

# The Youth Labour Market, Populism and the Digitalization of Economies

*Raúl González Fabre\**

## Abstract

Firstly, a basic understanding of economic competition and its role in the lives of the youth is presented. Then two forces are described which have affected the lowest echelons of the labour competition market during the last decade and the political reactions (xenophobic, anti-system) which ensued. Finally, some ideas are summarized which were presented at the discussion on the competitive impact of artificial intelligence (AI) on the labour market, some of the responses proposed and the basic difficulties that affect them. We conclude that one must expect further political convulsions following infringements of the AI upon the structure of the youth labour market.

## Key words:

labour market, artificial intelligence, economic competition, xenophobia, anti-system politics.

## Introduction

Important political phenomena are taking place in Europe as in other parts of the world. The electoral rise of xenophobia, local and country nationalisms, anti-system far-left movements, authoritarian political positions - to the point of reaching, almost-reaching or strongly influencing governments all over the Continent - show a deep change in the political sentiments of the populations of the world.

"Politics as usual" with its moderate pro-European Union governments seems to be becoming weaker by the month. Many of the remaining presidents of the 'old politics' are seen as the 'last opportunity' for such an approach, as they are being faced with growing radicalisms within their own countries. In other places such as the United Kingdom, Italy or Hungary, recent governments have made decisions which threaten the very existence of the European Union.

The changes in popular political sentiment behind these phenomena may be described as a matter of identity, be it national, ideological and/or generational. However, the fact that they emerged in the aftermath of a financial crisis, suggests that one is to search firstly for the economic roots of the phenomena. Perhaps reflection on the situation faced by the youth as they enter the labour market of a consumer society will allow for a better understanding of the recent popularity of identity politics. It may also help to forecast whether it is here to stay.

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\* Raúl González Fabre, Ph.D., Lecturer, ICADE - Comillas Pontifical University. Address: C. Alberto Aguilera 23, 28015 Madrid, Spain. E-mail: [rgfabre@comillas.edu](mailto:rgfabre@comillas.edu)

# 1. Economic Competition

## 1.1. Economy and individual life

The economy shall be understood here as a system of social coordination involving goods and services that are scarce, measurable and transferable. The joint production and the distribution/redistribution of such goods and services create the nucleus of economic activity.

Any system of social coordination materializes in concrete relations which can be very diverse. Different social institutions such as families-friends, public agencies, companies, markets, communes, etc., have their own ways of carrying out production-distribution/redistribution each in accordance with its own rules.

The individual is economically well integrated if he/she can sustain<sup>1</sup> enough of these relations as to develop a personal project at the level of what is common in one's social milieu (whatever the person considers one's society, against which one measures relative success or failure, to be). Redundance (fall-back positions built into the system) and social security networks are important for the robustness of an individual's economic project.

Nowadays three elements are relevant in the experience of most European youth:

- (1) Their society of reference is the global consumer society.
- (2) The most relevant way to integrate into the economy is success in the markets for whatever they may have to 'sell'.
- (3) Nation States and families are weakening progressively as providers of fall-back positions and social security networks.

These three elements point in the same direction: impersonal relations based on competitiveness (see 1.2 below) are becoming more crucial to the economic integration of each person. At the same time, less can be expected from impersonal relations based on rights and duties (as typically happen in the State), and from interpersonal relations (typically happening through families, friends and other communities).

Not that the economic role of these other relations and the institutions built upon them has become irrelevant. It is still very important for several reasons, all of which cannot be listed here. But they certainly do include their usefulness as leverage points for integration into the markets (for example, to land a job). However, failure to achieve collaboration through market exchanges is almost equivalent to economic failure for most adults between 25 and 65. This is important for an understanding of the predicament of populism.

Before moving on to this point, we must have a brief look at the structure of competition.

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<sup>1</sup> "Can sustain" means both that the person is entitled to take part in the collaboration relationship of reference, and that he/she is materially enabled to offer what he/she must contribute to that relationship. The two aspects can go together (as is usually the case in the rights of citizenship, for instance), or be separated (as for taking part in a certain market: you can have the money but not be allowed to buy a weapon; you can be allowed to buy a car but have not the money).

## 1.2. The dynamics of competition

Capitalism is an institutional arrangement of (a part of) the economy based on private property and individual liberty of contract for some sorts of goods, services and values<sup>2</sup>, including most means of production. There are always some other goods, services and values that are dealt with through non-capitalist arrangements.

Markets are mechanisms of collaboration based on a voluntary exchange of goods, services and values under private property. They are obviously linked to capitalism: without an institutional guarantee regarding private property and freedom of contract extending to the means essential for production, there can hardly be a market of any kind.

Given the scarcity of the objects being traded and the voluntariness of the transactions, if there is a plurality of agents on the side of a certain market, there will be competition among them.

Competition is a relationship consisting of two basic elements which are intertwined: cooperation to establish the rules of the game, and conflict to win the game. If any of the agents competing is, in turn, an organization or an alliance of organizations, internal cooperation is necessary to achieve success in the competition, though internal conflict may also arise in the course of the external competition.

With this characterization in mind, conflict over the rules of this very same competition is not logically possible. If we are competing for certain competition norms, this is a different sort of competition from the one to have these norms as rules. For example, the rules for a certain market (economic competition) are set up in another ('higher level') competition, namely, a political one.

