

## Theme: Youth<sup>1</sup>

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### Youth and Intergenerational Poverty

#### 1. What are the major issues you have identified about the manifestations of structural poverty and persistent, deep inequalities for South Africa's youth?

More than 23 years after the end of apartheid, close to 70% of young people between the ages of 15 to 24 in South Africa continue to live in income poverty.

According to Census 2011 data, approximately seven out of 10 young people (69.6%) live in households with a per capita monthly income of less than R1138 [the "upper bound poverty line"], compared to 53.36% of the adult population.<sup>3</sup> Youth poverty levels remain strikingly similar to those of their parents' generation, suggesting that post-apartheid policies have not yet managed to level the playing field.

Income poverty continues to be strongly associated with race: 75.66% of African youth live below the above-mentioned poverty line, compared to just over 7.28% of white young people. In addition, spatial inequalities persist, with young people in the former homeland areas continuing to experience the highest levels of deprivation.

However, deprivation is not limited to income poverty alone: many young people experience multiple forms of deprivation simultaneously, including low levels of education, poor health and

#### About this brief

This brief was commissioned by the Mandela Initiative to help inform a synthesis report on its work since the 2012 national conference, *Strategies to Overcome Poverty and Inequality*, organised by the University of Cape Town. The MI provides a multi-sectoral platform to investigate and develop strategies to overcome poverty and reduce inequality in South Africa. While the Nelson Mandela Foundation is a key partner, the Initiative has relied on collaborations between academics and researchers, government, business leaders, civil society, the church and unions.

The synthesis report serves as a framework for reporting on the work of the MI at a national gathering on 12 – 14 February 2018 at the University of Cape Town. The MI *Think Tank* has identified the objectives for the gathering as:

- to anchor the contributions of the MI within an analysis of the current South African political and economic context;
- to share the recommendations emanating from the MI-related work streams at a policy/strategic level to advance the goal of eliminating poverty and reducing inequality;
- to critically engage with the potential impact of the recommendations on eliminating structural poverty and inequality; and
- to discuss ways of promoting popular conversations and debate about what needs to be done to eliminate poverty and reduce inequality, beyond the MI.

The synthesis report aims to assist participants to prepare for the national gathering. The report drew on findings from the sectoral research projects of Think Tank members; the MI's *Action Dialogues*; a report on an MI *Community of Practice workshop* with research chairs from different universities to identify cross-cutting themes emerging from the MI's *research programme*; and the work programmes of others who have expressed an interest in contributing to the goals of the MI.

<sup>1</sup> This overview draws on and contains extracts from De Lannoy, A, Swartz, S., Lake, L and Smith, C (eds) (2015) *South African Child Gauge 2015: Youth and the intergenerational transmission of poverty*. Cape Town: Children's Institute, University of Cape Town.

<sup>2</sup> Southern African Labour and Development Research Unit, University of Cape Town

<sup>3</sup> Figures calculated by Gibson Mudiriza, using Census 2011 data and the StatsSA inflation-adjusted poverty line of 2017.

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limited access to housing, basic services and economic opportunities. These vulnerabilities are inter-related: for example, income poverty compromises young people's health, which, in turn, impacts on education and employment prospects. In addition, poor youth don't have access to the kinds of information and social networks (or the cultural and social capital) needed to access further education and employment.

Without suitable interventions, this situation is likely to continue to drive the intergenerational transmission of poverty, and also compromise the well-being of the next generation of children.

**2. What do you think are the main reasons for the persistence of the deep inequalities and poverty in the context of youth and intergenerational poverty? These can include policy, capacity or implementation constraints/problems.**

- i. South Africa's post-apartheid social protection system has led to increased access to services and higher levels of education among the younger generation, but these have not translated into higher equality.*

The post-apartheid government has targeted long-standing and structurally created inequality by developing a range of redistributive measures through the tax system. This includes the social grant system and the delivery of, among others, public health care, no-fee public education, basic services and Reconstruction and Development Plan houses. While these interventions have mitigated the most dire levels of deprivation, have increased access to schooling and educational attainment, levels of unemployment – and thus of income poverty – remain high. Low levels of educational outcomes and skills, combined with the structure of the post-apartheid labour market mean that young people are at a particular disadvantage.

Indeed, while access to schooling has increased, the majority of young people access an often-dysfunctional schooling system. They exit that system with incomplete secondary schooling and low levels of literacy and numeracy skills. The labour market, however, provides jobs mainly for those with higher levels of education and skills. Many young people thus remain unemployed, or employed at low income levels. This process hinders them from reaching their full potential and fulfilling their aspirations in life. It also perpetuates the cycle of inequality in the country, as a person's income influences the kinds of services and opportunities he or she can access, which in turn, impacts on future life trajectories and that of his or her children.

- ii. Evidence-based support for young people through the social protection system is weak. Yet adolescence and young adulthood are crucial developmental stages that require comprehensive interventions.*

The social wage package provides support mainly for those who are very young, old, or disabled. In other words, those members of society who are not yet or no longer expected to take part in the labour market. In addition, through the early childhood development programmes, there is the recognition that the first six years of a child's life are crucial developmental years that require specific support for mother and child in the areas of parenting, nutrition, education and social services. Less support is available for young people, who are expected to either be in some form of education or training, or at work.

