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# Intergenerational fairness in post-crisis Europe: A comparative study

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## About the Author

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This research, which has been developed by FEPS and SPERI, investigates the challenges facing young people in Europe's postcrisis economies, and the emergent politics of intergenerational fairness.

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## About FEPS

The Foundation for European Progressive Studies (FEPS) is the European progressive political foundation. The only progressive think tank at European level. FEPS establishes an intellectual crossroad between social democracy and the European project, putting fresh thinking at the core of its action. As a platform for ideas and dialogue, FEPS works in close collaboration with social democratic organisations, and in particular national foundations and think tanks across Europe, to tackle the challenges that Europe faces today. Close to the Party of European Socialists (PES), the S&D Group in the European Parliament, the PES Group in the Committee of the Regions, Young European Socialists and PES women, but nevertheless independent. FEPS embodies a new way of thinking on the social democratic, socialist and labour scene in Europe.

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Sheffield Political Economy Institute (SPERI) is an international research institute at the University of Sheffield committed to developing and promoting new analysis and understanding of contemporary capitalism, and of the major economic and political challenges arising from it.



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Today's young Europeans have come of age during a uniquely challenging time. The decade since the global financial crisis has been marked by economic stagnation and, more recently, by growing political turbulence and a turn to populism in many nations. Against that backdrop, there is a growing perception that Millennials will not enjoy the same standard of living as previous generations of Europeans and that, as a result, the social contract between generations may be heading for a crisis. For progressives, these trends present both opportunities and challenges. New political discourses have emerged around the idea of "intergenerational fairness", offering novel critiques of Europe's economic model for failing to provide the opportunities that the Millennial generation had been led to expect. These discourses shine a light on the growing inequalities in the continent's political economy, and may well create the space for new progressive policies that aim to restore the social contract between generations.

But progressive outcomes are not guaranteed. The notion of intergenerational fairness is a flexible concept that can also be used as a justification for further austerity, the withdrawal of entitlements and the dismantling of welfare states. If progressives are to succeed in harnessing the potential of this new discourse they must go beyond a headline concern with intergenerational fairness, look closely at the challenges confronting the Millennial generation, and decide what a fairer social contract would look like. This means, as a first step, understanding that intergenerational fairness is not a single thing that holds the same meaning in all nations. There is a need for a more nuanced awareness of how concerns about intergenerational fairness spring from, and are shaped by, the diverse political and economic challenges facing different European countries.

This paper offers a new perspective in two ways. First, it brings together case studies from six European nations, showing that while discourses of intergenerational fairness are emerging across much of the continent, they vary in important respects according to the national context.<sup>1</sup> These discourses then feed into quite different political and policy responses in each nation. Second, the paper reports key findings from FEPS' Millennial Dialogues Survey to highlight the voices of young people themselves: voices that have too often been missing from a political conversation which talks about Millennials more than it listens to them. Taken together, this new cross-country evidence illustrates the great complexity of the intergenerational agenda in Europe. What seems at first like a common response to a common economic challenge – namely, the weakened position of younger people in the post-crisis economy – is actually something more complicated. This new comparative study shows that:

- The economic challenges facing young people are becoming more politically salient in nearly all European nations. However, the discourse of "intergenerational fairness" is mostly a Western European phenomenon, reflecting specific anxieties about the sustainability of welfare states. In the post-socialist nations of Eastern Europe this discourse does not occur in the same way, if at all.
- Even within Western Europe there are significant differences in what intergenerational fairness is understood to mean. Intergenerational fairness is a flexible concept that can be made to support either progressive or conservative policies depending on how it is mobilised by political parties and movements.



- The extent to which political parties have picked up the intergenerational fairness agenda also varies a great deal. Intergenerational fairness does not straightforwardly belong to parties of either the left or the right, but tends to cut across those dividing lines. In some cases (most notably in Spain) there has been a strong focus on young people in leftwing critiques of post-crisis economic policy. In other countries interest in intergenerational fairness has been limited (France), ambiguous in its political direction (UK, Germany), or connected with the politics of austerity (Denmark).
- It is not the case that discourses of intergenerational fairness are loudest where the economic position of young people is weakest. Progressives cannot rely on there being an automatic political response to tough economic conditions but must actively make the case for policy that favours the young.
- European Millennials themselves are generally not confident that politicians can, or indeed want to, shape the economy in their best interest. Turning the intergenerational fairness discourse into progressive policy will mean tackling this disillusionment with politics, persuading Millennials that politicians have their future interests at heart, and ensuring that progressive-sounding discourses of intergenerational fairness actually generate progressive policy.



## Context: Economic challenges for young people in post-crisis Europe

The aftermath of the 2008 financial crisis created serious challenges for Europe's young people, who were particularly vulnerable to the effects of a weaker economy. Unaffordable housing and rising living costs bite hardest on groups that lack savings or assets to cushion them through tough times, while unemployment and labour market precariousness are especially pressing concerns for young people looking for a way into job markets for the first time. However, there is enormous variation between countries in the scale of these challenges. Spanish Millennials are almost six times as likely to be unemployed than their German counterparts. British Millennials have relatively low levels of unemployment but face high rents and may struggle to find stable work in the so-called 'gig economy'. Romanian young people are better educated than previous generations but have little faith in domestic politics to deliver the opportunities they want, with many choosing to work abroad. In each case the post crisis period has tended to sharpen whatever fault-lines existed in each nation's political economy, deepening economic inequalities, including those between generations.

The policy response to the financial crisis may also have contributed to generational economic strain. Post-crisis macroeconomic policy, by focusing on stabilising the system through the downturn, has arguably contributed to a political economy in which the assets of older generations have been protected, while younger people are excluded from what prosperity is available. We also know that there is a growing divide between the very richest citizens and the rest, in terms of both income and wealth. Inheritance will therefore play an increasingly important part in determining young people's economic chances, transmitting intra-generational inequality down the generations.

So is the new discourse of intergenerational fairness simply an automatic reaction to tough economic conditions? The post-crisis economy has been challenging for young people, so they might naturally be expected to press for change. In that case it would logically be the case that the greater the economic challenges, the greater the political reaction, making the politics of intergenerational fairness most lively in those countries where young people are most economically disadvantaged. In fact, our findings suggest this is not the case, and the picture is far more complicated.



## Country case studies: intergenerational fairness in comparative perspective

We conducted case studies in six countries: Denmark, France, Germany, Romania, Spain and the United Kingdom. These studies show that there is a growing sense of concern about the economic prospects of the younger generation in most – though not all – European nations. In some cases this is understood as a problem of “intergenerational fairness”, implying a tension between generations; in others it is framed as a freestanding crisis for young people. The common thread is that framings based on age are an increasingly important part of how the political economy is being talked about and understood. However, there are significant differences across countries about how the economic challenges facing young people are defined, when and how generational questions entered the political sphere, and what the policy implications of this agenda may be.

