OVERVIEW

DIRECTIONS IN DEVELOPMENT
Human Development

Youth at Risk in Latin America and the Caribbean
Understanding the Causes, Realizing the Potential

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THE WORLD BANK
Youth at Risk in Latin America and the Caribbean

*Understanding the Causes, Realizing the Potential*

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Overview

Realizing the potential of Latin America and the Caribbean's youth is essential not only to their well-being, but also to the long-term well-being of the whole region. Young people's families, communities, and governments—as well as private, nonprofit, and international organizations—have a responsibility to help youth reach their potential. There have been many successes but also important failures. How to build on the successes and correct the failures is the subject of this report.

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

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

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

1. Focuses on young people who can be considered to be at risk. This subgroup is defined as young people who have factors in their lives that lead them to engage in behaviors or experience events that are harmful to themselves and others. It is a group who are in general and in their youth are more likely to engage in various risky behaviors.

2. Considers the young person in his or her entirety rather than analyzing and proposing policies specifically for, say, the young unemployed, young mothers, or juvenile delinquents. This required the use of data sets that contained information about the many facets of a young person’s life and the use of analytical tools that allowed us to view many different dimensions of a young person’s life simultaneously.

3. Considers the many actors who shape the young person’s environment during his or her youth. This allowed us to make policy recommendations for a wider range of actors than studies that focus only on the young person.

4. Highlights the common factors that underlie most kinds of risky behavior and argues that a small set of broad, well-chosen policies can have a bigger impact than a sector-based portfolio.

5. Develops a new methodology to estimate the cost of risky behavior to the individual and to society—across Latin America that will yield more accurate information for decision making at the individual and government levels.

6. Narrows the thousands of youth programs in the world to 7 “must have” initiatives, 9 “should have” initiatives, and 7 “general” programs and policies that are the most relevant for at-risk youth in LAC. These 23 programs and policies are the result of intensive consultation with policy makers, practitioners, and academics to identify the most appropriate policies and programs to support at-risk youth in LAC.

**Why Do Young People Deserve Special Attention?**

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

First, risky behavior frequently begins in the youth years (see figure 1). Although adults engage in violent activities and young children leave school, the first time that most people engage in these kinds of behavior is between the ages of 12 and 24. For example, sexual initiation peaks at age 15 in Haiti, as does dropping out of school in Mexico. The largest number of Chileans start smoking at age 18, which is also the age at which the largest number of Mexicans go to work for the first time. The first incident of violent behavior occurs at a later age than does smoking or labor force entry in Jamaica, with an increase until the early 20s, and then it decreases at older ages.

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

Second, the circumstances and actions that lead to overall inequality in LAC first emerge during the youth period. While school enrollment among children (before the age of 12) is nearly universal in LAC, secondary school enrollment is far from universal, particularly among the poor. Very few children are parents, but many poor 17-year-old girls are mothers. Criminality disproportionately affects the younger segments of society. The factors responsible for these gaps may emerge in childhood, but the negative results materialize during the youth years.

Third, policies directed toward young people should be different from those for adults or children because young people respond to incentives differently. Peer pressure, the formation of identity, and the need to establish independence are more crucial considerations to young people making decisions than they are to adults or children. Young people are more prone to impulsive behavior and thrill seeking than adults. Science supports the stereotype of the moody youth: the part of the brain that regulates impulses is the last to develop and thus works less efficiently than other parts of the brain during youth. Further, adults tend to make better decisions than young people because they consider more options, risks, and long-term consequences than young people do. This may be a matter of experience—young people have not had the time to collect enough experiences that are useful in decision making. Alternatively, it may be because the area of the brain that regulates decision making is still developing during adolescence. The ability to think ahead increases with age, and with it, the ability to make better decisions improves as well.

Key Messages

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

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

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

- **Those engaging in negative behavior and at risk of suffering consequences.** Eight to 28 percent of the youth population are often absent from school, are involved in risky sexual activity, and are experimenting with alcohol or drugs. They have not left school, do not have children, and have not been arrested, but their behavior predisposes them to these outcomes. Although their behavior may not have affected their well-being yet, it may have affected the well-being of society by, for example, increased crime and violence.

