Introduction

Underemployment, insecurity and downward mobility have become the norm for young people in the UK today. Despite supplanting youth unemployment, unfortunately all of the political parties appear to be blissfully ignorant of the issue. A major underlying theme of Coalition policy has been to implement cuts that can save money immediately but which will almost certainly result in increased public expenditure in the future. The predictions made by Bob Coles in IDOW I have taken hold, including increasing youth unemployment and associated benefits costs. On the surface we do indeed appear to have returned to the 1980s where young people are concerned. Educational exclusion rates have consistently fallen under the Coalition and now so too, apparently, are NEET (not in education, employment or training) rates. After record levels of youth unemployment in the UK and globally during the first years of their government, 1 million young people remain unemployed, with almost a third looking for work for more than a year.

However, research into these issues paints a very different picture. Fundamentally, these statistics distract from the wider and deeper problem of youth underemployment and exclusion. The work of Shildrick et al. (2012b) demonstrates the complexity of the experiences of this burgeoning ‘precariat’. The ‘low-pay, no-pay’ cycle is leading to newly predictable transitions of insecurity for large numbers of young people, from the top to the bottom of the qualifications hierarchy. The recession and austerity have not established new trends for young people, but accelerated existing trends in youth under and unemployment. A policy refocus from NEET to youth underemployment is needed. However, this must be premised on Byrne’s (1999) approach to conceptualising social exclusion that focuses on changing social and economic conditions, instead of an individualising skills deficit discourse. Long-term public investment for addressing youth underemployment and rectifying the impact of Coalition cuts is proposed.

What policy?

Arguably the last five years has seen a complete abyss of youth policy. Whilst there were a number of well documented problems with this area of policy under New Labour, there was a clear focus and comprehensive attempt to address the main issues facing young people under their reign. Through, for example, Bridging the Gap, the development of Connexions and a whole raft of initiatives (e.g. Educational Maintenance Allowance, New Deal, Future Jobs Fund), a genuine effort was made at developing evidenced-based policy and practice to address the needs of young people. However, since 2010 a giant black hole has emerged in this area with little more than reactionary spurts of hot political air to the alarming youth unemployment statistics that periodically pop-up in the press. It is arguable that youth unemployment has now been significantly superseded by youth underemployment, with young people being sucked in and out of the precarious labour market. Worryingly, no political party has a handle on this. Instead, New Labour’s ill-advised focus on NEET has prevailed and, on the surface, the Coalition appears to have simply turned the clock back to the 1980s in its attempts to tackle the NEET question. Youth policy ‘by default’ has occurred, with largely embarrassing piece-meal initiatives hitting the headlines, including the youth contract, work programme, workfare and the (not-so-) Positive for Youth. Along with reinstating the DfE and the return of the ‘lost generation’, obvious parallels can be drawn with Thatcher’s approach to youth unemployment in the 1980s. However, the fundamental difference is that both Thatcher’s YTS and Blair’s New Deal, though flawed, represented major investments in this area. In comparison, the Coa-
lition has overseen the largest de-investment in young people in living memory with the brunt of welfare cuts and austerity measures hitting this group the hardest. This will inevitably result in significantly increased public expenditure by future governments.

### Not just the bottom 10%

A new global normality of underemployment has emerged for young people. They are almost four times more likely to be unemployed than adults and have been impacted the most by the increase in precarious work. Even with reductions, NEET figures remain persistently high at approximately 1 million 16-24 year olds (close to 15%). This cohort alone represent a lifetime cost to the economy of £160 billion (Coles et al., 2010). The experience of long-term churning between underemployment and economic marginality is a common experience into adulthood for many young people.

The Teesside studies (MacDonald and Shildrick), undertaken over the last 20 years, have demonstrated how disadvantaged young people’s transitions to adulthood have become increasingly protracted and complex. For young people living in poverty and experiencing a whole raft of welfare problems, churning round a ‘low-pay, no-pay cycle’ has become normalised (Shildrick et al., 2012a). Their more recent research has challenged the unfounded current political rhetoric blaming young people for their unemployment, totally refuting the claims about ‘generations of worklessness’ and ‘cultures of worklessness’ within families. The evidence for this simply does not exist. Despite relentless searching in Glasgow and Teesside they could not find a single household with three generations who had never worked. Despite this, the condemnation of the ‘undeserving poor’ continues to feed contemporary prejudice against the working class and those in poverty. Even those experiencing the shame and stigma of poverty and unemployment, are drawn into the narrative of blaming ‘the poor’ for their poverty. Conveniently, the Coalition have steadfastly refused to acknowledge this research.