Economic competition is characteristically the type of competition to be chosen. Countries strive for an influx of foreign investments and tourists, for companies to sell their products, for workers to get jobs, brokers to achieve better risk-return and then to attract more investors, the media competes for bigger audiences and, consequently, more expensive publicity, etc.

There are varying degrees of success in economic competition. At one extreme, success means winning to such extent that no competitor can win the following rounds of the same competition (because success in the current round gives you resources that incapacitate all possible competitors in the next rounds). Then, competition tends to end in monopolies or positions so dominant that no further competitive threat is to be feared. It liquidates itself.

At another extreme, success in economic competition may mean being chosen by 'clients' so as to remain a viable competitor in the next rounds of the same competition. Failure then means to be expelled from that competition, to become 'unchoosable'. This is an evolutionary concept of success: whatever conduct produces a systemic competition disadvantage in the beholder, will become extinct sooner rather than later.

The rest of the competitions can be mapped between these, whereby each competitor reaches success more than adequately to remain viable in the next rounds of the same competition, but not to the degree that he could expel all other possible competitors. The two extremes, however, point to two main motivators in economic competition, namely, greed and fear: greed which will end competition and empower the competitor to exploit a monopoly (all literature on finding niches in the market heads in that direction), and fear of being expelled and thus losing a preferred manner of

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<sup>2</sup> Monetary values, that is, purchasing power in time, in consequence affected by risk and volatility.

achieving economic integration. Fall-back positions await, either within the market or outside it (social security).

The logic of competition (cooperation plus conflict) suggests that competitions must be set up such that nothing essential is endangered by the conflict. If the rules are the same for all competitors, as they must be, no one loses due to the fact that a certain aspect (the common good, for instance) is protected by incorporating rules intended to safeguard it from competition. Competitors will fight under those rules, equal for all. In other words, some aspects will not be open to gaining competitive advantage through them. They will be left out of the realm of freedoms from which to choose. Obviously, these aspects must be essential for the functioning of society (including competition itself, the very existence of which must be legally protected), because otherwise it would be morally difficult to justify the suppression of liberty regarding these aspects.

This seems obvious, but only from an abstract point of view. In practice, it imposes a requirement which often does not occur: the institutional space within which the rules of a competition are established, must be the same or broader than the space of the competitive conflict. If we have a global competition, but only a national or regional capacity for establishing the rules for it, the competition will likely extend to the rules, there will be conflict over them (a 'rat race' for example), and thus these rules will not be the real rules for the original competition.

## 2. Competitive Positions and Political Reactions

### 2.1. The youth in competition

In our society, the market consumption levels are essential for social integration. In order to obtain an income for consumption expenses, most people must sell their labour (time, effort, and skills) on the labour market. Thus, to remain viable on the demand side of other markets, most young people must also be successful on the supply side of the labour market.

On the other hand, having a job is also the main way in which to fully incorporate oneself into the social security system, which provides health and disability care, retirement and other pensions, and unemployment subsidies.

The purpose of economic success is not merely reaching a level of consumption that allows for integration into the social world from which young people originate. It also requires maintaining it in time and ensuring government support, such as is granted by the social security system, until one's retirement date. Moreover, given that young people<sup>3</sup> are about to start or already have started a life project, they need some security regarding their future consumption possibilities and government support, thus their future income. Life projects (buying a house, starting a family...) are built on personal economic stability.

Being in competition for a job is a key factor in economic competition for most young adults, and it has two important political consequences.

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<sup>3</sup> "The definition of a young worker depends on the policy context: EU legislation aiming to protect young workers defines a young worker as under the age of 18, while statistics cover the 15-24-year age group and EU policy initiatives aimed at young workers can be broader, covering workers up to the age of 30." EurWORK (2011).

## 2.2. The reason for xenophobia

If migrants from foreign countries increase the competition in the labour market segment where one also competes for a job, this tends *prima facie* to lower salaries on that market and/or increase unemployment. The other effect (migrants are also on the demand side as their presence increases the aggregate demand and, consequentially, jobs are created) is more diffuse: competition of foreigners on my job market can be seen easily, while the aggregate demand effect takes place throughout the economic system.

Most migrants are both young and poor. Their professional qualifications are often disregarded, and so they must enter the labour market at its lowest levels. However, by virtue of the fact that they have undertaken to migrate, they have demonstrated considerable bravery and personal initiative. Also, they very often lack family security networks and are lacking social rights in the receiving country, so they must necessarily be successful on the market. Taking into account all these factors, they are in substantial competition with the less-prepared domestic youth.

On the other hand, the local, non-migrant young people also have some competitive advantages. They are generally better integrated into the educational and social security systems, they have family and other social networks, they speak the local language as their mother tongue and act spontaneously according to the local custom

Still, one is easily tempted to 'win' the competition for jobs, not through these advantages, but rather by making political moves to prompt the national government to exclude migrants from the labour market. The most expedient way is to exclude them physically from national territory. In this case, they are unable to even compete in the informal economy (which in turn competes with the formal).

This is a reason based on competitiveness on which national-identity political projects which appeal to the less-prepared youth may be built: the nation is your main asset in the labour competition, given that you have not much more to make you be modestly successful on the job market, success on which your life project depends.