- **Those at risk of engaging in negative behavior.** Another 10 to 20 percent of 12- to 24-year-olds are in circumstances that predispose them to engage in negative behavior, including suffering domestic abuse in the home; having low self-esteem; and not feeling connected to schools, their neighborhood, or caring adults.

- **Those not at risk.** Around 20 to 55 percent of the LAC youth population is in school, beginning their work and family lives after completing their education, initiating sexual activity at a later age, using safe sexual practices, and staying away from substance abuse and violence.

Youth at risk tend to come from poor families, a finding that suggests that programs preventing risky youth behavior should be targeted to the poor. Some kinds of risky behavior, such as early school dropout and premature employment, are a result of poverty, but no causal relationship has been statistically identified between poverty and violence, poverty and early and risky sexual activity, or poverty and substance abuse. Nonetheless, the fact that poverty and these kinds of risky behavior are correlated allows us to use poverty status as a means to target programs to those who are most at risk of engaging in negative behavior during their youth. Young people living in rural areas and ethnic minorities also have a higher prevalence of risky behavior.

Risky youth behavior reduces economic growth in LAC by up to 2 percent annually. If today's 15- to 24-year-old school dropouts had completed secondary school, they would earn more over their working lives than if they had not left school prematurely. This "lost" income, or foregone output, over their lifetime is equivalent to 6 to 58 percent of gross domestic product (GDP) measured in today's terms, depending on the country analyzed and the rate of return to schooling assumed. For example, if Guatemalan dropouts who are ages 15 to 19 today had completed secondary school, their additional earnings over their lifetimes would be equal to more than half of the country's GDP for this year. These foregone earnings mean less income and a lower standard of living for the young
person and his or her family over their lifetimes. Youth unemployment, violence, unplanned pregnancies, sexually transmitted infections (STIs), and substance abuse can each reduce a country’s output by up to 1.4 percent of GDP annually.

Risky youth behavior costs national treasuries in LAC billions of dollars. The out-of-pocket costs of risky youth behavior can be up to 1 percent of annual GDP. Some kinds of risky youth behavior, such as early school leaving, save the government money, and others, such as youth unemployment, are cost neutral (assuming there is no unemployment insurance). But other behaviors impose real costs. For example, in the case of violence, substance addiction, STIs, or teen pregnancy, the government spends resources to assist (or to punish) these young people and to protect the rest of society from their behavior, particularly from violence.

Risky behavior by young people costs them and their families large sums of money, in either foregone output or out-of-pocket expenses. For example, school dropouts in LAC who are ages 15 to 19 today will have lower earnings over their lifetimes equivalent to 486 percent of today’s per capita GDP (see table 1). In other words, each school dropout forfeits the equivalent of 14 percent of per capita GDP each year of his or her working life. This loss of lifetime earnings ranges between 345 percent in Argentina to 688 percent in Guatemala. The foregone lifetime earnings due to unplanned pregnancy in Mexico in 2006 reached as high as 339 percent of per capita GDP, while substance use in Mexico was responsible for more than 500 percent of per capita GDP in foregone lifetime earnings.

Governments underinvest in young people because they tend to underestimate the true costs of negative behavior. And, even though the costs of engaging in risky behavior are very high, young people continue to take these risks. Their poor decisions are partly the result of information failures that can be corrected. First, most of the cost is lost output—what would have been possible if the young person had completed secondary school or not become addicted to alcohol—which is often not perceived as a “cost” in the way that an out-of-pocket expense is. Second, many of the costs become due in the future rather than when the decision is made. Because both young people and policy makers tend to focus on the immediate consequences of young people’s decisions, rather than on the longer-term costs, poor decisions are made in the short run. Finally, young people tend to underestimate the probability that a negative outcome will happen to them. For example, while many youth know that unprotected sex may lead to HIV infection, they assume that it will not happen to them when they decide not use a condom.