The case studies reviewed a broad range of sources including policy papers, newspaper articles and government communications, to achieve a broad scan of the discourse around young people and the economy in each nation. To structure this analysis, we focused on three key questions, as summarised in Figure 1. First, we examined the shape and origins of the intergenerational fairness debate in each country, asking whether generational economic challenges have permeated the political discourse and how. Second, we considered the extent to which the politics of young people and intergenerational fairness belongs, politically, to either the left or the right in each country. Third, we considered whether youth politics and intergenerational fairness are driving new policy in each country, and how. By unpacking these three features of each case, we can see that there is not a straightforward connection between the economic conditions and the politics of young people. The economic context does influence the range of policy questions that tend to be discussed in relation to young people and intergenerational fairness, as Figure 2 shows. However, it is not the case that the politics of intergenerational fairness is most active when those economic challenges are most severe. Instead, we found evidence that intergenerational questions tend to be framed in ways that resonate with the politics, as much as the economics, of each country. Discourses of intergenerational fairness do not describe a straightforward economic problem facing Europe as a whole – rather they construct constructs one out of different ingredients in each country. Intergenerational fairness should be viewed as a primarily political phenomenon that applies common labels to a variety of economic challenges, and which may come to influence policy in diverse and surprising ways.

### United Kingdom

In the United Kingdom, the debate on intergenerational fairness has emerged since 2010, in response to the challenges facing young people in the UK’s post-crisis economy. The British debate typically focuses on a rhetorical contrast between apparently prosperous Baby Boomers and struggling Millennials. Compared with other countries, the intergenerational debate is particularly focused on the high cost of housing, which has long been a central preoccupation of UK politics. It also takes in issues around labour market precariousness and underemployment, pensions and social care, and the growth of public and private debt. It is often suggested that the social contract between generations is approaching a breakdown and that policy change is therefore urgently required.

The politics of intergenerational fairness in the UK is politically ambiguous, being mobilised in different directions by organisations on both the left and right of the political spectrum. The British discourse is being pushed forward mainly by the activities of a few thinktanks, whose membership and political connections reach across both left and right. As such the tone of debate has sometimes been



conflictual, suggesting a generation war with zero-sum consequences. In the UK media, Millennials are often characterised as financially irresponsible and unwilling to work hard enough to save for their future, while Baby Boomers may be alternately viewed as thrifty savers or as complacent wealth-hoarders, depending on the audience. At other times, however, the British discourse is more solidaristic, emphasising family bonds across generations and the mutual benefits of renewing the social contract. There is also a strand of the debate that highlights environmental policy in the interests of intergenerational justice. So far, the intergenerational agenda does not belong to any one political party, and indeed it raises questions for both left and right about the extent to which they want to tackle questions of inequality and redistribution. Generational inequalities are in some ways in conflict with socio-economic inequality: not all younger people are disadvantaged and not all Baby Boomers are wealthy. This is challenging for progressives who might be cautious about prioritising age-based redistribution at the expense of poorer seniors. In other ways, however, there is great progressive potential in designing policies that ensure economic inequality is not passed down the generations.

Because intergenerational politics does not clearly belong to either the left or the right in Britain, its policy implications are still quite uncertain. The centre-right Conservative party flirted briefly with policies that would have accessed the housing wealth of older people to pay for social care, proposals which were framed as being motivated by fairness to younger generations. The idea received a hostile reception in the British press, who labeled it a “dementia tax” that would unfairly penalise the old and infirm. This bad publicity contributed to the Conservative government’s relatively weak performance at the 2017 election, in which turnout among older voters fell slightly, while youth turnout rose, mostly to the benefit of the leftwing Labour party. As a result, there seems to be little appetite on the British right to revisit intergenerational questions for the time being.

There is some evidence of a new youth-oriented politics on the left wing of British politics, with the Labour party increasingly targeting young voters through policies such as the abolition of university tuition fees. However, Labour have not explicitly adopted intergenerational fairness as a framework for presenting their proposals, being careful to avoid the suggestion that new benefits for young people would be financed by taking something away from pensioners or from older homeowners. This non-conflictual framing is in line with survey data that shows young people generally reject the idea of a zero-sum contest between young and old.<sup>ii</sup> However, in the long run it may make it more difficult to tackle the big redistributive questions around the generational balance of resources in Britain’s economy and welfare state. If controversial subjects such as the taxation of housing wealth remain off-limits, it is difficult to see how the politics of intergenerational fairness can generate the kind of policy ideas that might bring about significant changes in the British economy and its offer to young people.

### France<sup>iii</sup>

In France, there is also a growing focus on Millennials in political discourse. Some of this is a provocative media discourse that borrows vocabulary from English and, like the Anglo-Saxon version of the debate, increasingly constructs the younger generation as troublesome and older generations as relatively unproblematic. There has been some recent commentary around the idea that a large cohort of retiring “Papy Boomers” may be putting the pension system under strain, but this is seen as a structural problem rather than a failure on the part of the old. Young people, meanwhile, are often described as unfocused, social media-addicted or alienated. Presented in that light, the issue on which the French discourse tends to focus is not exactly intergenerational fairness, but rather how to deal with the problem of disaffected youth.





However, while the French discourse may be somewhat negative about young people, it does not tend to adopt the 'generation war' framings that are present in the UK. Instead the mainstream policy conversation is still built around the French tradition of solidarity, which remains central to French citizens' understanding of the political economy. This non-conflictual framing may actually be a barrier to policy change since it removes the sense of urgency that is present in the discourse in the UK or Spain, and may be generating a certain complacency about whether policy could be overhauled to benefit the young. Questions of youth unemployment and pension sustainability, having been well discussed throughout the 2000s, are not seen as particularly new or pressing, and in contrast to other nations, there has been little sense among policymakers in France that intergenerational fairness is a new and urgent challenge.

France's main political parties remain focused primarily on older voters and have shown little interest in picking up the intergenerational fairness agenda, or in developing a more youth-oriented politics. The Macron government's interest in youth policy seems to have been confined to occasional measures that would improve the civic engagement of young people themselves (proposing, for example, a state-funded 'culture pass' to promote highbrow arts participation, or the reinstatement of national service). The possibility of improving the political economy *for* young people is much less discussed. To the extent that a new intergenerational politics is being advocated, it is mostly by smaller parties on the political fringes. For example, Benoit Hamon's "Generation-S" offers a new politics of youth and solidarity, talking about bringing generations together while advocating radical new policies including a universal basic income to address the labour market challenges that particularly affect under-25s. While its electoral impact been small, the emergence of Generation-S suggests there is some potential for a new and distinctively French kind of intergenerational politics based on solidarity rather than conflict. However the lack of uptake by mainstream parties in France means that while there may be a growing perception that young people face particular challenges, there is so far little sign that this will lead to new policy on their behalf. Youth engagement in France has tended to be channeled into direct action and issue-protest rather than electoral politics, and intergenerational questions have yet to gain much traction on those in power.

## Spain

Of the countries studied here, Spain is the clearest example of a connection between the economic crisis of 2008 and the emergence of generational economic challenges as a political frame. The unemployment rate for Spanish under-25s in 2017 was almost 38%, twice as high as it had been in 2007, and higher than in any other nation in this study.<sup>v</sup> Young people in Spain are more likely to be in temporary employment than other Europeans; wages have fallen 10% since 2008, and the rise of unpaid internships has also contributed to the extreme difficulty young people face in the labour market.<sup>v</sup> High housing costs combine with these employment trends to make it difficult for young Spaniards to become financially independent of their families: the average age at which young people leave home is now as high as 29 years old.<sup>vi</sup> There is, it seems, a broad consensus that today's young people are in a worse position than previous generations.

