

Unemployment skyrockets among youth

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More than 7.7 million workers younger than 30 are now unemployed in the US. Over 3 million dropped out of the labor force over the course of a single month, from mid-April to mid-May. The number of young people now unemployed amounts to nearly one in three young workers, the highest rate since the country started tracking unemployment by age in 1948.

These figures are paralleled in countries hit by the coronavirus pandemic all around the world. In Australia, the youth unemployment rate has jumped to 13.8 percent. Youth unemployment rates in Australia were already more than double the overall unemployment rate of the country and were almost three times higher than for those 25 and older.

A report from the Resolution Foundation think tank recently found that youth unemployment in the UK could rise by 640,000 this year, bringing the total above 1 million. In Spain, half of all those who have lost jobs since the start of the outbreak have been adults under the age of 35. In Canada, the youth unemployment rate jumped to 27.2 percent in April, from 16.8 percent in March. Student unemployment was even higher.

Young workers are vastly over-represented in the sectors hardest hit by the lockdown and social distancing measures. These sectors include hospitality, food services, retail, arts and recreation. Nearly 40 percent of the young workers who are unemployed in the US worked in the devastated retail and food service sectors alone. The Millennial generation, those aged between 26 and 40, make up a majority of bartenders and half of restaurant workers.

According to a new report by Data for Progress, over half of people under the age of 45 say that the \$1,200 cash payment from the US federal government covered just a week or two of expenses, compared with a third of older adults.

The US Labor Department continues to report that the majority of laid-off workers expect their joblessness to

be temporary. However, there is growing concern among economists that many jobs will never come back.

Nicholas Bloom, an economist at Stanford University, recently told the *New York Times* that the path to recovery “is going to take longer and look grimmer than we thought.” Bloom is the co-author of an analysis of the pandemic’s effects on the labor market titled “COVID-19 Is Also a Reallocation Shock.” In it, he and his co-thinkers estimate that 42 percent of recent layoffs will result in permanent job loss.

A large body of research, along with the fresh experience of the 2008 recession, shows that young people, especially those without a college degree, are particularly vulnerable during economic downturns and recessions.

An analysis by the McKinsey Global Institute estimates that up to 57 million US jobs are now vulnerable, including a growing number of white-collar positions. Furthermore, the report finds that 86 percent of jobs made vulnerable by the pandemic pay less than \$40,000 a year. In other words, those workers who were already in precarious situations are not only getting hit the hardest, many will be forced out of their industry altogether.

For those workers in the Millennial generation (now aged 26 to 40) and older, this is the second major economic catastrophe in barely a decade. The researchers note in their report that “the generation that first entered the job market in the aftermath of the Great Recession is now going through its second ‘once-in-a-lifetime’ downturn.”

If the 2008 financial crash is any indication, we can expect that the current economic downturn will exact a devastating toll on all workers, the youth in particular.

In the aftermath of the 2008 financial crash, youth unemployment soared to more than 60 percent in some

European regions. In many countries, the youth unemployment rate never fully recovered to pre-recession levels. In the US, half of recent graduates were unable to find work during the recession years. Millennials' official unemployment rate ranged as high as 20 or 30 percent.

The recession was used as an opportunity to make more fundamental changes to the economy that would leave young workers hounded by high rates of underemployment, low wages and stagnant earnings trajectories for the following decade.

Full-time salaried positions were slashed with the introduction of "gig" economy work. Nearly 95 percent of the jobs created during the Obama administration, from 2009 to 2017, were part-time, contract, on-call or temporary. This piecemeal work, cynically sold to the younger generation as "flexible" work, often excludes health care, retirement benefits, sick days and other benefits, and is highly unreliable.

It has already become commonplace for workers to hold down two or three part-time jobs in order to make ends meet and provide for their families.

To get a sense of the scale of the economic crisis pre-pandemic, one should consider that in 2019 some 61 percent of US workers were reporting that they did not have enough savings to cover a \$1,000 emergency room visit or car repair. One in five Millennials reported not being able to afford routine health care expenses, and nearly half had nothing saved. This situation is being dramatically worsened by the impact of the pandemic.

In 2018, taking note of the devastating toll the recession had taken on a whole generation of young workers, the *Wall Street Journal* noted that Millennials were at risk of becoming "America's Lost Generation." Similar warnings have already begun to circulate in regard to the emerging generation, known as Gen Z.

However, as the *Journal* itself nervously pointed out at the time, the Millennial generation in the US was also the first generation to favor socialism over capitalism. The dire conditions facing young people, which are more and more understood to be the consequence of decaying social order, have created the objective basis for a vast radicalization of young people and workers across the globe. The two years prior to the onset of the pandemic were marked by the

reemergence of the class struggle internationally, in which young workers played leading roles.

Generation Z is now coming of age under conditions that far outstrip those which the Millennials confronted in the aftermath of 2008. The events of the day will not pass by this new generation, or the older generations, for that matter, without leaving a profound and revolutionary political impact.

The younger generation is coming of age in a world of immense contradictions, with enormous developments in technology and science occurring simultaneously with the deaths of hundreds of thousands of workers internationally as a result of the criminal response of the ruling class to the pandemic. Trillions of dollars are being poured into the coffers of the global corporate elites while young people's schools are defunded and their jobs destroyed.

Instability and uncertainty are among the defining features of everyday life. Under such conditions, there is no doubt that the popularity of socialism among young people will continue to grow at a rapid pace. Far from becoming the "Lost Generation" as predicted by the *Wall Street Journal*, the emerging generation of young workers carries within it an enormous revolutionary force.



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