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

Table 1. The Cost of Secondary School Dropouts (% of Current Year’s GDP)

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

Message 2: Understanding the nature and prevalence of risky youth behaviors helps us to recommend the best policies for at-risk youth

Young people in LAC are engaging in a range of risky behaviors, as table 2 shows. Secondary school dropout rates range from 25 to 63 percent in the sample of countries considered, compared with 15 percent in the United States. Youth jobless rates—defined as young people who are either not working or are unemployed—are as high as 33 percent in Colombia. Low contraception use—as low as only one in five sexually active Nicaraguan men and women—is responsible for the fact that 12 to 27 percent of adolescent girls in several LAC countries are already mothers. Youth homicides are higher in LAC than in any other region of the world, with up to 213 young men murdered in Colombia for every 100,000 young men in the
population. Substance use is as high as 38 percent (tobacco use in Chile), though the United States has higher rates than most LAC countries.

Evidence from Argentina, Brazil, the Caribbean, Chile, Honduras, and Mexico shows that young people who engage in one risky behavior often engage in several other kinds of risky behavior as well. This is due to two factors. First, a common set of underlying factors lead young people to engage in many types of behavior. For example, an unsupportive home life is correlated with early school leaving in many countries, and it is also correlated with engagement in risky sexual behavior. Second, some kinds of behavior can cause other kinds of behavior. For example, many schools do not make any special provisions for adolescent mothers, which means that they have to drop out of school to take care of their infants.

This co-occurrence of behaviors has several policy implications. Programs that target several different kinds of behaviors are more efficient than those that target only one. Also, because some of these behaviors are unobservable to analysts and policy makers (such as risky sex), we can target programs that modify these unobservable behaviors toward young people who are engaging in an easily observable kind of behavior, such as dropping out of school.

The report focuses on five types of youth risky behaviors and their associated negative outcomes: leaving school without learning, being jobless, engaging in early and risky sexual behavior, engaging in crime and violence, and abusing substances.

**Leaving school without learning puts LAC youth at a global disadvantage**—Today's LAC youth are the most educated cohort in the region's history, but they are lagging behind the rest of the world. More than 20 million secondary school-age people in LAC are not enrolled in school or are lagging behind the school year they should be in, which is equivalent to one in every three secondary school-age young person. The range for the region for nonenrolled young people is a low of 4.5 percent in St. Kitts and Nevis and a high of 71.8 percent in Guatemala. The poor are lagging even further behind, with only 33 percent of young people from the poorest 40 percent of the LAC population having completed 9th grade, compared with 67 percent of young people from the wealthiest 20 percent of the population. Although the number of years of completed education has doubled in LAC between 1960 and today, the increase has been even greater in other regions that had levels of educational attainment comparable to LAC in 1960. These more educated countries are now LAC's global competitors.
Perhaps even more worrisome than the lagging educational attainment is the fact that young people are not learning. Results from the Programme for International Student Assessment (PISA) education-quality tests show that LAC students consistently perform below the level expected of them given their countries’ levels of GDP per capita (see figure 2). And those from the poorest LAC households are the worst performers in the global sample.

Joblessness, not unemployment, is the issue—Many young people find jobs soon after leaving school, but the likelihood of a successful school-to-work transition depends on family needs and on macroeconomic conditions. In labor markets with low unemployment rates, such as Mexico, only 5 percent of school leavers have not found a job within a year, while in the more difficult labor markets, like Argentina, 16 percent cannot find work within two years of leaving school. Those from poorer families move from school directly to work more frequently than young people from nonpoor families, partly because they are forced to leave school prematurely to take advantage of any job opportunity that arises.

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

Joblessness, a term that includes both the unemployed and the inactive, who are not in school, is the most analytically useful way to characterize the problem faced by LAC youth. One in four young people in LAC are jobless, and many of these young people would not be reflected in unemployment statistics because they are not actively looking for work. In contrast with unemployment rates, jobless rates tend to be relatively similar across LAC. The jobless rate is significantly higher for the 20 to 24 age group than for the 14 to 19 age group because a large share of young people between 14 and 19 years of age are still enrolled in school, whereas a large share of young people between 20 and 24 have already left school. And the jobless rate is higher for women than men, given the persistent social norm that women, rather than men, dedicate themselves full-time to household work.

