

## **RIAL SEMINAR ON YOUTH EMPLOYMENT**

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### **Panel 4 – Summary of presentation by the Young Americas Business Trust (YABT)**

At present Brazil does not have a public policy for youth that sees entrepreneurship as an important area of knowledge or tool for developing young people's skills in jobless environment; on the contrary, the entire emphasis is placed on employability without qualifications. Neither have the Ministry of Education or the National Youth Secretariat yet taken any steps to teach entrepreneurship as a subject in Brazilian schools.

The efforts of young businessowners' associations in more than 24 of Brazil's states, represented by the National Confederation of Young Businessowners (CONAJE), succeeded in bringing draft legislation on entrepreneurship education before the Federal Chamber of Deputies in 2006. Bill number 7006/2006, submitted by Luiz Carlos Hauly, a deputy for the state of Paraná, has not yet been passed, but it addresses the inclusion of the subject of entrepreneurship in Brazil's primary, secondary, higher, and professional educational systems.

Although there are still complex and essential questions to be resolved within Brazil's education system – such as reducing dropout rates and improving student performance –the inclusion of entrepreneurship in no way undermines that process. Young people must be taught why they study and what the knowledge acquisition process is intended to achieve. The discipline of entrepreneurship is the tool whereby such basic knowledge can make sense, allowing it to be used by the unemployed, where knowledge is the best way to make a difference, either with creativity, at work, or as a businessowner. Entrepreneurship allows life plans and projects to be made for when schooling is completed. Ask a young person why he studies, and the truth of this claim will become apparent.

As regards government policies and programs to support youth entrepreneurship, there have been some isolated and largely ineffective actions that seek to address the effects more than the cause. Important movements with the ability to bring about change, such as young businessowners associations, have low levels of penetration, with their participation limited to groups that are already organized and subject to the influence of political parties; most young people are unaware of the importance of participating in those associations and to what extent they can influence the public policy decisions that affect their lives.

Regarding youth employment and incomes, both the 2000 Learning Law and the National First Job Promotion Program (PNPE 2003) crystallized as mechanisms for the placement of young people in their first jobs; as a result, those plans contain little that targets the development of those young people's ability to innovate, to be autonomous, to ensure their own sustainability, and to play an active role in their futures. Worse still, they approach job-seeking as the only possible alternative, failing entirely to address independent workers or businessowners. Entrepreneurial knowledge while seeking employment stands to make a much larger contribution to this process.

With the goal of complying with the law, companies "hire" ONGs specializing in professional youth training for the formal labor market, which then "format" young people according to the chosen model so they can simply perform the demands of their jobs. In this way, businessowners attempt to play their part by offering job opportunities, while the workforce is so unprepared that it ends up merely perpetuating the concentration of power, knowledge, income, and consequently, social inequalities.

In Brazil, the productive and educational sectors were essentially on opposing sides: formal education did not address the needs of industry, and so technical courses were created – however, these serve only to train technicians in the operation of new technologies and not in their creation. Under this system, education did not need to focus on transforming knowledge into social wealth.

After assessing the defining characteristics of the youth entrepreneurship promotion programs, a quality curriculum, and the commitment of schools, I believe our starting point should be not to see promoting or encouraging entrepreneurship as merely a response to problems with labor market insertion but rather as a consequence of new patterns of social and political relations of which the market is a part but that are not constrained to the market alone.

Current school study plans, which focus on technical and scientific knowledge, fail to address one important factor: the study of opportunities, taken as meaning the ability to identify opportunities and to create knowledge. We must demystify the view that sees entrepreneurship as “a gift from above”: instead, it is a form of potential found in all individuals that requires certain conditions (investment in human and social capital) to produce effects. We need a curriculum that shows the concept of entrepreneurship as a way of seeing the world in which an individual may, through his attitudes, bring about changes in himself and his surroundings and that is capable of creating forms of self-realization and social capital.

As to whether entrepreneurship is a way of escaping poverty, I see entrepreneurial education as a tool that can contribute to the distribution of income and power.

Consequently, that is unlikely to take place under conditions where freedom is lacking (freedom of political participation, opportunities to receive basic education, health, security). The denial of social freedom can be the major cause of denials of economic freedom, or vice-versa. The country's development must be seen not only in terms of its gross domestic product (GDP) but also of its ability to embrace economic, social, and political developments. In that context, entrepreneurial education, with the role of transforming knowledge into positive values for society, can represent the way to achieve sustainable development, with the equitable distribution of its fruits (wealth, knowledge, and power): the power to create wealth, to obtain development, to learn, and to be self-sufficient vis-à-vis life and society; the transformational power to construct an ever-better reality through one's own efforts.