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## Harnessing Talent Economy as a Catalyst for Reducing Youth Unemployment in Greater Tzaneen Local Municipality, Limpopo Province, South Africa

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### Abstract

This paper examines harnessing talent economy as a catalyst for reducing youth unemployment in the *Greater Tzaneen Municipality* (GTM). It argues that youth unemployment remains a thorny issue in South Africa, ranking among the highest worldwide. The talent economy, a global and lucrative resource, is often overlooked in local municipalities, particularly in GTM, yet, it has the potential to play a pivotal role in addressing youth unemployment. Establishing a talent economy is fundamental for ensuring an integrated and inclusive economy. The paper asserts that a country's economy flourishes when the government develops and refines policies that maximize the potential of local communities. It suggests that focusing on talent, skills development, and competencies, rather than solely on traditional qualifications could revitalize employment opportunities. The paper employed literature-based methodology to assess the potential of the talent economy in reducing youth unemployment. *This approach familiarizes researchers with the existing body of knowledge, ensuring an understanding of current discussions and historical context in the field.* The findings reveal that investing in talent development and management will benefit the country's economic well-being, address skills

shortages, and advance the overall economy. To unlock the potential of the talent economy and enable young people to participate effectively in the economy, it is essential for governments, businesses, and educational institutions to support a comprehensive approach to skills development, effective talent management, and strategic investment in creative industries.

**Keywords:** *Greater Tzaneen Local Municipality, Talent economy, Youth unemployment, Skills development, South Africa*

## **1. Introduction**

The Collins English Dictionary (2015) defines talent as innate ability, aptitude, or faculty, especially when unspecified, above average ability. Cohen (1999); Piirto (2021); Southwick et al., (2023) submitted that talent elements such as personality and intelligence may be present in an individual from birth. Interchangeably, Howkins (2001) clearly defines the concepts of creative economy as how people make money from ideas. Howkin (2001) further emphasizes that the creative economy positions itself at the intersection of economics contributing to GDP, innovation fostering growth and social value, stimulating knowledge and talent, and sustainability, relying on the unlimited input of creativity and intellectual capital. Therefore, the notion of talent economy and the creative economy can be considered synonymous. According to Nowotny (2019), the talent economy is the global lucrative resources, it is the manure of the economy that can play a pivotal role in addressing youth unemployment. Thus, underrated in local municipalities such as the GTM.

South Africa is not only acknowledged as the rainbow nation (Sidanius, Brubacher & Silinda, 2019; Sizemore-Barber, 2020), it is also known as a land of diverse talents. The nation has showcased considerable talent in various domains, including sports, music, and entertainment, elevating South Africa to international prominence. The recent triumph in the Rugby World Cup, highlights the country's impressive capabilities (The Guardian, 2023). The country's talent encompasses Gogo Mahlangu Ndebele's artwork, Trevor Noah's global representation, Master KG's music that garnered millions of views on YouTube and sparked international dance challenges and many more (BBC, 2017; UJ, 2018 & SABC, 2020), attracting investors as well as contributing to the growth of the South African economy.

South Africa faces a multitude of issues, mainly the pressing problem of widespread unemployment. A significant portion of youth in GTM is

grappling with the stifling effects of joblessness, leading to increased poverty, substance abuse, and elevated crime rates (Hooghe et al., 2011; Bundy, 2020; Nkomo et al., 2024). The absence of viable employment options forces people to engage in illicit activities as a means of sustaining their lives. Due to the significant decline of employment, according to Gillegao (2016), the frequency of youth going out for social functions such as ceremonies, gatherings, rallies and talk shows decreases. It is imperative for GTM to recognize, nurture and effectively supervise the talents of youth, allowing them to earn a living through meaningful pursuits. Implementing a talent-based economy should become an initiative for a local economic development. The largest young population must be used for the benefit of the municipality through talent development and talent management. The existing lack of youth participation in the economy leaves the youth intellectually and ideologically idle, spreading an inaccurate narrative. Instilling confidence in youth and fostering self-belief through a talent-centric approach have the potential to raise the spirits of society, as it could foster social cohesion and contribute to the economic development of the GTM.

Paul Watson advised '*follow your dreams and use your natural talents and skills to make this a better world for tomorrow*' (Watson, 2007). This advice resonates and aligns very well with the objective of the paper. At the centre of this advice is that the most renowned and celebrated GTM artists such as King Monada, Master KG and others should provide a way for other hidden skills and talents to enhance the GTM economy and reduce youth unemployment. As South Africa puts it, "*Local is Lekker*" loosely translated to "*Things from home are usually the best*". Therefore, when 'things' are the best, they attract investment that can help to grow the local economy of the GTM and thus reduce youth unemployment.

