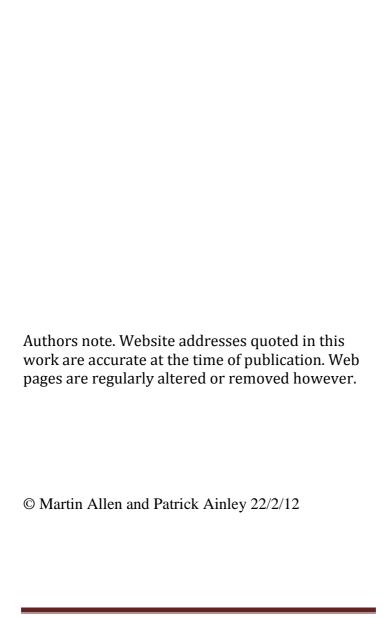
Why young people can't get the jobs they want and the education they need

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Introduction

Already referred to as a 'Lost Generation', after almost two years of Coalition government, young people now have even less to look forward to and are likely to end up worse off than their parents. This publication builds on, develops and updates arguments from our book *Lost Generation? New strategies for youth and education (2010)* and, in particular, those in our recent e-pamphlet *Why young people can't get the jobs they want* (2011).

Central to our analysis are changes in the nature of work and economy. It is these, we argue, that are the main reason for changes in youth's situation. For this reason, the opening section addresses youth's declining power in the labour market. We explain why a million young people are unemployed but also why many more continue to be 'underemployed'. We describe the broader historical and political context behind these developments and in particular debunk the idea that the economy' 'knowledge will increase market labour opportunities for young people. We also describe how the Coalition's economic policies and in particular, its commitment to 'reducing the deficit,' can only make things worse.

In the second section we argue that the post-war assumptions about the significance of education for challenging privilege, increasing opportunities and promoting advancement through individual effort are now largely redundant. Even though politicians and employer representatives continue to complain that school, college and university leavers lack the necessary

skills and attributes, we argue that on the contrary, despite being more 'qualified' than ever before, today's young people are faced with an increasingly lengthy jobs queue. Education is therefore in danger of losing its 'legitimacy' (Ainley and Allen 2010, 159) for young people in the upper secondary years and in further and higher education and Coalition policies only increase this likelihood.

In the last part of the work, we examine issues of 'agency' – the response of young people to the crisis they face. Though accused of being politically apathetic, recent months have seen young people return to the streets – with students protesting against university fees and the demise of EMAs and then innercity youth rioting and looting. In examining the issue of youth politicisation, we discuss questions of policy and organisation.

Though remaining intellectually rigorous, this work does not attempt to be 'academic'. While it uses data from academic research, it has also relied on journalistic sources and in particular, findings from the growing number of think-tanks that are a consequence of the current economic and social but also intellectual crisis. There have of course been many informal discussions with colleagues and friends. These can never be referenced, but the story could not be complete without them. Many of our arguments have also appeared in shortened form, on the website www.radicaled.wordpress.com

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Why can't young people get the jobs they want?

Youth unemployment is at its highest since comparable records began. ONS figures for the three months to December 2011 showed 1.04 million 16-24 year olds out of work, up 22,000 on the previous three months and equal to 22.2 % of those young people 'economically active' and approaching 15% of young people as a whole. The number of unemployed 18 to 24 year olds stood at 826,000 – just over 20% of those economically active and 14% of this group in total.

In accordance with international guidelines, people in full-time education are included in the youth unemployment estimates if they have been looking for work within the last four weeks and are available to start work within the next two. However, excluding people in full-time education, there were still 731,000 unemployed 16 to 24 year olds in the last quarter of 2011, equal to 17%. Equally concerning is the number of young people not in full-time education but considered 'economically inactive.' This stands at 713,000. While some of these are not looking for work, will not be able to work because they are carers, or not physically able to; ONS data shows that up to 25% of economically inactive people as a whole say they still 'want a job.' At the end of 2011, the Department for Education published figures for the number of NEETs – young people 'Not in Employment, Education or Training'.

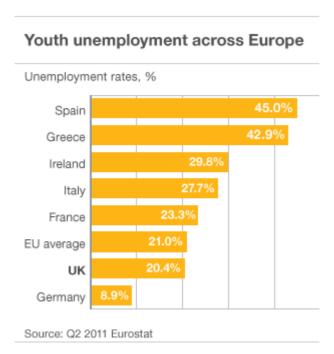
According to the DfE, there are 1.16 million 16-24 NEETs – almost one in five of all young people. The figures also show over 21% of 18-24 year olds are in this category – just over one million in total.

If full-time students are excluded, then over one in four of this age group are NEET. Including full-time students, over 40% of young people do not spend any time in the workplace. In other words, while increasing participation rates in full-time education is considered to be fundamental for producing longterm economic benefits through the increase in 'human capital', on the contrary, extended participation in full-time education can also represent 'education without jobs' (Allen and Ainley 2007). Now, eminent economist David Blanchflower, an ex-member of the Bank of England's Monetary Policy Committee, has called for 100,000 more university places on the grounds that 'You're getting people into university and getting them off the streets' (Times Higher 09/11/11). Blanchflower considers this a way of enabling students to 'wait out' the recession. In terms of current prospects, many may have to wait a very long time! So, just as the Youth Training Schemes of the 1980s turned unemployed school leavers into 'trainees', from the 1990s the emphasis has been on creating a new generation of 'students'. Out of almost 2.6 million 16-24 year olds recorded as 'economically inactive', for example, 1.85 million fit this category.

International comparisons

As the table below indicates, high levels of youth unemployment are not just a problem for the UK but a feature

of many other national economies. An August 2010 study by the International Labour Organisation (www.ila.org.publns) reported youth unemployment at a global average of 12.7% – the 0.9 % increase between 2008 and 2009 was also the largest increase since records have been available. By the end of 2010 there were, according to the ILO, an estimated 75.1 million young people worldwide trying to find employment.



The ILO notes in particular that even though youth unemployment has always remained high in developing countries, in recent years it is the increases in developed countries that have been the most notable and during the period 2008-2010 youth unemployment jumped 4.6 percentage points.

There has, the ILO also argues, been an increasing tendency for young people in developing countries to 'drop out' of the labour market altogether — in other words to become 'economically inactive' rather than 'unemployed'. There were, for example, in total, 2.6 million fewer young people in the labour market, compared with what would have been expected. In Ireland, for instance, where youth unemployment is already over 30%, the ILO estimated the figure would be almost 20 percentage points higher if those young people 'hiding out' were included. The ILO also reported that in nearly half of the countries examined, the 'risk of social unrest' was rising, as a result of growing anger about the lack of jobs.

As will be discussed later, unemployment is recognised as a key factor behind the August 2011 riots in cities across the UK, while Paul Mason (2012) provides convincing evidence that 'graduates with no future' were catalysts in the revolutions in Egypt and other Arab countries. If the continuing economic crisis is having a greater effect on young people than others, the impact is significantly different than after the recession in the 1990s, when youth unemployment fell by 20% in the two years after it peaked. By contrast, in the two years since the peak of the 2008/9 recession, youth joblessness has risen by 7%.

Particular characteristics of youth unemployment

At the end of 2011 youth unemployment was two and half times that for the population as a whole. If youth unemployment has remained at 500,000 or more throughout the last two decades, then even in relatively prosperous years, it

has still remained much higher than that of the general 'adult' rate – and was already at 14% by the end of 2007, before the recession had started. Data below shows that in most countries, the ratio of unemployed young people is at least double that for unemployment as a whole.

Ratio of youth unemployment

Spain	2.16
Ireland	2.12
Finland	2.65
UK	2.50
EU average	2.20
USA	1.85

Source Youth Unemployment: Déjà Vu? David Bell & David Blanchflower

(www.dartmouth.edu/~blnchflr/papers/Youth%209-1.pdf)

Youth unemployment also takes on its own characteristics in other ways. While unemployed adults may have occupational skills that are not being used and stand some chance of being re-employed if more favourable economic conditions emerge; out of work young people who have never had a job may be even less employable and be less attractive commodities than young people who have left full-time education more recently. In other words, long periods of unemployment may leave a permanent scar on future employment prospects. Also, in times of economic uncertainty employers may hold on to existing staff — maybe temporarily reducing their hours or even their

pay. If this happens the opportunities for young people decrease further. According to labour market economists Paul Gregg and Lindsey Macmillan (www.bbc.co.uk/news/business-16156849), this creates a *Catch 22* situation for young people who can't get the experience they need to get work because they can't get a job in the first place. Gregg and Macmillan also argue that time spent out of work while young, reduces general wage levels later in life.

What price a graduate? Unemployment spreads to the highly educated

A significant feature of the current rise in youth unemployment is the number of graduates out of work. The Higher Education Policy Institute reported unemployment among graduates aged under 24 had increased by 25% from 11.1% in December 2008 to 14% in December 2009 (*BBC News 24* 04/07/2010). According to another study (<u>www.totaljobs.com</u>), two out of five graduates have claimed the dole and of those 37% have done so for more than six months. Almost 9% of the Higher Education Careers Service Unit's large sample of 2009 graduates remained unemployed six months after leaving university (<u>www.hecsu.ac.uk</u>). This survey also found some of the highest rates of unemployment in supposedly more 'vocational' areas like ICT (16.3% – up by 3% from the previous year) and accountancy (12.5%).

According to *The Independent* (06/07/10), the graduate class of 2010 would also have to compete with the 40,000 who failed to find a job the previous year. AGR's CEO told *The Guardian*

(06/07/10) that graduates needed to be more 'flexible' and if necessary take jobs like 'burger flipping and shelf-stacking'. According to *The Daily Mail* (02/07/10) though, one in three are already 'on the dole or working in "stop-gap" jobs such as stacking shelves or pulling pints.'

ONS put the unemployment rate for new graduates at 20% for the third quarter of 2010 - the highest in over a decade and almost double the rate before the start of the recession. The Association of Graduate Recruiters (www.agr.org.uk) also estimated there were 48 applicants for every post (*Times Higher* 15/07/09) but a year later, with graduate vacancies supposedly falling for the first time since 2003 (a projected decrease of 5.4%), it reported this figure had risen to 79 with 80% of employers only prepared to recruit candidates with a 2.1 or 1st. The Association's 2011 report put the figure at 83.

Graduates are increasingly relying on post-graduation 'internships' – work experience with employers in the summer after graduating – as part of the recruitment process to secure permanent employment. The Chartered Institute of Personnel figures suggested that of up to 70,000 internships, between 10,000 and 15,000 are completely unpaid (*Guardian* 05/11/11). This could be a very conservative estimate however. The title of Ross Perlin's 2011 book on the internship boom in the United States, *Intern Nation: How to earn Nothing and Learn Little in the Brave New Economy* is self-explanatory.

In the UK, the well known high street outlet *Topshop* was exposed for paying graduates on month-long work experience 'secondments' just £3.50 a day plus limited travel expenses (*Observer* 09/10/11). While in theory at least, 'internees' take

up positions so as to learn specific skills, *The Guardian* (17/11/11) claimed that young jobseekers (including graduates) on government 'work experience' schemes are working for up to 30 hours a week without being paid, in Tesco, Poundland, Argos and Sainsbury's. Jobseekers, who 'express an interest' in this scheme but who then withdraw will, the paper reported, be ineligible for their £53 a week allowance.

According to graduate consultancy High Flyers Research, (www.highfliers.co.uk) a third of graduate vacancies will be filled by applicants who have already worked for their new employer as an intern – a majority of employers admitting it was unlikely that an undergraduate without any work get a job. experience would fact. thousands In unpaid/underpaid interns could be entitled to compensation, as even government advisers recognise that employers are breaking the law by not following national minimum wage regulations. People are deemed workers if they add value to their employer and therefore legally should receive the minimum wage.

