European Research Area

EUROPEAN POLICY BRIEF

YOUNEX Youth Unemployment & Exclusion in Europe

Youth, Unemployment, and Exclusion in Europe: A Multidimensional Approach to Understanding the Conditions and Prospects for Social and Political Integration of Young Unemployed

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SUMMARY	
Objectives of the research	The research aims at providing new knowledge on the causes, processes, and perspectives for change related to social and political exclusion of unemployed youth. It provides an integrated approach to the study of unemployment effects on youth exclusion from social and political spheres.
Scientific approach / methodology	The research has three main components: a multidimensional theoretical framework integrating different explanatory factors; a comparative design including countries with different institutional approaches to unemployment; an integrated methodological approach based on multiple sources and methods.
New knowledge and/or European added value	The findings show that the EU has made considerable progress in identifying youth unemployment as an important policy target, but that more needs to be done. In particular, more policy coordination and integration of civil society actors are needed.
Key messages for policy-makers, businesses, trade unions and civil society actors	A number of improvements in the EU approach to youth unemployment may be suggested: integrate the various coordination processes regarding youth unemployment, increase peer-learning in the Open Method of Coordination, and involve civil society organizations.

Objectives of the research

The research has three main objectives:

- To generate a new body of data on the personal life of young unemployed and precarious youth by focusing on: their perception of their situation; their life projects; their identity development; the intensity and quality of their social relations; their political participation; and their attitudes toward political institutions and society at large.
- To advance theory and extend knowledge on social and political exclusion of young unemployed and precarious youth.
- To provide practical insights into the potential paths for social and political integration of young unemployed and precarious youth. These findings could be used both by public authorities and non-state welfare organizations to improve youth inclusion in social and political life.

Scientific approach / methodology

The overall design of the research has three main components:

- A multidimensional theoretical framework that integrates different explanatory factors (public policies and institutions, organized civil society, and the situation of individual unemployment) while taking into account various dimensions of exclusion (political exclusion, social exclusion, and individual well-being).
- A cross-national comparative design that includes six European cities in countries with different institutional approaches to unemployment: Geneva (Switzerland), Cologne (Germany), Turin (Italy), Lyon (France), Karlstad (Sweden), Kielce (Poland).
- An integrated methodological approach based on multiple sources and methods: an analysis of state policies and practices towards unemployment, a survey of organizations active in the field, a survey on representative samples of young long-term unemployed and precarious youth, a series of in-depth interviews with young long-term unemployed, an analysis of EU policies and practices towards unemployment, and focus groups with stakeholders.

New knowledge and European added value

How can European institutions set an agenda and formulate and adopt innovative policies which could help member states better address common societal challenges? This question has been raised with the evolution of a European layer of employment policies, especially via the Open Method of Coordination (OMC) launched at the end of the 1990s. One of the most striking problems among these common challenges has been the overall diffusion of high youth unemployment rates throughout Europe since the early eighties.

Considerable progress has been made in identifying youth unemployment as an important policy target

One decade ago, youth unemployment was not on the agenda of EU institutions. This changed in 2005, when first initiatives concerning youth unemployment were issued, like the European Youth Pact. And in reaction to the economic crisis in 2008 and the subsequent increase in youth unemployment rates, the European Commission, Parliament and Council of Ministers have committed to tackle this problem. During the review of the Lisbon Strategy and the follow-up EU 2020 Strategy, policy initiatives related to youth have been fully incorporated into the European strategies for employment, the Social Inclusion Strategy, and the Education and Training 2010 work programme.

EU initiatives have developed a proactive approach regarding the transition from education to work, yet, they need to be developed in relation to job and social security

The Lisbon 2020's initiatives on youth and employment (i.e., Youth on the Move and New Skills for New Jobs) are committed to facilitate the transition from education to work by improving qualifications and skills, and accelerating the access to the labour market. They promote a more proactive approach by identifying tangible recommendations (e.g., the youth guarantee). However, what these initiatives address only superficially are the problems of precarious jobs, segmented labour markets, and limited entitlement and coverage by social security systems. Consequently, these initiatives need to be developed in order to generate a more balanced and comprehensive policy strategy.