In the Spanish case, the problem is not explicitly described as intergenerational, so much as a specific crisis for young people. Media representations make use of such terms as "generación perdida" (the lost generation) to describe a cohort of young Spaniards whose prospects have been seriously damaged by the post-2008 economic downturn. There is however an implicit intergenerational dimension to this narrative, since it centres on the notion of declining fortunes: the idea that young people were born into an economy that promised rising living standards compared with older generations, but can no longer deliver them. The perception is not just that Spain's young people are



enduring a tough time, but that they will now be permanently worse off than their elders. In other words, the post-crisis economy is perceived as having broken faith with the younger generation, with the 2008 crisis being the turning point. It is this sense of a generational reversal of fortune that drives the politics of young people in the Spanish case. A wave of anti-austerity protests in 2011 were significantly driven by young people, reflecting the extent to which the debate about Spain's post-crisis economic policy is centred on the problems facing the young.

Whereas in some countries intergenerational fairness is a cross-party (or simply incoherent) political agenda, in Spain the debate breaks down more straightforwardly between left and right. With youth unemployment the central issue, the focus is on a perceived conflict of interests between Millennials on the one hand, and employers on the other, meaning that the antagonist in the narrative is not the Baby Boomer generation but business. In contrast to the UK or Denmark, for example, there is not an assumption that young people's loss must be older people's gain; rather, the politics of youth is driven by a more recognisably leftwing critique of the economic policies that, it is suggested, have failed to deliver for Spain's young adults. In this way the growing political focus on Millennials in Spain has been bound up with wider debates around the 2012 reforms of the labour market, which introduced a set of liberalising measures in the belief that a more flexible economic model would increase employment and growth. The success of those policies and their impact on young people remains hotly debated, and in those discourses certain familiar themes appear. For example, in 2017 the leader of the populist Podemos party suggested that the reforms had failed to secure an economic recovery for the young and that this failure would damage the "social dialogue" between generations, echoing concerns in other countries about a social contract under strain. Overall, the Spanish case is the clearest example of the politics of intergenerational fairness having an impact at the heart of mainstream politics. It is also the clearest example of how intergenerational fairness can be connected to progressive (or indeed populist) concerns around fairer labour markets and the social responsibility of business.

## Germany

It might be expected that Germany, with its strong economy and low youth unemployment rate, would not be fertile ground for discourses of intergenerational fairness. But in fact, intergenerational justice has been part of the political conversation in Germany for over twenty years. In sharp contrast to Spain and the UK, it was not the 2008 crisis that opened up the conversation about young people's economic position; in Germany these matters were being discussed well before the crisis, with a particular peak moment in 2006. The German case therefore provides an example of how the politics of intergenerational fairness is not straightforwardly connected to the economic conditions, suggesting that it is as much a political phenomenon as an economic one.

The idea of intergenerational fairness, or "generationengerechtigkeit", has most commonly been activated in relation to two policy areas in Germany: environmental sustainability and pensions. A 1994 amendment to the German constitution (article 20a) makes the state responsible for the protection of the environment as part of its responsibility to future generations, drawing an explicit link between green policy and generational fairness, and institutionalising that connection at the heart of the political process. The historic strength of the Green party in German politics, including as a member of previous coalition governments, may explain the strong environmental dimension to the generational agenda in Germany compared with other countries. Intergenerational framings are also commonly used in regards to the financial sustainability of pensions, given a shrinking and ageing population. Particularly in the pre-crisis period, political discourse around the generational social contract was mostly centred on pensions, rather than on youth unemployment or the housing



pressures that attract attention in other countries. That is, the intergenerational fairness discourse was not especially focused on young people, per se, but on structural trends in the population that might put the welfare system under strain.

In the mid-2000s the focus shifted from these structural trends to specific problems facing the young. In particular, a new debate swiftly emerged on “generation praktikum” (the internship generation), based on a concern that an increase in unpaid and low paid internships was exploiting a generation of young people trying to get a foothold on the job market. For a moment intergenerational questions were politically hot: the phrase “generation praktikum” came a close second for Germany’s word of the year in 2006, and there was a wave of activism including protests in front of the Brandenburg Gate. Even so, there was some pushback against this agenda. For example, the German ministry for work argued that the idea of exploitative internships was more myth than reality, suggesting that unpaid placements were not as widespread as generally assumed and emphasising high rates of satisfaction among those young people who did undertake one.<sup>vii</sup> However, research by the German trades unions organisation (DMB) found more cause for concern, recommending that internships should last no longer than three months.<sup>viii</sup> The DMB report also suggested a connection between employment precarity and the pensions problem, implying that insecure internships might be seen as unfair precisely because young people could also expect less benefit from the pension system in future. This was a classic intergenerational fairness argument, implying that internships were both unfair in their own right and contributing to a bigger picture in which young people would not enjoy the same advantages as by their elders.

The politics of intergenerational fairness in Germany do not belong to any one political party or movement and, as in the UK, this agenda has the potential to lead in different political directions. For example, the youth movement within the Social Democratic Party (SPD) has been increasingly critical of what they perceive as the party’s lack of radicalism on tackling pension shortfalls, calling for “future oriented solutions”.<sup>ix</sup> It is not clear, however, what a more radical approach would look like in practice. By adopting generational framings, the young socialists are able to critique the impact on young people of a failure to keep pensions funded, but in the absence of clear solutions this is an argument that could as easily lend itself to entitlement cuts as to increased funding. Meanwhile, non-partisan organisations such as Generation Stiftung (the Generation Foundation) are seeking to influence policy in the interests of future generations, including by advocating a new constitutional amendment on intergenerational fairness. If adopted this would enshrine the concept of intergenerational fairness at the centre of German politics, giving it legal force and potentially binding future governments to this agenda. But again, the policy implications of such a move are extremely broad and uncertain; activism in this area draws together such disparate threads as climate change, poverty and inequality, migration, corporate responsibility and global peace. In Germany as elsewhere, the concept of intergenerational fairness does not pertain to any single policy or position; rather it is a loosely progressive umbrella concept beneath which any number of goals may be pursued.

## Denmark

In Denmark, as in other case study countries, the economic position of young people has been attracting new political attention. In the Danish context however, this new conversation draws on longer-standing rhetorics of “generational theft” (generationstyveri). This language, which has been present in Danish political discourse since at least the 1990s, is connected to the idea that demographic changes are making the welfare state unsustainable, and that by failing to reform entitlements, politicians are stealing from the young in order to unfairly benefit the old. In this way, the rhetoric of generation theft provides a highly conflictual framing in which the relationship between generations



is understood a zero-sum struggle likely to result in conflicts over public resources.

The presence of the “generational theft” narrative has certain implications for the post-crisis politics of young people in Denmark. By focusing on the idea of unsustainable welfare states, the language of generation theft defines the problem as a policy failure, because in the absence of serious welfare cuts, the government is “spending future generations money”.<sup>x</sup> That is, the problem is political inaction, not the economy per se. There has been considerable resistance to the idea that today’s young people are generally worse off than previous generations, with some arguing that Danish Millennials’ prospects are still good, and that the impact of post-2008 challenges should even out over their lifetimes. For example, falling disposable income among young people (down 6.4% since 2000, versus a 28.6% increase for 60-64 year olds) might be interpreted as a sign of growing disadvantage for the young.<sup>xi</sup> However it has also been suggested that this reflects an early-career investment in education that will pay off later and should be seen “in a life-course perspective”.<sup>xii</sup> Unfairness for young people, it is argued, arises mainly from politicians’ failure to get a grip on the financial burden of an ageing population, rather than from the economic model (as in Spain) or from the political dominance of Baby Boomers (as in the UK).