## **2. Problem Statement**

The discrepancy between youth unemployment and the talent economy is a critical issue that draws attention to the difficulties young people face in finding meaningful work despite the need for skilled labour. The mismatch between young people's talents and what businesses need is what defines this gap, which has serious ramifications for the economy and society. To address such a gap, this paper explores talent, which is underexplored in literature, as one way to reduce youth unemployment in *GTM*. Hence, Youth unemployment has been a pressing issue since the early 20th century (Wangmo, 2012; Mbandlwa, 2023). Various studies have

highlighted the challenges faced by youth, such as joblessness, leading to detrimental socioeconomic effects such as dependence on others, substance abuse, and violence (Dube, 2019, Mseleku, 2022). *As it currently stands, South Africa is on 45.5% youth unemployment* (StatsSA, 2024), which is one of the factors that triggered the documentation of this paper. Despite efforts of GTM, unemployment persists due to limited agricultural beneficiation, weak manufacturing, business development, and mining sectors (Urban Eco, 2016). The failure of the municipality to nurture an entrepreneurial culture exacerbates the problem, resulting in a high dependence on the employed population. The article emphasizes the importance of recognizing and developing young talent to combat unemployment and prevent societal decay. By prioritizing the talent economy, GTM can effectively address youth unemployment and socioeconomic challenges, as demonstrated by the success of the "*Mavuso*" concept in South Africa.

### 3. Methodological Approach

The paper used a literature-centred approach to assess the talent economy and its contributions to reducing youth unemployment. This approach involves a qualitative research method that focuses on the perspectives and points of view of various scholars, subjective and objective. The researchers gathered information using a desktop study, reviewing existing literature from journals, books, and reports to analyse and evaluate the subject under investigation. Moreover, databases such as Google scholar, Sabinet, Science direct, Google, and other internet websites were used to solicit relevant information regarding the subject in question. The authors typed key words such as talent, talent economy, talent management, unemployment, and youth unemployment to get relevant documents and information to achieve the aim of the paper. The article used a document analysis. Document analysis was a crucial aspect of the research, providing insights and interpretations on evaluation matters (Selemela, Khwela & Selelo, 2023). This method allowed researchers to assess, examine, and debate various perspectives of scholars to accomplish the objective of the paper, which was to clarify and explain the themes discussed in the paper and to dig deeper into the concepts, grasp perceptions, and clarify qualitative results. *The document analysis was applied through the following steps:*

- Define Research Questions: Clearly state the goals that will guide the investigation. This facilitated concentrating on the pertinent information found in the documents.

- Compile Relevant Texts: Gather written resources such as articles, papers, and other written materials that are relevant to this paper.
- Determine Authenticity: Determine the veracity of any document by taking into account its source, the author's intention, and any biases that may be present.
- Create a Coding Scheme: To classify topics or concepts within texts, use a methodical coding framework. Qualitative data was used in the article.
- Perform thematic analysis: Code the data and look for patterns that show up after the analysis to look for recurrent themes in the content. Therefore, the themes in the paper were developed by critically perusing the literature.
- Interpret Results: Integrate the data into logical conclusions that address study questions and provide meaning of the themes for clarity.

## 4. Theoretical Framework

- ***Human Capital Theory***

The study adopted Human Capital Theory (HCT) because it complements the need to invest in human resources. Ngapeh and Mabindisa (2021) believe that human capital has been articulated as a key economic factor that is critical to enhancing growth. This view is supported by Goldin and Katz (1998), Lucas (2002), Glaeser et al. (2004), Hanushek and Woessmann (2008), Jones and Romer (2010), Galor (2011), Gennaioli et al., (2013); Acemoglu et al., (2014); Abbas et al., (2024). Meanwhile, Cinnirella and Streb (2017) show that the notion of human capital plays a pivotal role in elucidating the reasons behind the economic prosperity of certain nations and the persistent poverty of others over the last two centuries. The authors strongly assert that human capital is a source of economic growth and development. Furthermore, Lucas (1988) and Mankiw, Romer, and Weil (1992); Goldin, (2024) opine that human capital is understood as an independent element in the production process that boost overall productivity. Human capital theory highlights the importance of individual competencies, expertise, and experiences as valuable assets that contribute to improved economic productivity and overall economic prosperity (Naphat, 2017). The HCT elucidates the importance of maximizing labor and details how an organization can accumulate knowledge, skills, and abilities of its workforce to enhance employee capacity (Naphat, 2017).

