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YOUTH MONEY

(Youth Banking – preconditioning Security, Opportunity and Prosperity of young people)

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In the Foreword to the UN World Youth Report 2005 it is clearly stated: “The international development agenda is centred around the achievements of the eight Millennium Development Goals (MDGs) incorporated in the United Nations Millennium Declaration. Each of these Goals relates directly or indirectly to the well-being of children and young people”. Further, UN WYR 2005 states: “The MDGs relevant to the current generation highlight youth employment, maternal health, reduced exposure to HIV/AIDS and other preventable diseases. For the future generation of Youth, the MDGs address universal primary education, reductions in child mortality and improved maternal health. This indicates that the MDGs are in many respects “Youth Development Goals”. At the end, WYR 2005 clearly states that only urgent development of “structural investment” strategies for implementation of youth-related policies can bring practical changes in usually and historically bad conditions in which young people live and develop worldwide. “Too many young people continue to live in dire circumstances; there is no time to lose in scaling up investments in our planet’s youngest residents” (UN World Youth Report 2005).

From the earliest times of our civilization, the mainstream traditional vision of Youth stayed the same without any major changes: Youth are usually considered young people without steady job or permanent income, without any possibility to be involved in serious cash-income flow until they grow up. But, our historic experience had non-mistakenly showed us that young people, being such, are highly vulnerable to various negative and illegal influences (drugs and prostitution connected with various related diseases, juvenile and organized crime, extremism of various forms of which terrorism is only one, etc). Therefore, Youth in many historic cases, instead of developing into most propulsive social development force, became in too many cases enemy to itself and represented serious threat to society as a whole. Deeply in our hearts, we all know that this is like it is mainly because of notorious fact that Youth are traditionally deprived of continuing cash-income, whether we call it general unemployment, lack of skills or education or democracy or else.

SHORT HISTORY OF YOUTH-IN-FOCUS

Ending of the World War II marked the historic turning point in dealing with Youth problems on international level. Bretton Woods institutions (United Nations, World Bank, GATT/today WTO) formed in 1944 all had in their basic programmes youth development related sections. Devastating results of 1st and 2nd World War showed that most numerous victims (both perpetrators and victims of war crimes and other conflict activities) are young people. Ideals of politically and party-driven Youth organizations was abandoned as a concept (negative experience of Nazi and Fascist youth organizations) and in **1949** in London followed the final establishment of World Assembly of Youth, international network of National Youth Councils of UN-member countries. National Youth Councils were envisaged as free and democratic national networks consisting of local and regional Youth Councils, which again should not be party-controlled and ideologically-appointed but democratically elected on free and direct Youth elections on local, regional and national levels.

But, history went the other way and Youth organizations in Soviet Union as well as in many developing countries were next fifty years almost exclusively politically-led and party-driven. Democratisation of Youth organizations worldwide is, therefore, still the basic precondition for any democratic social development as foreseen at the end of WW2.

At its 1390th plenary meeting on 7 December **1965**, United Nations General Assembly adopted its first youth-related Declaration on the Promotion among Youth of the Ideals of Peace, Mutual Respect and Understanding between Peoples which we consider the basic UN historic document (along with the UN Charter) from which Youth Rights are being derived on international level.

Two decades later, the UN General Assembly observed **1985** as International Youth Year: Participation, Development and Peace. It drew international attention to the important role young people play in the world, and, in particular, their potential contribution to development and the goals

of the United Nations Charter. That same year, the Assembly also endorsed the guidelines for further planning and suitable follow-up in the field of youth, which are significant for their focus on young people as a broad category comprising various subgroups, rather than a single demographic entity.

In **1995**, on the tenth anniversary of International Youth Year, the United Nations strengthened its commitment to young people by directing the international community's response to the challenges to youth into the next millennium. It did this by adopting an international strategy — the World Programme of Action for Youth to the Year 2000 and Beyond.

