Socio-Economic Mobility of Youth: Factors, Obstacles, and Potential Solutions

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I. Introduction: A Generation Fervently Seeking Opportunity

The youth of today – the Millennial Generation – are facing unprecedented challenges and obstacles. Over half of the world’s population is comprised of youth – that is over 3.5 billion people under the age of 25 (“Special Report,” 2012). Sadly, the International Labour Organization estimates that, globally, 75.8 million youth are unemployed (United Nations, 2012). This number could be three times as high if underemployed youth were also counted (Dobbs, 2012). Over half of young people are unemployed in the nations of Greece, South Africa, and Spain, and the regions of Europe, North Africa, and the Middle East tend to have youth unemployment levels of 25% or more (Mourshed, 2012). It appears, too, that the larger trend is not a positive one, as the rise in youth unemployment rate from 2008 and 2009 was the largest one-year increase on record (United Nations, 2012). In light of the impending demographic youth bulge, particularly in developing nations, these statistics seem particularly dire.

What do these challenging statistics say about a young person’s ability to move up in society socially and economically? These indications have strikingly negative implications on hope of socio-economic mobility for many young people in today’s world, as youth worldwide are three times more likely than their parents to be out of work. A young person’s ability to climb the socioeconomic ladder is stunted. In the United States, 42% of children born to parents on the bottom rung of the income ladder remain on the bottom rung a generation later (Morton, 2009). As
a result, we have seen the youth of this generation itching for change at a rapidly increasing rate. 2011 alone saw countless protests for social change in nations all over the world. The Arab Spring movements across the Middle East have largely been led by the energy and organizing ability of youth, as young people took to Twitter and Facebook to plan live demonstrations that led to the toppling of regimes that were once thought to be permanent mainstays. Indeed, the Arab world has a high average youth unemployment rate of close to 30 percent (United Nations, 2012) and this is undoubtedly a driving force of the Arab Spring movements. Additionally, we have seen 100,000 Chilean students taking control of 300 schools in a call for a revamped education system, Greek youth coming together in Syntagma Square to protest the new austerity package in light of the government bailout, the Occupy Wall Street Movements, and more (Shenker, 2011). It appears that we are at a watershed moment in which this problem of immobility must be fixed.

With a trend of employment and socioeconomic mobility that looks bleak and a generation that seems ready to explode out of restlessness and dissatisfaction with the current state of affairs, where do we begin to search for solutions? How do we maximize the potential of young people and identify strategic approaches to provide opportunity for youth around the globe to move up the socioeconomic ladder? In order to answer these questions, we must carefully consider the determinants of socioeconomic mobility at each point of a young person’s life. This paper will begin by focusing on those circumstances occurring outside of the young person himself – those factors related to family qualities and practices – and will then chronologically analyze the life of a young person from early childhood to adolescence to the upper
education decision to initial employment. In doing this, we will be able to isolate particularly salient issues in or surrounding the life of a young person that prevent that person from reaching his or her potential personally and socioeconomically. Then, we can revisit these stages of life and consider promising solutions to tackle the challenges that are outlined with the ultimate goal of providing as much opportunity to youth as possible. The analysis will have a primary focus on the United States but will consider analyses and examples from around the world.

II. Familial Factors: Family Structure, Savings, Background

Family Structure

In analyzing the many inputs that contribute to socioeconomic mobility, the best way to begin is to consider those factors surrounding the child’s family. One familial factor that is a key determinant of socioeconomic mobility is the structure of a child’s family. Often, the social and financial resources available to a child are directly tied to the family structure in which he or she grows up. The Pew Charitable Trust’s Economic Mobility Project finds that “it is increasingly important for a household to have two earners to experience upward economic mobility from generation to the next (“Pathways to Economic…”).

In fact, single parent families are three times more likely to live in poverty than two parent families in the United States. Children who grow up with one parent at some point in their childhood are generally less successful academically than children growing up with both original parents. They are less likely to graduate from high school, attend college, and also graduate from college, and additionally
have lower school attendance rates and grade point averages ("Pathways to Economic..."). All of these academic success measures correlate to socioeconomic success.