Sex is getting riskier and, among certain populations, sexual initiation is beginning earlier—Sexual activity has become riskier than in previous generations. Because people in LAC marry later than they used to, half of women and almost all men reported having had sex with a nonmarital, noncohabiting partner, and few reported using a condom. Adolescents ages 15 to 19 are less likely to use a condom than the 20 to 24 age group, and women are two times less likely than men to report that a condom was used during their last sexual experience.

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

In contrast to global trends, data from some countries in LAC show sexual activity beginning earlier than in previous generations. Up to 16 percent of women ages 25 to 29 report that they had initiated their sexual lives by the age of 15. This is an increase of 8 to 50 percent over the past 20 years in the four countries for which such evidence exists: Colombia, the Dominican Republic, Haiti, and Nicaragua. The situation is even worse in the English-speaking Caribbean, where 82 percent of young men and 52 percent of young women between the ages of 10 and 18 who were sexually active stated that they had initiated sexual activity by age 13. Many of these young people reported that their first sexual experience was forced.

**New forms of crime and violence are emerging in LAC**—The LAC region has the highest homicide rate of men between the ages of 15 and 29 (69 per 100,000) in the world. With 19.3 homicides per 100,000 people in the 1990s, rates for the LAC region are almost double the world average of 8.8. Even starker homicide rates can be seen among the youth population in LAC. The homicide rates for young men range from 7 per 100,000 young men in Chile (compared with 5.4 per 100,000 males of all ages) to 212 per 100,000 young men in Colombia (compared with 116 per 100,000 men of all ages). Young women’s homicide rates are one-tenth those of men, but they still have higher homicide rates than do all females. Violent crimes tend to be geographically concentrated in poor urban communities.

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

Two new types of violence are surging in LAC: gang and drug-related violence, and school-based violence. Gang and drug-related violence is on the increase, with young people as the most visible culprits. There are approximately 25,000 to 125,000 active gang members in El Salvador, Guatemala, and Honduras. Younger gang members are responsible for a disproportionately large share of offenses, committing more serious and violent crimes while they are gang members than after they leave the gang (if they are lucky enough to make it out alive). The phenomenon of school violence—all incidents in which any member of the school community is subject to abuse; to threatening, intimidating, or humiliating behavior; or to physical assault from students, teachers, or other staff—is widespread in LAC. Violence among students is the most common type, followed by student violence directed at teachers and violence on the part of parents toward teachers.

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

About 25 percent of young people in Latin America ages 13 to 15 use tobacco, which is similar to teen smoking rates in United States. The
countries with the highest prevalence of adolescents smoking in LAC are Argentina, Bolivia, Chile, and Uruguay. Young people mistakenly assume that they have control over their smoking habits: More than half of high school seniors (56 percent) in the United States who smoke cigarettes say that they will no longer be smoking in five years but less than a third of this population (31 percent) actually quit smoking by that time. Furthermore, a number of studies in the United States and Colombia have noted a pattern of progression from nonuse to using tobacco, to using marijuana, and to using other illicit drugs.

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

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

Feeling disconnected from school has emerged from the research as an explanatory factor for all kinds of risky behavior, and some argue that it is the most important factor affecting all kinds of behavior. School connectedness—feeling that someone in a young person's school cares about his or her well-being—is negatively correlated with school repetition, school leaving, premature employment, risky sexual activity, early sexual initiation, violence, and substance use. "Connectedness" is not the same as attending school; the correlation emerges even after controlling for school attendance. Nor does it have to do with school quality, because young people in poor and nonpoor schools can feel school connectedness. However, presumably schools with dangerous environments and overworked teachers will be less likely to connect with students than safe schools with a caring staff.