The distinctive feature of the Danish case is that intergenerational fairness has mainly been invoked as a justification for austerity. For example, in 2014 the government made the case for its budget proposals, which implied strict fiscal consolidation, on the basis that reducing public spending in this way was in the interests of “our children and grandchildren”.<sup>xiii</sup> A package of structural reform and fiscal tightening was, it was argued, a prerequisite for ensuring that “future generations may enjoy at least as high standards of living as us”.<sup>xiv</sup> In this way, the conflictual ‘generational theft’ framing, which had emerged out of rightwing critiques of welfarism, was repurposed by a social democratic government to present unreformed social programmes and pension entitlements as unfair, and to redefine welfare state retrenchment as embodying a kind of solidarity. It has often been noted that austerity policies in the post-crash period were legitimised through a logic of no-alternative, redefining a banking crisis as a crisis of public debt and comparing nation states to households living beyond their means. In Denmark, the language of intergenerational fairness seems to have provided a new dimension to those arguments, arguing that austerity measures would enable the state to put its affairs in order on behalf of future generations.

However, even in Denmark there is no single definition of intergenerational fairness, and this flexible rhetoric is being pulled in more than one direction. Besides the austerity narrative, there is also an emerging leftwing discourse of intergenerational fairness that highlights certain policies as being unfair to the young. For example, recent changes to property taxation increased costs for new homeowners while exempting existing ones. While it can be argued that measures to dampen housing inflation are in the interests of younger people over the long run, the exemption for current owners ensured the burden of the new tax would disproportionately fall to the younger generation. Leftwing critics of the policy argued that this was political short-termism, with policymakers choosing to pander to the older voters that are active now, rather than “bet on the future” by prioritising the interests of youth. It is noticeable that once again, this is a conflictual framing in which the interests of young and old are seen as always incommensurate. Both left and right, in other words, have tended to approach intergenerational fairness through the idea of generational conflict, rather than as a matter of common concern.



## Romania

The Romanian case is significantly different from the other five nations in this study, in that we did not find evidence that the concept of intergenerational fairness is present in Romanian political discourse. Of course the economic opportunities of young people are politically important, but they are not generally approached via the concept of intergenerational fairness, instead being part of a broader conversation about ineffective governance and post-crisis economic weakness. With youth unemployment at 17%, six out of ten Romanians aged 18-34 live at home with their parents and nearly half the country's youth are at risk of poverty and social exclusion.<sup>xv</sup> Against that backdrop, increasing numbers of young Romanians are migrating to other European countries in search of employment opportunities, and domestic politics is increasingly concerned about the consequences of that loss of human capital. Out-migration of young people is often framed as a national crisis that demands measures to strengthen the domestic economy and increase confidence in the institutions that govern it. But these problems are presented as ongoing challenges for the development of the nation; not as intergenerational unfairness in the sense of a deterioration in young people's life-chances, or a conflict between generations.

In Romania, age-cohorts are important political dividing lines, but not in the same way as the other case studies. The fortunes of Romania's over-60s were shaped under communism, and those of the Millennial generation almost entirely under capitalism. This different economic and political context means that age plays into Romanian politics in fundamentally different ways than in the other case study countries. Older voters are still more likely to support the social democratic party (with its historic links to the communist party); young people are more likely to be economic liberals and to view domestic politics as inefficient or even corrupt. In this context, it makes little sense to advance a narrative in which the once-generous welfare state has delivered benefits to the old that are now being unfairly denied to the young. The archetype of the prosperous Baby Boomer is not relevant in a post-communist economy where young people are, as a cohort, more highly educated and more economically mobile than the older generation.

What young Romanians share with their Western European counterparts is a broad skepticism about the ability of government to deliver economic policies that will deliver the opportunities they seek. The social democratic party recently put forward a raft of policy proposals aimed at attracting young voters, from financial incentives for business to hire young people to interest-free student loans and grants for young entrepreneurs. However, in the absence of actual implementation, there remains a sense that politicians' interest in young people's economic prospects is superficial at best. Young people in Romania have, in general, been eager to embrace the transition to a market economy as a source of opportunity. However, high levels of youth unemployment, high rates of youth migration, increased house prices and rising living costs are indicators that today's youth is starting to encounter some of the downsides of a liberalised economy. So, while there is not a sense of generational disadvantage for Millennials versus Baby Boomers, the politics of young people in Romania is gradually becoming a more contentious field and it may be that intergenerational fairness will enter the political discourse in the future.



**Figure 1. Summary of the case study findings**

|                | <b>Is there a discourse of intergenerational fairness?</b>  | <b>Who is picking up this agenda?</b>  | <b>What are the policy implications?</b>   |
|----------------|---|--|--|
| <b>UK</b>      | Yes - “Intergenerational fairness” has emerged as a debate since 2010.  | Politically ambiguous - some interest from both left and right.  | Uncertain at present, but often focuses on housing wealth.                       |
| <b>FRANCE</b>  | Concerns about youth unemployment and ageing populations are present, but not considered new or politically urgent.   | Little uptake by mainstream parties.   | Limited impact on policy so far.   |
| <b>SPAIN</b>   | High youth unemployment generating a conversation about “generacion perdida” (the lost generation).   | Mostly a leftwing agenda presenting young people’s interests as in conflict with the interests of employers.   | Focus on employment rights and labour market reform.                             |
| <b>GERMANY</b> | Longstanding debate about “generationengerechtigkeit” (intergenerational fairness), plus more recent concern around “generation praktikum” (the internship generation). | Cross party interest, but with strongest links to the Greens regarding environmental justice and, to some extent, the youth wing of the Social Democratic Party. | Possibility of a constitutional amendment to include intergenerational fairness. |
| <b>DENMARK</b> | Growing political focus on Millennials, drawing on rhetorics of “generationstyveri” (generational theft).   | Both left and right have deployed intergenerational framings in relatively conflictual ways.   | Intergenerational fairness has mostly been used to make the case for austerity.  |
| <b>ROMANIA</b> | No comparable discourse.  | n/a  | n/a  |



**Figure 2. Key policy areas by country**

|   | <b>UK</b> | <b>France</b> | <b>Spain</b> | <b>Germany</b> | <b>Denmark</b> | <b>Romania</b> |
|---|-----------|---------------|--------------|----------------|----------------|----------------|
| Youth unemployment                              |           | X             | X            |                |                | X              |
| Labour market precariousness (e.g. internships) | X         |               | X            | X              |                |                |
| Pensions  | X         | X             |              | X              | X              |                |
| Environment                                     | X         |               |              | X              |                |                |
| Out-migration of young people                   |           |               | X            |                |                | X              |
| Housing / cost of living                        | X         |               | X            |                | X              |                |