Nationalism, ethnocultural identity, legality, security, public health, etc. – all these can provide arguments for such political projects. Once they become popular somehow, they can acquire a life of their own with a stronger or weaker foothold in reality. For example, they may gain a firm foothold through the difficulties in living together with people from different cultural backgrounds, amplified by the mass media. This problem affects the local poor and low-middle classes - and with them the elderly - much moreso than the well-to-do and the rich, since migrants obviously rarely live in the same neighbourhoods as the latter, except as servants.

In my opinion, however, it would be erroneous to disregard economic competition 'at the bottom of the pyramid' as a driving force of xenophobic political identities. The corresponding sentiment cannot be easily fought by mere ideological means. Tolerance education, universalist predications, religious motives, etc., quite often come from social sectors that do not have to live together or compete with the less fortunate migrants.

Those most affected by external labour competition are the less-educated youth of each country for whom the relative importance of ideology is not the same as for better-situated individuals. It is easier to subscribe to a 'we first' ideology when one has immediate economic fears regarding the only article one has to sell. It is also easier to depict 'globalism', 'Europeanism' and the like as ideologies for successful elites, while the common folk depend on the State to safeguard their precarious economic opportunities (Le Pen, 2012).

### 2.3. Anti-system

The economic crisis produced a jump in unemployment all over Europe. The first to be fired were often the young people, because the cost of firing them was less.

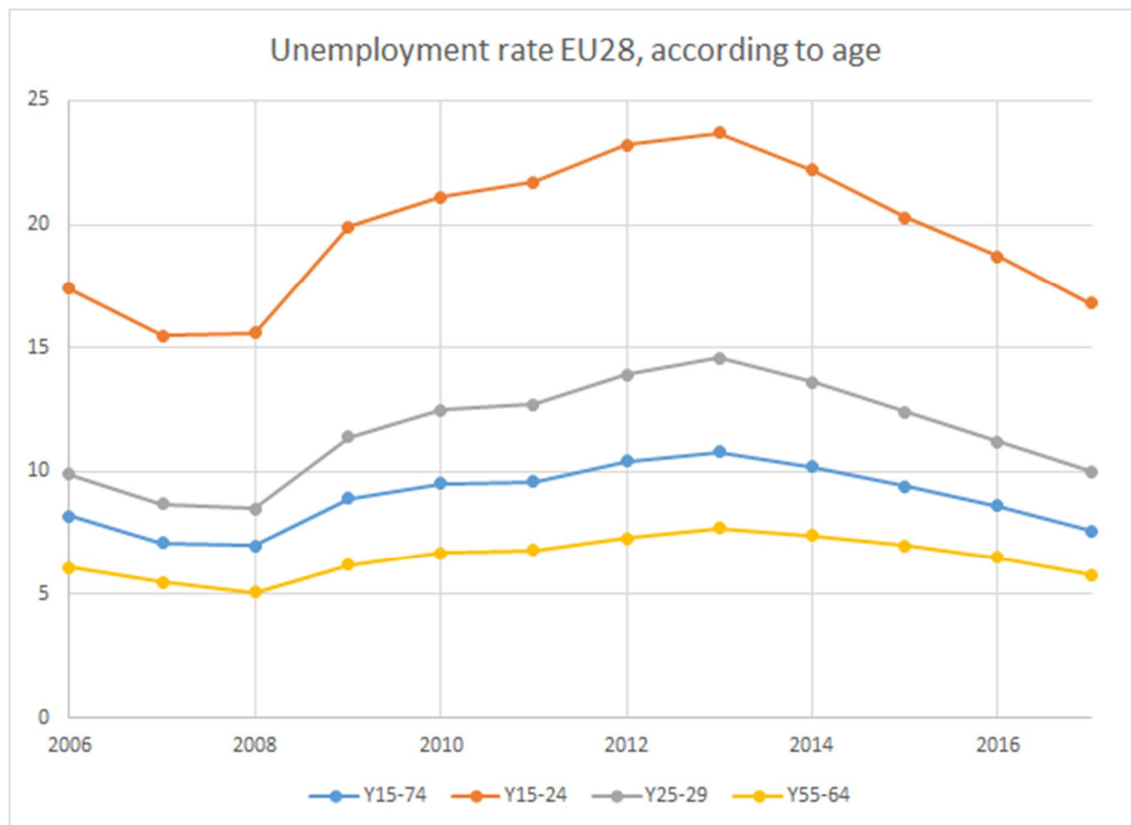


Fig. 1. Source for data: [http://ec.europa.eu/eurostat/web/products-datasets/-/tepsr\\_wc170](http://ec.europa.eu/eurostat/web/products-datasets/-/tepsr_wc170)

Also, depending on the legal framework of each national job market, the crisis led to changes in the labour regime, affecting mainly new jobs (the existing ones often enjoy acquired rights that could not be easily reduced). It makes microeconomic sense: by lowering the price of merchandise (labour) the amount demanded increases (employment).

However, depending on individual countries, this has achieved three results which together may be called the 'precarization' of labour:

- Lower real salaries than past generations at the same age-level. More uncertainty regarding evolution of salaries over one's lifetime.
- More temporal short-term internship service, zero-hours, etc., contracts, in proportion.
- More undesired part-time jobs, without the opportunity for full-time work, in proportion.

Numerical details about the last two aspects (up to 2015) can be found in the briefings of the “Pay Rise Campaign”<sup>4</sup> of the European Trade Union Confederation, a broad umbrella organization that groups together most of the big trade unions in the EU.