The feeling of having a parent who cares is a protective factor for all five of the risky behaviors that are discussed in this report. Young people who feel a connection with a parent are more likely to stay in school, to not enter the labor force prematurely (or if they do, they remain in school), to initiate sex at a later age and use condoms, to avoid the use of drugs and alcohol, and to be less violent than those who do not have this emotional connection to their parents. Young people who live with their parents engage in fewer kinds of risky behavior than those who live with one or no parents. However, even after controlling for household structure, young people who participate in activities with their parents, who feel that they can talk to their parents, or who feel a sense of closeness to their parents are less likely to engage in risky behavior than those who do not have these connections. This is true in all five of the LAC countries for which data could be obtained. Also, psychological, physical, or sexual abuse in the household is correlated with risky behavior by young people. When young people have no sense of connection with their parents, a feeling of connection with other adults can partly compensate (see figure 4).

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

Men and women engage to different extents in different kinds of risky behavior. Males are more likely to drop out of school, to enter the workforce prematurely, to engage in violent behavior, and to engage in substance abuse. The early school leaving and premature employment may be connected, as young males are much more likely to engage in paid labor than females. Male propensity for violence and drug abuse may be part of their search for identity, given that a machismo culture

Figure 4. Probability that a 16–18 Year Old in the Caribbean Will Use Drugs

![Figure 4](image_url)

glorifies risky behavior. Girls also engage in certain kinds of behavior in their search for gender identity. Early and risky sexual activity and early marriage may be perceived as ways to connect and to have a role in society. Young girls from poor neighborhoods across the region have stated that their reason for having a child at a young age is to be considered a woman and occupy the role of mother in society.

Some laws have a disproportionate effect on young people’s risky behavior. Labor legislation limits youth employment and contributes to joblessness, and legal maternity leave provisions may limit young women’s participation in the labor force. An absence of legislation protecting the rights of adolescent mothers forces them to drop out of school to care for themselves while pregnant and for their children after giving birth. On the other hand, some laws have a positive effect on risky behavior. For example, laws that limit the location and hours of tobacco and alcohol sales reduce use of these substances by young people more than that of adults.

Mental health, manifested through feelings of inclusion, is correlated with all five kinds of behavior considered in the study. Young people who feel a part of their community, who have friends, and who do not feel alone have a lower probability of engaging in risky behavior. This is related to the parental and school connectedness discussed above, but it also reaches a wider group. Clearly, the wrong kind of inclusion, such as in gangs, increases negative behavior, but in other circumstances social inclusion is a protective factor.

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

Designing Effective Interventions

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

The policy section of the report presents a set of recommendations based on the international evidence of what does and does not work in terms of helping youth at risk. It draws on the conclusions of a working group of practitioners, policy makers, and academics from Latin America and elsewhere who specialize in youth at risk. This group identified a short list of what they believe are the most effective policies and programs for preventing and mitigating risky behavior among young people in the most cost-effective manner in the context of LAC.

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

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

- Treat the youth portfolio as an investment and design it accordingly. Negative outcomes from risky behavior by young people have significant costs to both the individual and society, and the incidence of risky behavior among youth is increasing in some cases. Preventing these kinds of behavior would help young people to enjoy better health status, greater earnings potential, and a greater chance of enjoying life. It would also reduce social costs, thus freeing up public resources for other initiatives and increasing growth, as young people would have greater human capital and thus greater productive capacity. This suggests that public monies spent on youth development are a necessary aspect of a country’s investment in economic and social development. The deal pattern would be to make heavy investments in people early on, which should lead to less need to invest in people later in their lives.

- Include programs for preventing risky behavior that begin at birth. A youth portfolio that includes policies and programs only for those ages 12 to 24 is starting too late. Preferences and behavior are formed from a very early age, so programs to prevent risky behavior need to start at a very early age. The focus should not only be on children, but also on their families, schools, and the other environments that shape their young minds.

- Include programs for at-risk youth who need second chances. Even if high-quality early investments are made in children, some young people will still engage in risky behavior. Regardless of the reasons for this (individual misjudgment, family decisions and behavior, market failures, or a failure by policy makers to deliver basic services), young
people need and deserve a second chance to build their futures. Thus, a clear set of second-chance programs should be included in any at-risk youth portfolio. These programs focus on helping those affected by their own risky behavior to recover and return to a safe and productive path to adulthood, and the programs should stress human development rather than punishing risky behaviors.

