Book review

Global Youth Unemployment: History, Governance and Policy

Ross Fergusson & Nicola Yeates
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Global Youth Unemployment: History, Governance and Policy provides a comprehensive explanation of key concepts related to "Endemic Youth Unemployment" (EYU) through the varied lenses of social policy, social justice, and globalisation. The authors, Professors Ross Fergusson and Nicola Yeates offer an in-depth analysis of youth unemployment (YU), a widespread social phenomenon impeding the achievement of the Sustainable Development Goals (SDGs), particularly Goals 8.5 and 8.6, – ‘achieving full and productive employment and decent work for all women and men, including young people with disabilities, and equal pay for work of equal value’; and ‘substantially reduce the proportion of youth not in employment, education or training (NEET)’. The book provides insights into the challenges experienced by youth (aged 15-24 years) in the global youth labour force since the Great Depression (GD) of the 1930s, post-World War II multinational and transnational level financial crises such as the Latin America debt crisis (1981-82), early 1980s and 1990s recessions, and contemporary economic fallout of the 2007-2008 global financial crisis followed by a historical examination of global youth unemployment policy responses (1919-2020).

Chapter One sets the scene of the social composition of unemployment to dissect the features and nature of YU and the youth labour market in theoretical and empirical literature from a limited national, intra-national, and domestic paradigm to visible ‘globalist narratives’ of global labour, economic analysis, process, and policy landscapes. The authors, in this chapter, build three major dialogic terrains, namely, (i) the differential embodiments of population, welfare systems and economies in the globalisation process and their wider social and developmental impacts; (ii) impacts of the Global Financial Crisis (GFC) on Endemic Youth Unemployment (EYU); and (iii) the processes of global social governance and policy formation in addressing YU to emphasise the understanding of YU as a global phenomenon that demands a broad-based social policy analysis.
In Chapter Two, the authors conceptualize endemic youth unemployment (EYU) as a social problem where "transformative social policies are needed to comprehensively prevent and mitigate it" in contrast to economic growth as the primary strategy (p. 22). The authors contend that to comprehend the complexity and dynamism of EYU, it is necessary to view the discussion of YU from the perspective of the political economy of welfarism rather than simply from the perspective of "economic reductivism." The authors delve into the scarring effects of YU, such as exclusion from and delayed entry to labour markets, insecure forms of employment, poor labour market credentials, lower income, poor mental and physical health, acute housing needs and homelessness, and inadequate social protection.

In Chapter Three, the authors analyse data from the ILOStat on the youth labour force to highlight how young people were routinely and historically expelled from the labour workforce and global economy through capitalist industrialization processes of the late nineteenth and early twentieth centuries. Trends of this era such as the underage and gender-segregated nature of employment to reduce labour costs (Casson, 1979; Tawney, 1909; Gollan, 1937), and massive layoffs (Beveridge, 1909) were adopted as characteristics of national and global labour forces, with a disproportionately large fraction being absorbed into a steady supply of a reserve labour army. The authors describe their concept of the global reserve army of youth labour (GRAoYL) as the "first-ever calculation of the size and composition of the contemporary global youth labour force" (p.57). A key highlight in the analysis is that the proportion of jobless young people (reserve army) is four times greater than the active army of youth labour (waged workers).

Chapter Four examines the position of the youth labour market through production restructuring processes and labour market flexibilities of the mid-twentieth and early twenty-first centuries. These processes include job outsourcing and offshoring, which exploit the differences in wages and working conditions between traditional industrial and low-wage countries. The chapter examines the austerity measures that state and corporate strategies put on young people under the pretext of flexible labour paradigms. This includes unrestricted working hours and intensity, low pay, social insecurity, night shifts and lack of safety, a 24/7 work schedule, stringent performance standards, and uncomfortable working conditions (see Standing, 1999; Peck, 2001; Van Berkel, 2010). The authors highlight the institutionalized social inequality of industrial composition through the proliferation of global fragmentation of production for capital valorization profitability leading to the reconfiguration of class, natural skills and age ideology in the youth labour force and catastrophic youth welfare outcomes.

Chapter Five focuses on the post-World War II global financial crises, especially the Great Financial Crisis (GFC). The authors describe these crises' characteristics and effects by drawing on the intricacies of YU. The analysis of global unemployment trends across world regions and countries before and after the GFC reveals the complexity of how the global youth population "are economically inactive, exists without jobs or do not have independent means of subsistence, contrary to their own needs and preferences," and how the estimated 486 million GRAoYL are much higher than adult rates (25-54-year-olds) in the combined 709 million people who are not in the labour force (p.90).