In terms of working parents, however, one study finds that “there is no evidence of a longer-term detrimental influence on child behavior of mothers working during the child’s first years of life.” In fact, the same study, conducted by the International Centre for Lifecourse Studies in Society and Health, found the ideal home life for boys and girls to be living with both parents at home with both parents committed to paid employment ("Parenting style influences...").

*Residential and school mobility*

Looking at this from an angle of residential mobility, research by Nan Marie Astone and Sara S. McLanahan, among others, indicates that children from non-intact families experience more residential mobility than children from intact families. For example, children who only live with one parent during their second year of high school are more likely to have moved and changed schools several times since fifth grade as compared to children living with both original parents. This type of residential mobility is, in turn, problematic in terms of socioeconomic mobility, as the same study indicates that residential mobility accounts for 18% of the educational disadvantage associated with living in a single parent household (Astone & McLanahan, 1994).

The Chicago Longitudinal Study, which investigated the effects of school mobility on reading and math achievement of over 1,000 low-income black Chicago
youth, found that the number of school moves between kindergarten and grade seven is negatively associated with achievements in math and reading analyzed at the end of grade seven. These findings match up with other urban studies of school mobility. This particular review found that one move, which was very common, does not have a tangible impact, but multiple makes a real negative impact on achievement. This is particularly relevant given that a full one-fifth of the population examined had moved schools 3 or 4 times (Temple & Reynolds, 1999).

Family savings

A major decider of the financial investment in a child is the amount a family saves. Generally speaking, financial capital – referring to savings, wealth, and investments – is important to a family’s ability to provide the necessary environment for a child to upwardly progress. One key reason that savings are instrumental is that they provide a cushion to help protect a family against unexpected major expenses and potentially catastrophic events out of their control. Savings and a culture of savings are tied to long-term, consistent upward movement up the economic ladder. Research has shown strong evidence of a connection between family savings and increased future earnings, both within the individual’s lifetime and for the child himself (NCPA- need citation). To quantify this difference, 71% of children of low-income parents who are high-saving move up from the bottom quartile of family income in a generation, compared to just 50% of children of low-income parents who are low-saving (Morton, 2009).
This is a factor that can clearly be mitigated by the parents if they can traverse the barriers to saving. Some of these barriers include the abstract, cultural barriers that do not encourage patience, perseverance, and determination. More tangibly and presumably easier to fix, though, are a lack of understanding of the financial system, a lack of financial education, inconvenient bank hours, and distrust of the financial system. These factors prevent many lower class individuals from having utilizing saving mechanisms (NCPA-need citation). Microfinance institutions often seek to tackle this challenge by providing both loans and financial services, like savings accounts, to those poor who are not served by traditional banks. Federal programs also work to initiate programs and taxes to increase savings, however some contend that these programs in the United States actually provide very few benefits to those who need them most: low-income families (Morton, 2009).

Parental education background

The Cross-National Research on Intergenerational Transmission of Advantage (CRITA), a 10-country study on economic mobility, analyzed how socioeconomic advantage – quantified by parents’ education – is transmitted over the course of a child's life. It found that in all nations, parental education predicts a range of childhood outcomes across the life course, with the connection between parents’ education and children's outcomes strongest in the United States. Quite significantly, CRITA found that “disparities in children’s outcomes by family background occur as early as they can first be measured.” The impact of family background on a child is both in terms of cognitive and socio-emotional outcomes.
CRITA researchers claim, “in no country investigated did children from high and low socioeconomic backgrounds start out equally prepared for schooling, in terms of cognitive abilities and social behavior.” One particularly salient example is the case of vocabulary scores for children at age five in the US. Children with high-educated parents scored in the 73rd percentile on average, while children who have low-educated parents scored in the 27th percentile on average. This staggering difference emphasizes the idea that there are certain factors over which even the parents have little control – namely their own educational background – that can impact the potential socioeconomic mobility of a child from a very early age. As we will see, though, there are ways to attack this problem both by working with parents and by working to level the playing field through quality early childhood education (“Does America Promote...?”)