Several processes of European policy coordination have been launched, yet, they do not address employment and youth in an integrated manner

The Open Method of Coordination (OMC) has been firmly established as a means of policy coordination and development in the field of employment, youth and social inclusion. However,

the youth OMC does not focus explicitly on employment, while the employment OMC has no specific policies related to youth. What is needed is an integrated European policy approach that addresses both unemployment and youth in a coordinated way, without neglecting job and social security.

European policy coordination is well accepted, yet, its effectiveness needs to be improved

Policy actors agree that EU policies in the field of youth unemployment have little impact at the national level, because they are badly implemented by national governments. This is due to the fact that the EU lacks authority in this policy field, thus relying on voluntary processes of policy coordination amongst member states. As long as authority is not shifted to the EU level, the OMC needs to be applied more consistently and rigorously. In fact, while policy actors laud the OMC's strengths in the area of information exchange and agenda-setting, peer learning is not exploited thoroughly as a means of policy improvement and coordination. National governments do not examine each other's policies and practices in depth, and few incentives or sanctions are in place to increase learning. A more rigorous and critical process of monitoring, learning and mutual surveillance should be developed.

Conflicts of interest hinder the formulation and implementation of a comprehensive European policy on youth unemployment

Progress has been made in identifying youth unemployment as an important policy issue, and in defining overarching objectives and policy areas. However, conflicts of interest obstruct the development of a strategy on youth unemployment with a tangible course of action. These conflicts are apparent between member states and are due to the differences between their educational systems, labour markets, social security programs and financial capabilities. But also the social partners (the employers and trade unions), welfare associations and social advocacy groups disagree about the necessity to develop youth-specific unemployment policies. More incentives and deliberations should be advanced in order to overcome this situation.

Civil society organizations are part of issue-specific consultations and deliberations, yet, they need to be involved in a more generalized and structured manner

Civil society organizations (CSOs) play a crucial role in representing and servicing young and disadvantaged people. Moreover, they have valuable knowledge about the social reality at the local level. European CSOs are consulted by EU

institutions in many areas of policy-making, and are formally included in the "structured dialogue" on youth since 2007. However, their involvement in the field of unemployment policies and measures is rather limited. CSOs should be included more proactively in this issue field in order to tap on their knowledge, experiences and contacts, and exploit the potentials of policy learning within the OMC more intensely. Moreover, a structured "civil dialogue" across policy areas should be established in order to promote cross-sectoral policy deliberations.

Key messages for policy-makers, businesses, trade unions and civil society actors

On the whole, policies regarding youth unemployment have been in process since 2005 and are still in progress. Member states are developing a series of measures, and the EU institutions have committed themselves to advance and coordinate these reforms by developing youth-related objectives, guidelines and recommendations (e.g., Youth Pact 2005, Youth strategy 2009, the flagship Youth on the Move 2010). However, our analysis identifies several issues that require improvement.

Integrate the various coordination processes regarding youth unemployment

So far, the European Employment Strategy (EES) is a policy strategy oriented to combat the general problem of unemployment.

There are good reasons to have a policy operate on such a general level. For example, proponents of the current EES warn against including too many specific target groups, indicators, and measures, complaining that the EES has grown incrementally too much. In this regard, a lot seems to speak for a lean, clear and manageable strategy.

However, those interested in the situation of young people, amongst them young unemployed, criticize that there is no specific strategy on youth that considers the particularly high rates of exclusion and the specific problems of this group. They criticize that there is just a number of (disjoint) measures in various neighboring policy fields. Additionally, the EES and the most recent flagships (Youth on the Move, and New Skills for New Jobs) privilege some areas of action (i.e., education), while putting less emphasis on others (e.g., social security, stable contracts, wages etc.).

