new to be done when there are signs that the policy approach is going in the wrong direction.

We selected policies to analyze, with priority given to:

1. The country’s rural youth employment policy, a youth employment policy that touches on rural youth, or an employment policy that touches on both.

2. The most recent and important of these policies, since this will show the government’s latest thinking on the matter.

3. The policy is holistic and complexity aware.

On this basis, the following policies were selected for analysis:


• Indonesia: The National Medium-Term Development Plan (RPJMN); RPJMN 2020-2024 is the fourth phase of implementation of the National Long-Term Development Plan (RPJPN 2005-2025). We also analyzed the Presidential Regulation No. 66/2017 on Cross-Sectoral Strategic Coordination and Implementation of Youth Service.


• Pakistan: the Sindh Youth Policy 2018.

Using our conceptual framework, we ‘tested’ each of the selected policies against the megatrends and drivers of inequality which are impacting on the future of work for rural youth. Table 7 below shows our analysis, including our findings on whether the approach taken to youth policy is appropriate. Full details of our analysis are available in Annex 1 (available upon request).

We looked at whether an issue was mentioned in youth policy, and (where it was mentioned) whether something was being done about it. In some cases, we have included recommendations for civil society based on the evidence-based policy-making framework outlined above.

We also analyzed the enabling environment to help understand how policies are approached, using the following criteria:

• Is there a dedicated youth employment ministry or department in the country?

• Is there effective coordination between ministries?

• Are both demand- and supply-side rural youth employment barriers addressed in the policy?

• Are rural youth involved in policy making on rural youth employment?

• Are rural youth involved in policy making more generally?

• Are additional efforts being made to reach especially marginalized groups in rural areas?

• Is there an emphasis on reaching youth in the policy?
- Is there an emphasis on reaching rural people in the policy?
- Is there an emphasis on reaching rural youth in the policy?
- Is there an emphasis on reaching women in the policy?
- Is there an emphasis on reaching rural women in the policy?
- Does the policy mention urban/rural divides?
- Is there consciousness of heterogeneity between and within rural areas?
- Is funding available/committed?
- Is there monitoring and evaluation of the policy?
- Are policies being adapted based on evidence?

The color-coding indicates whether an issue is recognized and whether it is being addressed in the correct way.

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6 CONCLUSION AND RECOMMENDATIONS

Tackling inequalities should be at the heart of youth policies, since opportunities will improve only as economies transform. This needs to be the focus for low- and middle-income countries. The agenda includes transformation of the rural economic space, increased connectivity between rural and urban areas, and measures to increase private investment in rural areas in labor-intensive production of goods and services so that more wage labor will be on offer (Fox and Kaul 2018: 35). This section looks at policies that might reduce the risk of the megatrends increasing inequalities for rural youth.

1. What are the expected changes in work and income-generating activities for young people in rural areas?

It is clear that climate change will have a significant impact on young people’s livelihoods. In terms of digitization, there is a significant growth in work enabled by digital tools, including online freelancing and gig work, but there is also a danger of a race to the bottom (driving down pay and conditions). At the same time, automation is closing down traditional paths to rural development and reducing the number of jobs in some sectors.

2. Do existing policies anticipate the future of work?

Our analysis in the previous section shows that policies in the EYW countries anticipate the future of work in a limited way, with worrying little attention to technological and environmental change. In terms of the overall approach and enabling environment, the picture is a little brighter. Our research shows the reality of life for rural young people. The majority rely on smallholding subsistence agriculture which is precarious, seasonal, unpredictable, low-income and low status. The unpredictability of globalized markets for farm produce and the impacts of climate change and industrial farming is making smallholder farming less attractive over time, and even young people with land are increasingly disinclined to take up farming. However, because few other employment opportunities exist in rural areas, migration to urban areas and foreign countries is seen as a more attractive option. NGOs and governments will need to advocate for investment in rural locations and for other affirmative actions that benefit those most likely to be left behind.

Samuel Keno, Ethiopian Agricultural Transformation Agency

‘Mandated government bodies, policy makers and donors need to focus on rural youth to attain national targets of agricultural production and food security. The rural youth need to be supported in getting access to agricultural mechanization services provision, access to rural finances, digitalization of market linkages, market information, training for business management and new technologies’.
Social protection and universal basic income

Social assistance programs are more likely to benefit young people, directly or indirectly, than social insurance programs. This partly stems from the fact that young people can actually benefit directly from social assistance programs, such as public works programs, or cash transfers such as the BISP in Pakistan, which directly targets all poor women aged 15 and above. Social insurance programs are less likely to benefit young people, particularly those in rural areas, because they are unlikely to be members of a household involved in formal employment, which is typically a requirement of such programs. Therefore, social assistance programs, which also often include rural people (or specifically target them, as in the case of some public works programs), are more relevant to rural young people and should therefore be prioritized. Social protection should be extended further, both in quality and quantity, but not at the expense of the poorest and most vulnerable people, i.e. household and/or informal workers (Meagher 2020). This could also include the provision of universal basic income (UBI) or universal basic services (UBS).