As already mentioned, labour is not common merchandise in our system, rather it is more so related to life-project and social integration since for young people the perspectives of job stability/employability are crucial. Being at a risk-of-poverty level at the very age when one should be embarking on a family project is dramatic.

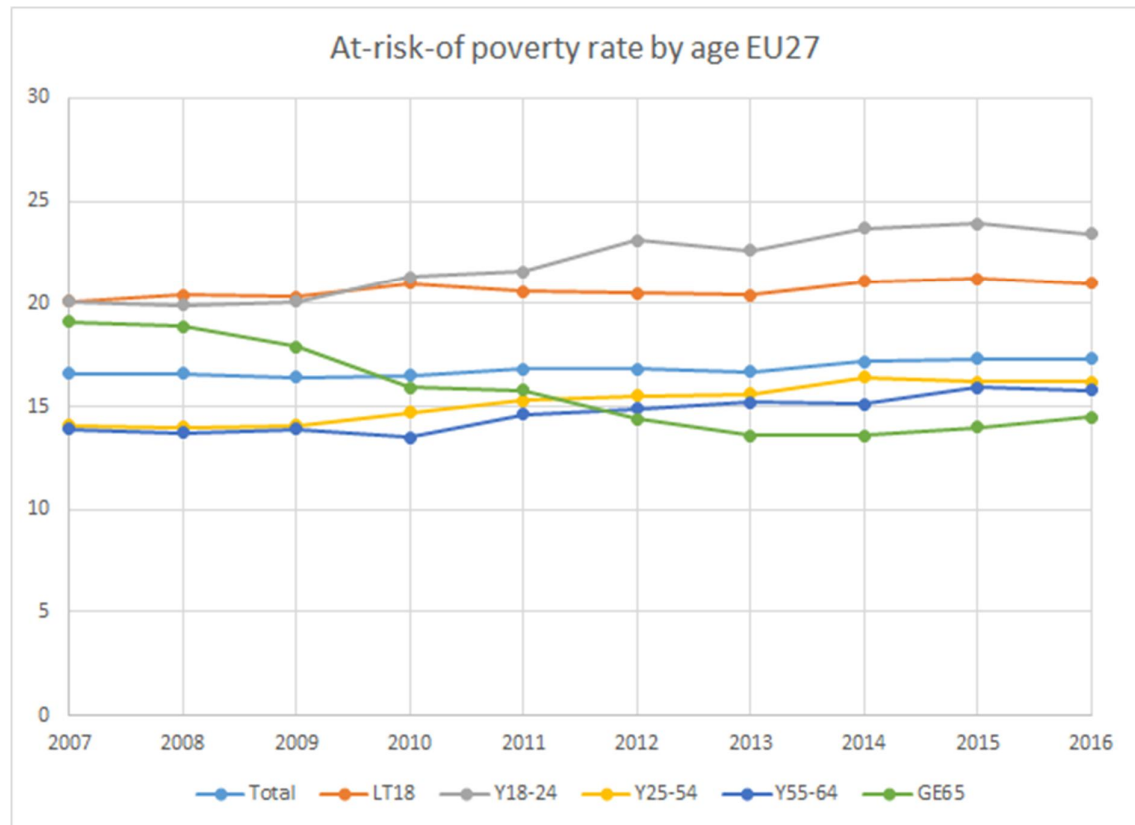


Fig. 2. Source for data: <http://ec.europa.eu/eurostat/web/products-datasets/-/tessi120>

Precarity of employment may easily produce political disaffection: if ‘the system’ has no decent place for me, then the system has no place inside me, in my political loyalties. The number of anti-system youth is called to grow as more young people feel at risk of being excluded from the system itself (in the sense of being able to sell their labour in conditions that are good enough to ensure the means to pursue their projects). The perspective of exclusion engenders resentment, which makes a good political mobilizer.

Anti-system does not necessarily mean populist. Populism is merely a political approach that may put this resentment to use, both in the streets and at election time. There are however some other anti-system expressions, for example, international migration: instead of trying to topple the system, the international migrant leaves it in search of a better place; or, political demobilization *tout court*, if no candidate seems to offer a way out of my current predicament.

<sup>4</sup> See the ‘youth briefings’ of the campaign: <https://payrise.eu/>. A more detailed study, that confirms all the basic points used by the trade unions in their campaign, can be found in Broughton *et alia* (2016). Some of the issues are also confirmed by the OECD *Employment Outlook 2018*.



### 3. A growing form of competition

#### 3.1. Artificial intelligence

The most fierce competition that young workers are facing, whether they are aware of it or not, is not against foreigners but against machines. This kind of competition extends far beyond class boundaries, because with the irruption of artificial intelligence (AI), machines are doing not only more kinds of physical work (as has been the case since the Iron Age itself) but also more kinds of intellectual work on manifold levels, culminating in deep learning and the ability of computers to reprogram themselves.

In fact, production tasks not entailing physical activity or contact are experiencing a quicker technological growth than robotics and similar fields that have a physical component. It is easier for a computer to merely compute than to control a physical agent. However, computing and learning from the practical results of previous computations is crucial in many jobs, such as, medical diagnosis, preparation of legal cases, industrial design, store management, financial trading, translation, driving, etc.