Human capital theory is relevant to this paper because it can be used to guarantee sufficient investment in skill development and education pertaining to the talent economy in GTM. The economic inflow and outflow of the GTM are contingent on the quality and capabilities of its human resources. Thus, the contribution of human capital in the innovation process is acknowledged (Nelson & Phelps, 1966; Romer, 1990; Benhabib & Spiegel, 1994; Hutahayan, 2020). In the world of the labour market, individuals contribute varied educational backgrounds, levels of knowledge, skills, and abilities, as their expectation to the workplace (Naphat, 2017). However, investing in human capital and creating an environment that nurtures talent is imperative as it can position GTM for sustained growth and prosperity. The intricate relationship between HCT and the talent economy is that the HCT emphasizes the materialization of skills and knowledge of individuals, which serves as a supplement to their talent. Most significantly, the coexistence of HCT and talent is inevitable. When recognizing the talents that exist within the parameters of GTM, the necessary support must be given to communities and individuals to unleash their full potential through HCT.

## **5. Literature Review on Talent Economy and Youth Unemployment**

### ***5.1. Understanding the Imperatives of Talent Economy***

The talent economy is a billion-dollar industry (Jonker, 2019), which can serve as a catalyst for reducing youth unemployment by providing a platform for young individuals to engage in economic activities willingly. The desire of young people is to earn money while simultaneously having fun. The increasing prevalence of digital literacy further emphasizes the importance of such investments. A prime example is TikTok, which allows Africans to express their rich culture infused with music, art, and dance (Nenyang Technological University, 2021). The platform has shown that a country can capitalize on the talent economy. In South Africa, there has been a surge in content creation on TikTok, with notable figures like Wian, amassing over 15 million followers and the MacG podcast garnering a substantial audience of 1.8 million followers (Ticktok, 2023). There exists a connection between the talent economy and economic growth. Developing and managing talent is a crucial strategy that has potential to support an integrated and inclusive economy. It is undoubtedly true that the economy of the country grows when the government develops and refines policies in a way that maximises potentials of local communities.

The talent economy represents a multibillion-rand sector (Jonker, 2019), that should invest in human capital to reshape the country's economic landscape. Once the essential infrastructure and resources are established, job prospects will automatically be generated. However, according to Hourani (2017) cited in Ramodula and Govender (2021), accentuated that having a strategy in place is not enough; the issue is its successful implementation in bridging the gap between the current state and the future of the organisation. Therefore, for successful execution, there is a need to improve skills and knowledge within the industry by establishing facilities and refining policies within GTM to guarantee convenient access for aspiring young people interested in the industry.

The government should focus on improving human capital and infrastructure development to revive the talent economy. Inadequate human capital within the talent industry has given rise to the exploitation of individuals entering the field, resulting in disorder and waste of talent (The Archive, 2021). In the absence of government intervention, the industry remained dominated by monopolies. The EEF leader Julius Malema emphasized the importance for South Africa to recognize and nurture the best brain, drawing inspiration from the United States' example, which promotes and develops talent for the benefit of the nation (MacG podcast, 2023).

## ***5.2. Global Perspectives on the Talent Economy***

### **➤ *Africa Perspective***

In a television interview with BBC News Africa (2019), Bobi Wine, who is a leader of the Uganda opposition party, alludes that. "Africa has the youngest population, is the big resources for us, if well maximise it can turn around the destiny of Africa". However, Bobi Wine is one of the African youths who graduated from the University of Uganda and never got employed, resorted to singing, using his talent (Bobi Wine, 2019), for the benefit of himself and the country. Unemployment in Africa is a subject of contention; Africa is rich with minerals resources that can be used to turn around the status quo of the continent to ensure youth participate meaningfully in economic productivity. Alfonsi et al, (2020), put forward that youth unemployment a major challenge in the developing world, a growing mass of young workers are failing to find work. Due to the high population growth, youth unemployment has risen sharply over the last few years Atkinson and Rees (2022), hence, general poverty, an

outdated education system, and corruption are some of the reasons that are often mentioned in connection with youth unemployment in Africa (Pletscher, 2015).