Five years later, year **2000** at the UN Millennium Summit was marked by three key events in the development of international youth-related programmes:

1. Adoption of UN Millennium Development Goals (MDGs)
2. Establishment of UN Secretary-general High-level Panel “Youth Employment Network” (YEN) in association with ILO and World Bank
3. Expert meeting of UN, ILO and World Bank, establishment of international Youth Development Banks was elaborated, foreseen and left for further elaboration and discussion amongst BWIs (UN-ILO-World Bank Brainstorming meeting on Youth Employment held at UN Secretariat, New York, 25 August 2000)

UNITED NATIONS WPAY, MDG's & YEN

Development of WPAY

By the UN General Assembly Resolution 50/81 «World Plan of Action for Youth to the Year 2000 and Beyond» (WPAY) was adopted, centered around ten priority areas (education, employment, hunger and poverty, health, environment, drug abuse, juvenile delinquency, leisure-time activities, girls and young women and youth participation in decision-making). Five additional priority areas were adopted by the UN General Assembly Resolution 58/133 in 2003: globalization, information and communication technology, HIV/AIDS, youth in armed conflict and intergenerational relations. Furthermore, UN World Youth Report 2005 grouped all 15 WPAY priority areas into three major groups: Youth in a Global Economy, Youth in Civil Society and Youth at Risk.

Awareness raising among governments was efficient enough for start-up process of developing National Youth Policies in many UN-member states, but we are far away from free direct elections for Local and Regional Youth Councils. Here we must stress that this process started in 1949 with establishment of World Assembly of Youth in London (international network of National Youth Councils), and is still in its pioneering stage because of firm political chains put around majority of youth organizations around the World.

WYB conclusion: financial and political (democratic) pillars of development of National Youth Policies should be highlighted, discussed and developed with much more devotion and expertise in next decade. If not, social changes will not follow revolutionarized technology and media-driven social environment, in which case serious political and economic turmoils are to be expected – again with Youth at centre-stage of the oncoming unrests ...

Development of MDGs

Youth constitute explicit or implicit focus of seven targets and eight indicators of UN MDGs, as stated in the UN World Youth Report 2005. Although efforts were made, it is still not clear whether poverty is reduced or not during last ten years, meaning no clear measurement tools were developed to give us clear sight of the situation young people around the World are really in.

WYB conclusion: Youth should be empowered not only nominally or vocally but effectivelly and efficiently (development of new policies and policy-instruments, especially

financial schemes for intensive job-creation, etc) because review of MDGs in 2015 will be mostly done by them who are now young, mostly unemployed and undercared about in general.

Development of YEN

UN Secretary-general's «Youth Employment Network» (joint UN-ILO-WB project) has an ambitious Plan of Action for next decade: to create one billion of new youth-jobs in next ten years.

WYB conclusion: although manned with best staff, logistics and experts, YEN already lacks transparent and undoubtful financial background infrastructure for implementation of such an ambitious plan. Creation of Global Public Financial Institution focused on Youth Development (e.g. World Youth Bank) should be one of possible key supporting solutions for practical implementation of YEN's Programmes of Work ...

WYB review of WPAY, MDGs and YEN

Although major improvements were made in understanding Youth and youth-related problems, fact is that disparities and inequalities among young people are widening and deepening and that no concerted actions and no broader concensus had been even seriously discussed alas elaborated on how to permanently finance and fund further development of Youth on all levels – local, regional, national, global.

On the other side, Global Youth had expressed its vision several times on key international events and even announced and adopted World Assembly of Youth «Special Resooution» on the subject: based on its recognized needs and rights, Global Youth wants World Youth Bank to be established, in order to practically and financially empower young people all around the World to implement WPAY policies, develop practical WPAY and MDGs policy-instruments and agents for reducing poverty by 2015 as well as to implement YEN Youth Employment Agenda of opening one billion of new youth-jobs in next decade worldwide.

Without new international public financial institution focused on Development of Youth, based upon tripartite consensus of governmental, private business and civil society sectors, young people living on different development levels worldwide do not have real chance to achieve Global status of equal chances and decent development as free and equal human beings. Therefore, Global Youth calls upon United Nations system to join forces af all three sectors (Govt/pb & CS) and establish World Youth Bank on a UN Global Financial Summit focused on Youth Development as soon as possible.

This Youth request is also part of Croatian Youth Delegate's Statement addressed to the 60th United Nations General Assembly on behalf of a number of supporting UN-member states, expected to be adopted as Ammendment to the final UN GA 2005 outcome document.

WAY SPECIAL RESOLUTION ON THE WORLD YOUTH BANK

Concept of the «World Youth Bank» is based upon the «Declaration of Youth as Global Banking & Financial Resource», which was presented and widely appreciated at the UN Global Youth Summit in Dakar, Senegal, in August 2001, promoted at YES Summit in Boston, October 2001, at Geneva Youth Conference in November 2001 and on YES preparatory working-table in New York, January 2002. Establishment of WYB was regionally adopted at the WAY “European Youth Dialogue” in March 2002 on Brijuni Islands (Croatia) and globally adopted in a form of “Special Resolution on the World Youth Bank” at the World Assembly of Youth “Melaka International Youth Dialogue” in August 2002 (Melaka – Malaysia).