However, experiences of underemployment and churning are no longer the preserve of those at the ‘bottom’ of the skills hierarchy. For many young people in the ‘middle’, in a ‘class structure gone pear shaped’, the education system ‘is like running up a downwards escalator where you have to go faster and faster simply to stand still’ (Ainley and Allen, 2013). It can be argued that we have now simply pushed youth unemployment up the age range to 21 with the warehousing of young people in FE and HE. Consequently, this graduatisation of work has resulted in the convergence of experience for young people from the bottom to the top.

### What’s the problem and what can we do about it?

There has been virtually no policy attention paid to the issue of youth underemployment and the prevailing orthodox NEET myth pre-occupies governments. NEET status and youth unemployment are often viewed as an educational deficit and fault of young people. This results in an assumption that simply up-skilling will solve the NEET issue in an increasingly high-skilled information economy. Deeper structural inequalities that have resulted in longer, riskier and less predictable transitions for young people from education to employment since the 1980s are masked by panic recession headline statistics. These inequalities are also further geographically compounded, e.g. with NEET rates of over 18% in the North East compared to 11% in London and the South East. The human capital approach of dealing with ‘supply-side’ problems, blaming and up-skilling young people clearly isn't working, as unemployment was increasing under New Labour before the recession and cuts. As Roberts’ concluded even before the economic crash, ‘underemployment is the 21st century global normality for youth in the labour market’ (2009: 4). Along with others, he has argued that a ‘new social generation’ is emerging across Europe whose lives and prospects are now defined by insecurity. This is set to be the first generation to experience downward social mobility in comparison to their baby-booming parents. Others have argued that a new dangerous ‘precariat’ class is developing with young people at its core, defined by insecurity.
There are two fundamental issues that must at least be recognised politically by all parties, if not addressed, in order to have any chance of developing competent and creative policy in this area. Firstly, the issue of focusing on NEET as opposed to underemployment and secondly the basis for how we view young people, exclusion and employment. There are three main problems with maintaining a NEET focus – seeing unemployment as a static category ignores the dynamism and highly complex and insecure transitions of young people; it presumes that moving young people from NEET to EET solves unemployment and exclusion; and it ignores the problem and extent of underemployment. Various definitions of underemployment abound, but broadly this includes insecure and sporadic employment, over-qualification for jobs and involuntary part-time work.

Un-, under- and precarious employment have become a standard experience for young people across the classes and an inevitable consequence of neoliberal capitalist economies. The demands of such a flexible, casualised labour market fail to provide long-term or secure opportunities for young people. This has been reflected in ‘supply-side’ policies that try to educate and up-skill young people, with the intention of them going on to employment (Byrne, 1999). However, economic marginalisation and social exclusion is not simply a result of personal deficits. Responsibilising young people to take the blame for their personal characteristics completely fails to acknowledge the major structural inequalities within the UK economic system and wider institutions. Whilst some micro level policies that tinker with the systems in place could bring improvements, whole-scale macro reform is needed to address such a profound problem. For example, in 2011-12 94,000 people were trained for just 18,000 new hair and beauty jobs, while only 123,000 people were trained for 275,000 construction and engineering jobs (Gardiner, 2014). This represents just one area where micro level policy could have some impact, along with the revaluing of vocational qualifications, greater resourcing of apprenticeships, genuine work experience and careers guidance, greater employer engagement with the issues and a jobs guarantee. Ultimately, we are witnessing the accelerated growth of underemployment and precarious work, resulting in increasing inequality, a transference of risk to young people and the fuelling of social crisis, all of which young people are wrongly blamed for. Whether a new precarious class will emerge is yet to be seen, but as MacDonald (2013) suggests, underemployment, insecurity and downward mobility are the new condition of youth. If we are to have any chance of avoiding successive ‘lost generations’, serious critique and fundamental macro-economic change are needed.

References