The use of Arthur Okun's law in Chapter Six to examine the relationship between national and transnational economic cycles (GDP growth) and rising rates of YU is one of the book's major contributions. The authors extend the law by revealing the relationship between YU and economic and social changes at the country level using datasets from ILO (Unemployment data, 15-24yrs), World Bank (GDP – Gross Domestic Product), and the United Nations Development Programme (HDI – Human Development Index and GNI – Gross National Income) for 1991-2018. The data shows that except for LICs (Low-Income Countries), diminishing GDP growth is associated with rising unemployment and
is significantly twice as large for the youth than adults in all CIGs (Country Income Groups). The examination of the economic change of YU through HDI reveals little evidence of a strong relationship between HDI and change in YU rates during the period 1991–2018. The authors' construction of two new bespoke datasets has the potential to be applied to future youth studies interested in measuring the statistical significance of the relationship between GDP growth, HDI, and changes in YU.

Fergusson and Yeates explore the institutional response to YU through the theme of global governance in Chapters Seven and Eight. These chapters discuss chronological historical perspectives (1919-2020), intergovernmental, political, and international organization practices and collaborations, unintended repercussions, and both positive and negative outcomes of global YU policy. The authors examine a variety of actions to address YU from the democratic International Labour Organization (ILO) structure of the 1930s and 1970s, followed by the alliance with modern neo-liberal International Governmental Organizations (IGOs) such as UNESCO, UNGA (UN General Assembly), World Bank, International Monetary Fund (IMF), and World Trade Organization (WTO). The chapters highlight the ineffectiveness of global YU policy delivery programmes which are predominantly supply-side in tackling YU's causes and negative effects. Furthermore, the authors conclude that the “multilateralization of YU policy tolerated the causes and harms of high levels of YU rather than demonstrating effectiveness in challenging them at the source” (p.206).

Finally, in Chapter Nine, the authors, while considering the economic consequences of Covid-19 and its implications for YU, call for a renewal of policy design and global governance by proposing a Global Compact for Youth Employment (GCfYE). The authors lay out key policy design recommendations through “The Compact” with a priority action that will ensure a full employment target for young people to complement the attainment of SDG 8.5. Secondly, they propose the facilitation of substantial levelling-up of the viable employment possibilities of young people in country groups where YU has long been persistent or hidden. Thirdly, they propose increasing demand for youth labour through fiscal policy such as general taxation or supplementary levies as incentives for young people to participate in the labour market and for organizations to employ young people in productive employment. Fourth is the introduction of participatory modes of social policy formation for stabilizing youth employment policies by the four concerned pillars of international communities, namely, governments, workers’ organizations, employers and youth non-governmental organizations (NGOs). The Compact combines an argument for change in the dysfunctional fragmentation between global economic and global social governance through an empowered UN Economic and Social Council. This proposed Compact approach blends old and new approaches, encapsulated in the focus of carefully designing YU policies with integrated social and economic realms of global governance, alongside the demand-side labour economics context within which YU policies are developed and implemented.

This book provides a vivid reassessment of the concept of YU and highlights the exponential EYU following the Post World War II Financial Crises. However, while the authors state that the study applies to YU in the poorest parts of the world no less than it does in the richest, they merely scratch the surface of datasets in the world’s poorest regions due to the “high levels of labour informality and poor data infrastructure accounting for what appear to be implausibly low underestimated YU rates in many LICs” (p.89). The authors critique previous studies by way of data coverage that is limited to the national, intra-national, and domestic lens but faced a similar challenge of a high proportion of inconsistent data entries for low-income countries, making the intention to compare the relationship between economic growth and YU within all CIGs largely impossible. This suggests the need for a reassessment of datasets to address the paucity of global comparable national data coverage. A somewhat unavoidable critique
is although the authors’ proposed Global Compact for Youth Employment (GCfYE) addresses both the supply and demand side of global youth unemployment policy it fails to capture other scarring effects such as mental health and well-being and rising acute housing needs. Conclusively, this book could not be timelier for researchers of youth studies and global social policy in addition to serving as evidence for policymakers in making the best of policy design for young people.

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References