Baah-Boateng (2016) affirms that youth unemployment remains a major political and socioeconomic challenge in Africa despite the recent strong growth performance of many African countries. The demographic of youth represents a significant portion of the labor market, and youth unemployment poses socioeconomic concerns. According to Caporale and GilAlana (2018), it is essential for policymakers to determine the degree of persistence in different countries, enabling the selection of country-specific responses to external shocks. According to Ndjié, Ondo, and Tabi (2019), Africa is unable to control corruption and political stability that led to a negative influence on youth unemployment in Africa. This can and will most likely have destabilizing and disturbing effects on the economy as well as on the society at large of the country in the foreseeable future, as the youth is very often at the source of revolutions and political turmoil (Pletscher, 2015). Moreover, political stability does not reduce youth unemployment in highly corrupt countries that are rich in natural resources. However, political authorities must improve governance indicators, including the control of corruption and political stability. In African youth unemployment is a socioeconomic problem that requires a multidisciplinary approach (Selelo & Manamela, 2018).

In the first three years of its independence, South Sudan has faced a significant challenge, as highlighted in a report presented by Cross Cultures (2022). The findings of the report reveal that most of the young population in South Sudan is currently unemployed and actively seeking decent employment opportunities. The prevalence of institutional malpractices, corruption, and nepotism in current governance practices exacerbates the issue of youth unemployment in Africa, as individuals are often employed based on affiliation with specific clans, tribes, or political parties. Furthermore, it is noted in the World Bank report (2022) that the total rate of youth unemployment among the workforce in South Sudan will increase to 21.32% by 2025 as modelled by the International Labour Organization (ILO) estimate.

To curb mass migration, Africa must face its challenges in unemployment, as many people are leaving the continent in search of better prospects in developed countries. Although it is rich in mineral resources, Africa has yet to establish a talent economy (Selelo & Manamela, 2018). It is crucial for the continent to shift its economic focus to

nurturing talent. There is substantial evidence of Africa's vast talent pool, evident in the emergence of top football players like Drogba in Europe.

➤ *United States of America Perspective*

The American economy is built on talent (creative economy). According to Nowotny (2019), foreign talent has transformed US science and engineering, reshaped the economy, and influenced society at large. The talent industry is a significant contributor to the American economy. According to the US Bureau of Economic Analysis, the creative economy contributes \$919.7 billion in value added, sustains 5.2 million jobs, and constitutes 4.3% of the country's economic activity (Bureau of Economic Analysis, 2023). In particular, the arts account for a more substantial portion of GDP compared to significant sectors such as construction, agriculture, and transportation (NASSA, 2020). The creative economy consists of economic activity that depends on the revenue of individuals and organizations, the resources of the community, and cultural participation. The global economy benefits substantially from the creative industry, as it makes a notable contribution of slightly more than 6.1% to the overall gross domestic product (GDP) (The Policy Cycle, 2023).

Talent is considered the world's most precious resource, and the collective knowledge and capabilities of the U.S. workforce are worth an estimated \$240 trillion, which is four times more valuable than the country's physical resources cited by Nowotny (2019) in Wiliam (2018). Over the past 50 years, the American economy has transitioned from supporting the extraction of natural resources to maximizing the utilization of human talent (Martin, 2014). If talented people were prevented from contributing at a comparative advantage, then the benefits of labor were lost to the economy (Hsieh, Hurst, Jones & Klenow, 2019). Talent matters to business attraction and business expansion (Parila ,2019). The allocation of talent is a significant factor in US economic growth, and the changing frictions indicated by the observed occupational convergence contribute to 15 to 20% of the country's overall growth (Hsieh, Hurst, Jones & Klenow 2019). The concept of talent-focused economic development in a new vision and strategic plan for both regional and state economies. It emphasizes a core principle of the contemporary economy, asserting that the capabilities of the workforce outweigh any other factor as a driver of economic development. Notably, individuals such as Akon who has received accolades such as Grammys, BET, World, and American music awards, as well as Lupita Nyong'o, (UEFA, 2020; Britannica, 2023), and

many other Africans who continue to contribute to the economic growth of foreign nations.

### ***5.3. Significance of Addressing Youth Unemployment for Societal Well-Being***

Many scholars, such as Phokontsi (2021), have emphasized the critical importance of addressing youth unemployment in South African local municipalities. Phokontsi (2021) further emphasizes that integrating young people into the workforce is essential to ignite hope in the lives of youth. Addressing youth unemployment is crucial to social well-being, as it promotes an inclusive economy and society. The high rate of youth unemployment poses a huge challenge to the country's development capabilities, security, and peaceful coexistence; to the social fabric through the rise of crime (Buny & Philip, 2023). Picardo (2022) opines that unemployment has serious negative effects on the social well-being of victims. The analysis affirms that unemployment significantly harms the disposable income of affected families, erodes purchasing power, lowers employee morale, and diminishes the overall output of an economy. As correctly observed by Flint et al., (2013); Yamben and Asaah (2020); Gillegao (2016); the adverse effects of unemployment on individual well-being can pose a significant threat to one's health and becomes a major life threat which can impact along-lasting effect on young people, disturb the living standards, and damage the prospects of the next generation. In the Tshumas view (2020), the high level of unemployment in the townships has significant implications for the socioeconomic stability of the country.