*Parental style*

When considering why parental education background matters, we must carefully analyze how that education background translates into a parenting style that is conducive or not conducive to the child developing to his or her full potential cognitively. Much research suggests that the types of things that can help decrease the inequality of students coming into early schooling come down to parenting methods and the home environment. The improvements that can be made appear to not necessitate a high level of education, though many do necessitate time, something that is often difficult to come by for lower class individuals working around the clock to make ends meet.
A study conducted by the United Kingdom’s Economic and Social Research Council sheds a great deal of light on some of these matters. Evidence from this study’s analysis of children at ages 3 and 5 indicates that higher income families are more likely to have “favorable home learning, family routines, and psychosocial environments compared with low-income families.” Children from low-income households, conversely, tended to be less likely to benefit from home learning activities like counting, learning songs and poems, drawing, and being read to. These are types of issues that are fixable. For example, one study purports that “if half or all of the five year old children who were read to less than daily were instead read to on a daily basis, there would be corresponding 10% and 20% reductions in proportion of five year olds with socio-emotional difficulties” (“Parenting style influences...”).

Specific actions of parents in raising their children can perhaps be traced back to their expectations for the child. A different study by ESRC finds that 81% if the richest mothers surveyed said they hope their child goes to a university, whereas only 37% of the poorest mothers said the same. This is particularly critical because mothers’ aspirations for their children’s higher education stands out as very influential during primary school years (Children’s educational crucial...”). This may indicate a really critical separation in the mentality and mindset of parents from different ends of the socioeconomic spectrum; these are attitudes that then affect the parenting style in a way that only perpetuates a cycle of remaining on or close to the same rung on the socioeconomic ladder from generation to generation. Again, though, expectations are not decidedly attached to well-educated mothers;
this is a decision that can be made equally by a mother of any educational background. So, we have another case of a problem that is not set in stone but one that can potentially be solved.

The father plays a critical role in the development of the child as well. Research by Professors Eirini Flouri and Ann Buchanan creates a category of “involved fathers,” or fathers who read to their children, go on outings with their children, take a role equal to the mother in managing the children, and are involved in the children’s education. The results show that solid father-child relations are tied to an absence of emotional and behavioral difficulties, greater academic motivation, the absence of trouble with the police, attainment of higher education, and even better adult marital relationships down the line. The findings also suggest that the likelihood of a father being an “involved father” is correlated to his education level. Again, here we have a case in which the involvement of the father is not directly limited by his education level; a father of any education level can equally be an “involved father.” Here again, though, the factor of availability outside of work to spend time with the children comes up; this is a factor skewed against poorer households and leads to the importance of programs that provide a positive schooling environment for students at times when they would otherwise be at home (Flouri & Buchanan, 2004).

**Parental involvement in school**

Interestingly, though it is viewed as conventional wisdom, there is not convincing evidence to argue that parental involvement in school and increased
teacher-parent relations make a positive impact on the child’s development and success. In fact, the data available suggests that higher levels of educational support strategies by parents are correlated with slightly higher levels of truancy. This could be due to the fact that parents often come into contact with teachers as a result of prior misbehavior or academic struggles. Still, there does not appear to be convincing research discussing a concrete positive impact of parental involvement in the school itself (Flouri & Buchanan, 2004).

### III. Personal Development Factors: Childhood to Employment

#### A. Early Childhood

*Impact of early childhood education*

A child’s early years are critical when it comes to cognitive development. In an often cited study of the effectiveness of preschool programs, Steven Barnett and Clive Belfield found that these programs do raise academic skills on average for all students, though not notably different effects for different groups of children. The researchers point to an important benefit of preschool education: it is quite able to break links between parental behaviors and child outcomes in areas such as crime, welfare, and teen parenting, all areas very tied to socioeconomic status and ability to succeed in the future. Currently, less than half of poor three and four year olds in the United States are enrolled in any kind of preschool program (Barnett & Belfield, 2006).
Looking at case studies, particularly France and Denmark, there are indications that universal preschool programs have partially helped to close the gaps in school achievement and eventual wages. Using France’s uptick in preschool enrollment between the 1960s and 1980s, research shows that attendance of preschool for two or three years instead of one year increased students’ monthly eventual monthly wages by 3.2% and 3.6% respectively. ("Does America Promote...?")