The development speed of AI is exponential, as Kurzweil (2005:118) reflects. His prognosis has proven to be accurate for the time being, namely, nowadays computers have 'intellectual' capacities at the level of a monkey. This is logical because computers are designed by using other computers, so that the process is cumulative and, in fact, more than exponential (Fig. 3).

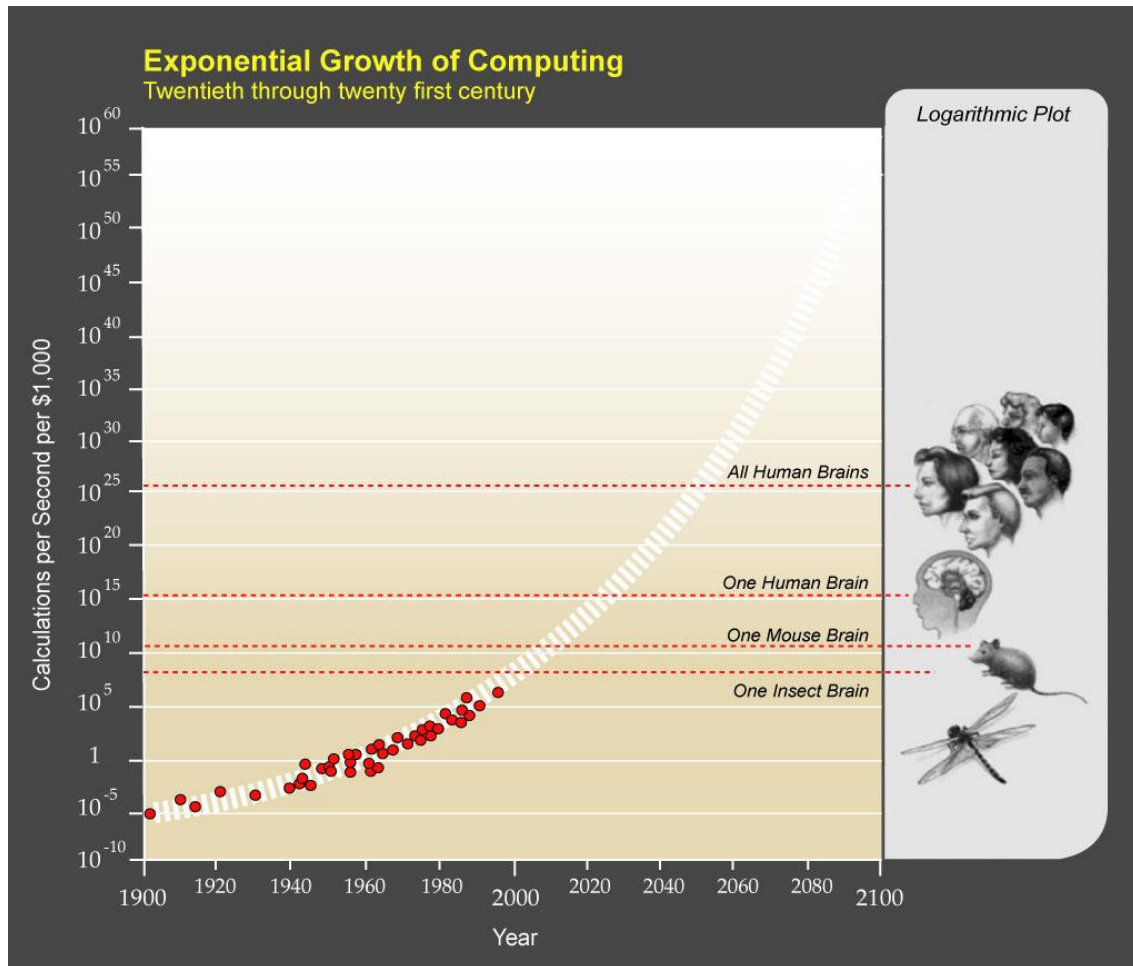




Fig. 3. Source: Kurzweil (2005:118).

On the other hand, human learning must start incorporating the cultural aspect through a lengthy educational process. Then one can, in time, contribute to advance that aspect for the following generations. This occurs via complex social systems, with viral spreads, mutual nullifications, conflicts, political structures that foster or render difficult certain advancements.

Though in the end there is quantitative progress in the joint human ability to handle information - through both the increase in population and the advancement of cultural starting points- the process cannot be considered at all exponential, but rather perhaps linear with stationary stages and even downturns.

This can be easily seen in all moral processes. No analyst to our knowledge would maintain that we are on the brink of an exponential explosion of desirable ethical qualities or of political qualities in our communities and public organizations. Our collective moral development (where machines are of little relevance) is much slower than our technological development (where machines play a paramount role). The expanding gap between creating new technological possibilities and handling them in a morally positive way makes a good foundation for all sorts of doomsday prophecies (mainly ecological and demographic, at this moment). As only one doomsday is needed to put an end to everything, past failures of such predictions (about atomic arsenals, for example) do not have a terribly tranquilizing effect with regard to the future.

Neither is it odd that many entrust the resolution of humanity's major problems (poverty, mass migrations, ecological conservation, and the like) to technological rather than to moral progress. The estimation that neither people nor political organizations are going to improve much in regard to the time required to resolve these problems, backs the conservative position that the said problems must be treated through technological progress, market mechanisms and, in general, procedures that are simple in their moral requirements. Moral improvement would surely help, but it cannot be relied upon as the key for confronting really big, doom-and-gloom scenarios.

