How can schooling lead to social capital and small enterprise creation for Tanzanian youth?
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High rates of youth unemployment in Tanzania

Entrepreneurship training

Social capital* may help

What types of relationships (e.g., with adults, peers, at home, and at school) are positively associated with youth starting their own enterprises?

How do youth utilize schooling to develop their social capital and start or enhance their own enterprises?

How do youth draw on their school social capital to start enterprises?

RESULTS – FACTOR ANALYSIS OF SOCIAL CAPITAL QUESTIONS

<table>
<thead>
<tr>
<th>Item</th>
<th>Rotated Factor Loadings</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Relationships with adults at home</td>
</tr>
<tr>
<td>Do adults at home help you to achieve your own employment goals?</td>
<td>.786</td>
</tr>
<tr>
<td>Do adults at home help you to achieve your own education goals?</td>
<td>.733</td>
</tr>
<tr>
<td>Do your peers (agemates) at school help you to achieve your own employment goals?</td>
<td>-.037</td>
</tr>
<tr>
<td>Do adults at school help you to achieve your own education goals?</td>
<td>.381</td>
</tr>
<tr>
<td>Do adults at school help you to achieve your own employment goals?</td>
<td>.494</td>
</tr>
<tr>
<td>Do your peers (agemates) at school help you to achieve your own education goals?</td>
<td>-.242</td>
</tr>
<tr>
<td>Do your peers (agemates) at school help you to achieve your own employment goals?</td>
<td>.181</td>
</tr>
<tr>
<td>School social capital -&gt; enterprise creation</td>
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</tbody>
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Youth enterprise creation was not significantly related to relationships with adults at home ($r = .071, p = .341$) or to relationships with peers at home ($r = -.005, p = .950$)

Yet, youth enterprise creation was positively and significantly correlated with relationships with peers and adults at school ($r = .189, p = .01$)

Longitudinal mixed-methods design

Spoken survey with 189 youth

– 118 youth from Nguvu school and 71 youth from Usawa school
– 153 females and 36 males

Interviews once a year for three years with 45 youth

– 26 females from Nguvu
– 10 males from Usawa and 9 females from Usawa

Importance of “institutional agents” such as school staff, teachers, or counselors (Stanton-Salazar, 2011)

School staff provided:

1. Advice and encouragement: “We have a teacher who teaches us business skills. You know what, I did not have this courage of business. But after being taught, I am courageous to start a business and I know that I can pay for my school fees and buy my own things for school.”
2. Taught youth new skills: “I asked them (teacher supporting business club) to keep them (the pieces) and to teach me how to make such mats. My first plan was just to use them for home, but when I was home my neighbors were interested in these mats, so I sold these mats to them”

School peers were also important for youth success:

“Always, when you have peers and you go together, you’re in good shape – whenever you have a problem, they’re the first people to the notice any problem and they’ll help before you go to the teacher, so for me I say that they’re giving me support”.

“Frankly speaking I get a lot more peer support at school compared to the home….we have so many girls, friends, and neighbors but whenever you tell them about education they just say they can’t understand… so I don’t normally tell them my problems because they’re not normally of help to me.”

Peers at school worked together to start group enterprises. Example: Star Company Group

• Pooled together start-up capital
• Utilized knowledge of the local market to sell charcoal and used clothes
• Opened up a group savings account

Conclusion

• Developing and utilizing relationships with high-status adults is especially problematic for youth from marginalized backgrounds

• In this study, peers also served as ‘institutional agents’ to help youth develop their own enterprises

• Education has a potential role as a site for youth to develop and mobilize relationships with both adults and peers at school while expanding knowledge and skills to combat social inequality