B. Adolescence

Peer relationships and dropouts

Amongst the confusion of these adolescence years, peer influences on behavior tend to increase dramatically as parental influence wanes. Thus, studies and theories show that peer influence has the uniquely strong position of greatly affecting school engagement (Simons-Morten & Chen, 2009). Quite importantly, it is proven that a lack of student engagement is predictive of dropping out, “even after controlling for academic achievement and student background” ("High school dropouts," 2009). One statistic indicates that 9 out of 10 American students who drop out of school do so for primarily non-academic reasons; it is often not that the student is incapable of succeeding, it is the surrounding pressures and negative influences that create the problems.

At the end of the day, dropouts from high school are far less likely to attain employment with solid wages, are more likely to commit a crime, along with countless other negative correlations. Furthermore, dropouts have an astonishing
cost to American society ("High school dropouts," 2009). Because of this, policymakers have done much to try to prevent dropouts. Still, it is critical that we take a closer look at peer mentoring programs and potential positive peer influence in general. Students whose friendships have more positive features show higher levels of involvement in the classroom and have more positive perceptions of their own behavioral conduct. They also feel more accepted by their friends; this builds confidence, and ultimately these students have higher self-esteem, which leads to more enjoyable and fulfilling lives inside and outside of school. Research also points to the fact that a student’s general attitudes about schoolwork are often very reflective of their peers’ attitudes. Because of the vulnerability and insecurity distinctive of adolescence, even simple expressions of congratulations or praise from friends have the effect of bolstering a youth’s self-esteem (Berndt, 1999). In a more tangible regard, a student’s motivation to go to college as well as actual attendance in college is likely to be directly affected by his or her high school friends (Hallinan, 1990)

It is just as important to consider the potential negative that can come from peer influences that are not ideal. Students whose friendships have negative attributes are more likely to be disruptive at school and to perceive their own behavioral conduct as poor. Also, these students contribute less in the classroom and have generally lower levels of self-esteem when compared to students who report less negative interactions with peers (Berndt, 1999). Further, reckless substance abuse, risky sexual behavior, and delinquent school behavior during
adolescence have been shown to have a close relationship with peer pressure (El-Tahch, 2009).

School quality: funding inequality stacked against low-income children and youth

This discussion so far has not taken into account one very important factor: the type of school that the student attends. Family socioeconomic status and the neighborhood in which a child grows up unfortunately have a deep impact on the type of education he or she experiences and the type of preparation he or she receives for further education. Occurring at such a formative stage in a young person’s life, the secondary school is something that must be analyzed very carefully in searching for the determinants of socioeconomic mobility and future success. A 1996 study by The College Board, which conducted a telephone survey of students taking the SAT, found that “rigorous high school courses, high expectations of all students, and availability of college counseling and information were important elements in the decision to go to college” (King, 1996). These three factors are all tied to the type of school that the student attends. Unfortunately, the type of school a child attends is far too closely tied to his or her family income level.

The existing public school funding gap high-income and low-income youth – for elementary, middle, and secondary schools alike – between is a threat to the core American value of equality of opportunity. 15.5 million American children live in poverty (“2011 Kids Count,” 2011) and the dropout rate for these students is five times greater than that of high-income students (“High School Dropout,” 2011). Yet, 40% of schools serving low-income students – “Title I schools” – spend less state
and local money than non-Title I schools of the same level in the same district ("More than 40%," 2011).

**C. Young Adulthood**

Next comes the stage in a young person’s life in which, assuming he continues in high school and does not drop out, he makes a decision regarding higher education. This will be defined here as the stage of young adulthood. The McKinsey Global Institute’s research project “Education to Employment” defines three critical “intersection points” where youth interact with institutions of higher education and the workforce: 1) the enrollment in higher education 2) the skills gained during higher education, and 3) the employment coming out of higher education (Mourshed, 2012).