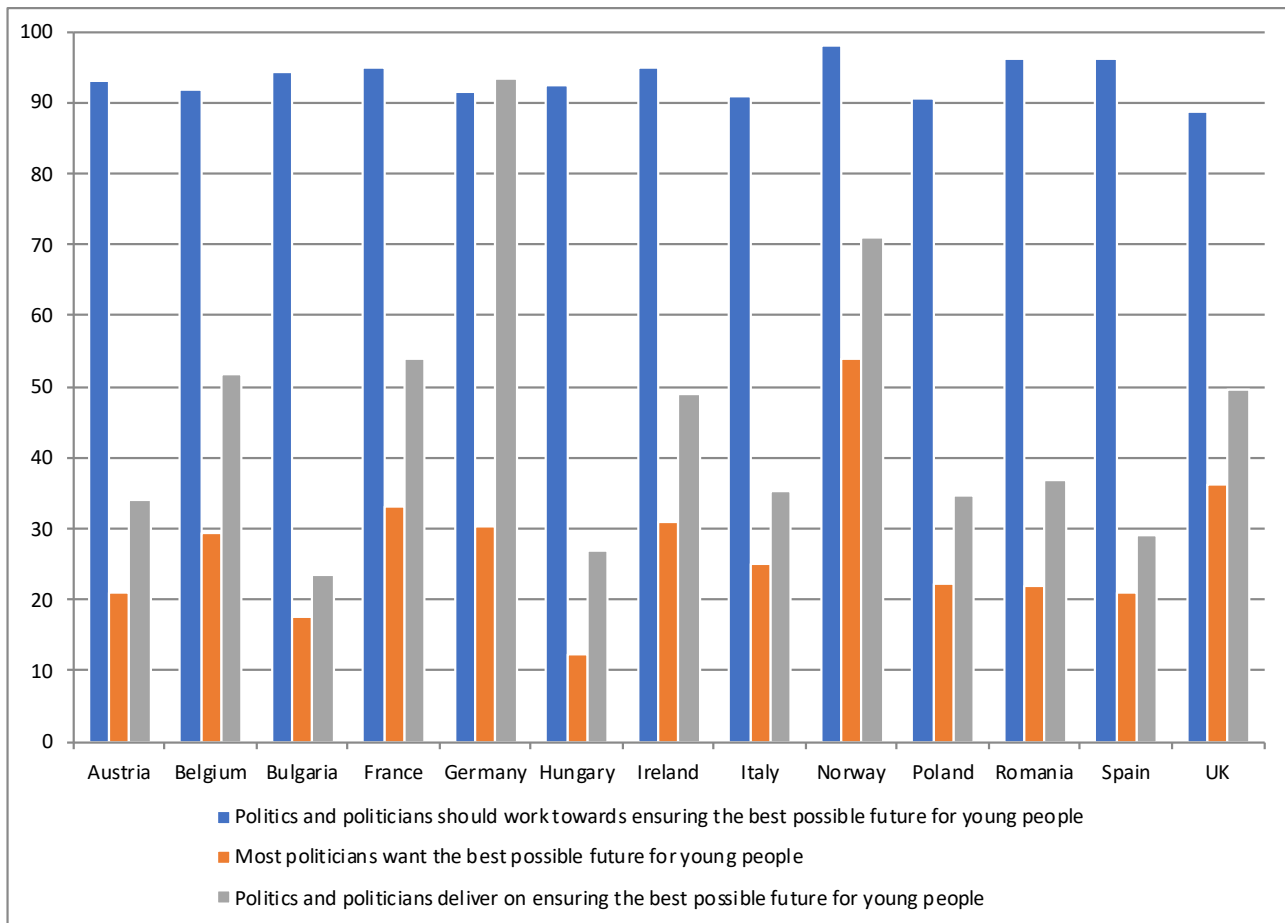
## Survey data: what Millennials think about politics

The case studies have shown that the politics of young people in post-crisis Europe is quite contradictory. On the one hand, policymakers and commentators across Europe are increasingly interested in intergenerational fairness, and it is becoming commonplace to suggest that today's young people are economically disadvantaged compared with older generations. On the other hand, that analysis is not universally accepted, and the mainstream political response to it has been weak. In the meantime, we know very little about what young people themselves think about this agenda. Are young people pressing for political change to make the European economy work better for them, or are they disconnected from the whole debate?

The Millennial Dialogues survey, created by the Foundation for Progressive European Studies (FEPS) and conducted by AudienceNet, offers important insights by privileging the voices of Millennials themselves. The survey set includes all the case study countries except for Denmark, plus eight other nations, facilitating slightly broader comparisons. The survey evidence shows that the Millennial generation is pessimistic about the capacity of organised politics to deliver a bright future for young people, or indeed to deliver in general. Millennials overwhelmingly believe that politicians should be prioritising their future opportunities: nine out of ten young people agreed that politicians should be focused on “ensuring the best possible future for young people” (Figure 3). Yet Millennials do not believe their leaders see them as a priority: on average, fewer than 30% of young people agreed that politicians want the best for young people. There is also widespread scepticism that today's politics is delivering for the younger generation, with fewer than half of those surveyed agreeing this was the case. In short, the responses of Millennials in nearly every country revealed that young people have very little faith that politicians wish to, or will, look after their future interests.



