

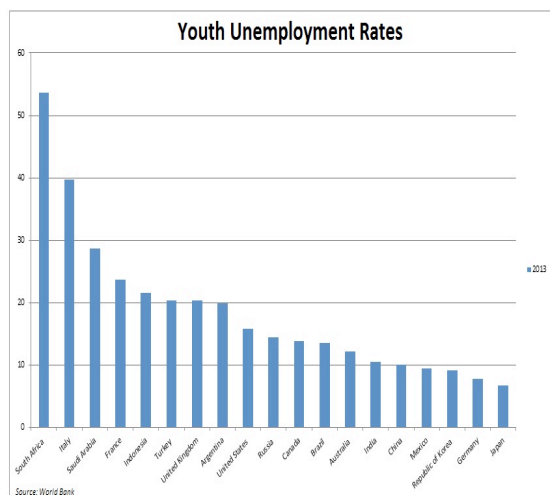
## Youth Entrepreneurship and Leadership

Youth unemployment has been an important part of the G20 agenda in which leaders have proposed various solutions, including internship programs to alleviate youth unemployment, educational programs that help transition from school to the work environment, career coaches trained to help students, support for youth entrepreneurship, establishing technical cooperation programs, analysis of the data on youth unemployment in countries, and supporting the implementation of youth related projects on national levels.

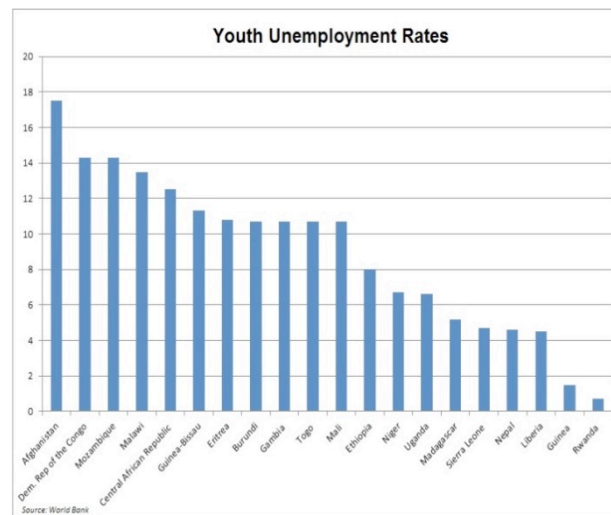
In the post-college experience, youth is confronted with a variety of hurdles from being unemployed due to being overqualified to spending more time than usual on an internship which are all factors that have a negative influence on the psyche of youth. They feel inept when it comes to trying to support themselves or meet the expectations of their families, psychological trauma of feeling useless as well as financial troubles are all burdensome issues facing the youth and causing lack of self-confidence.

In 2010 the global youth unemployment was around 12.6 percent while in 2014 this rose to 13. According to this trend in the coming years unemployment among youth is expected to rise. In the graphs shown below there is a comparison of unemployment rates between G20 and LDCs respectively. As shown in the graphs below, 2013 youth unemployment rates for most of the developed countries demonstrate that their numbers are higher than the 13 percent global average.

Graph 1 (From 60%)



Graph 2 (from 20%)



The main reasons for unemployment include economic crisis, disaccord between job applications and staff positions, technological development, increase in population,

bureaucratic barriers, inadequate education, immigration and intensive mechanization of agriculture.

It is important to consider the impact of technological developments on unemployment. From the perspective of youth, however, technology can be viewed both as a creative employment opportunity and as an employment reduction factor at the same time. On one hand, the new market is defined by technology and is hard to keep up with, and on the other hand, new technologies are a portal into new job creation across many sectors. Traditional and ordinary tasks are now being handled by smart devices, which has allowed for more creative, innovative and flexible fields of work for people.

Main factors for opportunities created by new technologies to be turned into youth employment are entrepreneurship and innovation. However, in the labor market youth will need to diversify their educational background in order to adapt to the changing demands of the work life and the entrepreneurs will need to foresee the next opportunity, neither of which are easy to achieve. In other words, gaining skills are going to be more important than having a constant profession in ever-changing environment. This challenge will be met by consolidating support from government and non-governmental organizations that can help individuals become equipped with the tools essential for the changing market in the 21<sup>st</sup> century.

In this context, another important factor is targeted in the education field where students are taught to acquire more creative and analytical thinking, as well as awareness for entrepreneurship. The youth is also supported by further entrepreneurship trainings after graduation from higher education. This entails youth to move from entrepreneurship as just a theory studied in the classroom to how he or she can apply the skills earned in areas such as technology use, the resourcefulness of Internet and development of research skills.

In tandem, technological entrepreneurship by youth is challenged by not being able to access financial resources. In order to be able to carry out entrepreneurship and business based projects, financial resources are a necessity. However, to obtain such support is not an easy task for someone who is still studying or recently graduated from university. Therefore, to overcome this hurdle youth projects are supported through governments allocating non-repayable credits as well as micro-credit opportunities.

Micro-credits without collateral requirements shall be provided for the low-income and disadvantaged youth who can then create income generating projects and jobs. In this way, talented youth will be given an opportunity to excel and increase their potential in a competitive job market. This is especially important for low-income youth who can save themselves from the grips of poverty and unemployment. Indeed, this initiative which first successfully began in Bangladesh and later initiated in Africa and Latin America shows that it should also be shared with across the globe, starting with the least developed countries.

The amount of budget allocated for the activities of Research and Development (R&D) are insufficient, which is another cause of unemployment among youth. R&D and innovation centers are, in fact, important mechanisms in creating new products, new production systems,

new employment opportunities and new markets. However, governments have yet to provide proper investment to R&D. Therefore, governments should support the establishment of R&D and innovation centers, thereby enabling the young entrepreneurs to create new and high tech products and services and providing youth employment.

Venture Capital also serves as an opportunity outlet for youth who are dynamic and creative but lack financial means. A great example of this can be seen in Silicon Valley where between 2009 and 2014, investors funded \$31.5 billion for 3,308 projects of technology initiatives. Examples such as this should be spread around the world for new innovations to rise.

The platform of Kickstarter is another important initiative which holds a window for youth to expand on their ideas through unique projects supported by mass funding. Kickstarter allows young entrepreneurs from the developed countries like the US, Germany, Canada, Australia and France to come together with investors to work on creative innovations. It is one of 2015 Y20 goals to come up with suggestions to initiate and expand such websites, and allow youth from the least developed countries to reach such resources. .

Another way of developing an entrepreneurship that enables to reduce youth unemployment is to foster financial and structural support to Small and Medium Sized Enterprises through financial and structural government aids. SMEs are already the driving engine of World economies. This situation of SME is closely related with their non-existent hierarchical structure, high-speed production abilities, high capability of taking bold risks, easy adaptation of flexible production types and rapid compliance with amended rules. For all these reasons, increasing support to SMEs that are main the propellant power of economy will play a catalyst role in curbing the increase of youth unemployment through feeding entrepreneurship spirit.

To tackle youth unemployment which is a serious and growing problem, the global community must come together, to discuss and share different models, debate on the current realities while at the same time foster a dialogue among youth to bring forth new ideas on to the international platform.