'Overqualified and underemployed'

Equally significant is the large number of graduates who remain 'underemployed' and 'overqualified' for the work they end up doing (Ainley and Allen 2010, Chapter 3). While *High Flyers* reported starting salaries approaching £30,000 for top employers, the HECSU survey found average graduate starting salaries below £20,000 with under £15,000 not uncommon. According to *The Financial Times* (11/08/08), one in three

graduates were not in 'graduate jobs' with 6 out of 10 art and design graduates overqualified for the posts they held. Other data, based on a breakdown of the employment destinations of 2009 graduates, (www.prospects.ac.uk/links/wdgd) provides a similar picture: 8% in clerical and secretarial positions, 14% in retailing, catering or working as bar staff and 12% in 'other' non-professional occupations from security staff to traffic wardens.

Contrary to popular perceptions, only about half of all science graduates find work that requires their scientific knowledge. According to researchers at Birmingham University, six months after leaving university, only 46% of engineering graduates and 55% of those from physics and chemistry backgrounds were in work that was related to their degrees. For Professor Emma Smith, one of the Birmingham researchers, 'the shortage thesis is wrong - there are no jobs waiting' (*The Guardian* 08/09/2011).

It is difficult to map skill requirements of occupations with what is accredited by particular qualifications. As employers recruit graduates for an increasing range of vacancies, these jobs are likely to become 'graduatised'. Nevertheless, increasing numbers of 'Gringos' (graduates in non-graduate occupations – Blenkinsop and Scurry 2007) means that other young people are 'bumped down' into still less remunerated and more insecure jobs. In other words, those that lose out the most are those at the other end of the jobs pyramid and it is this – rather than 'lack of skills' – that is, according to Brown, Lauder and Ashton (2011), why the 70% of the American workforce who do not have a degree have seen their entry level wage drop from \$13 to \$11 per hour between 1973 and 2005.

Those without qualifications, for example, are four times as likely to be unemployed as those with degrees – those with only GCSEs half as likely. Though a recession undoubtedly makes it even harder for those without qualifications to find work, it is still the case that, even in relatively prosperous periods, those without qualifications fare much less well.

At the height of the Blair boom, data compiled by Danny Dorling for the Prince's Trust showed that in 2002 unemployment amongst those without qualifications was twice that of those with them with 44.3% of those who left school at the end of Year 11 unable to find a job. Getting into work after passing A-levels is also likely to be as problematic as it is uncertain. As newspaper columnist, Jenni Russell reports (*Guardian* 19/08/11), Price Waterhouse received 1,600 applicants for 100 vacancies on its A-level entry scheme and Marks & Spencer 1,600 for 40 school-leaver places. As discussed later in more detail, demand for an apprenticeship offered by top employers is also well in excess of supply.

Gender and geography

Youth unemployment exhibits clear gender and geographical dimensions with a TUC investigation showing that the unemployment rate for women between 18-24 has almost doubled in certain areas since 2008 – increasing from 5% to 14% in the South West, for instance (*Observer* 13/02/11). With women disproportionately employed in local public sector jobs, a GMB survey of the proposed cuts in 193 councils showed three times as many women were likely to lose their jobs. The

ONS figures for the last quarter of 2011, also showed the number of female claimants of Jobseekers Allowance at its highest ever figure, approaching 532,000.

TUC data shows that many of the urban areas where the August 2011 riots took place had particularly high levels of unemployment amongst 16-24 year olds — for example, Hackney 34%, Croydon 25.9%, Ealing 24.9%, Wolverhampton 32.7%, Nottingham 27.6% Manchester 22.8%. (www.tuc.org.uk/tucfiles/80/respondingtotheriots.pdf)

Meanwhile, *The Guardian* (17/11/11) reported that over 13% of 16-24 year olds in Hartlepool were claiming Jobseekers Allowance, 12.9% in Sandwell (10% in Birmingham as a whole), 10.5% in Doncaster and 10.3% in the London Borough of Waltham Forest, though 'claimant count' totals for unemployment are generally only about 60% of the total from the wider Labour Force Survey. This compared with 2.1% in Winchester and 2.4% in West Sussex. Though the extent of youth joblessness in the better off south should not be downplayed – Hastings recorded a figure of 8.8%. As Lindsey Hanley argued in *The Guardian* (3/5/11), 'If you live and are educated in such an area, you may as well live in a penal colony for all that it connects you with a world in which goodquality work, self-confidence and cultural capital... are a given.'

As Hanley points out, this Northern factor accounts for the lowest educational attainment figures for white working-class boys, even though discrimination against other ethnicities, particularly African-Caribbean boys, also depressed their educational and employment outcomes (Evans 2006). According to the UK Labour Force Survey in Bell and

Blanchflower (*ibid*), the unemployment rate can be broken down into white 7.1%, mixed race 17.2%, Asians 11.8%, Black 17.3% and Chinese 4.2%. However, 2010 analysis from IPPR showed almost half (48%) of Black people aged between 16-24 unemployed (<u>www.ippr.org/press-releases/111/2419</u>).

Between the 'snobs and the yobs'

'Class' continues to be the major factor in securing a person's desired labour market placement. Despite the declining prospects in the graduate labour market, those at the top of the occupational class structure still experience relatively smooth transitions into elite positions, much as they have always done. In addition to obtaining places at top universities, they also have the social connections and the financial resources to secure the sorts of internships that ensure employment. At the other extreme, a significant minority of young people at the bottom of the class structure continue to leave the education system without any qualifications, making up a large section of the so called NEETs.

Our argument though, is that the crisis of youth employment is much more widespread than is widely recognised. It runs through what could be considered to be the 'working middle' of society (Ainley and Allen 2010) rather than just being confined to the NEETs. As has been made clear also, the crisis is as much about 'underemployment' as it is about straightforward joblessness – though, of course, this should never be underestimated.

The nearly 50% of 18-21 year-olds in higher education, for instance, are clearly divided into 'Graduates from "top" universities' who enter directly into professional management trainee posts. Other graduates enter intermediate level jobs in offices, sales work and laboratories from which they are unlikely to advance beyond the junior management and professional levels' (Roberts 2012, 63). The Million+ group of universities (2012, 19) whose name indicates that they hold the majority of undergraduates, claimed the earnings of their graduates were likely to be only '15% higher than the earnings of people with lower qualifications, many of whom could have progressed to university but did not do so.' Masses of young people supported by their parents are now desperate enough to become indebted up to £27k+ in hopes of earning 15 per cent higher than their peers who have not paid tripled university fees.

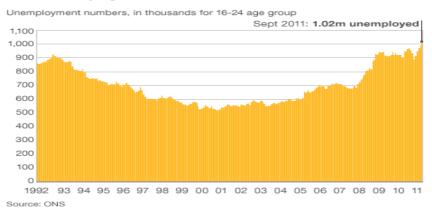
Why can't young people get the jobs they want?

As is clear from the above, the economic downturn has had a devastating effect on youth unemployment. It is important to stress however that the downturn has intensified longer term changes in the labour market of which young people have been on the receiving end.

In 1961 for example, out of a total unemployment figure of 330,000, only 10,000 were under the age of 19. In comparison, during the period between 1972 and 1977, when unemployment as a whole increased by 45%, the rate of increase for young people under 20 was 120%. In 2002, as the

chart below shows and at the height of the New Labour consumer boom, half a million (10%) of 18-24 year olds were still out of work, compared with a 5% overall unemployment rate. Going into the recession in 2008 youth unemployment was already almost 14% compared with 6% for unemployment as a whole. The unemployment rate for 16-24 year-olds rose sharply to 19% in 2009. As already noted, the unemployment rate for 16-24 year-olds is now over two and a half times the rate for older workers.

Youth unemployment



Whatever happened to 'youth jobs'?

In the post-war years, large numbers of young people were employed in manufacturing – the sector generated 'youth jobs', many for young males in particular being linked to 'apprenticeships'. During this period thousands of young people made relatively straight forward and linear transitions to the labour market, without any of the 'vocational preparation' –

not to mention the 'vocational qualifications' – now thought necessary and invariably leaving school early before taking any exams.

This process was enhanced by the existence of relatively localised industries. 'Classic' sociological examples of this process were young men following their fathers into industries like mining (Dennis *et al* 1957) but there were many other cases of particular towns and cities being dominated by one or two large employers where 'informal' recruitment patterns continued to be as important as those based on qualifications. In these situations, the transition from school to work was often also a 'collective transition' – school friends going on to become workmates, even if minorities and young women often lost out.

Although manufacturing has experienced a long-term decline – once 'the workshop of the world', Britain had been overtaken by Germany and the USA by 1900 – the importance of manufacturing as an employer of young people in post-war Britain can never be underestimated, with high demand for all types of manual labour drawing in one third of all school leavers (Mizen 2004, 51). In 1950, 33% of boy and 8% of girl school leavers entered apprenticeships (Finn 1987, 55). By the mid-1960s, up to a quarter of a million apprenticeships were on offer each year (Mizen *ibid*). Despite being ravaged by the economic crisis that followed the end of the post-war boom, in 1979 the manufacturing sector still made up 28% of economic output and employed 26% of the workforce.

During Mrs Thatcher's first term of office, almost one in four manufacturing jobs disappeared, while in the years between 1981 and 2001, a period when the City boomed and the housing market 'bubbled', two million of these jobs were lost with a further one million disappearing in the 2008-9 recession. Figures from the Institute for Employment Studies show that the UK now has only 11.4% of its total employment in manufacturing compared with an EU average of 17.3% (quoted in Wolf 2011, 149). Over 75% are employed in services and 6% in construction.

Of course, technological advances have meant that productivity has increased dramatically in manufacturing as labour has been replaced by machinery. This is a global phenomena as technology has advanced, particularly in areas like robotics. All economies have experienced decline Western manufacturing employment. Manufacturing output as proportion of GDP has also fallen, even if the total manufacturing output may have increased by around 70% since 1980. In a sense, despite importing almost £100bn. more goods from other countries in 2010 than it was able to sell to them, the UK is still a significant contributor to manufacturing – but this requires much less labour. This has had these days massive implications for employment because it has resulted in 'iobless growth'.

There are however, other more specific factors that explain the decline in the UK's manufacturing base and why the decline in manufacturing employment has been more pronounced than elsewhere. In the 1970s for example, critics linked the deindustrialisation of the UK economy to the growing influence of finance capital over the exchange rate which 'allows the City to flourish... while industry loses markets and has its profits squeezed' (CSE 1980, 29). In other words, speculation became more profitable than productive

investment, returns on which continued to fall. More recent commentaries have focussed on the way in which the more general 'globalisation' of production has increased the level of outsourcing to new centres such as China and India – where workers are 'cheaper, more abundant and receive fewer labour rights' (Turner 2008, 10), resulting in what economists refer to as a loss of 'comparative advantage'.

Manufacturing jobs have continued to head overseas with more than 1.5 million jobs in this sector being lost since 1997 when New Labour came to power. More recently, as well as outsourcing to the low wage economies of the far East, UK firms have continued to face a resurgent German economy growing at around 4% per annum at the beginning of 2011 and fanned by Chinese demand for heavy capital equipment. In early July, for example, the UK's last remaining train maker, the Derby based company Bombardier, announced it was making 14,000 workers redundant – including many holding skilled 'core' jobs – as a result of losing out to German company Seimens over the contract to supply the new Thameslink trains.

While the UK may have lost its competitive advantage in mass production, proponents of globalisation have argued that Britain will be able to remain at the cutting edge of new industries and higher value jobs in research and development. Tony Blair and Gordon Brown, invariably spurred on by their high priest of business, Peter Mandelson, fantasised about a 'knowledge economy', *Living on Thin Air* (Leadbeater 2000). Yet, the US drug manufacturer, Pfizer's decision to close its plant in Sandwich, Kent in 2011, with the loss of 2,400 jobs is a clear example of the dangers of making such assumptions. It

is also quite wrong to believe that these new industries can provide anywhere near the employment opportunities of the mass production era.