**i) Decision to enroll in higher education**

*Higher education as a means to move up the socioeconomic ladder*

Starting from the first decision point, attending university or some form of higher education is traditionally closely tied with the idea of socioeconomic improvement. It is indeed true that a college degree provides a potential boost in socioeconomic status. In the United States, the likelihood of one moving from the bottom of the family income ladder to the top is increased threefold by a college degree. Conversely, the absence of a college degree can be detrimental for the poorest Americans; 47% of those brought up in the bottom quintile of family income who do not earn a college degree remain there are adults, compared to 10% who do
earn a college degree ("Pathways to Economic..."). Even in the wake of the recession, the decline in employment and wages among 21 to 24 year olds was much more severe for those without an associate or bachelor’s degree; employment declines for those with only a high school degree was 16% (from 55% pre-recession) compared with a 7% decline for those with a BA degree (from 69% pre-recession) ("How Much Protection...,” 2013). Ashenfelter, Harmon, and Oosterbeek conducted a review of literature that substantiated these findings indicating that postsecondary schooling has a distinct impact on future earnings. In analyzing twenty-seven studies across nine different countries, the group concluded that the “market-based returns to schooling” range from 6.6% to 9.3% (Haverman & Smeeding, 2006). With this knowledge in place, it appears statistically accurate that higher education is an effective means for socioeconomic mobility. As we will consider later, though, it is not necessarily effectively utilizing its potential.

_Differing reasons for not enrolling across the globe_

Among the youth who choose not to enroll in higher education, there are other valuable options including on-the-job apprenticeships. So, the statistic used to represent those who are not enrolled in higher education nor employed or working towards employment is the NEET rating (not in education, employment, or training). The McKinsey survey indicates that these young people do not enroll in higher education for one of two reasons: either because they cannot afford it or because they simply do not want to. Specific reasons in the second category are dependent on region; for example, students in Turkey generally do not believe
college is worth the investment while Saudi Arabian youth show a general disinterest in continued studies and Moroccan youth point to a lack of time due to work commitments (Mourshed, 2012).

Low-income children in US at major disadvantage in enrollment

Because of the real positive impact that a college degree can make on one’s socioeconomic status, it is critical that we carefully consider the ability for low-income youth to enroll in college. In the United States, however, there is much evidence to suggest that income-related gaps in access to higher education is persistently large and even growing. While 85% of eighth grade students in the US aspire to obtain a college degree, just 44% of youth from the bottom quintile of family income were enrolled in college the October after their senior year of high school in 2001. This is a cheerless number in and of itself, but it takes on a greater weight when it is compared to the near 80% enrollment rate of youth in the upper quintile of family income. There is also evidence in research by Thomas Kane that even among students who have similar scores and class ranks and are even from identical schools, those of higher-income families are much more likely to enroll in and attend college than those from lower-income families (Haverman & Smeeding, 2006).

Obstacles in reaching an “education-based meritocracy”

John Goldthorpe, discussing his idea of an “education-based meritocracy,” focuses on three decision points similar to the ones the McKinsey Global Institute
considers years later. The first step – “ensuring that the link between individuals’ social origins and their schooling must increasingly reflect only their ability” – has become a larger and larger issue for institutes of higher education. Among the youth in the US’s colleges and universities, the portion of students who are from the upper socioeconomic classes, especially in the most prestigious universities, indicates that Goldthorpe’s requirement for that ideal meritocracy is far from realized and is actually growing further and further away from the goal. Haverman and Smeeding argue that there are two main reasons that the enrollment process itself has been so unfulfilling at creating a mechanism for socioeconomic mobility. The first relates to the aforementioned issue of family structure and financial capital, as affluent families tend to have one or two children and a lot of funds to invest in their academic success from preschool all the way through enrollment. The second factor is a lack of knowledge and understanding of the college process among minority and low-income children (Haverman & Smeeding, 2006).

_Ballooning costs of higher education_

With these obstacles already in place, the more tangible obstacle for those who can potentially enroll or do actually enroll is the one discussed as a main reason for not attending postsecondary schooling among NEET youth in many nations including the United States: inability to pay. In the United States, the price of higher education has increased at two or three times the rate of inflation each year since the early 1980’s. To put the cost of elite universities in perspective, their average weekly cost ($1,000) is more than the weekly income of about 70% of
American households. What is most disturbing, perhaps, is that the incredible growth of tuition costs in the US since 1978 was actually spurred by amendments to the Higher Education Act that directed federal funds for borrowing programs straight to schools. In trying to make up for these funds diverted away from them, postsecondary schools began raising tuition and this has not halted even today. So, the student loan program actually caused the “meteoric tuition increases” we have seen in the US (Stern, 2011).

