

European Union Committee of the Regions

Stakeholder Consultation on 'Rethinking Education: Investing in Skills for Better Socio-economic Outcomes' - COM(2012) 699

Submission from PASCAL International Observatory



Introduction

PASCAL INTERNATIONAL OBSERVATORY is an international non-governmental organisation working in the areas of place, social cohesion and learning cities and regions. Our aim is to bring cutting edge ideas from around the world to policy-making on issues relevant to our focus. PASCAL has four centres located in Europe, Australia, the United States of America and South Africa, and has a particular interest in the role of higher and further education in contributing to regional development. PASCAL is pleased to take the opportunity to contribute to the EU Committee of the Regions stakeholder consultation and offer its expertise to the discussion of the importance of the regional role in relation to developing skills for improved socio-economic outcomes. We will draw on ideas from around the world to focus particularly on issues of employment of young people in Europe.

More information about the work of PASCAL International Observatory can be found on our website www.pascalobservatory.org.

This paper has been prepared on behalf of PASCAL by John Tibbitt, Vice-chair (Policy) and Stephanie Young Board Member PASCAL International Observatory.

RESPONDING TO THE CHALLENGE OF YOUTH UNEMPLOYMENT – THE VITAL ROLE OF REGIONS

Executive Summary

Whilst there are unresolved debates about the best way of calculating levels of youth unemployment, there is general consensus that rates are rising, and particularly so in those countries seriously affected by the current financial crisis, to the point where a ‘lost generation’ is at risk of being denied access to employment and to other aspects of adulthood and citizenship. There is no clear policy response from national governments beyond the extension of the repertoire of measures which have been tried with little success to date. Nor is there a clear perspective from research about ‘what works’ among the approaches currently on offer.

In this paper, PASCAL offers new insights to the basis on which policy should address youth unemployment. Going beyond the current model of seeking better alignment of education and vocational training to the current labour market, PASCAL proposes an approach based on a reappraisal of the concepts of the knowledge economy and the knowledge society, which emphasises policies to facilitate adaptation to social and technological change, to encourage educational innovation, to support emerging work futures and assist young people find their role within fast evolving work practices and structures.

Many of the responsibilities for the successful development and delivery of these policies lie with regional and local government. The globalised knowledge economy is not working out as expected: regions need to be agile and flexible to secure their place and identity in the worldwide knowledge society. Regions have a key role in establishing a ‘new bargain’ with young people to secure opportunity in a flourishing society. This paper offers some suggestions for making the new bargain a reality.

Youth unemployment: understanding the problem

It is generally accepted that youth unemployment is one of the greatest challenges facing European Union member states. Youth unemployment levels have now reached over 5.5m across the EU, with considerable variation in rates between states. Whilst there are unresolved debates about the most appropriate measures of levels of youth unemployment, it is clear that youth unemployment is running at over twice the level for other age groups, has been rising for some time especially since the financial crisis, and is continuing to do so. However it is measured, most European countries and many others around the world see youth unemployment becoming a serious problem for priority action. High levels of youth unemployment are problematic at a number of levels: for business and for economic growth, for social cohesion, and for young people and their families denied access to opportunity and full citizenship, and characterised as a ‘lost generation’.

The problem of youth unemployment can be conceptualised in a number of ways beyond the social and economic dislocation with which it is associated. The lost generation can be seen as lost in the

sense of opportunities denied, lost in the sense of social exclusion, and lost in the sense of cultural disconnection.

These different conceptions are associated with different kinds of policy response. The prevailing economic orthodoxy places skills and competences at the centre of economic development, essential for innovation and efficiency in the knowledge economy, very much as described in the 'Rethinking Education' document. This model has offered young people a bargain which has promised work opportunities to those who seek and obtain the appropriate qualifications and credentials through the education system, which in its turn has been increasingly structured to support the needs of the business through emphasis on skills and competences deemed necessary for employability in a changing labour market. Seen in this way, policy responses to youth unemployment can be categorised as seeking either to:

- ◆ Improve the supply through better training and employability skills;
- ◆ Improving the demand through measures to encourage the creation of more jobs for young people; and
- ◆ Improving the matching of supply to demand through support and careers advice services.

But the problem can be conceptualised in other ways. It can be seen, for example, as a consequence of *cultural disconnection* on the part of significant numbers of young people and as a *failure to adapt to social and technological change*. It can be argued that insufficient recognition has been given to emerging developments including new relationships between humans and technology, intergenerational struggles over forms of knowledge and learning, the intensification of radical economic and social inequalities and spread of cross-cultural influences. Such changes have potentially significant implications for curricula, the roles of schools in their communities, and in relation to the labour market.