The internet industry for example, now contributes 7.2% of the UK's GDP, making it the fifth largest industry, just behind the financial sector and more significant than transport and construction together (*The Guardian* 28/10/10). Yet internet companies only employ 250,000 people, just above the number employed in agriculture but far below the 2.3 million currently employed in manufacturing. Less, in fact, than the number of people employed by Tesco – Britain's largest individual private sector employer. In other words, these new types of industry require much lower levels of labour and in particular, much lower levels of the semi and unskilled labour that has been a feature of more traditional manufacturing.

Of course, politicians continue to celebrate any signs of manufacturing recovery: Business Secretary Vince Cable fooling the Liberal Democrat Conference by claiming that the 2,000 jobs created by Jaguar Land Rover in the West Midlands was the sort of development that would save the British economy and that recovery would depend on 'cars not casinos' (Birmingham Post 19/09/11). Cable's comments are farcical. In Birmingham alone manufacturing employment declined from nearly 99,000 to only 49,000 between 1998 and 2008 especially as a result of the decline of the car industry with the closure of MG Rover at Longbridge, for example (Hatcher 2011). With sluggish growth in the service sector, local unemployment rates remain much higher than average at the city remains a classic example 11.5% 'deindustrialisation'

The Coalition also continues to emphasise the importance of 'rebalancing' of the economy. Even in a more favourable economic climate, it is equally unlikely that this would ever take place. Even if people appear to want an endless supply of consumer durables, the demand for manufacturing goods compared to services also has limits — the reason why manufacturing output continues to decline as a proportion of national output. The UK is now essentially a 'post-industrial' capitalist economy. Manufacturing employment has been replaced by service sector employment, but as will be clear below, this has had significant effects on the occupational class structure and on young people's future employment prospects in particular.

A knowledge economy or a new service sector proletariat?

For a long time many economists have assumed that, as manufacturing became 'leaner and meaner', the reduction in its labour needs would be more than compensated by the growth of new sectors like retailing, finance and the growing demand for personal services. And of course, employment in the service sector has expanded – increasing from 60% to over 75% of the working population between the end of the 1970s and today. Almost 3 million jobs were created in the financial and business sectors of the economy between 1981 and 2001. There are now over a million employed in this sector which generates a £35 billion surplus for the UK's balance of payments.

Employment in education, health and public administration was also growing by almost 1.4 million during this period. With 12.2% of the working population now employed in health

and social care alone, employment in education is now approaching 10%, compared with 4.4% in finance and insurance and 4.1% in information and communication (Wolf o.c., 149). Unlike manufacturing, many service occupations rely on 'hands on' personal contact and therefore work cannot be automated in the way it can be in a factory.

The growth of a 'non-manual' service-based economy has been linked with the notion that more jobs are becoming 'knowledge-based', 'professional' or 'middle class' and hence provide upward social mobility from the old manual working class. As noted, the wider belief in the inevitability of the 'knowledge economy' continued to be central to New Labour thinking throughout its years of office. As was the belief that through investing in brain power and ensuring greater economic progress, societies could achieve their social objectives — reducing poverty to ensure greater internal cohesion through reducing inequalities in income.

According to Peter Drucker (1993), management guru of the late 20th century, the 'winners' in the globalisation race would be the growing class of 'knowledge workers'. Employed in the new 'thinking' occupations of the 21st century, their jobs involved 'high level problem solving'. Able to work across national boundaries, they would secure high levels of rewards through the application of their skills. More recently, the Work Foundation has argued that by 2020, 60% of the labour force will be 'knowledge workers – using "tacit knowledge" rather than relying on "codified/procedural knowledge" – an increase from only 10% in 1970 (Work Foundation 2010, 10). According to the Work Foundation (2009), 30% of jobs already have high knowledge content and another 30% have some knowledge content.

But the skilled workers from the manufacturing era have not become the new technocrats in a British Silicon Valley! Instead, Owen Jones describes the dismal experiences of call centre workers where computers dictate the time and duration of breaks, where workers have to put their hands up to go to the toilet and where 'higher-grade' operators can earn as little as £16,000 (Jones, 2011). According to Roberts, (2011) using terminology developed by Goos and Manning (2003), new 'lovely jobs' have been created in services – for example, management consultants and business analysts; but there has also been an increase in 'lousy jobs' – hospital porters, bar staff and shelf-fillers.

UKCES data (quoted by Wolf o.c., 2011) shows that the fastest growing occupations in absolute terms are educational assistants (91% increase, up from 252,358 to 483,979 between 2001 and 2009) and care assistants (28% increase, up from 563,112 to 719,453 in the same period) – para-professional roles at best. According to Bell and Blanchflower (o.c.), 16-24 year olds are disproportionately represented in jobs with lower earnings. They also describe how young people entering lower paid service work are likely, with the disappearance of more 'skilled' work, to find progress up the occupational structure more difficult than before.

Claims that it is an increase in high skilled jobs that have exerted an 'economic pull', encouraging young people to stay on in full-time education, are also refuted by Alison Wolf in her 2011 review of vocational education for the Coalition government. She confirms that it is likely most young people have been 'pushed' into staying on in school or college because of the lack of well paid jobs. She quotes Labour Force Survey

data for 2007 to show that only 8 million employees can be considered to have 'knowledge intensive' jobs, compared with nearly 20 million who have not. The 2006 Leitch Report had previously argued that, although the UK had more university graduates, it had fallen behind in 'intermediate' skills. As the recession deepened, government also replaced an emphasis on 'upskilling' with the need to 'reskill' the unemployed (Ainley and Allen 2010, 78).

Brown, Lauder and Ashton (2011) challenge the idea that Western industrial economies are 'magnets' attracting high skilled knowledge-based jobs – leaving low skilled work to the low waged 'poor' economies. It is assumed, that high skills would continue to attract high wages. China alone however, now has more graduates than the USA and ten times as many as the UK, so that there has been a 'globalisation of high skills' but not a globalisation of high wages. On the contrary, Brown et al argue, the spread of new technology and new techniques of production across the world, along with a glut in the number of graduates, has resulted in a 'levelling down' of remuneration.

In the Work Foundation's own survey of 'leaders and innovators' who, it claims, make up 30% of the workforce, only a third (10% of all workers) were performing 'high intensity' knowledge jobs that combined high level cognitive activity with high level management tasks (Work Foundation 2009, 4). The survey also reported 'knowledge workers' were more likely to work longer hours and, in general, did not have the flexibility and autonomy these jobs are assumed to enjoy – with many just as likely to be working a standard 9-5 day (*ibid*, 56). The Foundation added that, with the increased numbers of

graduates, 'skills underutilisation' is more significant than any skills shortage (7).

Before his more recent enthusiasm for the knowledge economy, the changing nature of the occupational structure was something noted by Will Hutton, who estimated almost 30% of the adult working population were either unemployed or economically inactive (Hutton 1995, 108). Above this group, he thought there exists an 'insecure' and 'marginalised' middle and, at the top of the hour glass, a privileged 40% of full-time and permanently employed workers, although even many of these earned less than the average wage.

Young people, an 'underclass' and the new poor

The term 'underclass' has become a politically loaded concept. First used by right-wing commentators in the 1980s, the term reappeared in some accounts of the 2011 August riots. This controversial usage should not prevent a recognition of a growing new poor, below the increasingly proletarianised 'working middle' described above. A product of the fact that average wages have remained largely static since 2003 and that the share of the national income going to the bottom 50% has declined, new findings by the Resolution Foundation show 21% of workers (5 million in total) earning less than what it describes as a 'living wage' of £7.85 in London and £7.20 elsewhere – approximately 20% higher than the National Minimum Wage, now raised from £5.93 to £6.08. 71% of those aged 16-21 earned below the living wage, compared with just 14% of 36-45 year olds (www.resolutionfoundation.org/publications).

While younger workers can still expect their earnings to rise over time, Resolution claimed that at least one in seven workers who are theoretically at the age of their peak earnings still earn less than the living wage. On the basis of the trends outlined above, this figure will surely grow. In the LSE/Guardian research into the 2011 summer riots, poverty and unemployment were identified as key reasons for the violence. While stopping short of describing young urban dispossessed youth as an 'underclass', the researchers found clear evidence of resentment towards those who had 'too much' from those who lacked access to the material culture to which they were continually exposed.

Employment 'after the recession'

On coming to power, the Coalition government produced an economic plan to restore growth to the UK economy. Integral to this has been the argument about the need to reduce the size of the fiscal deficit – the difference between government spending and government income. Reducing the deficit through an 'austerity' programme is, it is claimed, the first essential stage in 'rebalancing' the economy. A reinvigorated private sector would, the Coalition argued, more than compensate for the loss of over a million jobs in both the public and private sectors as a result of budget cuts.

As the downturn has continued, the Coalition has been forced to overhaul its growth forecasts – now just 0.7% for 2012 in the Chancellor's Autumn Statement; but even this might be optimistic. Unable to meet its deficit reduction targets by the end of the Parliament, the Coalition will be borrowing another

£125 million more instead. The Autumn Statement also conceded that unemployment would rise to almost 9% during 2012. The International Monetary Fund has also downgraded its growth predictions for the UK, commenting also, that the global economy is entering a new 'dangerous phase.' This was before the most recent events in the Eurozone – the likely default by Greece and the disarray over the proposed 'fiscal pact'. Subsequently the IMF's head, Christine Lagarde, warned about the risk of a '1930s style slump'.

Cuts in public sector jobs have far exceeded any increased employment in the private sector – over a 100,000 loss compared with a gain of 40,000 for Quarter 2 of 2011. Over 150,000 public sector jobs have been lost since the 2010 general election. Meanwhile, a survey by the British Retail Consortium (Guardian 28/07/11) showed job cuts in the retail sector accelerating as shops prepared for a rocky year dominated by weak consumer spending. A survey of high street stores found that retail employment fell 0.7% in the year to June, adding to declines in the previous two months. Some 10% of the UK workforce is employed in retailing. During the three months to June more than 3,100 full-time jobs disappeared as shops, mostly in the non-food sector, cut employment costs. A quarter of retailers said they would be shedding staff in the next three months, compared to 8% in the same month last year. Young people particularly rely on this sector for employment or to supplement their student incomes, but the retailing slowdown continues – even Tesco finding its stock market value plummeting after poor Christmas trading (Guardian 13/01/12).

The highly regarded Chartered Institute of Personnel and Development's (CIPD) monthly survey on employer

expectations concluded that the first quarter of 2012 will be the most difficult period for the jobs market since the recession. (www.cipd.co.uk/pressoffice/_articles/LMOrelease130212)

Despite a significant contraction of the economy during 2008/9 unemployment did not reach the levels expected by many forecasters as employers 'held' labour, using short-time working, 'voluntary' lay-offs and in some cases by making pay cuts. CIPD report an end to a 'wait and see' attitude and the increased likelihood that employers will now be 'pushing the redundancy button' this is hardly the sort of news that young unemployed people will want to hear.

With more and more economists calling for a 'Plan B' to promote growth and reduce unemployment – astonishingly Cameron cited the opening of 300 new 'drive through' outlets by the coffee shop chain Starbucks – creating 5,000 jobs as 'a great boost for the British economy' (*Guardian* 01/11/11). Nick Clegg also considered that McDonald's decision to create another 2,500 jobs by opening 15 new restaurants and shifting to 24 hour opening could be a 'first step' in the careers for significant numbers of young people (*Guardian* 25/01/12).

Part-time Britain:

Though the Coalition has claimed 500,000 new private sector jobs have been created since they came to office, a large majority of new private sector jobs, including, no doubt many of those being created by Starbucks and McDonald's, are only part-time and in sectors of the economy not associated with helping young people secure a permanent place in the labour market. Amongst the employers invited to Cameron's 'job

summit' at the start of 2011 (*Telegraph* 08/01/11) were two of the UK's leading part-time employers, Sainsbury and McDonalds.

