European youth hit hard by crisis

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In August the International Labor Organization (ILO) published a paper detailing the initial impact of the international economic crisis on the younger generation. The paper concludes that youth unemployment has reached record heights. Worldwide a total of 81 million young people between the ages of 15 and 24 are now officially unemployed. This represents an increase of nearly ten percent, or 7.8 million youth, since the end of 2007.

The ILO report indicates that global unemployment of young people rose from 11.9 percent of total unemployment at the end of 2007 to 13 percent at the end of 2009. This is the steepest rise over a short period ever recorded.

Young people are particularly hard hit in southern and eastern Europe, where unemployment rates for young people have risen particularly dramatically. Nearly half of the eight million young people who have joined the ranks of the unemployed since the outbreak of the economic crisis in 2007 come from these two regions.

In Spain, youth unemployment has risen to 38 percent, in Estonia it has reached 30 percent, in France, 24 percent. In the US, youth unemployment climbed in this period from 10 to 18 percent. In developing countries where 90 percent of those 15 to 24 years old live, many have work, but are forced to accept any kind of employment just to survive. More than a quarter of such youth with jobs earn less than a euro per day.

In its report the ILO warns of the long-term consequences of this development: “Under conditions where new layers of school leavers are joining the ranks of those already unemployed there is the risk of an entire generation being lost due to the economic crisis: young people who have lost all hope of finding work with a decent wage”.

The situation for young people on the German job market has also worsened considerably in the last several years. Contract work, limited contracts, low or unpaid internships or unemployment have become the norm.

In August Germany’s Federal Statistical Office presented a report on the situation of young people revealing that the number of youth employed on a full-time basis has plunged since 2000. Between 2000-2009 the number of 15 to 24-year olds with so-called “precarious”, low-paid jobs rose by 42 percent to a total of 676.000. The number of young people with a full-time job sank by 25 per cent to barely 1.2 million, i.e., just 25 percent of all youth. At 11 percent, youth unemployment is lower in Germany than in many other countries, but still much higher than the overall rate of unemployment, which officially stands at 7.7 percent.

At the same time many school and university students are forced to take part-time jobs in order to finance their studies. It is estimated that 800,000 German students currently work to help pay for their education.

The difficulties confronting young people leaving school, apprenticeships or university are outlined in a study issued in mid-September by the Hans Böckler Foundation. The report deals in a number of segments with the problems facing young people today:

Unemployment: the proportion of 15 to 25-year-olds in Germany affected by unemployment since the beginning of the financial crisis has risen three times compared to all other age groups. At the same time these figures do not give the whole story. Youth either looking for an apprenticeship or some type of training are not included in the official statistics.

Internships: in 2007, 600,000 German youth completed at least one internship or period of work experience. Most of these internships are precarious, involving either very low or no remuneration at all. In addition, many of these posts are of an entirely menial nature and provide no real training in work skills.

Apprenticeships: in 2008, less than one in four

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workplaces offered apprenticeships. According to the study, larger workplaces were less inclined to offer young workers prospects than smaller enterprises: “The bigger the company, the smaller is the ratio of apprenticeships”, the study’s authors write. The situation with regard to apprenticeships has improved somewhat due to the fact that the number of school leavers is decreasing.

However, the next problem emerges as soon as someone had completed an apprenticeship: in 2007 less than 40 percent of apprentices were subsequently taken on by their respective employers with a proper contract—a ratio that will inevitably have increased following the outbreak of the economic crisis. For many of the over 60 percent who are not taken on, the only alternatives are unemployment or low paid, so-called “mini-jobs”.

Limited contracts: the proportion of under-25-year olds with precarious jobs has doubled within 10 years. The authors of the study have identified a huge increase in part-time work due to the crisis. Particularly in large companies it is now standard practice to issue limited-time contracts. For many the acceptance of such a contract is the only entry point to a possible career. “Only 23 percent of qualified young people are taken on full-time after serving their probationary periods”.

Subcontract work: more than half of all subcontracted workers are younger than 36. In 2007, nearly 40 percent of those under 30 with a full-time job received their pay from a subcontracting agency. Such forms of work bring their own problems. The authors of the study write that “due to their conditions of employment, subcontracted workers feel structurally excluded due to their subcontract status”.

Subcontracted workers are more likely to be dissatisfied with their working conditions and face more pressure than the full-time employees with whom they work. Psychological illnesses are prevalent among such workers and a principal reason for their absence from work. At the same time, studies indicate that subcontract workers are more likely to attend work when they are sick out of fear that any non-attendance could jeopardise their chances of being taken on permanently.

The authors of the study warn that these problems afflict young people who still have a working life of between 30 to 35 years before them.

The latest figures regarding youth unemployment tend to refute the findings of a recent Shell study that concluded that a majority of German youth regard their future optimistically despite the economic crisis.

However, even the Shell report reveals that youth feel differently about the future depending on their social circumstances. In fact, only 40 percent of the young people from a socially disadvantaged background view their future prospects positively. “The gap between the social layers is not new, but it is deepening”, commented the director of the Shell study, Mathias Albert. In addition, 10 to 15 percent of young people have completely cut themselves off from society.

The *Frankfurter Rundschau* concludes in its September 15 edition, “The many positive messages contained in the Shell study are overshadowed by the insights into the lives and feelings of those 10 to 15 percent of the same generation, who already as school pupils stood on the losing side. Around 70 percent of the socially disadvantaged have a bleak view of the future. Only 40 percent believe they will be able to fulfil their vocational desires. These young people are not notorious doom-mongers, but rather pessimists from experience”.

There has also been a pronounced increase in the number of short-term and precarious positions in academic and scientific fields. In the past 10 to 15 years there has been a dramatic reduction in the number of full-time jobs in these fields. This also applies to professorships. In 1998, just 4.8 percent of full-time employed professors had a short-term contract. Ten years later this figure stood at 16.2 percent. Amongst scientific and artistic staff, which are recording the largest levels of growth, only one in four has a full-time contract.

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