“Special Resolution on the World Youth Bank

1. Drawing on the Declaration of Youth as a Global Banking & Financial Resource, adopted at European Youth Dialogue 2002;

2. Realizing that unemployed youth, at a global, regional, national and local level is a respectable labour resource. No only that. youth is a respectable economic, social, political, financial, security, intelligence, and cultural power. As the UN Secretary-General Kofi A. Annan said in his Global Alliance for Youth Employment - Recommendations of the Secretary-General's High-Level Panel on Youth Employment - "In the next ten years 1.2 billion of young women and men will enter into working age population, the best educated and trained generation of young people ever, a great potential for economic and social development."

3. Witnessing the emergence of new knowledge economies with their networked societies that form a Global Digital World.

4. We, the Global Youth, believe that the right time has come for the full realization of the youth banking and financial potential.

5. A youth banking system can:

- (a) ensure an effective promotion of entrepreneurship among young women and men;
- (b) provide better know-how and information on market opportunities;
- (c) organize training in business skills;
- (d) access the sources of capital and financial services; and
- (e) become a mentoring service to support other business activities.

6. The concept of a World Youth Bank Network represents the oncoming New Cosmopolitan Praxis of the imminent One World of Tomorrow. Sustainable banking strategies of a World Youth Bank represent new forms of "virtual banking" - intensive investment in ideas and knowledge based on a new understanding of realities virtually and virtuality's reality. In other words, investing in the Future will be the WYB's long-term development strategy, compared to traditional capital relations where investments were being done in a manner to prolong the socio-economic relations of the Past.

7. The World Youth Bank shall:

- (a) improve and develop the quality of life of youth around the World
- (b) fight unemployment, ignorance and youth social exclusion by providing fast access to low-cost capital and life-long learning facilities to all segments of Global Youth and Civil Society.

We, the participants of the MIYD 2002, hereby resolve to establish a Global Youth Banking and Financial Network, and call upon the United Nations system, governments, private sector and civil society to support us in this endeavour.”

**COOPERATION BETWEEN REGIONAL UN COMMISSION AND THE WORLD
YOUTH BANK PROJECT – UNECE BEST PRACTICES ON YE**

United Nations Economic Commission for Europe (UNECE), Working Party on Industrial Restructuring and Enterprise Development, Team of Specialists (TOS) (acting from 2003 as TOS on Youth Entrepreneurship), lead by UNECE Regional Advisor Mr. Antal Szabo, represented the key institutional starting point for broader understanding of recognized Youth financial needs and Rights, especially in the regions of South-Eastern Europe, the CIS and European Union.

UNECE's First Regional Forum on Youth "Security, Opportunity, Prosperity" (26-28 August 2002, Geneva - Switzerland) highlighted the crucial importance of young people in the future of free

Europe. The Forum pointed out that majority of transition economies has no youth policy at all, and national entrepreneurship and SME policies have no chapter on youth entrepreneurship.

Recommendation No. 16 from UNECE Youth Forum “request the UNECE to study the feasibility of creating youth banks in the region, drawing upon the expertise available in the UN system, regional and international financial institutions”.

The UNECE Regional Advisor on Entrepreneurship and SMEs Mr. Antal Szabo mobilized governmental authorities and youth associations, and within a short period of time the TOS on Youth Entrepreneurship consisted of over 120 members from 43 countries. Unfortunately this successful Team of Specialists terminated its activities from 2005 due to the lack of financial resources and forced retirement of the Regional Advisor.