There are currently around eight million part-time workers, compared with 21 million people who still work full-time. This has reduced the average time worked to just under 32 hours per week, although the average for men is still 36.3 – reflecting the fact that women continue to form the majority of the part-time work force. Part-time working as a proportion of the total of those working increased from 21% to 25% between 1984 and 1999, a rise of 1.5 million jobs in total. While part-time working undoubtedly suits many adults, ONS monthly statistics show more than 1.3 million part-time workers (18% of all those who work part-time) giving 'could not find fulltime job' as their main reason for their part-time employment. A similar picture emerges when looking at the statistics for 'temporary work', where over a third of the UK's 1.6 million 'temps' cannot find the permanent employment they would prefer.

Of course, many young people have continued to work part time while they study, but the ILO report argues that the huge increase in part-time working by young people – an increase of 17% points in Ireland, 9% in Spain and 5% in the UK – is a clear indication that part-time work is being taken up by many young people because it is the only employment available. The increase in part-time working has mirrored the growth of 'self employment' – at over four million; 80% of the increase in the self-employed are also 'part-time'. As well as picking up 'odd jobs', *The Guardian's* John Harris also noted (23/01/12) that increasing numbers of new positions are now advertised 'on a self-employed basis', allowing employers to avoid having to

pay national insurance, provide holidays or sick pay. Using a wider definition of unemployment and including people working part-time and temporarily because they are not able to find anything else, the TUC has claimed unemployment is over 6 million (http://touchstoneblog.org.uk/2012/02/what-is-the-true-extent-of-labour-market-slack/).

The class structure goes pear shaped

The changing nature of the economy has changed the shape of the occupational structure as the post-war pyramid has not become 'diamond shaped' with more jobs in the middle. Nor has it become 'hour glass'shaped, in the way Hutton and Wolf implied. If it had, the decline in skilled manual work would be counterbalanced by an increase in the number of professional and managerial jobs and would justify both the expansion of higher education alongside relatively low level vocational training.

The term 'squeezed middle' is now used by just about everybody, but on the basis of the arguments above and elsewhere (Ainley and Allen 2010, 81-82) the class structure has really gone 'pear shaped'. There has been some increase in the number of managerial and professional jobs at the top but this is nowhere near enough for all those who aspire to those occupations. At the same time, as we have argued, there has been a large increase in low paid and unskilled work in sectors like retailing, catering and the care industries. The occupational structure is becoming increasingly polarised.

The proletarianisation of many 'middle' jobs means that it is not possible for people to move up in the way that they used to. Of course, these changes are happening gradually, but the current generation of young people will experience them much more sharply than older workers, many of whom – though by no means the majority, are protected by pensions and the availability of redundancy payments and still remain part of the workforce 'core' compared with the much more 'precarious' (Standing 2011) situation facing other sections of the workforce.

2

Why young people can't get the education they need

In the previous chapter it was suggested that youth 'underemployment' is as significant as youth unemployment and that as a result, large numbers of young people are 'overqualified' for the work that they actually do. This raises serious questions about the relationship between education and the economy; but also about the ability of education to do what it officially claims to be able to do – improve young people's life chances, help them move on in life, realise employment ambitions and, for the government and opposition, restart social mobility.

Education, skills and human capital

Employers' representatives have continued to moan about young people being poorly equipped to enter the labour market. Sometimes the complaints focus on low standards of numeracy and literacy. On other occasions inadequate 'inter-personal skills' or 'aptitudes' are cited. After nearly 30 years of continued economic growth, the return of economic stagnation in the 1970s also saw growing criticism of the education service and a 'Great Debate' about what the priorities and responsibilities of schools should be. Since then, education has

continued to be under pressure not only to 'raise standards' but also to improve the 'employability' of young people. Yet, as Glenn Rikowski has observed, employer 'moaning' about the inadequacies of young people is perpetual:

'The National Curriculum, SATS, league tables and then Ofsted, together with the new focus on standards early on after 1997 and then the introduction of the literacy and numeracy hours — school leavers' reading, writing and maths are still inadequate for employers!' (Rikowski 2006)

Policy responses to employer demand for 'higher skills' are part of a more general 'human capital' approach to the labour market. Human capital theory not only considers that the overall performance of the national economy is closely related to the general level of education and training enjoyed by the population, it also explains wage differentials through the differences in the value of human capital (usually indicated by qualifications) possessed by individuals. As in neo-classical economic theory, workers are rewarded according to their 'marginal productivity'; the more highly certificated earn more than the less qualified because, as competing 'factors of production', they add more value. As with investment in physical capital, individuals invest in human capital (by taking education and training courses) so as to increase their economic rewards – with this having a positive impact on economic output as a whole.

Recent years have seen performance levels in public examinations reach levels that would have considered astonishing even twenty-five years ago. Approaching 70% of 16 year olds now obtain 5 GCSEs at A*-C grade, compared

with as recently as the 1970s when up to 40% of young people left school with few or no qualifications. There are now almost 800,000 A-level entries with a quarter of candidates awarded an A. Much of this improvement took place following New Labour's 'standards agenda' – up from 45% 5 A-C GCSEs in 1997. A time when Labour increased education spending considerably (Benn, 2011).

Under Blair and Brown, education – or passing examinations and getting more 'qualified' – became even more a key economic policy than it had been for previous Conservative governments which had substituted education for employment in the 1980s. For New Labour, the globalised economy of the 21st century promised 'more room at the top' for those with high levels of educational qualification, but also, because the number of unskilled jobs were supposedly declining rapidly, a bleak future for those who failed to achieve at school and who, politicians could complain, only had themselves to blame for not having used an 'enabling state' to make themselves employable enough to be employed!

Despite this increase in performance, employers still continued to complain. After 10 years of New Labour – and more than 30 years since General Electric's MD, Sir Arnold Weinstock's 'I blame the teachers' article in *The Times Educational Supplement* (25/1/76), Sir Terry Leahy, CEO of Tesco, the UK's largest private employer, accused schools of not teaching the skills needed in his supermarkets, 'where paperwork is kept to a minimum and instructions are kept simple' (*Daily Mail* 14/10/09).

Leahy's comments can't compare with those from Lord Digby Jones, ex-CBI Director and briefly a Labour minister, however. Implying that 50% of jobless young people were unemployable, he told the *Daily Mirror* (20/11/11) that:

'We have failed to educate them and we have failed to train them and give them guidance. It's a shocking fact that 48 per cent of kids who took their GCSEs this summer did not achieve even a grade C in English and maths. That means 48 per cent are functionally unemployable. They can't read, they can't count and they can't operate a computer properly. We need radical solutions... Meanwhile, reminding teachers they are in breach of their contract if they turn out kids who are uneducated. There are jobs out there. But employers need youngsters who can read, write and count.'

Young people and the labour queue

An alternative explanation of labour market recruitment sees young people as being in a 'labour queue'. In contrast to the assumption of human capital theory that the individual's future employment prospects and wage levels depended on the education, skills and capabilities they bring to the labour market, Thurow (1975) argues that each job has its particular characteristics and that as a result, specific knowledge and skills are predominantly acquired by means of on-the-job training.

'The key ingredient in this view of the world is the assumption that workers acquire laboring skills

exogenously in formal education and/or training and then bring these skills into the labor market. Possessing skills, they bid for the jobs that use these skills. Unfortunately, the underlying assumption does not seem to be correct for the American economy. Workers do not bring fully developed job skills into the labor market. Most cognitive job skills, general or specific, are acquired either formally or informally through on-the-job training after a worker finds an entry job and the associated promotion ladder' (77).

Entry qualifications therefore primarily act as a screening device (Raffe 1988), or as 'proxies' in the absence of real information about labour market recruits, since employers can usually be assumed to have extremely limited knowledge of what qualifications actually involve. Unable to calculate objectively the particular vocational contribution of various courses of study, employers are likely to select candidates with qualifications considered to have high status by educationalists – especially those from particular institutions.

This would certainly help to explain why, for example, classics graduates from Oxbridge, rather than business studies graduates from post-94 universities are over represented in top City firms. It means that education is primarily about acquiring what sociologists such as Pierre Bourdieu have described as 'cultural capital', rather than embodying specific occupational or technical abilities. It also suggests that, rather than countries being prosperous because of their workforce being better educated, the more prosperous they are, the more developed the education system and the more education becomes important as a means of differentiating people for employment.

The idea that labour market entry is based on a labour queue, rather than a 'skills test' also fits well with the 'credentialist' theories of American sociologist Randall Collins. For Collins (1979) there is little or no connection between the intrinsic characteristics of qualifications and their usefulness in the labour market. Instead, the rate of increase in the level of credentials has far exceeded the increase in the technical requirements of the workplace. According to Collins, the main contribution that education makes to economic performance comes through developing mass literacy and other basic skills. In contrast to human capital theory, where increases in wage shortages, from specific skills reflect perspective, the fact that particular occupational groups may increase the qualifications needed to gain entry to the labour market reveals only the maintenance of exclusivity and selfprotection. In response to increases in numbers of applicants, powerful groups hike up the qualifications required – so as to limit the supply.

While it would be inaccurate to say that this is always the case and wrong to ignore the fact that knowledge and expertise never stand still, there are repeated counter-examples of 'professional skills' being broken down and bite-sized to be carried out by armies of 'para-professionals' and 'associates'. If you sell or buy a house, for instance, more likely than not, you will only meet a solicitor when it's time to sign the contract. If you are in hospital, your visits from a doctor may be reduced to a few minutes. If you have a child in school, you may also find they spend more and more time with a 'teaching assistant'. In terms of labour queue theory, an increase in the number of graduates merely 'graduatises' new layers of this

relatively routine employment and 'bumps down' those without degrees in the way described earlier.

What price a degree?

Young people now consider a degree very much a 'normal' requirement — something that will enable them to secure reliable permanent employment, rather than expecting it will allow them to join 'the elite'. This was apparent in interviews with sixth-form business studies students nearly ten years ago (Allen 2004): 'Go to uni' and you could avoid Sainsbury's jobs' or 'a job where you have to stand up all day'. Attention has already been drawn to the number of graduates not in 'graduate' jobs. If it is still the case that in general those with degrees earn more than those without; as was noted on page 9, we cannot assume this will continue to be the case for all graduates.

With undergraduate fees tripling again in 2012, there may have been less inclination for potential students to opt for a gap year in 2011 and many more may be put off applying at all – even if – as they are constantly reassured – these fees do not have to be paid 'up front' and do not have to start being repaid until the recipient earns more the £21,000 a year. According to LSE research, a new £9,000 cap on tuition fees could result in the university entrance rate decreasing from its 2008 level by 7.51 and 4.92 percentage points for boys and girls respectively, as young people reassess the benefits of HE in relation to its costs (cee.lse.ac.uk/ceedps/ceedp127.pdf).

Indeed UCAS figures (Jan 2012) show a fall of 10% in applications for English universities – though applications from

18 year-old school and college leavers appear, at the moment at least, to have held up along with the number of applications from less well off students. On the other hand, Maastricht University in the Netherlands, where fees are £1,500 per year, is reporting a surge in applications. The University is forecasting that they will receive 600 applications from UK students during the current admissions cycle.

Within the rush for university places however, a more significant race is taking place. In the run up to 2010 entry, many elite universities had announced they were already full before the traditional 'clearing' period started (*Guardian* 10/08/10) and according to UCAS (*Independent* 01/08/11), even if some 50,000 youngsters were able to find places, another 97,000 of the 200,000 applicants recorded as being 'unsuccessful' in 2010 rejected places they had been offered with 83,000 applying again in 2011. In other words applicants wanted places in some universities rather than others! This tendency may off-set the financial incentive to go to a local university or college whilst living at home.