### 3.2. Machine competition and the youth labour market

Returning to the problem of competition in the labour market, machines can compete with the human labour force in several ways:

- By completely replacing workers in certain functions, or substituting new functions suitable for machine execution for some old functions requiring people.
- By replacing workers with machine plus client time ('prosumers'), who will get a lower price, a more personalized and/or instantaneous goods/services, as a reward for their contribution.
- By replacing highly skilled workers with less-skilled (thus cheaper) workers assisted by machines which assess the situation as relevant and tell the worker what to do.
- By creating new groups of functions (products/services) that can be profitable only by relying heavily on machines, and substituting them for goods and services with a larger human work ingredient.

All this is already happening at a speed due to increase because of basic research and technological applications. The main driving force behind it is clearly private capital. In consequence, we can expect that wherever machines can economically replace workers in the future, they will do so. Workers have moods, illnesses, professional health and rest time requirements, families, labour

rights and trade unions, none of which machines have. The competitive advantage for companies using machines in lieu of people where profitability is tautological. Also, much money is being invested in technological research aimed at generating that advantage and improving 'machine workers'.

A few results of the above which can already be seen, in addition to the three points related to the precarization of human work mentioned above, are as follows:

- Dualization of the labour market: humans are proving to be more difficult to replace with machines at unqualified physical work that requires quick, precise and unpredictable movements. This is usually a low-paying job. Also, intellectual work that requires some kind of creativity-based exploration and/or interpersonal intelligence (invention, design, high management, politics) is difficult to replace. Machines can raise the productivity of these jobs (and thus their pay rate), but do not replace them well. The capacity of machines to replace workers (and/or lower salaries and precarize work) is likely to impact middle-level jobs moreso, both manual (drivers, for example) and intellectual (traders, for example).
- Displacement of the niches for human work: in areas directly related to the care for human subjectivity, substituting machines for human workers seems more difficult, maybe impossible at the current level of technological development. This includes services for the most part: education, training, psychology, spirituality, organization, retirement, care-giving, etc. They are labour-intensive and consequently expensive, which implies that:
  - There is a strong incentive to research new technologies in order to automate them, even partially.
  - More efficient production in other sectors (thanks to digitalization and automation) may generate an additional surplus to be socially invested in this kind of service, keeping them human.

### 3.3. Options

The options for young people to remain competitive in the labour market depend on the diagnostics of the situation, that is, on the perceived future balance between different competitors. The following five positions can be drawn:

1. There is no hard problem. As has happened many times in the past (the Luddite scare, for example), new technological advancements will simply displace human work to new fields. New demands will appear as technology makes society more, not less rich. The general balance of jobs will finally be positive<sup>5</sup>, even with regard to the expected demographic growth. The challenge is thus educational: to prepare people for the functions people are going to perform in the future, not in the present.
2. There is a hard problem, but it can be solved by developing a large number of new middle-range jobs consisting in handling machines for clients (installing, teaching, repairing, replacing, updating...). This would require a strong commitment of the government to that

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<sup>5</sup> It must be noticed that the recent serious proponents of this idea use 2030 as their horizon for estimation, for example, Besser (2015) and McKinsey GI (2017). This is because all technologies that will be implemented at an industrial scale in 2030 can be supposed to exist already. They cannot go much further in time, realistically. But 2030 is a very short educational horizon: many children who are 10 years of age now, whose education must be already planned, will not be incorporated into the labour market by 2030.

particular business model<sup>6</sup>, which makes sense because the cost of unemployment is high for the government. It would have the additional advantage of technological gadgets reusing / recycling, and thus diminished ecological impact. The current model is rather one of cheap, easily usable, discardable technologies, which requires little assistance but results in huge piles of trash.

3. There is a hard problem, the basic solution of which is moral: to put the economy at the service of the people once again, by modulating technology as convenient for human purposes, of which the creation of jobs is an anthropologically very relevant one. As Pope Francis says: "We have the freedom needed to limit and direct technology; we can put it at the service of another type of progress, one which is healthier, more human, more social, more integral." (LS, 112).
4. There is a hard problem with no solution within the private sector economic competition, because of the competitive advantage of digitalizing operations and the lack of global political mechanisms to set competitive conditions for all companies at the same time<sup>7</sup>. Income and social integration must thus be decoupled from jobs for most people, through some kind of 'universal (citizen) basic income' provided by the State<sup>8</sup>. This income would be funded by means of high taxes on companies which produce much wealth with little employment. In this way, we would use machines to liberate our civilization from the obligation of working to survive (the Genesis' curse). 'Work' would acquire a different anthropological meaning, and we would experience a revolution of the same magnitude as the Neolithic or the Capitalist.

### 3.4. All kinds of problems

As practical solutions, all **four** present severe problems:

1. Making people run against machines by training them through education appears to be a reasonable short-term strategy, but it is more difficult to imagine it as being successful in the long run. AI makes our current situation very different from previous ones. It is not only the human body (physical work, energy handling, etc.) that is now susceptible to machine competition, but also the human mind in its less mechanical aspects. Basing our strategy on an organized withdrawal to hopefully expanding niches may well fail for many young people.
2. The second option appears to be more plausible, to the extent that the power of the nation-state is called to change the rules of economic competition, particularly in markets affected most technologically. It requires, of course, that the new rules affect also imported goods, because if someone can produce abroad and sell in his own country without sufficiently high trade tariffs, the model of cheap production with few jobs may well have the upper hand in the competition. It is also not clear to which extent this could be done in underdeveloped countries or weak states.