* **Target those most at risk.** Although we would like to provide prevention programs to all children and young people, budget constraints make that impossible. Therefore, the best strategy with the highest returns may be to target interventions to those who are most at risk. Good targeting mechanisms rely on indicators that are easily observed and measured. This is a particular challenge for prevention programs (for example, how does one identify those who are most at risk?) and for programs that aim to affect those behaviors that are not easily observable (risks sexual activity, for example). The best targeting indicator for prevention programs is poverty, followed by rural residence. The best target group for second-chance programs is school dropouts, followed by targeting by age because age-appropriate programs have a greater impact than general programs do.

* **Prioritize policies and programs that affect multiple risks.** It is not fiscally possible to have a separate set of programs for each kind of risky behavior. The good news is that many programs that are designed to affect one behavior actually influence multiple risky behaviors. For example, conditional cash transfer programs intended to encourage young people to stay in school can also lower substance use and violence because of the greater attachment to schools. In addition, many ongoing programs can be modified at marginal expense to better address multiple risks. For example, education equivalency or job training programs can be strengthened by providing life skills to help a young person not just find employment, but become more employable over a lifetime. Early child development programs can have a stronger impact on preventing risky behaviors by incorporating effective parenting skills. By focusing on select programs that have multiple impacts, the cost effectiveness of the whole portfolio can be improved.

**Twenty-Three Elements of a Policy Portfolio for At-Risk Youth**

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

* **Integrated early childhood development (ECD) for children from poor households.** ECD programs have been shown to reduce all five kinds of risky behavior discussed in this report. Targeting high-quality health, nutrition, cognitive development, and parenting services to the poorest families and children is necessary to achieve the greatest impact.

**Secondary school completion.** Finishing secondary school is perhaps the most important strategy for reducing all five kinds of risky behavior. Not only does staying in school provide young people with more knowledge and skills (in which there is room for improvement in most LAC countries), it also enhances young people’s feelings of safety and belonging, which can prevent other kinds of risky behavior.

**School-based prevention and remediation programs.** Sex education classes in schools have been proven to be effective because the young people are a captive audience for the information. These programs are especially effective when they are designed to take into account the age and sexual experience of their targeted audiences. However, similar programs aimed at preventing violence have not been successful. Programs to train teachers or other school staff in identifying students’ health and education deficiencies early, and to guide the young person toward services or special programs to help them overcome these limitations, have been shown to reduce school leaving, risky sexual activity, violence, and substance use.

* **Youth-friendly health and pharmaceutical services.** Many young people know how to avoid pregnancy and STIs, but access to necessary services may be difficult for them. Funding for outreach programs, mobile clinics, and health centers that are sympathetic to the needs of young people can help overcome geographical or psychological barriers to accessing health centers.

* **Use of the media for prevention messages (combined with improved services).** In some countries, the media have been successfully used to reduce risky sexual behavior, violence, and substance abuse. The prevention messages are most effective if they adopt a young person’s point of view and offer messages that are culturally and socially acceptable.
• **Improved caregiving.** Mentoring programs that teach parenting skills—positive discipline, parent-child communication, nonviolent coping skills, and nutrition—to parents and guardians of children and young people, especially when combined with financial incentives, encourage adults to make good choices for their children. These programs reduce all five kinds of risky behavior.

• **Monitoring indicators to track progress.** Using indicators to track progress in reducing risky behavior is the basis for identifying effective policies and programs. It allows policy makers and program coordinators to determine whether the interventions are working and then to make rapid adjustments to the portfolio to improve its impact.

The portfolio should also include second-chance programs, accompanied by frequent and thorough monitoring and impact evaluations. Although the few program evaluations that exist in LAC are primarily for prevention programs, the policy experts identified a number of promising programs for which there is some evidence of a positive impact. However, further evaluation is needed before they can be given a permanent place in the portfolio:

• **Education equivalency and lifelong learning.** Given the high incidence of secondary school dropouts, remedial education programs offered on a flexible time schedule and appropriate for the needs of students have yielded positive results in a small number of countries. Receiving an equivalency degree of this kind is particularly important to enable young people to enter the labor force. There is some evidence that this kind of intervention affects all five types of risky behavior in a positive way.