However, even if some elite universities are not immune from falls in applications – according to UCAS, Warwick and Manchester have seen a drop of 10% – with young people increasingly aware of differences in status between universities, we would expect students to gravitate towards more elite institutions with these able to turn away anybody who fails to get the required grades, however narrowly, while less prestigious institutions have empty places. (This competition is encouraged by government lifting controls on Higher Education Council for England-funded places per university so that the elite may alternatively cram in more

applicants.) It also explains the increasing number of young people who may, because they can't afford a 'crammer', now spend a third year in the sixth-form repeating courses they have already done, with teachers who have already taught them, taking exams they have already passed to try and improve their grades. A logical strategy from their point of view, maybe; but hardly an endorsement of a 'learning culture'.

We should not be surprised therefore that the Coalition is introducing policies that will in future allow elite universities to recruit more than their previously restricted quota of students, if they are able to pay their fees 'upfront' or if, according to Universities UK President, Sir Steve Smith, 'middle ranking' universities start to 'buy' top students by offering them fee discounts regardless of parental income (Guardian 01/08/11). Smith claimed that Kent University was already offering £2,000 reductions. Other 'new' and 'new, new' universities are also going in for such 'fee waivers' instead of the bursaries they promised. But a discount on your fees means nothing if you end up without the job you need to pay back the loan and you have additional debts for living away rather than living at home. It is not only students from the poorest families that are hardest hit but the least prestigious institutions, as well as 'non-vocational' subjects within them and elsewhere. We don't have the latest figures but it is already apparent applications to arts and humanities subjects without any direct application in employment are down and down more at Million+ institutions where course closures and departmental mergers portend privatisation (either through take-over or via management buy-outs) – at worst closure or collapse into elearning hubs.

No country for the young

If as a general rule, labour queue theory explains why graduates may be favoured above non-graduates and why graduates from particular universities even more so, it also provides justification for selection practices that would seem irrational using a human-capital model. As well as particular types of qualifications, other factors, not simply economic ones, influence employer decisions in the labour market, notably employer prejudice on grounds of race and gender, as well as why some employers may prefer adults – particularly older adults – rather than young people. Although 25+ mature students are one of the groups most put off HE by the fee changes outlined above.

In other words, while educational qualifications may be important in setting general benchmarks in high status occupations, at the lower end of the occupational structure, other things become more important. Go into any big supermarket these days and you'll generally see far fewer young people on the tills and stacking the shelves. In 2010, according to Will Hutton (*Observer* 06/03/11), of the 218,000 new jobs created, nearly half – 104,000 – went to the over 65s. 'Talk to Sainsbury's or any other major retailer and they say they like older workers. They are more reliable, their absenteeism is lower, and customers trust them.'

Of course, many older workers are employed in part-time jobs and the proportion of over 60s in the full-time workforce still continues to be low. However, it is increasing. According to ONS in December 2010 of those 65 or older, 2.7% (207,000) worked full-time, up from 1.2% (106,000) in March 2001, while 6.1% (600,000) worked part-time, up from 3.4%

(306,000). This should not be taken to imply that people in their 60s should not seek employment! Falls in the value of pensions mean that many have no alternative. It is simply to observe that the changes in the economic and occupational structure we have outlined have serious implications for the employment of young people.

In April 2011, with unemployment for 18-24 years olds reaching almost 18%, the rate of unemployment among 50-64 year olds was unchanged at 4.8%, while the rate for those over 65 fell to 1.9% from 2.5%. According to the Prudential Insurance Company, 38% of people who hoped to retire during 2011 had changed their mind, 40% thinking they will have to keep working until 70 to ensure a comfortable income on retirement (*Independent* 12/04/11).

Social immobility

Arguably, recent increases in staying on rates and increased performance in exams are more a response to declining labour they market conditions consequence as are the comprehensive schools and the unitary GCSE exams at 16 that caused an immediate boost when they were introduced in 1986 - and before they were quickly differentiated. Moreover, staying on became normalised for all but a minority of youngsters in a period when the comprehensive ideal was being devalued and many comprehensives and even some progressive primaries were dismantled into competing HAP, MAP and LAP streams (higher, middle and lower achieving pupils). The proportion of all 16-24 year olds in the UK who are in full-time education, increased from 26% in 1993 to 38% in 2007 and 42% in 2011 – even if data from the OECD suggests that the proportion of the young who are in school is considerably higher in, for example, Belgium (60%), Finland (56%), France (61%), Italy (57%), Luxembourg (69%) and Sweden (57%).

There is little choice but to stay on even though the collapse of opportunities in the labour market mean that education has even less chance of promoting any significant social mobility. Comprehensive education introduced after 1965, was intended to create a more open society and increase occupational mobility, spurring the limited absolute upward mobility from the working to the middle class that had occurred via grammar schooling after the war. In other words, allow traditionally manually working-class students to 'get on' and 'better themselves'. Despite the introduction of comprehensive schools however, until comparatively recently, the mass of children continued to be extremely resistant to schooling and left at the earliest opportunity to find employment with minimal qualifications. Willis (1977) recorded perhaps the last cohort of 'lads' who were able to do this in the English Midlands.

Sociologists distinguish between 'absolute mobility' and 'relative mobility' (Ainley and Allen 2010, 30 and 79-80). Almost all of the occupational mobility in the post-war period was of the former kind with substantial numbers of young people moving into occupations paying more than those of their parents as a result of increases in the number of these occupations. In other words, there was little 'relative' mobility (down as well as up). So, rather than challenging the inequalities of the occupational order, the upward mobility that occurred essentially reflected the fact that there was some more

room in the middle. Via selective grammar schooling it allowed limited working-class access to expanding professional and managerial occupations sustained by full male employment and the growing welfare state. Stanley Aronowitz (2008) records the same thing happened in the same period from all-through high schools in the USA.

A decline in mobility coincided with the partial abolition of grammar schools from 1965 on. This was coincident with but not caused by the comprehensivisation of c.80% of English schools by the 1980s, the encouragement of progressive primary schooling and the expansion of further and higher education, though this is not to say that these institutions did not contribute to widening aspirations. The move towards comprehensive schools was given the impetus of 'an unstoppable bandwagon', as Mrs. Thatcher described it in her Memoires, not only with the support of trades unions, many Local Education Authorities and the wider labour movement that then existed but also by the consistent campaigning of educational reformers like Caroline Benn and Clyde Chitty (1996). But many business people and industrialists also welcomed the move towards more 'open' forms of schooling – being concerned that the occupational order was changing and that the 1944 tripartite arrangements were no longer appropriate.

As has been argued however, (Ainley and Allen, 2010: 80) though the number of people in professional occupations increased by almost 70% between 1950 and 1970, it remained almost static for the period between 1970 and 2000 – though this is not to dispute the recent findings of the Resolution Foundation (www.resolutionfoundation.org/publications), that

people who entered these occupations did, as a result of having graduate qualifications, have a much better chance of moving up in them. Now, as will be examined below, the Education Secretary, Michael Gove, thinks that he can restart social mobility by copying the old grammar schools. He is supported by television programmes like Andrew Neil's *Posh and Posher* (BBC2 26/1/11) which, along with the likes of Melanie Phillips in *The Daily Mail*, foist Gove's delusions upon the wider public.

The chatter about social mobility from a Coalition kicking away welfare services that have kept millions from poverty disguises the fact that there has been no real upward social mobility in Britain for the past 30 years and that nowadays the only social mobility is down. Grand announcements — like Clegg's £5 billion premium for the most educationally disadvantaged school pupils that seeks to compensate for the Lib Dems' tuition fees capitulation — have repeatedly failed to create social mobility.

Hopes that an expanded middle would afford opportunities to educate the working class out of existence did not materialise. At best, there was an illusion of social mobility as the formerly manually working class shrank and many occupations were redefined as 'professional' therefore requiring so-called 'skills' attested by educational qualifications. As a result, more people – especially women – now work in expanded office and service sectors. At the same time though, as noted above, conditions of employment for this new non-manual working middle are increasingly insecure.

As will be made clear, allegations about the 'dumbing down' of standards have been central to Michael Gove and the Coalition's education offensive. Yet regardless of its changes to the examination system, the main problem with New Labour's 'standards agenda' was far more fundamental. Education continued to be unfairly accused of failing the economy by not producing appropriate workplace skills when employers didn't want them. Rather, it was the economy that had failed young people and education.

Instead of globalisation creating endless opportunities, employment prospects for most young people are in decline. This does not mean that there are no new professional and managerial vacancies, rather that, as ICT sweeps through offices and work is outsourced if not exported, the term 'white-collar employment' is becoming meaningless. The main alternative to the new 'para-professions' like teaching assistants and care workers, is a life in 'customer services'. So is it surprising that McDonalds report huge increases in applications from 'qualified' young people?

Education has become like running up a down-escalator where you have to run faster and faster just to stand still as the former class pyramid has gone pear-shaped. The recent 'social mobility' rhetoric from politicians of all Parties disguises the fact that it is fear of downward social mobility that fuels the hysteria over educational competition for academic success.

Can we make education more relevant to the demands of the workplace?

Despite all this though, could it still not be the case that by changing the type of education delivered in schools, colleges and universities, young people may become more attractive to employers when they recruit from the labour queue? After all, the successful Asian 'tiger economies' put more emphasis on science, technology and engineering and in Germany – currently the most successful of the European economies – a strong technical and vocational emphasis remains. It is also argued consistently that business and industry now need a more flexible and 'post-Fordist' workforce, one that is able to 'flexibly multi-task', whereas the current school curriculum was developed for an economy based on mass production separating manual from mental labour (e.g. National Commission for Education 1993).

The 'dysfunctional' nature of the traditional academic subject-based curriculum, which is strongly endorsed by Michael Gove, continues to come under attack from many employer representatives. They have been joined by a growing number of educationalists who have promoted the importance of a 'skills-based' or 'process' curriculum, rather than one that is based mainly on cramming 'knowledge' (for subsequent regurgitation in written examinations). Examples of these alternatives can be found in publications by the Royal Society of Arts (www.thersa.org) and the educational charity Edge (www.edge.co.uk).

Part of this new emphasis on vocational learning though has resulted in the development of specific 'vocational pathways' in schools from age 14. This originates from the first Dearing review of the National Curriculum in the mid-1990s but most state secondary schools now offer a variety of BTEC style courses in areas like business, ICT and health and social care. Despite the introduction of stricter assessment requirements by examination boards, these courses still promote the importance of 'generic' or 'soft skills'. The Coalition is also introducing University Technical Colleges pioneered by Lord Baker, the creator of the National Curriculum and a token dozen City Technology Colleges run independently of local authorities under Mrs Thatcher's government. In these, students will specialise in particular vocational areas alongside GCSEs and so may be led on to sponsoring HEIs, like Aston University. So a very few students may find their way through to engineering degrees by this route, though they will still have to find a job in an engineering sector that continues to contract. For the majority though, vocational options are known to be second best failures compared with the academic cramming that is the Royal Road to distantly glittering prizes!

The failure of vocationalism

Nico Hirtt (2011) provides a rather different explanation for the recent expansion of vocational learning. His analysis has more in common with the polarised labour market discussed earlier than it does with the high skills/knowledge economy. According to him, if they are required to meet increased demand for new higher level skills, education systems also have to respond to the growing need for 'basic skills' and 'key competences' in the growing number of 'unqualified' jobs.

Alison Wolf in her review of vocational learning for the Coalition government maintains that many vocational qualifications are generally 'worthless' in terms of individual labour market returns and that thousands of young people have been short-changed by an education system that has embraced them for its own interest, particularly to improve league table positions. As a result, Wolf recommended that vocational courses should make up no more than 20% of curriculum time at Key Stage 4, putting her in conflict with the UTC model. More recently, it has also been announced that many vocational qualifications will no longer be included in league tables.