From the very beginning, World Youth Bank Network was actively involved in all activities by the UNECE. Major activities of the UNECE TOS on Youth Entrepreneurship include the following:

- (i) Organizing of the First Subregional CIS Forum on Youth on 24-26 September **2003**, Kiev (Ukraine), at which strategies and importance of elaboration of National Youth Policies were discussed and at which both participants, NYC representatives and members of the CIS Committee accepted the proposal of establishing National Youth Banks within perspective World Youth Bank system in the countries of CIS
- (ii) Co-organizing the Workshop on Youth Entrepreneurship jointly with the Permanent Secretary of the Organization of BSEC in Chisinau in 2002 (Republic of Moldova)
- (iii) Conveying a Workshop on Best Practise on School Entrepreneurship to be held at the Palais des Nations in 2003
- (iv) Joint UNECE/WYB mission to Minsk (Belarus) at the invitation of the Chairman of the Belarusian Parliment in 2003.
- (v) Joint UNECE/WYB organizing of an Advisory Workshop on Development of Youth Entrepreneurship and SME sector for members of the Government, academicians and entrepreneurs in Chisinau (Republic of Moldova) in **2004**
- (vi) Elaboration of UNECE Guidelines on How to Develop Youth Entrepreneurship. It was discussed and approved at the 4th Meeting of the TOS on Youth Entrepreneurship in 2004 – Geneva.
- (vii) Elaboration of UNECE Guidelines on Social Entrepreneurship, especially for young unemployed people. Draft was made but not discussed because of termination of the TOS on Youth Entrepreneurship.
- (viii) Supporting the creation of the International CIS Youth Centre in Kiev in 2004.
- (ix) Elaboration Youth Entrepreneurship related projects to be financed according to the World Youth Bank Network scheme
- (x) Elaboration of the joint UNECE/WYB target-networking project of “Match-making”
- (xi) TOS secretary and UNECE Regional Advisor, supported by TOS members, WYB and others, developed one of the most referral internet-pages devoted to Youth Entrepreneurship, located on the UNECE web portal, at the www.unece.org

World Youth Bank Recommendations:

1. UN DESA to suggest the task of Youth related issues to all five UN Regional Commissions under the ECOSOC, in the form of separate Team of Specialists or Working group focused on Youth issues
2. It is highly desirable to call back the UNECE Regional Advisor on Entrepreneurship and SMEs either as Special Envoy of the Commission to handle the youth entrepreneurship and other youth related issues or as a full-time or part-time Consular (WYB recommendation on behalf of a number of interested UNECE member-states)

WYBN ACHIEVEMENTS AND FURTHER ACTIVITIES

World Youth Bank Network (www.w-yb.org) is an international Civil Society organization with mandate to prepare necessary preconditions for establishment of the World Youth Bank. With administrative headquarters located in Zagreb (Republic of Croatia, perspective new European Union member-state), WYBN serves as a platform for public discussions and further elaboration of its basic Civil Banking concept – intensive Youth Development based on tripartite synergetic financial infrastructure of joint governmental, private business and Civil Society banking resources.

WYBN has done much in three years from its original registration in 2002 – idea of establishing an international system of strategic and concerted financing of Youth-related programmes was marketed all around the World, in partnership with many national and international organizations, of which United Nations Economic Commission for Europe has done the most.

Case study (project): Making of Croatian Youth Bank

In September 2005 WYB started negotiation process with representatives of Croatian Government and Parliament, private business sector and Civil Society organizations on terms of establishing of Croatian Youth Bank. CYB Council and Organizing Committee are being established, including ex-Croatian Minister of European Integrations, ex-Croatian Minister of Economy, members of Economic Institute of Zagreb, representatives of Croatian National Youth Council, several major Croatian private companies among others. Potential investors agreed that seed capital of CYB should be of WYB-proposed tripartite structure and establishment procedure in compliance with Croatian National Bank is expected to start in mid 2006.

High-level negotiations on establishing of Croatian Youth Bank came as a follow-up to the WYB-sponsored first direct elections for Local Youth Council in March 2005 in the City of Slatina (Croatia). 14-year old elections-winner became Croatian Government Youth Representative on United Nations 60th General Assembly which altogether represents major WYB and CNYC contributions to elaboration and development of Croatian National Youth Policy.

Upon best-practice principles, World youth Bank Network has developed its **WYB Golden Standard**: only countries which has developed its fully democratic National Youth Councils as networks of directly-elected Local Youth Councils have real and operational preconditions for establishing of their National Youth Banks within the system of World Youth Bank – consequently, only countries which are seriously preparing preconditions for establishing of its National Youth Development Bank have all needed preconditions to be recognized as fully-democratic, stand international credit-rating «A» or «AAA», etc.

WYBN target-regions in next two years are Africa and CIS. WYB International Consulting Team has elaborated first Africa projects – Reconstruction and Development of National Railway and telecom Networks for the Republic of Cameroon, while in CIS region snails-farms projects for Moldova and mini-farms for Georgia are being elaborated now.