A further conception of youth unemployment places it, in part, as a consequence of the global shift towards a knowledge society and a knowledge economy. As these pressures bring changes to the future of work, so there are challenges associated with education for knowledge age skills, including thinking and metacognition through social interaction.

Each of these conceptions of the problem suggests different priorities for policy interventions. Much of the Rethinking Education paper concentrates on responses appropriate to aspects of the first conception. The fundamental contention PASCAL ventures here is that, whilst this emphasis is welcome, it is fundamentally important to address the implications of these other conceptions of youth unemployment and strike a 'new bargain' around the links between education, learning and emerging forms of work.

Pointers from the current knowledge base

This section offers some observations from recent research relating to each of these three conceptions of youth employment in turn.

Education and the labour market

Across Europe, countries have developed a whole raft of policy initiatives aimed at intervening in the problem of youth unemployment. In most cases, they can be classified into the categories

identified above. Robust research and evaluation of most of these interventions is nevertheless sparse, making it hard to find evidence of the overall impact of interventions on rates of youth unemployment or social cohesion. We can, though point to some important aspects of practice in designing and implementing relevant initiatives. Some are highlighted below.

- ◆ Young people are not a homogeneous group. Interventions need to be tailored to address specific needs, specific stages, and local conditions;
- ◆ Young people have needs of varying complexity, which need to be carefully targeted by well trained and supported project staff. Services need to be client focussed, personalised, and mentored;
- ◆ Interventions should offer longer-term sustainable pathways – not short-term fixes – based on good quality careers advice and holistic guidance;
- ◆ Services require inter-agency partnership and collaboration, based on clearly specified roles;
- ◆ Pathways should be relevant to labour market needs, to ensure buy-in from employers and their representative organisations;
- ◆ Services should be flexible, based on strong local labour-market intelligence, and responsive to economic cycles and issues of social inclusion.

It is encouraging to see that the areas highlighted as priorities for national governments in the Rethinking Education paper are consistent with many of these key directions, and are to be welcomed. It should be emphasised though, that these same findings point to the importance of regional involvement if the appropriateness and responsiveness of interventions to local labour market conditions is to be maximised. We return to this below.

Cultural disconnection and education futures

Educational sociology offers compelling comment on the consequences of the current emphasis on skills and qualifications development for the requirements of the labour market. Two important strands should be noted here, concerning the consequences of ‘credentialism’, and secondly with respect to pupil engagement in schooling.

On the first, it is argued, there is no gain in social and labour market opportunities from more and more people gaining qualifications. One consequence is that this leads to more and more jobs requiring qualifications, and also to credential inflation. . The increasing demand for higher educational qualifications in the labour market cannot, it is argued, be due only, or even mainly, to increased skill requirement of jobs themselves. Successive generations of students have to gain ever higher levels of qualifications just to keep pace: rather than improving opportunities, education expansion can impose greater costs for little net mobility gains. As, in many countries, the costs of obtaining qualifications is rising, there is evidence that more young people no longer see this as a valid bargain.

Changing perceptions of the ‘bargain’ may have important implications for student engagement with education. Writers have identified a number of orientations towards schooling, which can be labelled normative, normative instrumental, alienated instrumental and alienated. In the first, pupils accept the formal cultural as intrinsically worthwhile, in the second and third, they see participation as instrumental either academically or vocationally, whilst in the fourth they reject

both normative and instrumental approaches and simply put up with schooling as something they are required to do.

At a time of rapid social adjustment to technological change, these orientations become important. It is argued that we may be working with too narrow a view of the future, and with a view of the future defined for pupils by others. It is largely the case that the kinds of socio-technical developments currently being envisaged, and for which young people are being prepared through education and training systems are largely defined by others – researchers, industry, developers and politicians. They are offered, as Castells puts it ‘the mythical future time of the powerful....the projected time of the futurologists of the corporate world’. They are urged to develop ‘21st century skills’ and embrace a future of lifelong learning to ensure personal and national survival. The notion of young people as ‘digital natives’ spearheading the transition to a new digital age may be over simplistic, but nevertheless it should offer young people increasing agency and voice in shaping future change.

There is a need to consider the implications of these emerging developments including relationships between people and technology, new inter-generational relations, intensity of economic and social inequalities, and consequent debates over forms of knowledge, knowledge production and learning. These have profound implications for curricula of the future, the roles of schools and colleges in their communities, and in relation to the labour market.

Knowledge economy and work futures

The global shift towards the so-called knowledge economy and knowledge society should focus debate on the relevant knowledge age skills, and the role of education in helping people to develop such skills. It is encouraging to see the stress in the EU Rethinking Education paper on the development of thinking skills, metacognition through social interaction.