Financial aid

The logical step when considering the potential for low-income youth to attend these expensive institutions is towards the topic of student loans. Here, we enter another huge obstacle that appears to be a ticking time bomb in the United States especially. The average student loan debt in the US has increased by more than 500% since just 1999 (Robinson, 2012). The average American student who had college loans graduates owing an average of $25,250 (Stern, 2011). This is a stifling burden that persists and shackles youth often for many years past graduation, and sometimes for the rest of their lives. Student loan debt is in a special class of bankruptcy law in the US, Britain, and elsewhere; it is non-dischargeable, meaning that it cannot be removed from one’s record (“Student loans...,” 2011). As a result, especially considering the aforementioned lack of knowledge of the college process among low-income youth and the striking lack of financial education among parents in low-income families that often transmits to their children, low-income
students are particularly susceptible to being drawn into borrowing their way through college without a means to pay it all back.

**ii) Experience and development during higher education**

*Low-income students’ success in college*

The next thing to consider, then, is how to make sure that the college education on which many students do take a chance, both personally and financially, is worthwhile. Research indicates that success while in college, as measured by graduation rate, tends to be much lower for low-income students. Furthermore, the gap appears to be widening. 59% of low-income students who began college in 1998 obtained a degree or were still in school three years later as compared to a 75% figure for high-income students (Haverman & Smeeding, 2006). Additionally, the National Center for Education Statistics found that students from low-income families or families without a bachelor’s degree were more likely to drop out of college. Some academic research focuses on the financial competencies of the university itself as a reason for the larger number of dropouts; low-income youth very disproportionately attend non-elite universities, and these are the ones with the least financial resources to support its students (need citation). The issue of low-funding for schools serving higher numbers of low-income students that we saw with primary and secondary education comes up here again with postsecondary institutions.
Skills development during college

Even if a student is enrolled and successful in graduating from college, this does not mean that his or her socioeconomic mobility is ensured; in fact, the reality indicates that this is very far from the truth. Research indicates that too many youth are uninformed about career choices and make misguided decisions in college. 40% of youth in 9 nations studied – Brazil, Germany, India, Mexico, Morocco, Turkey, Saudi Arabia, the United Kingdom, and the United States – reported that they were not familiar with market conditions and requirements for even well-known professions like doctors and teachers. As a result, students choose their courses more or less blindly when it comes to future employment options, not understanding if there will be a demand for their skills or qualifications when they graduate. High percentages of youth in all nations but Germany also indicated that vocational school is appealing but chose not to attend because of its lesser prestige when compared to academic institutions (Mourshed, 2012).

The opinions of youth surveyed show that 58% stated that practical, hands-on learning is an effective approach to training and learning, however only 24% of academic program graduates said they spent most of their time like that. This may not be particularly surprising given the existence of liberal arts educational degrees, however probably more of an eyebrow-raiser is that only 27% of vocational graduates said that they spent most of their time with hands-on learning (Mourshed, 2012).
iii) Employment after higher education

A result of this is that the youth unemployment rate in 2011 was 15% across more than 100 countries, three times higher than the unemployment rate of those over 30. Only 55% of youth managed to find a job that is relevant to their field of study. What is startling, and perhaps a source of optimism for a solution is that nearly 40% of employers surveyed by McKinsey stated that a lack of skills is the main reason for entry-level vacancies. According to Business Europe, the first quarter of 2011 saw 24 million unemployed persons in the EU; simultaneously, employers reported 2.2 million unfilled job vacancies. An annual study of 40,000 employers across 39 countries by ManpowerGroup finds that about one in three employers (34%) were having problems finding appropriately qualified staff, the highest proportion since 2007 (“Youth Unemployment Challenges...”, 2012). Here, we find the mismatch that is the main theme of the two studies; youth are looking for employment and cannot find it, while employers are looking for qualified employees and cannot find them. Higher education, with its lack of data on its graduates’ career paths, has not shown the ability to bridge the gap, and the blame is shared among the three groups – employers, educators, and youth – for a lack of communication among them.