Mokona, Yohannes, and Ayano (2020) postulate that youth unemployment has serious consequences for the future lives of young adults and for society at large. Supported by Feather, (2018), Klehe and Van Hooft, (2018), Sekwati and Dagumu, (2023), who contend that unemployment has a detrimental effect on a nation economic growth, development, and prosperity. In South Africa, the rate of people experiencing emotional distress or dealing with mental health challenges rose by 8% compared to 2020, reaching highest rate at 36% (News 24, 2022). Meanwhile, Pierce (2020) emphasizes that poverty and high cost of living have influence on mental health. Furthermore, these factors can have significant social consequences, as unemployed young people often experience a sense of isolation, contributing to social exclusion, anxiety, and a diminished sense of optimism about the future.

Dudwick (2012); Fergusson and Yeates (2021), accentuate that chronic unemployment and underemployment do more than erode social cohesion; they create a pervasive sense of exclusion from economic life, leading to unorganized and potentially violent responses. Since the relationship between jobs and social cohesion is influenced by institutions and policies, institutional and policy factors, decision makers should adopt a more forward-thinking position in devising strategies to alleviate the impact of unemployment. The approach is crucial for ensuring social stability and cohesion. Paver, Rothmann, Van den Broeck, and De Witte (2019) and Tshishonga and Matsiliza (2020) argue that it is imperative to invest in finding solutions for unemployment in South Africa. Finding an immediate solution to unemployment in GTM is critical to address the adverse effects that can affect the future economy of the municipality.

#### ***5.4. The Nexus between Talent Economy and Economic Development***

According to Leikuma-Rimicane, Boronenko, Lonska, Fyodorova, Natalya, and Ostrovska (2021), the notion of talent is widely employed in academic economic literature and worldwide economic investigations as the primary catalyst in shaping the talent-driven economy. The creative sectors thrive on individual ingenuity, skill, and talent, holding the promise of generating wealth and employment through the utilization of intellectual property (DCMS/CITF, 1998). The importance of talent surpasses the importance of both natural resources and physical capital. The talent economy plays a role in the economic development of a country in the modern world. The talent economy plays a crucial role in shaping and driving economic development. Howkins (2001) posits that the creative economy pertains to individuals earning income through their ideas. It is characterized by the exchange of creative products that originate from innovation and possess economic value, as defined by the individual who coined the term. The "talent economy" denotes an economic framework in which the primary catalysts for economic growth are the skills, knowledge, and capabilities of individuals. In the context of South Africa, it is crucial to harness and cultivate human capital (Choi, Dutz, and Usman, eds., 2020).

The talent industry plays an important role in driving economic development in South Africa. Jonker (2019) shows that creative industry contributes significantly to South Africa's GDP. In 2017, the primary creative sectors made up 3.05% of the nation's GDP, totalling R155 billion, and the associated industries comprised 2.24% of the GDP at R115

billion (Cultural & Creative Industries, 2022); Together, these sectors represented a combined 5.29% of the GDP as highlighted by Cultural & Creative Industry, (2022). The creative industries also contributed 2.53% to the gross value added of South Africa, which is R105.6 billion (Cultural & Creative Industries, 2022). The industry accounts for a substantial portion of the country's employment and contributes to its GDP. According to the South African Cultural Observatory, the creative economy constituted nearly 6% of South Africa's total employment, equivalent to just below 1 million jobs. In addition, it directly contributed approximately 3% to the country's GDP in 2020 (Cultural & Creative Industries, 2022; South African Cultural Observatory, 2023).

The growth of the sector depends on broader state policies, and there are challenges such as the need for investment in accessible digital infrastructure and the impact of economic, political, and historical factors on the sector's growth (The Conversation, 2021). There is a need for policy refinement and more investment should be poured into the talent economy, especially in rural municipalities, to drive economic development and meet the goals of the 2030 National Development Plan.