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<sup>6</sup> Debonneuil (2017) proposes it as a solution for the French labour market, and thus requires the intervention of the French government.

<sup>7</sup> There is very abundant recent literature on this topic. See, for example, Chace (2016).

<sup>8</sup> The partisans of this position belong mainly to academic circles and leftist political parties and are organized in a Basic Income Earth Network (<https://basicincome.org/about-bien/affiliates/>) which also proposes much literature. The work of the political philosopher and social scientist Philippe Van Parijs (1993), from the Catholic University of Lovaine, is at the source of current argumentation in favour of the idea. Raventós (2017) is its main developer in Spain.

3. The 'moral control' of technology on a global scale is hardly possible within our current institutional framework. It is very optimistic to say that "we have the freedom to limit and direct technology": if 'the freedom' means 'the power'<sup>9</sup>, we do not have it. Creating that **global** power as a political-legal reality seems a very desirable objective, but one unlikely to be achieved any time soon. On the other hand, the basic moral proposal of a job-friendly economy is far from clear, and thus less likely to obtain general consensus. Replacing human workers with more productive machines is what humankind has been doing since the Neolithic era; no moral intuition can condemn it (as it can, for example, condemn war, slavery or child abuse). On the other hand, limiting some economic uses of technology may block further useful technological developments, and so, even at the level of aggregated effects, the desirability of limiting technology may be strongly disputed.
4. The fourth option raises the question of whether such deep civilizational change can happen only in one country<sup>10</sup>. Probably not. A significant degree of global governance would be necessary to change the competitive conditions for all companies (in this case, the relation taxes paid / employment created) simultaneously. Trying to realize this only in one country would probably end in the attempt to isolate that economy and to restrict immigration heavily.

## Conclusion

Dani Rodrik (2017) maintains that the three factors, namely hyper-globalization, democracy and national sovereignty are not compatible. One can only combine effectively any two of these.

From our previous argument, it is easy to see why this happens especially with regard to young people: hyper-globalization places them in global competition for what matters most to them: their chance of getting a decent, stable job, on which their personal projects and their social integration depend. If they are ill-prepared and poor (two things that often go together) their chance is even slimmer.

Establishing and enforcing global rules for global markets is not possible without some kind of effective political global arrangement. However, national sovereignty prevents it. Universal agreements have proven to be very difficult between sovereign countries, whose governments are, in turn, subject to internal electoral competition.

Internal competition for political power through free and fair elections is an essential element of democracy. As we have seen in Europe lately, workers and entrepreneurs who have a fear of scoring low in some global competitions, use their political capacity as voters to restrict those competitions and to re-create a national, less open, economic competition under the umbrella of the nation-state.

Corresponding nationalism, as has already been much experienced in the past, ends in commercial wars, armed wars and imperialism, in general, given that each democratic state finds it desirable to globalize only the competitions that its workers and companies are likely to win. Those are the global competitions that the losers would try, in turn, to impede by resorting to their democratic and sovereign States.

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<sup>9</sup> We have the actual freedom to do something when it is a possibility open to us, a possibility we have the power to choose. Limiting and directing the use of new technology in the global economic competition, would require effective global political institutions to be real.

<sup>10</sup> A different, more principled discussion has to do with the anthropological and ethical dimensions of work (Budd (2011) offers a good presentation on those dimensions). However, equating 'human work' with 'salaried job' is a conceptual mistake, even if much used to oppose universal income proposals.

The anti-system sentiment among the poor and middle-class youth is basically an anti-globalization stance, due to the precarization of their opportunities for jobs. Marine Le Pen (2012:15) summarizes this in a few words:

Je ferai donc ici une analyse du projet mondialiste, du rôle joué dans sa réalisation par nos élites politiques, médiatiques et financières, de la guerre qu'elles mènent au peuple, à la République et à la Nation, et de la violence contre la démocratie à laquelle elles sont résolues pour se maintenir en place.

Anti-globalization far-right rethoric is articulated around the concept of national identity, while anti-globalization rethoric of the extreme-left is used to take an anti-corporation stance. The two types of rethoric may be emotionally different, but in practice they are very similar. They both propose a strong nation-state (as the defender of national sovereignty against foreign or globalist interests, or as the defender of popular sovereignty against corporate interests), able to restrict globalization and thus the competition that the domestic youth are experiencing in the labour market. Their young voters understand well the economic issue behind this rethoric, and so they move easily from one form of rethoric to another, changing their voting behaviour accordingly. They seem not to resent the fact that leftist socialist and rightist nationalist parties govern together. They act as quite coherent historical materialists.

As was mentioned above, the measures implemented by many governments to face the crisis consisted of lowering the price of labour (to limit unemployment) and simultaneously cutting public expenses (to limit deficit). The unavoidable consequence is to diminish economic perspectives for young workers both in their job prospects and in the ability of the government to provide a social security protection network.

