

ILO report: Global youth unemployment to rise for first time in three years

By Niles Niemuth
27 August 2016

The number of unemployed young people worldwide between the ages of 15 and 24 will rise to 71 million this year, increasing for the first time since 2013. This is the news from the annual World Employment and Social Outlook report released this week by the International Labour Organization (ILO).

The United Nations labor agency estimates that global youth unemployment rate will reach 13.1 percent this year and hold steady through 2017, increasing from 12.9 percent last year.

Broken down by region the unemployment rate was worst for young people living in the Arab states and Northern Africa, where 30.6 percent and 29.3 percent respectively live in poverty. The greatest numbers of unemployed young people are found in Asia, where nearly 33 million are looking but unable to find work.

Eight years after the outbreak of the world financial crisis and years of tepid economic growth, an increasing number of young people across the globe are being condemned to a life of unemployment and poverty. Governments around the world have implemented harsh austerity policies over the last decade attempting to resolve the economic crisis on the backs of the working class and the poor.

The increase in youth unemployment is being driven by a slowing and outright reversal of economic growth globally, especially in emerging and developing economies.

Global economic growth for 2016 is currently expected to be 3.2 percent, nearly half a percentage point below what was predicted by economists at the end of last year. Economic growth in developing countries was just 4.2 percent, the lowest rate of growth since 2003.

In the depths of the Great Recession, leading economists had predicted that developing economies,

in particular Brazil, Russia, India, China and South Africa, would serve as the economic engines to revive the global capitalist system.

The report, however, points to the continual slowdown in the Chinese economy and deeper than expected recessions in Russia and Brazil as the culprits for rising global youth unemployment

Russia's economy is expected to contract by 1.2 percent this year following a contraction of 3.7 percent in 2015, after it was hit by the collapse in oil prices and economic sanctions implemented by the United States and the European Union. Russia's youth unemployment rate has risen noticeably, from 13.9 percent in 2013 to 15.5 percent this year.

Brazil, currently in the midst of its worst economic crisis since the Great Depression, has seen its youth unemployment rate rise to nearly 18 percent, up from 15.1 percent three years ago.

While China's economy is still officially growing, growth in the world's second largest economy has slowed significantly. The share of young people in China looking for but unable to find a job has risen from 11.8 percent to 12.3 percent in the last three years.

On top of the 71 million unemployed youth, the ILO reports that there are another 156 million young people who are employed but still live in moderate to extreme poverty. This means that approximately 38 percent of the world's young people, despite working, still struggle to subsist in the direst circumstances.

The working poverty rate is the worst in sub-Saharan Africa, where 70 percent of young people who work live in poverty. Young people in these countries are forced to work just to meet the basic necessities of life. Often their wages do not even cover these expenses.

Young people between the ages of 15 and 24 have replaced the elderly as the group most at risk of poverty

in those countries the UN defines as developed, including in the European Union, the United States, Canada, Australia and Japan.

According to the ILO report, 12.9 percent of young workers in the European Union are at high risk of poverty, meaning they earn less than 60 percent of median income. The poverty rate for young workers varies significantly from country to country within the EU, from less than 5 percent in the Czech Republic to 35 percent in Romania.

Young people in EU countries have been increasingly forced to take on part-time jobs, which pay lower wages and do not include the benefits of traditional full-time work, leading to higher rates of poverty. Employment is particularly tenuous for young people living in countries that have been subjected to brutal anti-working class austerity regimes by the EU and IMF since 2008, including Greece, Spain, Italy and Portugal.

The share of youth forced to take on temporary employment because they could not find a full time job was greater than 50 percent in Portugal, Greece, Poland, and Italy. Involuntary part time jobs accounted for 70 percent of all part time employment in Italy and around 60 percent in Greece and Spain.

The ILO estimates the youth unemployment rate in the US at 12 percent, an increase from last year. The report also found that a significant number of young Americans are neither in education nor in job training, with nearly 20 percent between the ages of 25 and 29 falling into this category.

The difficulties confronted by young workers in the US are further reflected in the increasing share of young people who are living with their parents. A Pew Report released earlier this year found that for the first time in modern US history those between the ages of 18 and 34 were more likely to be living with their parents than with a partner or spouse.

While the ILO report shows that living conditions vary for young workers from country to country, whether they live and work in sub-Saharan Africa, Russia or the United States, they confront a common enemy in the capitalist system.

There will be no end to the misery of poverty and tenuous employment forced on young people across the globe without a united struggle by the working class, across divisions of age and international boundaries, to

overthrow capitalism and reorganize society to meet human need rather than the interests of private profit.

To contact the WSWS and the
Socialist Equality Party visit:

<http://www.wsws.org>