

Special Report on Youth

What Lies Ahead?

Young People Today – Eager To Go But
Digital, Disillusioned, Disheartened, Dislocated

March 2012

Young people in America, often referred to as Millennials, are positive about their ultimate futures but are also worried and unhappy with the current financial situation and the state of the nation's economy in general. They are ready and eager to work hard and become successful, but the economic downturn and their financial standing are holding them back.

For perhaps the first time in the nation's history, the concept of upward mobility for the newest generation of young people—that they can and will do better than their parents—is being questioned. That is clearly a cause for concern.

In January of 2012, the Marist Poll, designed to gauge the opinions of Americans of different generations, found some 65 percent of Millennials queried said they believe the country is headed in the wrong direction, even though their general attitude was essentially positive. However, as many as one quarter of the total still had to move back in with their families after leaving college or living on their own for a time.

Few will dispute that, today, youth in America are in a difficult position. Many have the desire to change the world, but lack the economic opportunity. They have become disheartened as they struggle to achieve a hoped-for lifestyle. Indeed, the Millennial generation has the desire, energy, and drive to do great things, but economic issues keep them from displaying their true potential.

What follows is a carefully researched portrait of the realities youth are presently facing and its implications for society as a whole.

On the heels of the economic crisis that erupted globally in 2008, an emerging, new generation of young adults, mostly 18 to 28, is having no easy time gaining entry into the job market. Many are well educated, technologically savvy, and strongly motivated. But they still face increasingly poor prospects for finding the kind of employment they seek, launching a career, starting a family, owning a home, and ultimately retiring with security and dignity. The classic trajectory

of the good and successful life that fulfills The American Dream in the land of opportunity now appears to be out of reach for many.

Unemployment remains the generation's most pressing and disorienting issue. Although the broad economy may be slowly recovering, the nation's overall unemployed and underemployed total close to 23 million. The unemployment figure for all ages in the U.S. is now 8.3 percent, but official U.S. Dept. of Labor Statistics data placed total youth unemployment at 18.1 percent in mid-2011. For recent college graduates, the rate is now about 10 percent, escalating to 22 percent for recent high school graduates.

Many thought-leaders on hand at the 2012 World Economic Forum in Davos, Switzerland also spoke pessimistically about what they labeled “a time bomb”—global youth unemployment. Executives there repeatedly raised the issue. As one commented ruefully: “A good education does not guarantee a good life anymore.”

In the U.S., along with uncertain employment prospects, college graduates, specifically, are challenged by a huge burden of debt. Reliable government estimates place the average amount owed for college loans at \$25,000 and, in a great number of individual cases, much higher. Outstanding college loan obligations now exceed the nation's credit card debt.

A unique confluence of circumstances has come together to cloud the futures of today's high school and college graduates seeking to enter the nation's work force. Central to this has been the economy—the worst since the Great Depression of the 1930s.

Then, add ever-expanding globalization with even skilled knowledge jobs being outsourced overseas and growing automation/ digitization as machines continue to replace humans. Consider, too, the implications of an older population now blocking a new generation by working well past the traditional 65 retirement age. And civil service employment, long a magnet for the

college-trained, has virtually disappeared. In the wake of the recession, hundreds of thousands of municipal and state employees were laid off.

Adjusting to this new economic reality has brought inevitable alterations in lifestyles. As noted before, many young adults are returning to live with their families because of budget constraints. In another crucial departure from pre-recession employment strategies, scores of financially-pressed, discouraged college graduates have been accepting lower-level, low-skill jobs that do not require a college degree. This, in turn, creates problems for those without college degrees who otherwise would take such jobs.

A just-published study of young adults by the Pew Research Center found that nearly one-half (49 percent) said they have taken a job they did not want in order to meet expenses and 24 percent said they have even signed up for unpaid jobs to gain experience. Personal lives have also suffered as a consequence. Some 20 percent said that they have postponed getting married.

Economists warn further that longtime unemployed young people will be long-term losers. They become increasingly unemployable with the passage of time. Even when they eventually find suitable work, their lifetime earnings and standard of living will fall substantially behind those fortunate enough to begin their careers right out of school.

Such prolonged unemployment inevitably also has adverse social and psychological fallout. Evidence abounds that joblessness, especially among the less well-schooled population, increases drug use, anti-social behavior, binge drinking, and even unwed motherhood, already at record levels in some region of this country. Equally distressing, too-long-unemployed young people often lose a sense of place, a sense of belonging, and a sense of continuity in their lives. The psychic toll is palpable.

A gloomy picture of jobless, disaffected youth, spilling over with disappointment and discontent,

is magnified many times over abroad, where the spectre of major social unrest is an ever-present reality. Young people—whether rioting in the streets of the U.K. or organizing “Arab Springs” in North Africa and the Middle East—have been in the vanguard of activist protestors and not at all hesitant to use violence against the reigning regimes.

Such extreme reactions have not been, and will not be, the case in the U.S., where the ballot box still rules. Beginning last September, many expressed their frustration in what became known as the Occupy Wall Street protest that quickly exploded into the nationwide, non-violent Occupy movement. The movement changed the national conversation to a heightened awareness of joblessness and wealth inequality and may likely re-emerge, bolstered by its union allies, as the weather warms.

What can this stalled youth generation expect going forward? What does a generation of unanchored young people signify politically for the broader society as a whole?

Certainly, one unique advantage today’s youth has over previous generations is connectivity. It’s estimated that at least half—and much more among college graduates—now own and regularly use some kind of mobile wireless device to communicate online. This can be a powerful tool for organizing and sustaining a movement for change or significantly influencing the existing order.

Politics, by far, will be the prime arena for any change in the current climate. Young people could be a decisive factor in determining the outcome of the crucial 2012 presidential election. In 2008, their aggressive mobilization and support played a key role in sweeping Barack Obama into the White House.

Two years later, following more traditional patterns, legions of younger voters opted out and stayed home—one of the reasons Republican candidates and the Tea Party made such huge

electoral gains in 2010. It is becoming increasingly apparent that escalating discontent among this large cohort is something that the political powers-that-be ignore at their own peril.

Right now, in the light of economic realities, President Obama's re-election bid could be the beneficiary of this discontent. Not incidentally, the conservative movement also appears to have gained many younger adherents—especially Libertarian standard-bearer Ron Paul. Political pundits attribute much of this development to Congressman Paul's strong anti-war, anti-foreign intervention positions.

On the other hand, a recent, but controversial study published in a leading academic journal held that younger Americans these days are less politically-engaged and civic-minded than previous generations although also much less prejudiced based on race, gender, or sexual orienta-

tion. But all observers agree that economics plays a key role in shaping these attitudes.

The vast majority of young people are, in fact, not political activists and are probably independent in their party allegiances. It is also quite true that the economy is recovering slowly and gathering steam again, which could make a considerable difference in their economic status going forward and, of course, how they think about the future. But, at this writing, we remain basically pessimistic.

Today, the bleak prospects looming for many are bound to influence their vote one way or the other. They will support the party they feel most willing, able, and equipped with policies that can rescue them from the army of the unemployed and underemployed and enable them once again to achieve The American Dream.