Earlier in 2005, World Youth Bank Network adopted the proposal of UNECE Regional Advisor on Entrepreneurship and SMEs (former UNECE secretary of TOS on Youth Entrepreneurship) and formed its WYB International Advisory Board, top consultative body consisting of internationally recognized experts from various fields. First task of WYB IAB is to organize World Youth Bank International Business Plan Award (to be turned into bankable projects by related WYB structures) as continuing WYB activity on promotion of Youth Entrepreneurship worldwide.

CONCLUSION

Investment in Youth should be the top priority agenda of any National Development Policy, and we could say the top priority concern of any National Security programme in contemporary World. Of course, because of radically changed security environment based upon revolutionary advances in communications and technology, Youth issues should be the priority concern of United Nations Security Council as well – because Youth are either perpetrators or victims of most crimes committed worldwide today (including war-crimes), and in more and more cases civilian and unemployed Youth are becoming more dangerous than segments of traditional armies or standard operating military units. This theme will be further elaborated at EU-Japan Summit (5-8 December 2005, Tokyo – Japan) during the WYB workshop on Youth & Security issues (www.wyln.org).

But, investment in Youth can not stay in the state it is now – voluntary, selective, politically-motivated and in too many times based on personal connections, within the widespread system of corruption of grown-ups. Youth Investment should be elaborated on strategic level – transparent, accountable and socially responsible system of financing of youth development-related programmes should be elaborated on the international level, presumably within the United Nations system. Youth themselves propose establishing of the World Youth Bank – global public financial institution focused on Youth Development, based on tripartite consensus of governmental, private business and Civil Society sectors. Youth of Today should be recognized by interested democratic Governments as natural civil partners of national politics, as alternative labour and capital resource in many cases much more national interests-protective and environment-conscious than strictly profit-oriented private business sector.

Thanks to revolutionary changed World of today, approach to Youth will have to go through structural reforms, of which political and economic will be the most striking and troubling ones. Politically, new generations of young people require more democratic environment for their development (meaning more social and political room for participation in decision-making, especially about themselves!), and economically, Youth of today need sustainable and stable money resources, not only empty promises and ideological talk-talk. Consequences of mismanagement of NGO-sector and Youth are being recently elaborated by European Commission, Directorate - General Justice, Freedom and Security in Bruxelles, 22 July 2005 (“Draft Recommendations to Member States regarding a Code of Conduct for Non-profit organizations to promote Transparency and Accountability Best Practices”) upon vulnerabilities of the non-profit sector (namely Youth) to terrorist financing and other criminal abuse. Legal and long-term financial schemes accessible to all young people worldwide should be scaled up quickly and international consensus upon establishment of concerted financial infrastructure for Youth achieved swiftly, otherwise illegal money resources are today just click or phone-call away!

In 2004 in Sarajevo (Bosnia and Herzegovina) World Bank Group held its Conference on Youth, Development and Peace and main conclusion of this Forum again was that **FUNDING HAS THE CRITICAL ROLE FOR YOUTH DEVELOPMENT** and that neither Bretton Woods Institutions nor any other international organizations or institutions had developed nothing similar to the system of perspective World Youth Bank (major cash and/or equities continuing inflow for youth-development related programmes), as adopted by the Special Resolution on the World Youth Bank by World Assembly of Youth in 2002 by representatives of almost all National Youth Councils of the World. Let us hear these Voices of Youth - their real needs, recognized Rights and youthful visions working for all generations!

To be stressed last but not the least, on 4 October 2005 the United Nations Programme on Youth (DESA) launched the «World Youth Report 2005: young people today and in 2015», with the **main message** opening way for further elaboration of the World Youth Bank project within the United Nations system:

«Investments in young people need to be scaled up in order to implement the World Programme of Action for Youth and to achieve the Millennium Development Goals. With over 200 million youth living in poverty, 130 million illiterate, 88 million unemployed, and 10 million living with HIV/AIDS, the case for investing in young people today is clear. However, world leaders should also look forward to ensure the well-being of the next generation: today's children will be the youth of 2015 – the year targeted for the achievement of many of the MDGs».

World of numbers, especially WYB's USA patented management and accounting technology «Permanent Monitoring System», would tell us the following story: besides food money, Youth Money is the most significant and most powerful development financial resource. It must not be left dependable on time-limited political mandatory powers – it must be developed into the self-sustainable income-generating powerful banking and financial global infrastructure beneficiary to all young people around the World, the World Youth Bank.