In reality, however, large proportions of the country's young people drop out of school prematurely, or out of the post-school education and training system before completing their degrees. Drop-out happens for a range of reasons, but financial constraints, low results and a lack of information and support are key drivers. Subsequent entry into the labour market is further hindered by – among others – the low levels of skills, lack of information, high transport costs and a general disconnect from networks and pathways that could lead to employment.

Internationally, the adolescent and youth stage is *also* regarded as a crucial developmental stage during which targeted interventions could lead to long-lasting, positive change. It is imperative therefore, to consider the development of a comprehensive social security programme that can help to alleviate the burden on this younger generation, struggling through education and disconnected from the labour market, in order to improve their chances of breaking poverty traps for themselves and their children. This means that interventions beyond those that are currently in place, and adjustments to the delivery of youth-related services and their quality are urgently needed.

**3. What is being recommended at a macro policy/strategic level to deal with the major issues you have identified?**

- a. **Implementation plan:** The current National Youth Policy (2015 – 2020) promotes a comprehensive approach to youth development in order to address a range of structural barriers and unlock real change for young people. Yet these proposals will remain empty promises in the absence of a concrete implementation plan, which – at the beginning of 2018 – remains non-existent.

An effective implementation plan should incorporate cross-cutting strategies that address the ways in which the multiple dimensions of poverty intersect and constrain young people's lives. In addition, there should be clarity regarding the responsibilities towards young people within the various line departments and within the cross-departmental Youth Desk (in the Presidency) and the National Youth Development Agency. A unified – instead of the current fragmented – approach to youth development is crucial.

- b. **Evidenced-based approach:** It is equally important that policies, implementation plans and programmes are developed on the basis of a solid evidence base:

Until very recently, little coherent understanding existed about the multiplicity of deprivations experienced by the youth cohort in South Africa. There was equally little analysis of youth-specific poverty data showing the extent to which deprivation varies from one small, local area to another. However, improving our understanding of these multiple forms of deprivation and developing youth-specific poverty measures that are disaggregated to the small-area level are key to development efforts directed at young people. The Poverty and Inequality Initiative's Youth Explorer<sup>4</sup>, a newly developed dashboard of indicators for youth well-being, provides an overview of a range of dimensions that constitute 'well-being' and indicates where it is lacking. A youth multi-dimensional poverty index (MPI) complements this dashboard of individual indicators and offers a single summary measure that captures the multiple deprivations experienced simultaneously by poor youth.

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<sup>4</sup> <https://youthexplorer.org.za>

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At the national level, the results indicated that, in 2011, one in three (33.4%) youth in South Africa were multidimensionally poor. Analysis of the composition of the Youth MPI showed that educational attainment, adult household employment and not being in any kind of education, employment or training were the three largest contributors to the Youth MPI score at the national level. These findings confirm the critical role that low educational outcomes and limited economic opportunities play in contributing to poverty among youth in South Africa. They suggest the need to focus efforts and resources of government and of non-governmental organisations on improving these aspects of young people's lives. However, the composition of the MPI differs from one region to another, indicating the need for a diversified approach based on the available evidence. In KwaZulu-Natal, for instance, living environment indicators contribute 31% to overall multidimensional poverty, which suggests the need to increase attention to the delivery of basic services in that province.

Interventions, then, should also build on a strong evidence base: there is an urgent need to identify, evaluate and scale up best practices for supporting youth well-being. For instance, little or no evidence exists on the success rates of interventions that aim to increase literacy and numeracy levels at the high school level, to avoid school drop-out, or to facilitate access to alternative learning pathways. Significant gaps also exist in our understanding of the demand for labour and, in particular, of the criteria applied by employers when recruiting youth. Finally, while there is a growing body of evidence that indicates that multi-faceted interventions have a more positive effect on various dimensions of youth well-being than single domain interventions, few such multi-faceted interventions exist or have evaluated their impact.

#### **4. What do you think the potential impact of the recommendations will be on eliminating structural poverty and reducing inequality?**

Delivering quality education for all; preventing school drop-out; enabling access to higher education, training and the labour market; understanding and alleviating the heavy burden of disease among young people; and supporting their sense of belonging and citizenship in the broader South African context are all areas that need to be addressed in the attempt to break the intergenerational cycles of poverty and inequality. While an entire overhaul of the systems is not possible in the short-run, it is possible to identify a number of crucial moments during the adolescent and young adult stage in which additional support and improved quality of services can make a difference.

Examples are the grade 9 stage during which learners need to choose the subjects they will write their matric exams on. This choice determines much of the further educational and career options of a young person. Providing information and guidance on choices, coupled with additional learning and parenting support, could make a long-term difference in a young person's life.

Exiting the schooling system is another "hinging" moment. Finding ways to connect more young people to second-chance education or some form of post-school education and training are important for their employment chances later on.

However, increasing educational attainment without increasing young people's basic skills levels will have a limited impact. In addition, without significant, inclusive economic growth that provides jobs that match the skills and interests of young people and without increased willingness of employers to

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employ youth, significant decreases in youth unemployment are not guaranteed. None of these are issues that can be solved in the short term. In the meantime, it is important to consider additional forms of support through the social protection system – including some form of financial support – that would prevent youth from remaining trapped in poverty.

**For more information on the Mandela Initiative:**