A new model for youth job training. The LAC region has created a set of alternative training programs for at-risk youth, commonly referred to as Jóvenes programs. These programs are implemented by nongovernmental organizations (NGOs) and the private sector, and they are regulated by the government. The Jóvenes programs focus on developing the person as a future worker, rather than limiting the training to technical skills. This method has been shown to increase youth employment by more than traditional technical and vocational training.

• **Cash transfers for reducing risky behavior.** The opportunity costs to households of keeping children in school increase as the children get older; offsetting these costs by providing households with cash transfers that are contingent on school attendance have proven effective in several LAC countries. However, there is less evidence on whether this is an effective means to provide incentives for secondary school completion or for altering other risky behaviors, such as sexual activity or substance use. Cash transfers are expected to positively affect all five kinds of risky behavior.

• **Supervised after-school programs.** Structured activities in existing public spaces—schools, churches, parks, community centers—have reduced a host of risky behaviors in the United States. The evidence from LAC is more scarce, but hopeful.

• **Youth service programs.** Voluntary service programs can give young people work experience and teach them how to be better workers and citizens. The impact of these programs in the United States has been positive, and the anecdotal evidence from LAC is hopeful but has yet to be evaluated.

• **Mentoring.** High-quality mentoring programs have been shown to create a feeling of connection between a young person and an adult, which has a positive impact on all kinds of risky behavior. Evaluations of the effects of these programs in the United States have been strongly positive.

• **Youth employment services.** Young people usually have difficulties finding employment, so labor intermediation services to help them with their job searches may be a solution. However, there is no evidence on whether these kinds of programs are effective.

• **Life-skills training.** Learning to be an adult can be difficult, but life-skills training embedded in other youth-oriented programs can teach young people self-concept skills, cognitive skills, and social skills that will help them to make better decisions. No rigorous evaluations have been carried out to assess whether these programs are effective.

• **Specific support to young entrepreneurs.** Although self-employment is the occupational category that employs the lowest share of young people, it may be a necessity in areas with no labor demand. We were able to find only one small program in Peru that supported young entrepreneurs that had been evaluated as having had a positive impact. More research needs to be done to determine what aspects of these programs are most effective in helping youth at risk to become successfully self-employed.
Finally, the portfolio of specific interventions should be complemented with general policies that have a disproportionately positive impact on young people. Youth development is not confined to programs or policies targeted to young people or their parents, teachers, and immediate friends. More general policies also contribute to the youth portfolio. For example, raising taxes on cigarettes has been shown to have a disproportionate effect on reducing tobacco consumption by older teenagers. On the other hand, minimum wage laws disproportionately affect youth in LAC negatively, because they are the ones most likely to lose their jobs when the minimum wage increases. Other general policy interventions that have been shown to have a particularly positive effect on young people's behavior are investing in infrastructure in poor communities, reducing the availability of firearms, licensing alcohol distributors, disseminating messages of nonviolence, improving the justice system, and providing birth registration to the undocumented.

**A More Effective Youth Portfolio Can Be Built in a Budget-Constrained Environment**

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

- **Get-tough strategies**, including increased youth incarceration, trying young people in adult courts, and placing them in adult criminal institutions, which have been shown to increase delinquency.
- **Gun buybacks**, which have not been shown to reduce violence, and in fact can increase the availability of guns by providing a market for their purchase.
- **Zero tolerance or shock programs** used in both violence and drug prevention, which have been repeatedly shown to be ineffective.
- **Boot camps**, which provide no significant effects on recidivism and, in some cases, actually increase delinquent and criminal behavior.
- **Nonpromotion to succeeding grades and early tracking** in school, which have not shown demonstrable benefits.
- **Traditional publicly funded vocational education courses**, which tend to be both expensive and ineffective.
- **Constructing youth centers**, which is a costly approach to holistic youth development that has shown little to no effects in reducing risky behavior among young people.
- **Abstinence-only programs** to delay the transmission of STIs and HIV and to prevent pregnancy, which have no track record of success.