Both positions are plausible. Moreover, there is a trade-off between the parsimoniousness and consistency of a general employment strategy, and the specificity and effectiveness of policies targeting young unemployed. A way out of this dilemma could be to put more effort into the identification and coordination of target-specific policy initiatives within the EES. If youth unemployment is to be taken seriously, there needs to be at least a more coherent review and coordination process that ensures that the various priorities and measures (education, entrepreneurship, social inclusion, and anti-poverty) are integrated into a consistent policy-approach.

Hence, what is needed is an integration of the various coordination processes (e.g., employment, social inclusion, youth) relevant to youth unemployment. This would help to prevent the biased approach followed so far, which privileges the idea of education as the primary road to salvation for youth, migrants, older workers of women. The problem of youth

unemployment is multidimensional, which calls for a youth-specific strategy with a cross-sectoral approach of problem-solving. The alternative, a "One Size Fits All" strategy, will fail.

Increase peer-learning in the Open Method of Coordination

Our report has demonstrated that the OMC is generally appreciated by member states and has many advantages. However, weaknesses remain, which are mainly related to the voluntary nature of this process. These shortcomings have been well documented by scientific research and public debates, and were replicated by our interviews. But what can be done?

On the one hand, we might want to hope that the discussion about more European "economic governance" will enlarge the competencies of the EU also in the field of employment.

On the other hand, it might be necessary to think about improving the OMC and its peer learning exercise. This seems advisable. Our interviews have illustrated that there is a lot of monitoring and bench-marking going on, also in regard to youth unemployment, and participants evaluate positively the flexibility and openness of the process. But paradoxically little learning is happening. In particular, national governments prioritize the "selling" of existing policies and measures, while the knowledge about other countries' practices is very limited, if not inexistent. If learning is happening, it seems to happen rather on the level of practitioners, who are less under the pressure of "selling" national policies and more interested in improving implementation.

Moreover, learning is too much oriented towards identifying good practices, discouraging countries to speak about problems, shortcomings and imperfections.

Finally, countries with a good standing in regard to policy performance (e.g., those with low unemployment rates) tend to lean back in peer learning, preventing a critical evaluation of their policies' effectiveness. The unemployed in these countries do not seem to benefit from the OMC.

We thus recommend to fully exploit the potentials of peer learning within the OMC. This can be done in different ways. First, it can mean to increase the peer-learning exercise on the level of practitioners and less the one between government representatives. The proposal within the EU flagship Youth on the Move to include experts from public employment services is a first step into this direction. Second, a more proactive practice of "naming and shaming" based on a more critical and rigorous analysis of member states' political policies and measures is needed. And finally, we advise to integrate civil society organizations more actively into these exercises, because they are closer to the vulnerable groups at stake. Moreover, they are able to raise new views, insights and pieces of information.

Finally, they allow putting into practice a more critical review of national policies.

Involve civil society organizations

In general terms, there is a broad consensus within the European Union that civil society organizations (CSO) play a crucial role in regard to political advocacy and social services, and must be involved in consultations and policy deliberations. However, there is disagreement about the extent of their involvement. Our field-work has illustrated that CSOs are integrated in some policy fields (e.g., the OMC on Social Inclusion, the structured dialogue on youth), but not in others. In particular, they are not part of employment related consultations within and around the European Employment Committee. EU institutions do not intend to better involve CSOs at the EU level in a generalized and structured way. A recurrently named reason for this is that the social partners are already institutionally integrated. Any other involvement would make consultations inefficient. However, the advantages of a stronger involvement over-compensate this technical and organizational disadvantage. On the one hand, we have argued that CSOs have important resources to contribute, thus helping to improve the knowledge base of peer learning and the quality of policies considerably. On the other hand, a stronger involvement would help to reduce the existing gap between the EU and the local civil society, where the EU is a marginal reference point for CSOs.

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