According to this logic, we can suppose that, as the economic crisis recedes and consumption rises, we shall be back to 'business as usual', labour will recover its previous positions, and anti-system sentiment will go down among the population in general and the youth in particular. This process can be slow, however, due to three factors:

- Rethorical progress made by nationalist and/or strongly left-wing ideas, that can outlive its economic roots, mainly as it affirms itself in regard to the problems of civic coexistence;
- Growing awareness of political and administrative corruption following the crisis itself, that gives an electoral advantage to those who have occupied hardly any positions of power, and thus handled no big public budgets.
- Legal changes introduced by a protectionist mindset in several parts of the world (Brexit, migration and refugee policies in many countries of the EU, commercial tariffs by Mr Trump), which may demonstrate substantial inertia and hamper global economic recovery.

Even if the slippage of anti-globalization positions is slow and shows a certain delay in time with regard to economic recovery, the story goes that it will happen quickly enough to prevent anti-globalization political programs from gaining more government positions. Democracy requires electoral majorities, and strong anti-system discontent can only be dominant in the context of a protracted economic crisis. Outside the crisis context many old 'anti-systems' will note that they have acquired opportunities in life that need to be **sheltered** within the system.

This prognosis may well be correct, except for the one factor mentioned above: the young workers face not only a diminished demand due to the crisis (which will not be more of a problem with the global recovery of consumption) and increased competition by migrant workers (whose numbers

may be limited by restrictive migration policies), but they mainly face the competition of the rapidly growing presence of machines in many production operations.

This is not a result of the crisis, even if the crisis has clearly accelerated the digitalization process of the economies, in order to reduce the unitary costs and remain competitive in a more difficult market. The recovery of GDP after the crisis is being made in Europe with a smaller recovery in the number and average cost of jobs.

However, the trend itself has little to do with **temporary** market problems and much to do with **technological** competition among companies. If your competitors are lowering their unity prices by means of digitalization, you have to do basically the same or go out of business. That is, the difficulties for the youth in the labour market are structural, not merely due to the economic aspect of the crisis. They must not be understood even as a movement from one plateau to another (as occurred after World War II in Europe) but from one semi-plateau (the industrial economy of the '50s and '60s) to an exponential dynamics of increased occupation of 'labour spaces' by machines, fueled by the private companies in competition. The harder the competition (the broader and less oligopolistic the markets), the quicker we can expect these dynamics to be.

As we have seen, the difficulty for young people to get a decent job has not had a good response within the current institutional framework, and so, a mixed multi-layered response must be designed **eclectically taking from the four options above what may work best:**

1. In the short term, all educational efforts must be undertaken to prepare people for the remaining niches, where no technology is able to enter **by force** or a serious profitability fight can be put up by human labour. Also in the short term, Job Guarantee Programs may be implemented to mitigate extreme social situations leading to political instability.
2. In the medium term, elaborated services provided by qualified workers plus computers may compete with mere machines, able to produce cheaper articles but of lesser quality.
3. In the long term, all efforts must be made to build global political capacity sufficiently to adapt conditions to the use of technology in economic competition, so that it promotes the common good for humankind. Whether preserving jobs is part of that common good, or perhaps implementing a universal basic income, or the creation of new cyborg-like human beings **makes** an interesting anthropological discussion, no doubt. However, it seems somewhat meaningless to concentrate on the best possible use of a political instrument which we are far from having at our disposal.

All these measures, unfortunately, are unlikely to provide a convincing perspective of stable and predictable income for most young people, even if we manage to leave this long economic crisis behind. Anti-system sentiment, populist political positions, and the consequent instability of the system itself, may still have quite a future ahead.

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## The Youth Labour Market, Populism and the Digitalization of Economies

*Raúl González Fabre\**

### Summary

During the last decade, the youth have faced strong competitive pressures in the labour market, on which most young people depend for a stable foundation for the life project they are embarking upon. Some pressures come from the concurrence of foreign migrants in the lowest echelon of that market. Others can be traced to the measures taken by governments in order to control crisis-generated unemployment and the public deficit. These pressures have laid the foundation for many political adhesions to xenophobic and anti-system groups.

However, the end of the crisis (a conjunctural event from the economic point of view) is unlikely to mean a strong recovery of the youth labour market. There is another, more structural, event taking shape within that market: the irruption of machines with Artificial Intelligence and the progressive replacement of the labour force. Unlike the more conjunctural competitive forces, this affects many more levels of the labour market, is led by private capital (not the state or individual migrants), and is here not only to stay, but to grow as quickly as possible (due to competition among private companies).

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\* Dr. sc. Raúl González Fabre, predavač, ICADE – Papirsko sveučilište Comillas. Adresa: C. Alberto Aguilera 23, 28015 Madrid, Španjolska. E-adresa: [rgfabre@comillas.edu](mailto:rgfabre@comillas.edu)



Several possible answers have been proposed for this challenge. They range from the statement that the challenge does not exist as a 'net job creation' phenomenon and only educational adjustments are needed; to the implementation of a 'universal basic income' intending to decouple income from labour, thus making a truly civilizational change.

All of the above have major inconveniences from a practical point of view. A mixed strategy, combining some of the proposals, may be our best approach for the years to come. However the structural issue itself will remain a major societal challenge, likely to foster radical, anti-globalization and anti-capitalism political positions among the youth. Anti-system sentiment, populist political positions, and the consequent instability of the system itself, remain to be dealt with in the future.

**Key words:**

labour market, artificial intelligence, economic competition, xenophobia, anti-system politics.