**Figure 3. Ensuring the best possible future for young people**

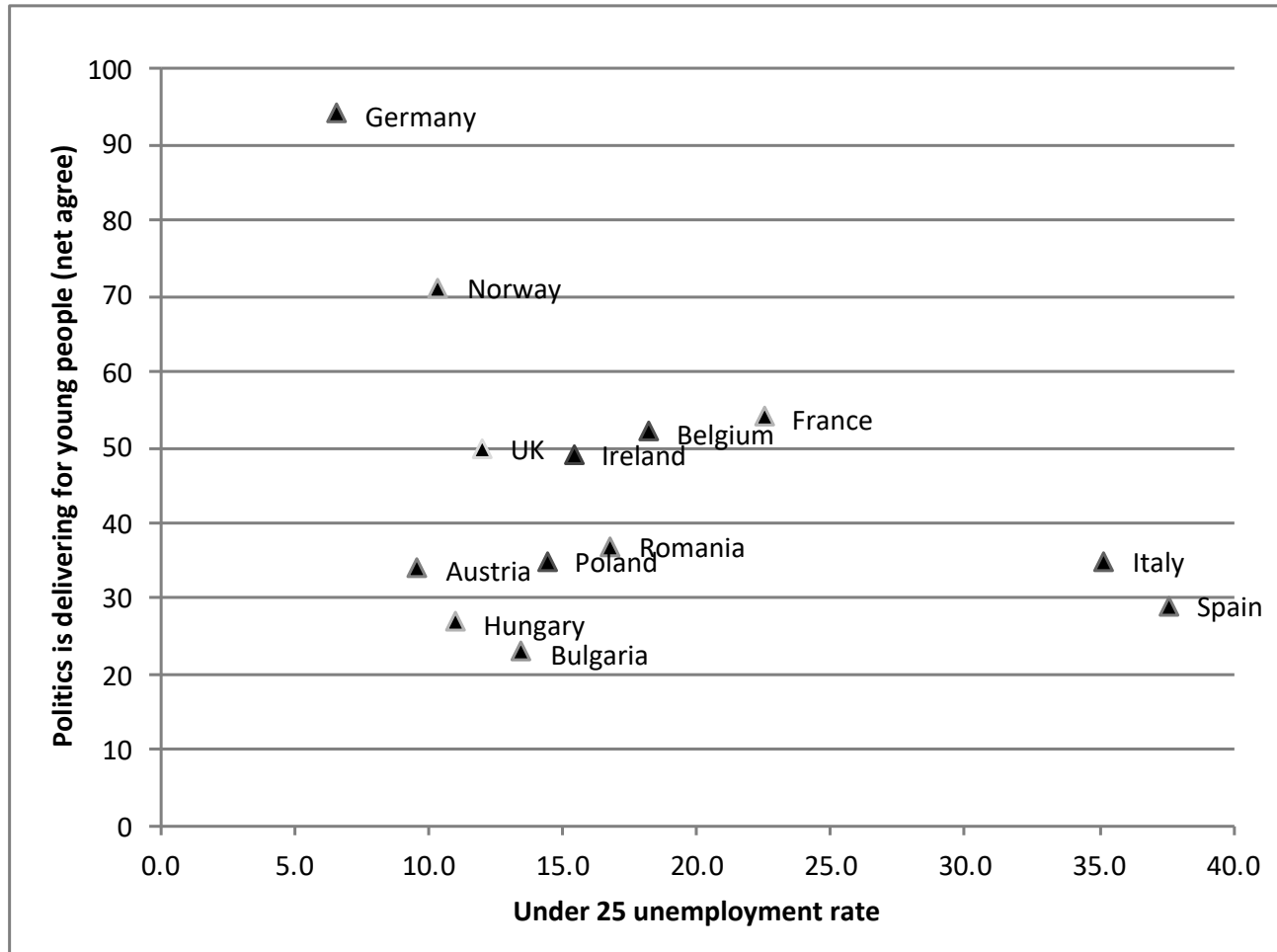


Data from FEPS Millennial Dialogue study [http://www.calltoeurope.eu/assets/b6bba582-cc87-4023-8b2c-39e895e747fa/2016%2006%2014%20md%20final%20paper\\_done.pdf](http://www.calltoeurope.eu/assets/b6bba582-cc87-4023-8b2c-39e895e747fa/2016%2006%2014%20md%20final%20paper_done.pdf)

How can we account for young people's pessimism about politics? One explanation might be that it is rooted in dissatisfaction with the post-crisis economy. It is noticeable that there are two outliers in the survey: Germany and Norway, where Millennials were far more likely to agree that politics was delivering for young people (94% and 71% agreement, respectively). These are two of the countries with the lowest youth unemployment rates, and it is possible that in those two cases, politicians are getting some credit for economic conditions that are relatively favourable to the young (Figure 4). However, the connection between unemployment and satisfaction with politics does not hold true more generally: for example, Austria has lower youth unemployment than Norway but reports much lower satisfaction with politics. Young people are just as dissatisfied in Hungary, with 11% youth unemployment, as in Spain, with 38%. This variation suggests that there is not a straightforward link between the economic conditions facing young people, and their political response to those conditions. The economic landscape is important, but not deterministic, and it cannot be assumed that where the economy goes, the politics of young people will follow.



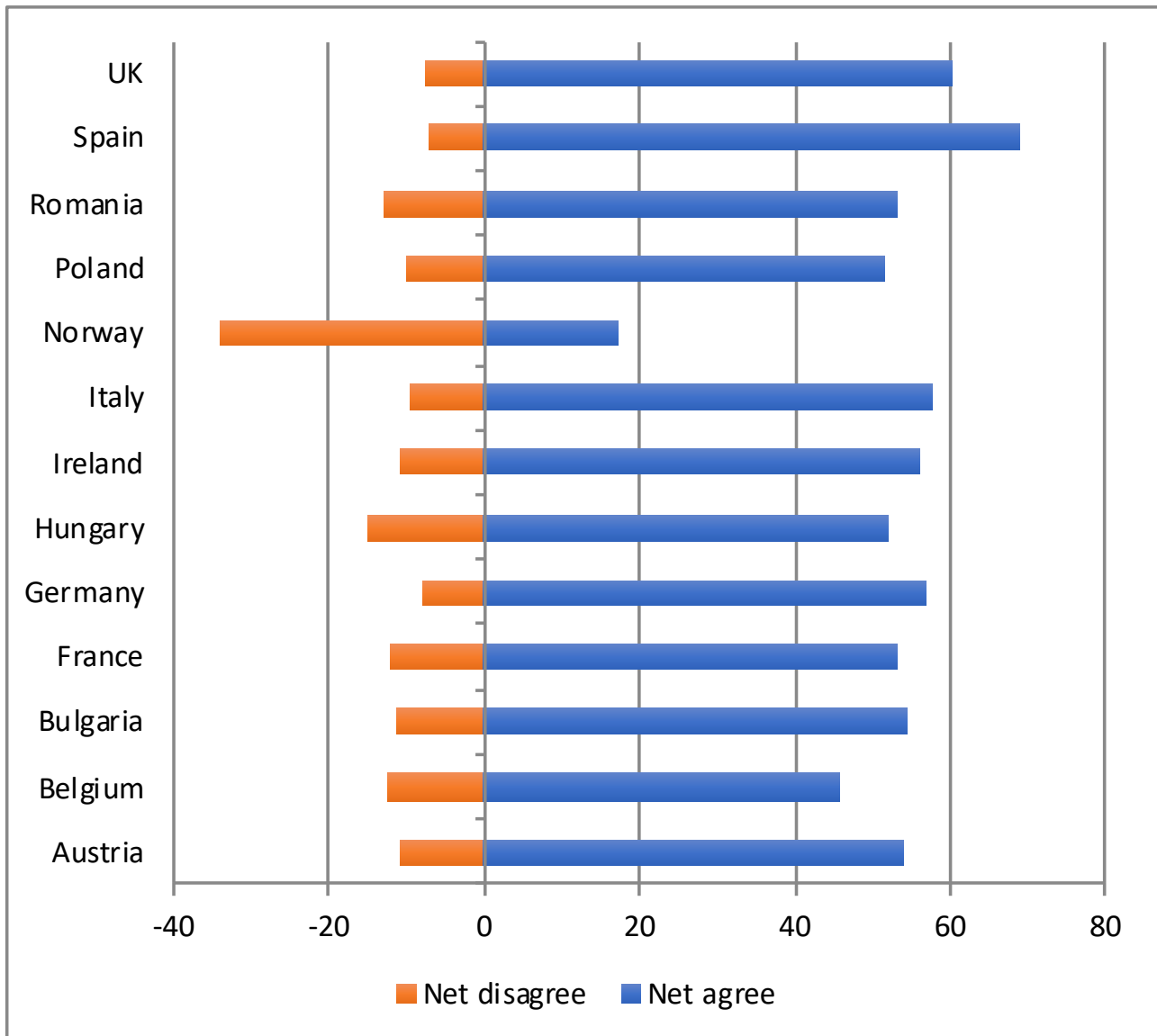
**Figure 4. “Politics is delivering for young people” versus youth unemployment rate**



Of course, youth unemployment is only one measure of young people’s economic position, and it may not be the decisive issue everywhere. Millennials’ common dissatisfaction with politics may have quite different causes in different nations. Indeed, the key issues driving Millennials’ views on politics may not always be related to the economy, but may have to do with the political system instead. For example, Norway shows the strongest support for the idea that politicians care about young people’s future (54% compared with an average of 27%). Norwegian Millennials – unlike their peers in every other country surveyed – did not see their politicians as mostly focused on older people, suggesting that politics in Norway has succeeded in engaging young people to a degree not seen elsewhere (Figure 5). Norwegian Millennials’ relatively high satisfaction with politics may reflect their relatively strong engagement with the nation’s system of government, not just a favourable economy.