## 6. Findings and Discussions

The Russian proverb suggests that '*one develops an appetite only upon seeing food.*' Applying this concept, it is advisable for the government to bring economic opportunities within close reach of youth, ensuring active participation. King Monada and Master KG, prominent musicians in GTM, have elevated GTM's global recognition with millions of YouTube viewers through talent. This success has inspired others to enter the industry; however, efforts are hindered by a lack of resources. Resources such as finance, a key factor that restricts young people from harnessing and realizing full potential, pose a challenge to most artists in GTM. Other resources include materials, such as equipment, which could assist artists in performing daily activities. Investing in the talent economy could revitalise the impact of unemployment in GTM. The region should consider mobilizing resources that could fuel the industry, focusing on diverse areas of talent among all segments of youth.

The government approach to addressing the predicament on unemployment has been too rigid, focusing on traditional methods of formal employment and education, shifting the focus to skills development and competencies rather than traditional qualification could revitalise the brunt of unemployment. Using one's qualifications, knowledge,

perceptions, attitudes, impulses, and experience to achieve organizational goals and ensure internal activity is known as talent management (arkbay, 2023). It is possible to efficiently handle features that create value in the present and future by employing talent management in this process. To reduce youth unemployment, talent management must be a priority.

Talent management is centred on the cultivation of leaders and managers who support organizational values, promote a robust organizational culture, and create a steadfast leadership structure (Iles, Chuai, & Preece, 2010). One goal of talent management is to address competency gaps by leveraging e-learning, training, and development initiatives to achieve this. In addition, talent includes fostering people with inventive traits, backing their creative abilities, and showcasing their creativity (Yiitol & Diken, 2021). Therefore, talent management should not be overlooked because it plays an important role in ensuring the sustainability of talent. Formal education should not be neglected, since it remains the key to improving the prospects of young people in the labour market.

In the talent economy, specialized skills and expertise are more valuable than physical capital or resources in this new paradigm. Individuals in the talent economy possess significant bargaining power, having complete authority over jobs and the ability to decide the time and location of work. What sparks and activates the talent economy is the "skills economy," as the skills that foster talent in young people lie at the heart of this framework. The debate over the prerequisites for talent remains a contentious issue. Moloto (2023) understands the talent economy as a 'gig economy' which is essential towards service delivery and therefore could ultimately improve the local economy through some new business models. '*The War for Talent Is Over, And Everyone Lost*', is a controversial headline from an article published by Fast Company (Craig, 2017). The paper suggests that, rather than successfully attracting and retaining talented employees, organizations are inadvertently driving them away, leading to feelings of alienation and a consequent loss of skilled workers. It can be argued that the article fails to acknowledge the significance of talent in enhancing skills and talent management, which are essential for improving business productivity. Nevertheless, the paper recognizes that harnessing talent is beneficial for both human development and, to a larger extent, business growth. It advocates for a concerted effort to cultivate talent and enhance skills among young people in GTM to bolster the local economy. Furthermore, it identifies talent management as a critical component of this process, encompassing individuals' skills,

knowledge, qualities, attitudes, and behaviours that contribute to organizational effectiveness and human development.

One of the key components of HCT is the development of skills. The application of the HCT is that talent must be cultivated and young people with skills should be supported to realize their full potential and dreams. The HCT emphasizes investing in human abilities and skills so that individuals could fully practice their livelihoods and contribute to building the talent economy. Consequently, this could be one way to address youth unemployment in GTM. Hence, talent economy is underexplored in GTM which could be a new paradigm for change.

## **7. Conclusion**

The high rates of youth unemployment in GTM call for immediate and innovative interventions. Investing in the talent economy presents a significant opportunity to drive economic growth, reduce unemployment, and tackle broader socioeconomic issues. A comprehensive approach that combines improved skill development, effective talent management, and strategic investment in creative industries is essential. Both the government and the private sectors must collaborate to unlock and support the vast potential within youth, transforming it into meaningful economic opportunities. Although the literature on harnessing talent to reduce youth unemployment is limited, it is clear that this approach offers a promising path to address South Africa's triple challenges of unemployment, poverty, and inequality. By directing resources and investments toward the cultivation of young talent, the country can address these issues more effectively. The talent economy if supported by Both the government and private sectors, could become a multibillion-dollar industry. There is significant untapped potential among young people that, once identified and utilized, could enhance livelihoods and contribute to economic growth and social development. Harnessing the talent economy offers a promising avenue to combat youth unemployment and stimulate local economic development. Effective implementation of these strategies could lead to substantial socioeconomic improvements and foster a more dynamic and inclusive economy.

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