

World Bank documents growth of “ninis” in Latin America: Youth neither working nor in school

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The World Bank released a report last week documenting the number of youth in Latin America who are neither in school nor working. Derived from the Spanish phrase “ni estudia ni trabaja”, the *ninis*, who are between 15 and 24 years old, now total more than 20 million. Two-thirds of them are women. They have proven to be a permanent social problem in a region long touted as an economic “success story” for world capitalism. While the percentage of Latin American youth classified as *ninis* has declined marginally over the last decade, the absolute number of them has actually increased.

The numbers are staggering considering that Latin America has been hailed as a center for economic growth during the worst of the world economic recession. What profits have been made have gone directly to the ruling elite, further worsening social inequality in nearly every country. This is a direct outcome of the policies of all the Latin American governments, be they right-wing or “left”, favoring international capital at the expense of their populations.

It was highly significant that countries immediately south of the United States, such as Mexico and the Central American nations, fared the worst in providing stable jobs and schools to working class youth. The close relationship between the Obama administration and the government of Mexican President Enrique Peña Nieto, in particular, has facilitated an unstable environment of organized crime and violence which finds a direct corollary in the number of disenfranchised youth.

These conditions propel millions of people to risk their lives to migrate to the United States in search of better living conditions. When they arrive, Obama’s

border patrol and immigration officials ensure that they will be interned in a camp and deported if they are caught. In the best of circumstances, these youth have only a life of cheap labor to look forward to in the US.

The report by the World Bank, entitled “Out of School and Out of Work: Risks and Opportunities for Latin America’s Ninis,” takes the viewpoint of finance capital in treating tens of millions of young people languishing without work or education as a long-term economic liability, rather than a social crime. Thus, Jorge Familiar, World Bank Vice President for Latin American and the Caribbean, notes that, “Countries that offer high-quality education to an expanding young population and also have dynamic, well-functioning labor markets will grow and reduce poverty more rapidly.”

Nevertheless, the picture that emerges from the report is a damning indictment of capitalism south of the US border. Nearly 60 percent of *ninis* are from poor households, which comprise the bottom 40 percent of the income distribution in the region. The typical *nini* is a woman living in an urban household who has not finished high school, but among male youth there has been an increase of 1.8 million *ninis* from 1992 to 2010.

For women, the biggest contributing factor to becoming a *nini* was early marriage or teenage pregnancy. For men, the main factor was dropping out of school at an early age followed by unemployment. This leads to a vicious cycle where men without skills and training provided by school cannot find formal work and are only lucky enough to find unstable jobs in the informal sector, usually never going back to school.

Generally, countries that were further geographically

further from the United States had significant but lower rates of *ninis*. Peru had 10.9 percent of it young people without school and work, but in countries like Honduras and El Salvador, the number was more than 25 percent. The countries with highest number of *ninis* were Brazil, Columbia, and Mexico, the large majority of which, more than 70 percent, lived in cities.

In Colombia, Mexico, and Central America, the problem was made worse by the so-called drug wars. It is not surprising that gang violence and crime has reinforced the phenomena of unemployed youth with nothing to do, and vice versa.

The report goes on to note the long-term effects on labor productivity, the life blood of the world economic system. The growing persistence of *nini* youth weakens overall economic growth and worsens social inequality, making it harder to seriously address poverty and social mobility in Latin America. According to the World Bank's calculations, just an increase of 1 percent in the number of *ninis* would mean a decline in national incomes by 7 percent over the next 20 years.

In Costa Rica, for example, the National Institute of Statistics and Census reported that in late 2014 there were 72,000 *nini* men and 98,000 *nini* women, making up almost half of the 10 percent of the country's population that is unemployed. In Latin America as whole, the World Bank estimated that one in five youth were out school and not working.

The solutions offered by the World Bank are predictable tame and, in any case, will not be implemented by the local ruling elites. They include "well-targeted conditional cash transfers with information modules to inform students and their parents about the benefits of education" and the like. None of this even remotely touches upon the real causes of unemployment in the region: private property and imperialist exploitation.

The report takes the viewpoint that the *nini* problem is a brake on labor productivity and detracts from economic growth. Accordingly, the youth are referred to as "human capital" and "labor market opportunities." One of the main findings is that a failure to address the problem means investors will not be able to "exploit an emerging demographic window of opportunity", when children and seniors (i.e. the non-productive elements of society) will represent a lower proportion of the population.

It is worth bearing in mind what poverty means in Latin America. Poor households are defined as per capita income of \$4 per day, and those almost at the poverty line lived on \$4 to \$10 per day. Using this definition, at least one of four households (25 percent) in the region were poor in 2012 and 37.8 percent were considered at risk of poverty.

Of course, the problem of youth without work and without school is not confined to Latin America. A similar corollary can be found in Europe, North America, Asia, and throughout the industrialized world. Even though the World Bank report does not spell it out, the *ninis* are part of worldwide generation that will directly contribute to social upheavals in every country.



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