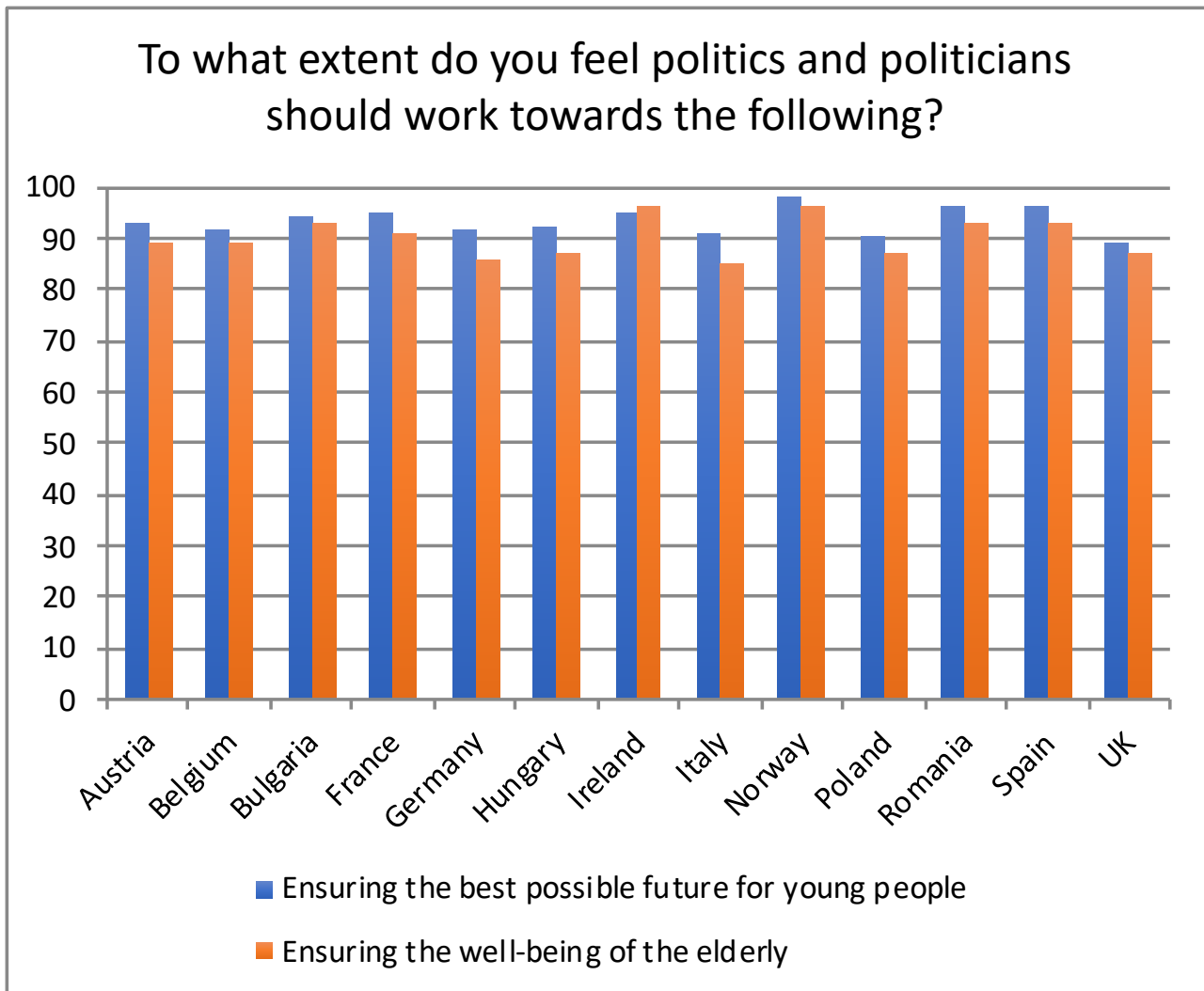
**Figure 5. “Most politicians are more concerned with older people than younger people”**



Data from FEPS Millennial Dialogue study [http://www.calltoeurope.eu/assets/b6bba582-cc87-4023-8b2c-39e895e747fa/2016%2006%2014%20md%20final%20paper\\_done.pdf](http://www.calltoeurope.eu/assets/b6bba582-cc87-4023-8b2c-39e895e747fa/2016%2006%2014%20md%20final%20paper_done.pdf)

In every country except Norway, young people were far more likely to agree than disagree that politicians are mostly focused on older voters. However, it does not follow that young people are resentful of policies that benefit older generations. More than 80% of Millennials in all countries agreed that politics should ensure the wellbeing of the elderly (Figure 6). Respondents were almost as supportive of this proposition as they were of the idea that politics should work for the future of the young. This finding should inspire caution in those who are adopting conflictual, ‘generation war’ framings for their arguments, because it does not appear that young people themselves share the view that the old are being unfairly pampered by policymakers. Wanting politicians to do more for young people does not necessarily imply a belief they should do less for the old.

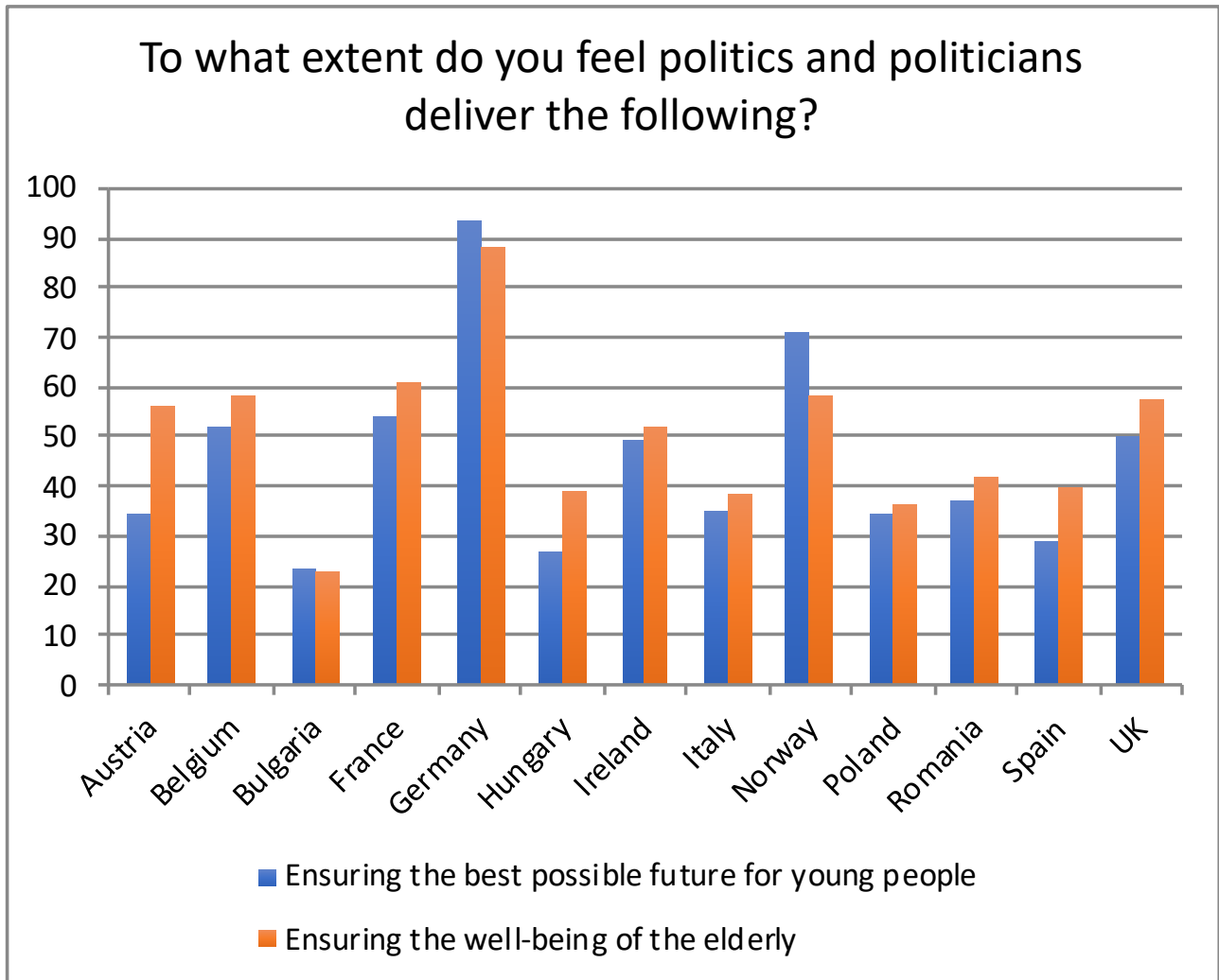
**Figure 6. Millennial support for generational policies**