Though some employer representatives promote the importance of a more vocational curriculum, there's little evidence that individual employers – particularly the small and intermediate majority of employers – will give applicants with vocational qualifications higher priority in the queue. Many employers often know little about and have little interest in vocational qualifications, as has been only too apparent in their limited participation in the disastrously expensive 14-19 specialist diplomas introduced by New Labour but which failed to establish themselves (Allen and Ainley 2008).

As has been argued (Allen and Ainley 2007), 'vocational' and 'academic' pathways in schools are as much about dividing learners – a means of social control, rather than developing real skills. Rather than being challenging alternatives to academic learning, qualifications like GNVQ sought to improve their standing by adopting the characteristics of academic qualifications and becoming 'applied' qualifications. In the 'worst of both worlds', the new style qualifications alienated the students they were designed to attract and failed to attract students away from academic learning (Allen and Ainley

2008). Though many young people have used vocational qualifications as a 'second chance' route to mainly local and Million+ universities, large numbers of schools have also used them as a way of accommodating students with 'behaviour problems' – 'Sending the naughty boys to college', as former-HMI Woodhead used to say!

Are apprenticeships the future?

Vocational pathways developed as a result of the absence of work and the collapse of the traditional apprenticeship route via FE day-release to employment in manufacturing. John Major introduced 'Modern Apprenticeships', combining 'Apprenticeships', which sounded reassuringly conservative – like his 'warm beer and old maids cycling to church', with 'Modern'! New Labour administrations further sustained them by providing subsidies to employers who ran them. Approaching 300,000 began apprenticeships during 2009/10 and in its 2011 budget the Coalition announced 50,000 new apprenticeships to bring the total to 250,000 by 2015.

According to Professor Wolf, because they provide practical experience in the workplace apprenticeships give a much higher return for young people compared with the school - and college-based, full-time vocational education courses described above. The problem though, as Wolf identifies, is that, despite the success of oversubscribed apprentice schemes, 'offering good salaries and quick promotion', like BT's higher level apprenticeship that had more than 100 applicants for each of its training places while Network Rail had 8,000 applicants

chasing 200 places, only one in ten firms offer apprenticeships at all.

Furthermore, Wolf accepts that in 2007/8 for example, less than half of apprenticeship starts were by 16-18 year olds – a 7% fall from previous years (Wolf, 165). In evidence to Wolf, UKCES reported that the demand for apprenticeships exceeded supply by more than 15:1. So in future, we can still expect a large proportion of apprenticeships to be provided by FE colleges or by private training organisations. Like the Youth Training Schemes of the 1980s, described by Finn as *Training Without Jobs* in 1987, they will be little more than 'Apprenticeships without Jobs', the school-leavers equivalent of an unpaid graduate internship.

Government supporters may argue that 163,000 apprenticeships have already been created – more than double their original proposal of 50,000 and that George Osborne has pledged an extra £150,000 million to bring the total apprenticeship budget to £1.4bn by 2012. It is now clear however that only a minority of these new placements have been for young people (Guardian 28/10/11). Only 11,000 new places have gone to 16-18 year olds and only 16% to those under 25. According to the IPPR, around 40 per cent go to people over the age of 25 – apprenticeship starts for those aged over 25 increased by 234 per cent between the middle of 2010 the and end the first of 2011 quarter (www.ippr.org/publications/55/8028/rethinkingapprenticeships).

It is also evident that employers have repackaged or are 'converting' or 'rebranding' existing jobs as apprenticeships so

as to meet targets and qualify for state subsidies. Neither is it clear how many of them will be short-term – maybe for a few months at best. The bulk of Morrison trainees (around 85%) are members of the existing adult workforce and aged over 25. The average duration of these 'apprenticeships' is just 28 weeks (IPPR). Under the Coalition, 'apprenticeships' often exist in name only and are certainly not the legally binding indentures of yesteryear that guaranteed employment on completion because again, employers, benefiting from plenty of applicants, including plenty of graduates, do not require such 'time serving'. The reality is that most do not require apprentices at all.

Michael Gove's schools revolution: making education more unequal than ever

Although Michael Gove's 2010 White Paper, *The Importance* of Teaching, received attention because of its proposals for expanding academies and Free Schools, the White Paper also typified Gove's desire to return to more traditional academic learning. This was set out in more detail in a National Curriculum Review document in December (www.education.gov.uk/publications). Both White Paper and review document argue for a more subject- and more contentbased learning. In other words, moving away from what it described as the 'transferable knowledge and skills approach' advocated by the likes of the RSA and the Campaign for Learning (Review doc. 2.10). By implication this also means moving away from a student-centred curriculum and the pedagogic assumption that knowledge is 'socially constructed' to reflect a variety of viewpoints and towards a fixed and final curriculum, echoing the Victorian Matthew Arnold in 'representing the accumulated experience of the past and the representation of this for the future'.

In addition, Gove intends that the school curriculum emphasise a more traditional cultural heritage: 'I believe very strongly that education is about the transfer of knowledge from one generation to the next... The facts, dates and narrative of our history in fact join us all together. The rich language of Shakespeare should be the common property of us all' was how he explained this at Westminster Academy, (06/09/10), complaining that 'nearly 90% of students couldn't name a British Prime Minister of the 19th Century'. Schools Minister Nick Gibb added that all children ought to have read a Dickens novel by the time they are eleven! (*Independent* 06/012/12) This 'Real Education' is presented by its advocates as 'Education for its own sake' but most know though few admit that, as we said in *Lost Generation*: (p 6)

'the largely literary abilities assessed by tests in schools and academic examinations for higher education are proxies for what the French sociologist of education, Pierre Bourdieu, called 'cultural capital'. This in turn is a proxy for the real money capital that can afford to purchase it in the most academically prestigious institutions. [And, we could have added through ubiquitous private tutoring and other more or less expensive sorts of cramming.] Certainly, all teachers know that, as Martell wrote in 1976, "As you move down the socio-economic class scale, kids read and write less well" (107). So this ordering of levels of literacy by the

apparently most unbiased and academic of assessments reproduces the structures of wealth and privilege in society.'

Nevertheless, these new curriculum priorities are reinforced by the centrality of the 'English Baccalaureate' also announced in the White Paper – though not the sort of baccalaureate once associated with progressive reformers – but a wrap-around qualification incorporating 5 GCSEs from tightly prescribed areas: English, maths, history/geography, science and a modern language. Serving as a new A-list of subjects, measuring school performance levels by E-bacc results would replace pass rates of over 60% for five GCSEs in many inner-city comprehensive schools with single figure performances.

In line with Labour's 2004 curriculum proposals, which reduced the compulsory core to little more than English, maths and a science, large numbers of these schools have reduced humanities subjects and languages to 'options', that is, if they offer them at all. The schools will invariably try to reverse these changes – a DfE survey showed 47% of young people beginning GCSEs this year will be taking an E-Bacc combination of subjects but many non-selective state schools find that, though their 5 A*- C GCSE scores may have improved in general, their pass rates in E-Bacc subjects, which new-style league tables will emphasise, are still in single figures.

A clear illustration of the ideological thrust behind Gove's curriculum offensive can be been seen in his determination to restore GCE A-level as the 'gold standard' certificate. As reported earlier, both A-level entries and A-level passes have risen to unprecedented levels – causing a backlash from a

number of elite private schools and leading to allegations of 'dumbing down'. One consequence has been the creation of alternative 'elite' qualifications like the Cambridge Pre-U. Some top universities, like Cambridge and the LSE, have also published 'B' list subjects considered 'undesirable' for their admissions criteria. While Gove has unashamedly identified himself with this lobby and has backed the Pre-U and joined the attack on 'soft' subjects, he has also set out clear ideas about how he considers the A-level should restored to its former glory.

Addressing the new examination watchdog (www.education.gov.uk/inthenews/speeches), the Education Secretary reemphasised his disdain for 'modular' learning, where students 'absorb knowledge and then forget it', compared to traditional 'linear' courses of study. (As if this is not notoriously what students who have crammed for traditional written examinations have not always done!) Modularised examinations played an important role in New Labour reforms of the upper secondary curriculum, not only providing greater accessibility, but also as a way of linking academic and vocational qualifications. Both the number of entries and the number of passes increased dramatically.

As mentioned, these increased pass-rates led to accusations of 'dumbing down', 'grade inflation' and to leading universities complaining they could not separate the 'exceptional' applicants from those just 'very good'. Some of these concerns were addressed by the introduction of the A* A-level grade but, for Gove, the problem is still that too many students are doing too well! (*Independent's* 'i' 22/02/12) Or more to the point, too

many students are succeeding in new 'soft' subjects rather than established ones.

While it is certainly true that the curriculum may have become 'bite-sized' and there is much greater choice about what to study – in some schools at least, the research about whether examinations are easier than they used to be has continued to be inconclusive. What is often disregarded is that because of economic uncertainty, young people have been working harder. Accusations about falling standards are hardly what they want to hear. In his Ofqual speech, Gove made his views about falling standards clear:

'Academics at Durham found that in 2007, A-level candidates received results that were over two grades higher than pupils of comparable ability in 1988. And pupils who would have received a U in Maths A-Level – that's a fail – in 1988 received a B or C in 2007... some of that improvement will be down to improvement in our education system: better funding, better teaching, harder working students, but all?'

Gove was given an early Christmas present when the *Daily Telegraph* (08/12/11) published accusations about examiners giving too much help to teachers attending their briefings. Any teacher or lecturer who has attended these types of meetings knows that they are primarily a forum for advice about exam technique rather than for improving students' understanding of the subject. Maybe on these particular occasions, the examiners did go too far – though it's also clear from their reported comments that the individuals concerned no longer considered

their role as examiners as having much to do with improving the general intellect!

The Education Secretary launched an immediate enquiry and quickly congratulated the newspaper for its 'responsible journalism', but like Gove, the *Telegraph* had a much wider brief. On the same day as it publicised its finding, the paper launched another attack on the 'dumbing down' of education, criticising the way that schools 'push' pupils into easier qualifications to improve their league table positions. The paper also lambasted schools for spending thousands of pounds on re-sits to improve their students' university chances (in fact many young people have to pay for re-sits themselves).

It might seem strange that the *Telegraph* is attacking the privatisation and marketisation of the 'examinations culture' branding it an 'international money spinner'. Yet in doing this the paper is also giving 100% backing to Gove's reform programme. Gove and the Telegraph want to restore the Alevel to its former glory, reminding us of a time when syllabuses had close links with elite universities. For the Tories, A-levels are too easy and there are too many students doing them; the distinction between academic and vocational learning is now too blurred. Gove also argues that consideration should be given to fixing the number of A* grades and ranking A-level students according to their overall marks. Universities minister David Willetts concurs. Both ministers agree too many working-class kids have found their way into higher education and should be returned to the apprenticeships and FE colleges whence they have strayed.

Harking back to 1950s grammar schooling, Gove's policies for the upper years of secondary education complement the Coalition's earlier decision to triple the level of university tuition fees – noted earlier. These policies are designed to bring a tighter social discipline into schools, by concentrating on 'proper' knowledge and re-emphasising education's role in social selection – claiming to protect standards and academic scholarship but in reality trying to make educational hoops harder to jump through.

As has been emphasised however, it is the decline in labour market opportunities, rather than the dumbing down of standards, let alone over-participation in further and higher education at the expense of more direct skills-based learning, that is the reason for the crisis facing young people. Yet if the majority of young people have been unable to get either the education they need for the jobs they want; their prospects are unlikely to improve under the Coalition. The final chapter will argue that we need to develop new alternatives for education as part of a more general alternative for youth.

3

Can the Lost Generation find its way? (A brief note on youth politics)

The term 'lost generation' is now used randomly. It would be more accurate to describe a growing majority of young people as not lost but 'stuck'. Certainly, more and more are increasingly marginalised from mainstream society. With young people's participation in official political processes continuing to be extremely limited – despite almost a decade of 'citizenship education' in schools (!) – they have also become increasingly disenfranchised. As a result, when a young person does make an intervention at an official political event, it invariably makes headline news. (Rory Weal, 16 years old from Maidstone, Kent, and a speaker at Labour's 2011 Conference was given odds of 50/1 by Ladbrokes to be PM before 2040!)

