

Youth Extremism Series, Paper 8: Youth Innovation and Entrepreneurship

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Introduction

Entrepreneurs play a critical role in the well-being and economic development of societies in which they operate. Given the issues of youth underemployment and unemployment as catalysts for a variety of negative youth outcomes, engaging youth in entrepreneurship and innovation can have a mitigating impact on these challenges. Also, because entrepreneurship often requires critical and creative thought as well as collaboration, it can have additional benefits for young people such as learning about how to adapt to changing circumstances and finding opportunity in the midst of challenges. Additionally, because business owners have an important stake in maintaining stability in their communities in order to foster economic sustainability, youth entrepreneurship can encourage young people to settle in a location and become engaged in the welfare of their local communities, which is an important deterrent for extremist behavior.

Global Outlook on Entrepreneurship

The Global Entrepreneurship Monitor (GEM) tracks rates of entrepreneurship and factors that influence entrepreneurial engagement in over two-thirds of the global population. Key findings from the 2016 report indicated that one in five people surveyed intended to start a business in the next five years (Global Entrepreneurship Monitor, 2016). The African region had the most positive attitudes toward entrepreneurship and the highest levels of entrepreneurial intention. Factor-driven economies, or economies that are dominated by subsistence agriculture and extraction businesses with a heavy reliance on unskilled labor and natural resources have the highest rates of female entrepreneurial activity as well as the highest participation among 18-24 year old demographic. Looking at the rate of entrepreneurial activity by region, Africa and the Latin America and Caribbean regions had the highest levels of youth engaged in entrepreneurship. Globally, school-level entrepreneurship education was rated the lowest condition of the entrepreneurial ecosystem, or in other words, the lack of adequate entrepreneurship education was cited as the main barrier to entrepreneurial success. In factor-driven economies, access to finance and internal market burdens were also identified as barriers and factors that constrain entrepreneurial activity.



Center for Agroforestry & Environmental Education
in Nicaragua.

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Challenges for Youth

Youth are generally most affected by unemployment. Therefore providing them with the skills and competencies needed to successfully start up and run a small business along with the necessary resources to overcome barriers to entrepreneurial entry can empower youth to create their own jobs and provide employment for others. Their success is contingent on high quality and relevant education that is often lacking in the regions that could most benefit from such opportunity.

As educational needs and capacities are specific to each region, individual assessments are necessary to determine appropriate actions to ensure that relevant education can be effectively delivered. An example of such a project is the [scoping assessment](#) performed by the InnovATE project team which focused on the current and future demand for vocational training and workforce development for youth in Nicaragua with the purpose of making recommendations for future initiatives (Webster et al., 2014). The report found multiple ways in which Nicaragua could benefit from agricultural development and therefore holds potential for job creation in the agricultural sector. New jobs require increased demand for education and technical training to prepare individuals with skills that are relevant to those employment opportunities. Recommendations from the research included that the technical and vocational education and training sector should establish communication lines with public and private industry to ensure that the skills and experiences students develop in school are relevant.

Efforts of the United Nations in providing such training around the world have been successful and various case studies have been completed that illuminate best practices in engaging youth in entrepreneurship. The United Nations Settlement Programme in partnership with the Federal Government of Nigeria, trained youths from twenty-six states in Nigeria in renewable energy technologies and green entrepreneurship. The purpose of the mission was to empower unemployed youth in Nigeria to start small enterprises in the renewable energy sector in their communities. Their training also included approaches to communicating the need for efficient and renewable energy to peers in their communities to motivate them to adopt better practices. Adejoke Adefulire, the Senior Special Assistant to the Nigerian President on Sustainable Development Goals in addressing the participants of the program said, “by your decision to be part of this exercise, you will move away from poverty, crime, drug abuse, militancy and terrorism to a sustainable platform” (Youths in Nigeria, 2017). Another project, the Mashrou3i Programme, was designed to foster entrepreneurial skills and attitudes in youth in Tunisia to generate jobs for themselves and others. Outcomes of the project include the creation of more than 1,250 jobs since its inception in 2013 and much needed diversity in jobs and services available in the communities (Establishing Job Security, 2017).

Conclusion

Countries in all economic development stages can benefit from entrepreneurship in different ways. Youth who are disproportionately affected by unemployment can drive innovation in a myriad of sectors if barriers to starting businesses are addressed. Case studies indicate that entrepreneurship education and programming is effective at facilitating the development of successful entrepreneurs. Furthermore, country and region specific assessments are crucial to understanding the needs of the community and ensure that the programs that are designed are relevant and appropriate. To effectively mitigate youth violence and extremism and create stable communities, youth need to be empowered and engagement in entrepreneurship is a potentially powerful way to accomplish that goal.

Recommendations

- 1) As the lack of entrepreneurship education is a main barrier to entrepreneurial activity, policy leaders in education should advocate for implementing and strengthening entrepreneurship education in universities and secondary schools.
- 2) Future research should evaluate existing programs and determine best practices that can be applied across diverse contexts as well as research that is country-specific to ensure that programming is relevant and appropriate.
- 3) Business and trade regulation that support burgeoning entrepreneurs and small businesses are needed to create an environment that can promote entrepreneurs to start new, successful businesses.
- 4) Support structures and mentorship programs that help new business owners, especially youth, to successfully navigate the initial stages and creation of a new business can help entrepreneurs overcome significant barriers.

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