IV. Potential Solutions to Foster Socioeconomic Mobility

To take a step back and recount our discussion thus far, we have identified and analyzed at a general level a host of challenges that get in the way of a young person’s ability to successfully advance socioeconomically. These range from certain
qualities and actions of the young person’s parents to the different steps in the
development of the young person himself, from early childhood to adolescence to
the higher education decision to employment. At each step along the way, we find
formidable and complex obstacles facing the potential of youth all across the globe.

In simply reading up until now, one may be overwhelmed by the challenges
facing a child or youth growing up in a low-income environment. However, most of
these challenges have one key common feature: they are not set in stone and can be
remedied. Indeed, each obstacle has the potential to be traversed through a variety
of creative and effective programs, policies, and initiatives. There has been proof of
progress in each of these areas, and the next section of this paper will examine a few
of these proven solutions to some of the challenges raised. We will begin, again, with
familial circumstances and behaviors and then advance towards the development of
the child himself, identifying and analyzing ideas that have worked and can expand
its impact. Responsibility for these solutions is shared between the public, private,
and social sectors. Oftentimes, as we will see, the leaders of these initiatives are and
must be the energetic youth of the Millennial Generation themselves.

A. Familial Characteristics

Parenting classes

As discussed, just because a parent or set of parents does not have a high
educational background does not mean that the child is destined to have a home
environment that lacks educational enrichment. Some organizations and initiatives
have worked to tackle this challenge of parents without strong educational
backgrounds through parental education classes. One particular challenge discovered by Fox, Platz, and Bentley is that young, single, less-educated lower-income mothers (these are many of the factors discussed in the previous section about familial determinants of socioeconomic mobility) were found to use higher levels of verbal and corporal punishment, to practice less positive nurturing behaviors, and to experience higher levels of children’s behavior problems than older, married, more educated higher income mothers. As a result of these trends and other trends related to low-income families, some community centers offer community-based parenting programs that work with low-income mothers of young children. A study of one of these programs in particular, the STAR program, by Nicholson, Brenner, and Fox indicates that, even with the challenges of raising a child in poverty, the mothers who took part in the program greatly improved in terms of creating more nurturing interactions with their children. The mothers also indicated a higher level of self-confidence in parenting and a better ability to deal with behavior problems. Consequently, behavior problems of these mothers’ children decreased as well. Here we have a proven example of a way to mitigate a barrier to socioeconomic mobility through a creative and well thought-out community-based initiative (Nicholson, 1999).

B. Early Childhood

Quality preschool education for all

As discussed, inequalities among children exist already upon entrance into primary schooling. The logical step to consider is how to provide quality
preschooling for all children. A major study by W. Steven Barnett of the National Institute for Early Education Research indicates that quality preschool programs can make a major difference in the lives of young people and ultimately their potential to move up the socioeconomic ladder. The study finds that “well-designed preschool education programs produce long-term improvements in school success, including higher achievement test scores, lower rates of grade repetition and special education, and higher educational attainment.” Some programs have associations with reduced delinquency and crime both in childhood and in adulthood. Those children who come from the more economically disadvantaged households have the most to gain from these programs, though Barnett notes that the long-term benefits are there for all students regardless of family income levels. To contrast, Barnett’s research indicates that childcare programs, given their often poor quality in the US, should not be the focus of public policy (Barnett, 2008).

Instead, Barnett, and other early childhood researchers as well as policy analysts, argues for increased investment in those preschool education programs that are deemed effective for all children. The results would then result in major educational, social, and economic benefits. These types of preschool programs may be administered by the government or may be private such as Head Start. Barnett notes that publically funded preschool education for all will provide large educational gains for both the disadvantaged and the advantaged children. (Barnett, 2008).