While political parties and trade unions often have 'youth sections' – these are likely to be moribund, or at least much smaller than they once were. The now defunct 'Labour Party Young Socialists', for instance, claimed up to 600 branches in the 1980s and organised significant demonstrations against the Thatcher government. In addition, there is no government department representing young people and no Minister of Youth. However, even if they are marginalised from political processes, this certainly does not mean that young people are necessarily 'apolitical'.

A reserve army of labour?

Youth's marginalisation is most apparent in the labour market where Ainley (2010) has suggested that young people now constitute a large part of what Marx referred to as a 'reserve army of labour' (RAL). The size of capital's reserve army is generally assumed to be related to the pattern of the business cycle, diminishing when accumulation accelerates but ratchetting up to new levels when crisis returns. If it has been accentuated by the economic downturn, then, as has been argued, youth unemployment – not to mention extensive 'underemployment' – is increasingly structural and in more and more cases, youth's relationship to the labour market continues to be distant. Gorz (1980), for example, referred to a permanent 'non-class' within post-industrial capitalist economies:

'This non-class encompasses all those who have been expelled from production... or whose capacities are underemployed as a result of the automation and computerisation of intellectual work. It includes all supernumeraries of present day social production, who are potentially or actually unemployed, whether permanently or temporarily, partially or completely.' (Gorz 1980, 68)

Gorz uses 'non-class' with reference to the classical Marxist terminology, to argue that this group, because of its disparate nature, is no longer able to develop the class consciousness of the traditional working class – now, according to Gorz, representing a privileged minority of the population. When published, Gorz's arguments may have been premature but at the start of the 21st century the similarities between a 'lost

generation' and a 'new class' at least deserve to be revisited. Guy Standing (2011) reiterates Gorz, describing young people as a major part of a new 'precariat' – a growing class of people who, while not being in anyway homogeneous, share a common sense of 'economic insecurity,' lacking any permanent workplace identity and 'not feeling part of a solidaristic labour movement community' (Standing, 12).

Student protesters and urban rioters.

In many respects, there is more than one 'lost generation.' We have seen at least two in the past year as young people have taken to the streets. Students have protested against fee rises and a hard core urban youth have taken the stage. On both occasions, the media have focused on the violent scenes — clashes with police and attacks on property, claiming student protesters were infiltrated by anarchists and that rioters were 'classless' as well as 'mindless'; but these two groups would seem to represent very different constituencies.

On the one hand, the student protestors can be defined as middle class or 'aspirational' working class. Part of what we described as a 'working-middle'/'middle-working' class, they've played by the rules and worked hard at school but quickly became politicised in response to the way higher education is being put beyond their reach and that of their younger brothers and sisters. They no longer believe government and opposition promises, like those of the Lib-Dems in 2010 not to raise student fees (!), and even if many will eventually find employment, in many cases it will not be

anywhere near commensurate with their hard earned qualifications, being part-time or 'para-professional' at best.

On the other. the urban rioters – The Guardian (12/08/12) estimating that almost 80% of those up in court were under-25 – the 'criminals who shame the nation' as The Telegraph called them (10/8/11), have become marginal to society. Failed by a selective and academic education system, without work and without hope, they no longer play by any rules. No longer having any commitment to 'fairness' or any faith in 'justice', they have become youth's new 'underclass' regardless of the connotations associated with this term outlined earlier. They are not 'political' compared to the students; yet according to some Manchester youngsters interviewed by BBC News (11/08/11) the riots were 'the best protest ever' against a system that denied them access to the consumer goods they see flaunted around them in a non-stop carnival of conspicuous consumption. It was like 'Christmas had come early' but the normal rules of shopping had been suspended for the day. Research on the riots, commissioned by London School of Economics and The Guardian, while highlighting a general hostility towards the police as a key motive, also emphasised the importance of unemployment and increased inequality in leading to a rejection of 'legitimate' ways of earning a living. 'Why be decent people?' asked one young rioter. 'It's not getting us anywhere.' (Guardian 06/12/11)

There have been opportunities for these two groups to come together. Many working-class FE students joined the student protests against fees in 2010 and, in particular, to demand the restoration of Educational Maintenance Allowances and.

according to the LSE/Guardian research, 44% of rioters were still in education – but it is difficult to imagine them ever being completely united. Even though they often live next door in the same neighbourhoods, ducking and diving at the same part-time McJobs – if they are lucky. Also, the number of young people who have taken to the streets still remains comparatively small. Most did not!

A new sort of politics still needs old alliances

If the above analysis suggests a fragmented youth politics, in other respects young people are highly connected to each other with Mason (2012) arguing that the availability of information technology and social networking has been key in 'kicking off' the various global rebellions of 2011 – from the Arab Spring to Britain's urban riots. By implication, the new generation of radicals operating through 'socially networked, horizontal movements' (Mason 63), in this country at least, will have little time and little need for traditional Labour movement activities undertaken by some of their parents – like street leafleting, not to mention public meetings in Town Halls! Whatever the strengths of new communications technology in creating a 'network revolution' of student protestors, urban rioters and other 'spontaneous' protests around movements, like 'UK Uncut' for example, 'a potential and serious weakness is the absence of strategy, the absence of a line of communication through which to speak to union organised workers.' (Mason ibid)

In the post-war years many young people came into contact with trade unions as a result of making the 'collective transitions' described in section 1. Becoming part of a clearly defined occupational group often meant inheriting a collective 'shop-floor' culture. Today, Standing's arguments that many youth see unions as protecting benefits enjoyed by some older workers that they can never anticipate having themselves are pertinent. Nevertheless, it still falls to labour movement organisations that have represented many of their parents so well – not least because of their considerable resources and their continued ability to dislocate production, to adopt and develop policies that stretch well beyond simply protecting the immediate interests of their members and to change their more general political and cultural orientation.

In this respect, teacher and lecturer organisations face enormous challenges. The ending of a period in which education was seen as a vehicle for challenging social inequalities by increasing individual mobility, means that the traditional teacher union politics, no matter how militant, that equate the professional interests of their members with extending education provision, will no longer do. In alliance with student organisations and those representing others directly involved in working with young people – those in the youth service for example, these activities now need to become part of a more general programme for advancing the interests of young people and the future of society that they represent.

Economic policies that reduce youth unemployment must be at the centre of any alternative plan for youth

With the Coalition's policies increasingly discredited, it is highly possible that – unable to create growth and with jobs in the public sector disappearing at a faster rate than new ones emerging in the private sector – George Osborne will preside over a larger deficit than the one he inherited from the previous government. Consequently calls for a 'Plan B' now resonate from everywhere apart from in the government.

It is over-optimistic however to believe that keeping public spending at existing levels, cancelling out the Coalition's VAT rise and even keeping interest rates at rock-bottom, is going to be enough. And it's certainly not enough to argue, as Labour does, that the deficit should be reduced more slowly. Alternative economic policies must start with a Keynesian injection of 'demand,' but as argued, the UK economy continues to suffer from its own 'supply side' problems which are reflected in the decline of its manufacturing base. It is of course important to encourage investment in manufacturing, but the expansion of manufacturing and the huge productivity gains that would result from investing in the latest technology, would do little, at least immediately, to seriously reduce unemployment.

Key to restoring the health of the economy and avoiding the 'disincentives' and 'inefficiency' that free-market economists object to, is the expansion of the public sector through what 'old-fashioned' socialists used to describe as a 'programme of public works'. Extending but also using public ownership of major parts of the financial sector will also ensure that credit flows are unlocked and that the self-employed, small-and

medium-sized enterprises are able to borrow the money they need. With concern about the size of the pay-gap between rich and poor increasingly entering the public domain, a progressive redistributive fiscal policy well beyond the level of anything attempted before, must be a central ingredient of any alternative strategy. We return to this below.

Rather than the large bureaucratic national corporations of the post-war years, the local state can be used far more strategically. (See Latham 2011.) Providing local authorities are given the power and the financial resources to do so, they can work alongside local voluntary sector agencies to provide and support secure employment opportunities and high quality services. In addition to restoring housing, education and improving local infrastructure, local authorities can play a key role in the creation of new 'green' initiatives. (See in particular, The Campaign Against Climate Change's *One million climate jobs Now!* 2009.) Here, even the Coalition's privately financed Green Deal to make 14 million homes more energy efficient by 2020 and another 12 million by 2030 has the potential to create 250,000 green jobs (*Guardian* 16/11/11).

We can't leave it to the market: the economics of youth unemployment.

Paul Gregg and Richard Layard (<u>www.cep.lse.ac.uk</u>) have demonstrated that the economic returns from creating employment for young people are greater than the cost of keeping them on the dole; not to mention the devastating and permanent social and psychological effects of a prolonged period of idleness on a young person – known as 'scarring'. In

this, they are merely repeating the arguments of Keynes in his *General Theory* that increasing the level of spending increases levels of earning, generating additional tax revenue to cover the original spending and so on.

So, rather than concentrating on 'improving' the supply of labour, the main problem is the lack of demand. The previous Labour government's Future Jobs Fund (FJF) represented a step in the right direction, adopting the premise that if jobs were not available they would need to be created. Under the £1 billion scheme, local authorities and voluntary and private sector employers could be subsidised by up to £6,500 to take on a jobless young person. The 150,000 new jobs were to be 'socially useful' and 10,000 had to be 'green'. FJF was not without its weaknesses. Jobs were only guaranteed for six months and were relatively low skilled and at the minimum wage. Nevertheless, FJF was described by the TUC Touch 'the most progressive employment Stone website as programme for a generation' (www.touchstoneblog.org.uk) and it did at least stabilise youth unemployment and was radical enough to be one of the first things abolished by the Coalition.

Denouncing FJF as expensive and 'bureaucratic', the Coalition's 'work programme' was launched in July 2011. Essentially, an array of contractors including voluntary sector organisations are encouraged to find employment opportunities for individuals and 'paid by results'; for example, they will receive £4,050 for finding a job for an 18-24 old who has been on Job Seekers' Allowance. The reality will be that most payments will be much lower and that groups of people more difficult to help and with more complex needs may just be 'parked'. More importantly, as the Work Foundation argues:

'The programme's success is really dependent on the speed of economic recovery and the availability of suitable job vacancies for participants. This could be difficult as the programme's minimum success criteria are in most cases above that which have been achieved by other employment programmes during times of relatively strong economic growth.'

(<u>www.theworkfoundation.com/pressmedia/news/newsarticle.aspx?oltemId=487</u>)

Local Authorities and local public/voluntary sector alliances are crucial in generating real apprenticeships linked to real job opportunities, something for example Brighton's new Green council initiated, before it was plunged into internal arguments about cuts. LAs can also play an increased role in developing other opportunities for young people; for example, by introducing quotas for employment as conditions of Council contracts, purchasing agreements, planning permission and grants. Finally, LAs can act as a network of local employment boards where employer vacancies can be matched to young people's needs and where, to borrow language from the financial sector, local councils can act as a 'provider of last resort' for those young people still without employment.

The Coalition's 'Youth Contract': too little, too late.

In response to accusations that youth unemployment was getting out of control, in November 2011 – barely a week after figures showing official youth unemployment over a million, Nick Clegg announced a new £1bn 'youth contract'. At first sight, this appeared to represent a return to the ideas of the Future Job Fund,

as it reintroduced the policy of subsidising employers to take on unemployed young workers. Employers will indeed receive £2,275 = half the minimum wage – though less than under FJF – to encourage them to take on 160,000 unemployed youngsters – but as Clegg made clear on BBC Radio 4's *Today* Programme, the scheme is aimed not at public sector employers but at the private sector, where, despite being offered subsidies to take on apprentices, employers have repeatedly failed to do so.