The second principle for building a youth portfolio under tight budget constraints is to **reallocate resources toward programs that have been shown to have a positive impact and that are cost effective**. In this report, we have highlighted 23 core programs, promising approaches, and general policies that are all good candidates to be included in a youth portfolio. Thus, the question becomes, how do policy makers select among those programs? We propose three strategies to inform this selection:

- **Evaluate the impact of programs to identify which have the greatest positive effect on the kinds of behavior that is of interest to policy makers**. Because of the absence of country-specific evidence about the impact of many of these programs, billions of dollars are spent worldwide on programs that may have very little effect on preventing risky behavior or mitigating its effects. Thus, evaluation should be a key component of any youth investment strategy to help policy makers sort out what works, what is ineffective, and what will actually make the problem worse. The best impact evaluations collect data by measuring the appropriate indicators both before and after the program for two comparable groups of young people: a group that went through the program (treatment group) and a group that was not included in the program (control group). For both groups to be comparable, the differences in their observable characteristics must not be statistically significant prior to the beginning of the program. The collection and analysis of data take time, so early planning and budgeting for an evaluation is necessary. Programs should be evaluated both for their impact on the primary objective and for their effectiveness in reducing other kinds of risky behavior, in case it turns out to be effective in preventing or mitigating multiple kinds of behavior.
- **Use cost-effectiveness criteria to select the program that has the biggest "bang for the buck."** Different programs may affect the same kinds of behavior, but the cost per unit of "output" (in other words, per behavior changed
Although the challenges facing young people today are great and those policies and programs that address multiple kinds of behavior and support young people and should include both prevention and treatment services. Community programs should focus their efforts in assessing who are at risk and who are not. The second phase of the process is to design and implement policies and programs. This can be a more expensive and time-consuming process, but it is essential for ensuring that young people have access to the necessary services they need.

The guidance for building a youth portfolio under a budget constraint is to maximize the impact of each dollar by assessing the investments in the portfolio. This requires careful consideration of the programs and services included, as well as the expected outcomes. The goal is to create a portfolio that is effective and efficient, providing young people with the tools they need to succeed.
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WORLD BANK Publications The reference of choice on development
Realizing the potential of Latin America and the Caribbean's youth is essential not only to their well-being but also to the long-term welfare of the whole region. Young people are often seen as the source of many problems plaguing the region today, namely rising levels of crime, violence, unemployment, and drug use. However, there is little understanding of the extent of the problems, the reasons that some youth engage in risky behaviors, and how to best support those who are most vulnerable. *Youth at Risk in Latin America and the Caribbean: Understanding the Causes, Realizing the Potential* attempts to fill this knowledge gap. The book has two objectives: to identify the at-risk youth in the region and to provide evidence-based guidance to policy makers in these countries that will help them increase the effectiveness of their investments in youth.

The authors find that more than half of the region's young people can be considered "at-risk" of engaging in negative behaviors, which reduces economic growth of the region by up to two percent annually. *Youth at Risk in Latin America and the Caribbean* confirms that factors responsible for at-risk behavior in developed countries—weak relationships with schools and family, household poverty, gender roles, laws, and mental health—are also relevant in the Latin American and Caribbean context and point to a wider set of policy levers and actors than is usually considered in policies geared to this population. Based on this analysis, the book describes 23 policies and programs that experts agree are the basis of a quality youth development portfolio, ranging from early childhood development programs to parent training to cash transfers granted in exchange for positive behaviors. It also lays out strategies for implementing such a portfolio in a budget-constrained environment by, among other things, the reallocation of resources away from ineffective programs, the collection and use of data on program effectiveness, and the implementation of the portfolio by a diverse set of actors based on their comparative advantages. *Youth at Risk in Latin America and the Caribbean* will be of great interest to readers working in the areas of social analysis and policy, social development and protection, and poverty reduction.