Climate change

‘Greening’ local rural economies through more sustainable agricultural, forestry, fishery, mining and tourism practices can help to ensure that rural youth will be able to continue to depend on the environment and natural resources in the future. The International Labour Organization’s World Employment Social Outlook for 2018 suggested that ‘The adoption of more sustainable agricultural policies can create wage employment in medium and large organic farms, and allow smallholders to diversify their sources of income through a transition to conservation agriculture’ (International Labour Office 2018).

Climate change adaptation strategies for agriculture include:

- Micro-level options, such as crop diversification and altering the timing of operations.
- Market responses, such as income diversification and credit schemes.
- Institutional changes – mainly government responses – such as subsidies/taxes and improvement in agricultural markets.
- Technological developments, such as the development and promotion of new crop varieties and advances in water management techniques (Ali and Erenstein 2017).

New agricultural practices such as precision agriculture, agroecology, the use of ICTs (e.g. mAgriculture apps) and the use of renewable energy may create employment opportunities for rural youth. The majority of the 1.5 billion people without access to electricity live in rural areas, so the production and supply of renewable electricity may be a large untapped market capable of employing many rural youth. Eco-tourism provides another off-farm opportunity to boost rural economies and rural youth employment (OECD 2018). Moreover, multinational agri-food companies are largely responsible for deforestation and destruction of biodiversity and the environment through the use of chemicals to increase productivity. They could play an important role in both helping to tackle rural youth unemployment through making their value chains more inclusive, and helping to create green jobs by making their operations more sustainable (OECD 2018). The ‘circular economy’ can reduce waste and stimulate product innovation, while at the same time contributing positively to sustainable human development. It can be an engine for economic growth and the creation of new jobs in recycling, rental and repair services, remanufacturing, secondary material production and the ‘sharing economy’ (Schroder 2020).

Digitization and technological change

The ‘hollowing out’ of middle-skilled jobs in emerging markets risks exacerbating inequality, particularly in Africa and South Asia (Meagher 2020). Digitization risks contributing to a ‘two-speed’ economy: one where already privileged, highly educated and skilled workers are able to
reap maximum benefit from high-quality digital employment, and another which keeps workers in low-skilled, low-paying jobs (Kazimierczuk 2020). The ‘platform economy’ (economic and social activity facilitated by digital platforms) is currently dominated by a few US transnationals who evade taxation and hoard wealth offshore, reducing government income while fueling austerity and low-wage precarity (Srnicek 2017). Anti-trust legislation, regulation and taxation enforcement are policy instruments that could reduce the dominance of platform capitalism and open up the potential for platform cooperatives which are owned by local gig-economy workers themselves, and for platform collectives established by national governments.

The landscape is changing rapidly. Interviews with stakeholders were very illuminating in showing the pace of change.

**Nabeel Youcef, Radical Growth Solutions, Pakistan**

‘I’m an optimist. There are so many work opportunities now. Rural areas in Pakistan are increasingly connected to 4G and youth are using mobiles to work remotely, to freelance. There are lots of government and private sector programs to train youth in digital literacy, but also lots of self-teaching in software development and Adobe Creative so that people can work as coders or graphic designers via freelance platforms like Fiverr, even in rural areas. This is a new trend just in the last year or 18 months.’

Additional analysis should be carried out to look at gendered differences in ICT access and use, as well as the challenges for women’s integration in the digital economy. Because the skills needed to remain relevant in the workforce are likely to continuously evolve, many people are advocating for the widespread institutionalization of lifelong-learning programs or retraining/reskilling programs for those who find themselves out of work (S4YE 2018; World Bank 2016b, 2019b).

In some places, such as rural Bangladesh, girls using mobile phones are labelled ‘bad girls’ and seen as promiscuous, while boys with phones are simply seen as sociable and connected (Girl Effect 2018). In such places social norms discourage girls from using phones, meaning that from a young age they are already relatively left behind in the digital experience compared to boys. Girls who are exposed to digital technology when they are young are more likely to become digitally literate and to take on education and employment opportunities that make significant use of technology (S4YE 2018). Work needs to be done to change entrenched views about girls and technology held by their parents, other ‘gatekeepers’ (e.g. teachers, religious and community leaders) and society at large.

**Nabeel Youcef, Radical Growth Solutions, Pakistan**

‘At Radical Growth Solutions we are developing “low-cost” IoT (Internet of Things) remote sensing and automatic alerts to improve agricultural yields for smallholders. We are developing voice-based notifications too, because illiteracy is high in rural areas. Government can do more to bring farming into the twenty-first century. Government needs to do its homework before talking about these issues. It needs to focus on education and provide youth with literacy, tech skills and knowledge about platform opportunities much earlier. Rather than fill up the urban areas, creating unsustainable megacities, we need to enable people to grow food profitably. We need to balance technology and nature. We need to use technology to augment – not replace – humans.’

Despite the challenges there is clearly great potential in new technology, and digital employment parks in rural areas may be one way of promoting this work. However, governments will need to provide an enabling environment, as well as incentives for companies
to set up in rural locations and regulation to ensure decent work. Private sector telecommunications companies will need to demonstrate commitment to under-served communities by providing infrastructure to develop these new markets. Universal Service Funds may be appropriate sources of start-up investment – these are funding mechanisms intended to serve as a financial motive for operators to provide access to mobile coverage in areas with access gaps. While online employment and gig-economy platforms may reach ever greater numbers of workers, young and old, they do not necessarily bring with them the benefits, let alone the guarantee, of decent work.