Finally, the survey responses showed that young people are just as dubious about whether politics is delivering for the old as for the young. Despite believing that politicians are more focused on older people, on average only 50% of Millennials agreed that politics was actually ensuring the wellbeing of the elderly (Figure 7). A similar proportion, 45%, believed politics was delivering the best future for the young. So it appears that young people do not have a strong perception of policy favouring one generation over another; either they are satisfied that politics is delivering for all age groups, or they doubt it is delivering for anyone. Once again, this cuts across the idea that the economic challenges facing young people are leading them to resent older generations and their entitlements. On this evidence, the social contract between generations is under less strain than often assumed; the connection between young people and politicians, on the other hand, looks very poor.



**Figure 7. Politics delivering for young people and the elderly**





## Conclusions

There is no doubt that the post-crisis period has been a difficult time for Europe's young people. Economic conditions that were already challenging before 2008 are now even more so. There is a strong case to be made that young people's economic position is now far poorer than their parents', at least in much of western Europe where a relatively large and prosperous Baby Boomer generation has been economically and politically dominant. The growth of youth unemployment in many nations, and the deepening inequalities between those who have wealth (mostly the older generations) and those who do not, are real trends that deserve serious consideration. It is perhaps not surprising that, as the case studies demonstrate, the economic position of young people is gaining more and more political attention in many European nations. One might expect, in this context, to see these economic challenges to convert into political pressure on governments to rebalance their economies in favour of the young.

However, much of the debate around intergenerational fairness simply presumes that because the economic situation is challenging, a political reaction by young people is inevitable. Two assumptions are often implicit: first, that there is a conflict between the interests of different generations and, second, that this conflict will necessarily erupt into political action. The evidence reported here suggest that these assumptions may be flawed. The case studies show that there is not a simple relationship between economic challenges, however serious, and political reactions. It is not the case that the political conversation about intergenerational fairness is always loudest where the economic challenges for young people are greatest. In Spain, there is a clear connection between high levels of youth unemployment and the rising debate about Millennials' future prospects. But the fact that intergenerational debates are also strongly present in Germany, Denmark and the UK, whose economies are different and in certain respects stronger, suggests there is more to this than just economics. And the fact that 'intergenerational fairness' is not part of Romanian political discourse shows that it is not Millennials' absolute position that counts, so much as their sense of downgraded prospects *relative* to previous generations. That is, it is not the economic situation that is decisive, but the way the economics is perceived, discussed, and connected to policy in each national context.

The survey evidence reported here should also inspire caution about assuming intergenerational fairness will lead to new generational conflicts over policy. Responses to the survey do not indicate that Millennials are poised for a political struggle against older generations for a greater share of the pie. Rather, the survey suggests that young people are more pessimistic than angry. While they are concerned about their generation's future, Millennials generally do not blame older people for the situation and do not subscribe to the notion of a generation war. At the same time, young people are not at all confident that politicians will act in their interest, suggesting a degree of alienation from mainstream politics that will limit their willingness and ability to press for change through political channels. Recognising a problem is not the same as mobilising to demand it is solved, because such mobilisation relies on a degree of faith in the political system.

So what next for policy? A new political focus on young people, though welcome, can become the vehicle for many different kinds of politics, and the progressive nature of those politics should not be taken for granted. This comparative study shows that what looks, at first glance, like a common debate across Europe is actually going in many different directions according to the economic and political context in each nation. The common thread is a sense that young people's prospects are not good enough, and not as good as they might have been in the past. The precise shape of that problem, however, is different from one country to the next. A focus on Millennials in Spain implies a debate about labour reforms; in Denmark it might mean rolling back public spending to pay down public debt.



In the UK, the problem may be located in the property gains made by Baby Boomers; in France, in the alienation of young people. With many different versions of the problem being discussed, the policy directions that follow are likewise quite diverse. The umbrella concept of intergenerational fairness is facilitating a broad discourse in which it is possible to talk about whatever is problematic in the political economy of each nation, through a particular focus on Millennials and future generations. The challenge for progressives is to harness this nebulous discourse in a way that can connect more clearly with economic and social policies that tackle inequalities including, but not only, those between generations.

Ironically, the key to achieving a progressive outcome may lie in the more conflictual versions of the discourse. The French case study provides an example of how solidaristic framings can lend themselves more to inaction than to policy change, since if the problem is not considered urgent, the status quo will tend to persist. More conflictual framings are risky because they do not necessarily resonate with young people, and they can easily be mobilised in support of austerity measures that many progressives would oppose. As seen in Denmark, the idea of a zero-sum struggle between older and younger citizens can be a powerful justification for reducing entitlements for everyone. However, conflictual framings can also be an effective way of opening up the space for policy change, as in the UK where subjects such as property and inheritance taxation have otherwise been off-limits. Without a certain sense of injustice on the part of the younger generation, it is difficult to see how these more challenging topics can be put on the table. Most strikingly, the Spanish case suggests that where there is a strong perception of unfairness by young people themselves (rather than just on their behalf), the politics of intergenerational fairness can open up new debates at the heart of the political system. It falls to progressive voices to ensure these debates engage with, and respond to, the young Europeans whose future prospects are at stake.

<sup>i</sup> The case study research was conducted in late 2017, and does not reflect policy and political developments since then.

<sup>ii</sup> For a fuller discussion see Alexander Shaw, 2018, *Baby Boomers versus Millennials: rhetorical conflicts and interest-construction in the new politics of intergenerational fairness*. Foundation for European Progressive Studies and Sheffield Political Economy Research Institute, January 2018.

<sup>iii</sup> The French case study predates the “gilet jaunes” movement and does not comment on those developments.

<sup>iv</sup> Source: Eurostat, Unemployment rate for under 25s, data for Q3 2017, seasonally adjusted, % of active population.

<sup>v</sup> INJUVE, 2012, *Economía, formación, empleo y consumo en tiempos de crisis*. Informe Juventud en España 2012 [online]. Madrid: Instituto de la Juventud. Available at <http://www.injuve.es/en/noticia/los-jovenes-en-tiempos-de-crisis> Accessed 26 November 2017.

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- xiv Regeringen, 2014.
- xv Asocia ia Novapolis si Ministerul Muncii, Familiei, Protec iei Sociale i Persoanelor Vârstnice, 2015, *Studiu Comparativ European Privind Migra ia i Mobilitatea Intra-European A Tinerilor În România*.
- xvi It should be noted that the data presented here is descriptive only; we have not conducted statistical regressions and this paper uses the survey evidence to generate hypotheses, not to make inferential claims.





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