

## Long Term Youth Unemployment: Characteristics and Policy responses

This article is a comment about FEPS SPERI Paper: [Baby Boomers vs Millennials and the new politics of intergenerational fairness](#)

While in 2017 Europe finally regained a stable path towards recovery, with growth in the economies of all Member States, the recovery in labour market participation is still not the same for all Member States and groups, with age remaining the main driving factor here. In fact, while the employment rate of older workers, aged 50–64 years, has increased remarkably in the last decade, from 55.4% in 2007 to 63.4% in 2016, the employment rates of young people (15–24 years) still remain below pre-crisis levels: 33.7% in 2016 against a rate of 37.2% in 2007. Similar trends are recorded in unemployment statistics, with young people heavily more affected by short and long term unemployment than the rest of the population[1].

As a consequence of the asymmetric impact of the economic recession among age groups, the terms of intergenerational fairness entered rapidly in the policy debate of the European Union and its Member States. While the term is not new, but made its appearance in the United States during the Reagan era, the contextual economic and social conditions of the world of today are very different. The great recession acted as an amplifier of the impact of the various challenges that our societies were already facing: globalisation, IT revolution and demographic changes. The combined effect of globalisation and IT revolution made it possible to control a real-time production process located in China with a smartphone while sitting in an elegant café in Rome. If on the one hand, globalisation meant one billion people out of extreme poverty in the new emerging economies, the entrance of new actors in the global market also meant that European workers started competing with other less protected workers geographically located far away. Despite being good for the capital, globalisation meant winners and losers. European and western middle classes who have seen their working and living conditions standards decreasing in the last 20 years are the losers. They are those sitting in the elephant's trunk of the famous graph by Professor Branko Milanovic[2].

Although the problem of youth unemployment is not new in Europe, the global competition in labour market created by the wave of globalisation based on neoliberal economic theories, represents an additional barrier that European young people, often sons and daughters of the middle class, are facing in entering the labour market.

A difficult and delayed entrance in the labour market of youth has severe consequences for the individual and the society as a whole. In contemporary societies, paid employment represents 'the entrance ticket' to the consumption of goods and services, and at the same time influences the individual's skills, abilities and social standing[3]. Despite being more educated than their parents, with a low-paid or even no job, young people are often confined in a vicious circle of uncertainty and precarious situations, relinquishing the possibility of buying a house or delaying, often indefinitely, their entrance into parenthood[4].

As a result of these monetary and non-monetary barriers which do not allow them to fully participate in the society and of the daily confrontation with structures and institutions, young people are more likely to accumulate a general disaffection with and resentment against society as a whole and the political actors that represent it. Moreover, the daily confrontation with the baby boomer generation and the inability to match their economic trajectory and to achieve the same level of current and future prosperity risks igniting a generational conflict.

‘Youthquake’ was announced as 2017’s word of the year by Oxford Dictionaries[5], reflecting on a climate of deepening political participation of young people during the UK election. A mobilisation that took the direction of the progressive forces, by rewarding the Labour party which reached 40% in 2017. While the result of the UK election is a positive sign over the direction of political participation of youth, unfortunately, the ‘youthquake’ took directions far from progressive forces in other European Member States. In France, the vote of young people seemed to reward Marine Le Pen’s party, while in Italy the most popular choice for young people at the next 2018 general elections are expected to be either the populist Five Star Movement or the xenophobic movement of Lega Nord[6]. Similar trends are recorded in other European Member States[7].

The financial crisis of 2008 and the unsatisfactory responses from many governments, unprepared to present new policies for shared prosperity and recovery, seem to have opened what Allan Larsson called an ‘empty room’, a period without direction that fostered the discontent of the many who are suffering uncertainty and growing inequalities. The “discontent of declining expectations” that affects both adults and young people. The first because many have seen their living standards decrease in the last decade while the latter, who have made costly investments for their education and are still struggling to enter the labour market, are still far from having the same working and living conditions as their parents. This empty room was filled by populist and neo-nationalism movements, capable of attracting this discontent with the proposals and solutions that are as simple as they are unrealistic or even dangerous for the core values of our democracies.

In order to defuse the explosive bomb of the ‘empty room’ there is now need of a strong and re-invigorated progressive policy response from the established parties which can stop the growing sentiments of social injustice spread during the crisis by reducing the unbearable level of inequalities within the different groups of the population and renewing the social contract among generations.

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[1] Eurofound 2017 - Long-term unemployed youth: Characteristics and policy responses

[2] Milanovic, B. - Global Inequality A New Approach for the Age of Globalization

[3] Bay, A. G. and Blekesaune, M. (2002), ‘Youth unemployment and political marginalization’, International Journal of Social Welfare, Vol. 11, pp. 132–139.

[4] Eurofound 2014 – Mapping Youth Transitions in Europe.

[5] Oxford Dictionary - <https://en.oxforddictionaries.com/word-of-the-year/word-of-the-year-2017>

[6] <https://www.mentepolitica.it/articolo/il-voto-dei-giovani/1116>

[7] DW.COM - <http://www.dw.com/en/young-people-vote-far-right-in-europe/a-18917193>