Like the apprenticeship programmes, this is unlikely to happen while the economy remains 'flat'. Like the Work Programme through which it will be delivered, without a huge increase in confidence shown by employers for taking on the unemployed, its success will be patchy and its take-up selective. As well as 'more funding for apprenticeships', 250,000 young people will also be offered unpaid work experience placements lasting up to eight weeks – but, as noted earlier, this practice already takes place and has been open to abuse. A further illustration of a hardening of attitudes by the Coalition towards the unemployed is that young people will lose their benefits if they volunteer for this work experience and do not complete it. Yet companies like Argos and Superdrug have now tried to distance themselves from the scheme, aware of the adverse publicity and Tesco have promised to pay participants and offer a job if a placement is successful (Guardian 22/02/12).

The economics of redistribution

The policies above obviously require funding. In previous times this has been financed by 'growth'. While a plan for sustainable growth is essential, the assumption that the

increases in taxation revenue necessary to allow some redistribution will be the result of economic expansion, is no longer tenable in the way it used to be in the post-war years of the 20^{th} century. There must be a move towards more direct distribution.

Redistribution is much more a political challenge however, because it requires the transfer of resources — and as a result, the transfer of economic power - from one group to another. Redistribution should not be seen as redistribution from one generation to another (as by Willets 2010) but should be a process of economic distribution financed by increases in the rate of income and corporation tax, increased land and estate duties.

After the financial meltdown hostility towards 'the rich' has reached its highest level – along with much greater social awareness about inequalities. So much so that even David Cameron lays into Chief Executive bonus payments and all three major political parties compete to promote a 'fairer' or 'more responsible' capitalism. If the case for redistribution is now at its strongest, so is support for action against tax avoidance and closing the UK's huge 'tax gap' with billions unpaid(www.compassonline.org.uk/publications/item.asp?d=6 284).

While the effect of increased inequality on the 'squeezed middle' – the majority of who are still in full-time work is clear (www.resolutionfoundation.org/publications/essential-guide-squeezed-britain), the most important step for many young people would be a significant increase in the minimum wage and in levels of state benefits – as well as an increase in the

minimum wage paid to apprentices, which is still only £2.60 an hour. All young people should also be eligible for a basic minimum income (NUT Conference motion 2011), although there needs to be much greater discussion about the exact form that this should take and under what sort of conditions it should be paid.

The concept of 'redistribution' can also be applied to work itself. Technological advances mean that an economy in which there are not enough secure, well paid and intrinsically satisfying jobs to go round and where a significant minority 'overwork' to the detriment of themselves and their families, while others are either 'underemployed', temporarily employed or not able to find work at all, can be replaced by one where 'necessary' work can be more easily distributed.

The redistribution of work was one of the central components of Gorz's thesis. Utopian when first published – Gorz argued it was possible to reduce work to 1,000 hours a year without serious loss of income – yet in an age when there are simply not be enough well paid and interesting jobs to go round – these arguments can only become more resonant. Similarly, the case for a 21 hour working week has been taken up by the New Economics Foundation (www.neweconomics.org) While NEF argue that reducing the working week will reduce inequalities and promote social justice, it also cites ecological and sustainability issues. More economists are now recognising we can and must have 'prosperity without growth' (Jackson 2011).

Redistribution could feature as a central ingredient of an alternative housing policy. The number of children over twenty still living with parents has already been detailed (in Ainley

and Allen 2010, 124). A third of men and a fifth of women aged 20-34 still live with their parents, 60 per cent of male and 40 per cent of female 20-24 year-olds, with 'cost' and 'economic security' being cited as the major reasons. *Shelter* (www.england.shelter.org.uk) reports 21% of 18-44 year-olds without children (2.8 million) admit they are delaying starting a family because of a lack of affordable housing. Also, that nearly a quarter of people (24% / 11.3 million) have continued to live with an estranged partner, or know someone who has, because they couldn't afford to live apart. While for those who live with a parent, 58% report that developing and maintaining relationships is harder because of their living situation.

Despite the economic downturn, according to the Council for Mortgage Lenders (www.cml.org.uk September 2010), 85% of people still cite home-ownership as the tenure they hope to be living in a decade from now. In otherwords, despite the knocks in consumer confidence, home ownership is still a fundamental aspiration and considered to be an indication of 'success' in life. The CML has asked the same questions about homeownership aspirations periodically since 1975. Last time the survey was undertaken, in 2007, the proportion who expected to be home-owners in ten years' time was 84%. According to CML, the 18-24 the age group have the highest ten-year homeownership aspirations (88%). CML did report a distinct fall in the number in this age group considering home ownership to be realistic in the short-term, however (42%). Even if house prices have continued to fall in the months since the credit crunch, finding a mortgage has become increasingly difficult. With deposits of 20% now regularly required, only those first time buyers who have parents in a position to help are likely to be able to get on the housing ladder. On top of this, there are much more stringent tests for proof of income.

There is a crisis of social housing generally, not just in young people's relation to it. The result of the long term decline in public housing is, as we have argued (Ainley and Allen 2010) the replacement of general 'council housing' with 'social housing'. This is more than just a name change; rather than representing a service or constituting something that is a 'right' for anyone who lives in a particular area, social housing is now seen as 'residual', something for the minority or for the 'needy'. Because levels of neediness are determined by local councils, this has often brought them into conflict with local residents who see 'outsiders' being given priority 'social housing'.

Only young people under 18 can assume they will be considered to have 'priority need' for social housing – but only then if it is proved that they have had to leave a parental home. Homeless young people over 18 are unlikely to be considered any more of a priority unless they are leaving care, are classified as having particular mental health problems, are pregnant or are responsible for dependents. For most young people then, the only alternative to living with parents is to join the growing private renting sector, where the campaigning organisation *Priced Out* estimates rents will rise by 20% over the next five years. On top of this, landlords are not always enthusiastic about granting young people tenancies – unless they are part of a defined student population from a local university, where in most cases tenancies remain short-term.

If you are someone aged under 25 and have lost your job or have never had one, but are dependent on renting from a private landlord, then the maximum housing benefit you can get is the same as the rate you would get for renting a single room in a shared house. This rule is known as the shared accommodation rate. From January 2012, the shared accommodation rate applied also to people aged under 35. Single young people who have been renting self-contained accommodation from a private landlord are still able to claim local housing allowance (LHA) to cover the rent for the first 13 weeks. After 13 weeks, the maximum available will be limited to the shared accommodation rate.

Redistribution could be at the heart of an alternative housing policy. According to the Intergenerational Foundation (www.if.org.uk), the current housing crisis is not principally about Britain not having enough housing but about the way it is shared. At a time when open spaces are regularly built upon to deal with the 'housing shortage', more and more properties are increasingly standing empty or becoming derelict. There are now 25 million surplus bedrooms in under-occupied houses in England and, the IF argues, 'hoarding of living space' (under-occupation) is increasing very rapidly from 20% of all households to about 33%, with 16 million people now living in under-occupied properties in England. This is equivalent to 37% of the total English housing stock, while 'downsizing' amongst the over 65s in the UK has stagnated.

We need a different type of education

Even if we cannot 'educate our way out of recession', the first task in a climate of cuts and austerity is still to 'defend what we have got' – in particular, this means protecting education to all levels of learning as a public service (see Holmwood 2011). Education at school, college and university level should be free and an unconditional right for young people – as it is not only in many other European countries but also in other parts of the United Kingdom. Yet a new approach to education must develop a different set of values. As Camila Vallejo, the Chilean student leader has said, 'We want to improve the educational system but not this one. We must move towards a more inclusive, truly democratic and just system.'

After over a decade during which the value of learning was reduced to how many examination passes are achieved, Michael Gove has, as we have seen, reopened the debate about the curriculum, promoting the virtues of an 'unashamedly elitist' curriculum as something that could be available to everybody! According to the Daily Mail it would seem that it is working class 'philistinism' that is the true cause of joblessness. Attacking 'the £1 billion the cash-strapped Coalition is pouring into bribing employers to take on 160,000 jobless young people', the Mail applauds Mr Gove for rediscovering 'the ancient virtues that once made British education ofthe the world' envv (www.dailymail.co.uk/debate/article-2066186/).

By contrast, calls for a new type of practical or 'vocational' type of learning will only have resonance with young people if such courses are seen to lead to sustainable employment. As has been argued, rather than promoting economic advance, the current pseudo-vocationalism combined with traditional academicism essentially prolongs the old model of post-war secondary tripartite schooling separating technical from grammar schools and in the latter, still separating *Two Cultures*

of arts from science – leading to Google chief, Eric Schmidt, describing English education as producing either 'luvvies or boffins' (*Guardian* 27/08/2011).

In the current climate, despite our criticism of the inability of education to provide economic prospects for young people, we have to remember that, for most young people, all education is considered 'vocational'. Teachers and educationalists like to talk about encouraging 'a love of learning', while universities defend 'blue skies research' as part of their academic freedom, linked to 'education for its own sake' but anybody who works with young people in upper secondary, further or higher education will know that decisions students make — for example, about which course to study, are generally made on the basis of vocational aspirations. (Though Cheeseman 2011 details *The pleasures of being a student at the University of Sheffield.*)

But, as has been proposed (Allen and Ainley 2007 and 2010), as well as continuing to support young people's individual aspirations, education could also be important as a new type of collective agent bringing people together in an increasingly fractured society. Rather than churning out qualifications that are increasingly 'worthless' in a declining labour market, educational institutions could serve as places where, as part of a 'good general education', young people can develop critical awareness of the workplace – learning about work and not just learning to work.

With schools and colleges reporting a renewed interest in studying 'economics' for example, there is huge potential to develop a new 'economic literacy' (Ainley and Allen 2010, 136-140) and a new social understanding. This is also the end

to which what Solomon and Palmieri called *The New Student Rebellions* have dedicated themselves, to show that 'we are not the post-ideological, apathetic generation we have so often been labelled as' (Casserly 2011, 74). Rather than being 'left to the teachers', the development of such a 'really useful curriculum' would have to be the product of much wider discussion across labour movement and progressive forces aimed at a full-employment but also a no growth green economy. With the assumed link between education and the economy weakening, it would seem essential that curriculum change takes place if education is to continue to be taken seriously by young people.

The raising of the school leaving age (RoSLA) to 16 in 1972 resulted in widespread hostility to school from many young people who clearly didn't want to be there. RoSLA2 to 17 in 2013 when all young people will be required to be in either full-time education or work-based training (18 in 2015), puts schools, colleges and universities in danger of becoming 'holding camps' for disengaged youth (Guardian 13/09/11), especially when they are expected to pay so much for being there! Indeed, it is bizarre that so many people should pay so much for the privilege of having a chance to be exploited in wage slavery! As a result, without a general change in values about 'what education should be for', increasing cynicism about the inability of schools, colleges and universities to provide increased opportunities means that a growing lack of confidence (what was described earlier as a crisis of 'legitimacy') in the education system is almost inevitable. Learning and teaching become 'alienated' so that they are increasingly a pretence on both sides – the teacher pretends to teach and the student to learn. Worse, if either party succeeds in fooling the other, or – even worse – fools themselves that 'core attributes (personal and generic graduate attributes) and employability competences' developed by 'whole curriculum approaches' to 'undergraduate employability skills and attributes' (in Million+ 2012, 17) actually mean anything at all!

An alternative approach to learning that transcends traditional divisions between 'academic' and 'vocational' divisions is needed – as a matter of urgency – and also new relations between teachers and taught (Ainley and Allen 2010). As has been made clear however, new policies for education need to be part of wider policies for society as a whole – where education is about promoting social justice and personal development rather than the maintenance of social control (Allen and Ainley 2007). Fundamental to the success of this are economic and political changes of a scale not yet considered.

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