There are many attempts to assess future skills needs of different economies. In general terms analysts predict an increase in high skilled managerial and professional roles, but significant reductions in skilled and semiskilled positions and in clerical and administrative positions as the result of economic and technical change. However a large proportion of the jobs 10 years from now haven’t yet been invented. Driverless cars, robotic assembly and teacherless schools are all possibilities, and robotics and computers are likely to fundamentally change medicine and farming, and lists of new roles include weather modification police; vertical farmers; classroom avatar manager; space pilots, tour guides and architects; social networking worker (a social worker for the web generation), narrowcasters and waste data handlers. Futurists also predict the dismantling of a number of large industries, requiring talented people who can do this in the least disruptive way.

The form of work organisations may be expected to change radically too, requiring new models for business development, learning for and support of innovation and entrepreneurship.

Implications for regions

Regions have a vital role in taking forward these issues.

Learning regions

First, it is usually at the regional level that responsibility for the interpretation and delivery of initiatives relevant to these considerations rests.

For example, responsibility for the delivery of education services, including community education often rests at local or regional level. Regions can promote strategies for the development of learning across regions, which encourage and facilitate learning amongst all social groups. Strategies for 'learning regions' are vital to embrace all social groups but emerging opportunities for informal and social learning.

Promoting economic development

Regions also frequently have significant responsibilities for planning, for infrastructure provision, and for promoting economic development. These strategies should include the role of learning, and the provision of 'incubation' facilities to allow the exchange of knowledge and ideas, and access to resources for supporting and sustaining new economic developments. The support of social and cultural facilities is important too for the creation of associated creative and cultural industries, but also they create a vibrant community which can attract 'creative' incomers to drive opportunities forward.

Knowledge and innovation

It is increasingly the case that regional government has a vital role in securing the economic, social and cultural development of its region, and promoting the competitive advantage of the region in the face of pressures from globalisation. The securing of a viable and sustainable place within the emerging global economy, and in the face of global pressures of climate change, demographic change and migration requires effective knowledge sharing and innovation processes to adapt and apply knowledge-based solutions in local situations. The sections above have drawn attention to the importance of, inter alia:

- ◆ Local labour market intelligence;
- ◆ Emerging skills needs for the local economy;
- ◆ Partnership with local stakeholders in both further and higher education and in business to develop flexible and timely responses to changing local conditions.

PASCAL would urge that regions, in seeking to fulfil their role, develop a purposeful strategic relationship with local higher and further education providers. Local experience can be an important driver of innovative research and learning. It is no longer the case that universities enjoy a knowledge monopoly. Higher and further education providers also strive to secure their place within a global context, whilst facing pressures from national governments to justify public investment in terms of outputs and impacts locally, regionally and nationally as well as internationally.

There is thus a mutual interest for regions and universities in developing effective engagement relationships and processes. PASCAL has been in the forefront of exploring regional and community engagement of higher education and has identified pointers for the development of good practice. Although for a number of reasons, the development of effective relationships may remain a challenge for some, it is clear that higher and further education providers can be key assets in regional economic and social development, and thus vital to the challenge of addressing youth unemployment. Regions should demand more of their local providers, and seek to close any 'engagement gap' in order to fulfil their regional objectives.

Conclusions and recommendations

This paper has presented several different perspectives on youth unemployment, and has drawn attention to the kinds of policy response which might be associated with each. It has argued that regional governments have a key role in the delivery of many of these policy responses: indeed if responses are to be relevant to local conditions, rather than simply reflecting an overall national approach, close regional involvement is essential.

Recommendations

PASCAL supports the priorities identified in the EU document as very relevant to the current dominant concern to better align education and the requirements of future economic development.

However, we draw attention to other conceptions with profound implications for both the course of youth employment and the response to it. These relate to cultural disconnection and the future emergence of the knowledge society and the shape of work.

On the first PASCAL would urge rethinking education services in such a way as to allow greater influence of young people themselves in the identification and addressing of education for 21st century skills. On the second, we need to recognise that the knowledge economy will profoundly change the nature of work roles and the distribution of types of roles. 21st century skills need to facilitate social and informal learning, and support and encourage innovation and new models of work.

Throughout all this, regions have a key role to play. We recommend a focus on:

- ◆ Developing learning regions
- ◆ Developing models of economic and social development to encourage creativity and innovation
- ◆ Demand greater engagement with regional higher and further education providers in meeting these tasks.

John Tibbitt and Stephanie Young

January 2013