6.1.4. Migration

Technological change provides the potential to secure foreign jobs and earn foreign exchange through online work. As millions of jobs move online, these technological trends could help to reduce youth unemployment, decrease rural-to-urban and south-to-north migration, and reduce the high CO₂ emissions associated with hundreds of millions of migrant-worker journeys every year.

**Imtinan Ahmed, Skill Gains Limited, Pakistan**

‘To raise the demand for labor and services, the private sector should highlight the importance of supporting rural businesses and “agripreneurs”, making agricultural products more profitable and raising overall productivity.

In addition to that, establishing efficient land-rental markets and youth-oriented savings and credit schemes, can help address these gaps. Other recommendations include investing in complementary infrastructure, stimulating private sector investment, and improving the rural business climate and trade by providing incentives and reducing barriers such as local fees and burdensome procedures. Secondary towns, where people leaving agricultural work are much more likely to find jobs than in big cities, can be made more attractive to youth by increasing access to education, health and recreation.’

In South Asia, the recent rise of online freelance work has the potential to create rural income and reverse migration. The emergence of online digital platforms has introduced the potential for young people to secure overseas jobs without leaving their home or family, if internet connectivity is available. This option is particularly attractive to university graduates experiencing high levels of graduate unemployment.

At the national level, online digital employment offers the potential for governments to move away from exporting millions of workers to generate foreign exchange earnings through remittances. Hundreds of millions of workers leave Bangladesh, Pakistan and Ethiopia every year to find work in the Global North. Their families and domestic economies are sustained by the remittances that they send home. Often the working conditions of migrant workers fall far short of decent work standards, while long absences put a strain on marital and parent-child relationships. If rural areas had good connectivity and some soft/hard skills support, it would be possible to grow online freelance work as a means to create new jobs, bring in foreign exchange earnings and increase livelihoods, without contributing to rural-to-urban or overseas migration and transport-related CO₂ emissions.

Focusing more resources and investments on secondary towns and intermediary cities can help create new markets and job opportunities for rural smallholder farmers and processors, while strengthening linkages between rural and urban development (Roberts and Hohmann 2014).

**Addressing potential inequalities in digitized work**

- There is potential to promote rural online work as an alternative to youth unemployment, migration and rural poverty.
- By extending rural connectivity, it is possible for young people to access online work without leaving their rural land, homes or families.
• It is possible to build on the idea of Free Trade Zones and Agro-Export Processing Zones to imagine ‘Rural Online Work Zones’ or centers.

• Business Outsourcing Processing parks could be established by governments, connectivity providers, Universal Access Funds, corporates, venture capital or NGOs.

• Education institutions could help with the school-to-work transition by introducing students to online working and helping students to set up accounts with online platforms, such as Fiverr and MTurk, prior to graduation.

• The government needs to provide an enabling environment, connectivity, training and support for online work in rural centers.

6.2. Policy and power

If governments want to make progress on addressing the reasons for youth unemployment and educational failure, they must implement policies that recognize and address the underlying causes of young people’s unequal position in society. It is vital to recognize the limitations of youth policies in the face of global inequalities. Oxfam’s research on youth and inequality in 2016 noted the increase of interest in youth policies, but warned that ‘the existence of a national youth policy, while representative of a general increase in government interest in youth issues, does not necessarily translate into improved opportunities or participation for youth’ (Glassco and Holguin 2016).

Overall, it is vital to ‘think youth, act structurally’: to act at a larger-scale, society-wide level to lift everyone up. Youth are part of families and communities; policies to help rural youth therefore need to address the broader issues of a stable and habitable climate and decent jobs for all, not just for young people (Glover and Sumberg 2020).

Debates about what this means for the future of work often revolve around whether the latest wave of technological innovation will result in net job losses, and the need to reskill workers to meet the future needs of employers. Technology does not predetermine who owns the platforms, who designs the tools people use every day or the distribution of benefits. Narratives about the future often imply that workers must suffer in the transition. Yet alternatives are possible.

• This research has shown the urgent need for policies that are fit for the future of work for rural youth, in the face of rapid changes in our technological, climate and political realities. It raises a range of key strategic questions for civil society:
  • How can civil society support freedom of assembly, expression and association to defend the online and offline space, in order to protect the interests of marginalized and deprived groups, including rural youth and women?
  • How do we convene a society-wide dialogue in which social partners consensually agree how new technologies can be incorporated for the common good?
  • How can new technologies be used to enhance workers’ agency and capabilities, safety and efficiency?
  • How can the economic benefits generated by digitization be shared in ways that mitigate disruption, provide social protection payments and enable retraining for decent work and quality jobs?
  • How can we promote ‘just transitions’ to a circular economy, which could promote sustainable livelihood opportunities for young people in rural areas?
7 BIBLIOGRAPHY AND RESOURCES


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