International studies, too, emphasize the major importance of pre-Kindergarten programs in both short-term and long-term effects, doing everything
from increasing likelihood of employment to reducing crime rates into adulthood. Thorough quasi-experimental studies in Latin America, for example, found preschool attendees to have increased educational attainment, class participation, and discipline. In the UK, both early schooling and preschool attendance were kinked to increased wage rates at age 33 (Barnett, 2008). The increase in preschool programs in France and Denmark, as discussed, has shown to spur socioeconomic mobility as well.

Funding and enrollment for all children to attend high quality preschool programs appears to be a promising and much-needed solution to the problem of stagnant socioeconomic mobility between generations. Having a quality early childhood program mitigates the potential setbacks of growing up in a low-income household environment. Critically, there is a real need for this as well. About 25% of four year-olds and 50% of three year-olds in the United States do not attend a preschool center. Because Head Start and most pre-Kindergarten programs have family income eligibility requirements (based on the Federal Poverty Level of FPL), those children that have the lowest preschool enrollment rates are children just above the poverty line but in the lower half of income distribution. Here we see that these children – children who likely deal with very similar negative environmental effects to those just lower than them on the family income bracket – are left to fall through the cracks. Finally, even those who are enrolled in preschool programs are not necessarily where they need to be; it is critical that each preschool program is carefully supervised to ensure it meets the highest standards (Barnett, 2008).
Summer and winter break enrichment programs

One challenge for young people without households that encourage educational inquiry and practice is what to do over breaks in schooling. This is also the case for low-income young people in general because their parents may not have the funds to send their kids to camps or events over the breaks. This is where NGOs and programs that offer summer and winter camps for children free of charge make a huge impact. In the largest township in Africa, the Mamelodi township of Pretoria, South Africa, a free of charge winter and summer enrichment program called The Mamelodi Initiative operates and serves over a hundred low-income students in the area each break. The program, utilizing South African and American college volunteers in mentor/role model positions as teachers of English, math, and various new skills, has made a dramatic impact by utilizing the free time of the children in the community. During the three-week winter break, students in Mamelodi who do not take part in any program fall back half a year level on average. The enrichment program, on the other hand, accelerates students’ growth in math and English levels by an average of half a year and sometimes up to one and a half years (“The Mamelodi Initiative...,” 2012). Many such programs exist all over the world, and have varied degrees of success. In the United States, Communities in Schools is a nonprofit organization that has a reputation for putting on summer and after-school programs that lead to a marked decrease in school dropout rate of participants.
**Longer-term schooling with fewer breaks**

“Learning in America is a prisoner of time. For the past 150 years American public schools have held time constant and let learning vary... The boundaries of student growth are defined by schedules for bells, buses and vacations instead of standards for students and learning.” This 1994 quote from the National Education Commission on Time and learning reveals another solution to provide greater opportunity for children and youth of low-income backgrounds by keeping them away from the negative effects of the household: to have the school year and school day last longer. If the students are spending more time in school, there is a greater potential to improve the development of young people from less than ideal home backgrounds. In the US, students spend only a little under one-third of their time in school. Further, they face the greatest risks and opportunities during their discretionary time (Evans, 1997).

An organization called Massachusetts 2020 examined eight extended-time schools that strayed away from the traditionally accepted calendar of 180 six and a half hour days. The benefits of more time spent in school are quite plentiful: more individual assistance, greater depth of material covered, more opportunities for feedback on work, more enrichment activities outside of the normal classes made available, and much more. Additionally, the extra time could potentially be used to address the skills gap and the lack of exposure to the workforce (Farbman & Kaplan, 2005).

Of course, the main challenge in implementing such a policy decision on a large scale is the cost. Still, the eight extended time schools in Massachusetts have
found ways to raise additional funds by securing special allocations from the district to supplement the budget, raising external public and private funds, building partnerships with outside organizations, and implementing creative budget practices to leverage existing resources. The potential for public-private partnerships again emerges hear as a viable way to create greater opportunities for student success and consequently socioeconomic mobility (Farberman & Kaplan, 2005).

Still, there is some opposition to the movement for longer school days and school years. The Carnegie Corporation, for example, does acknowledge the dangers of time spent outside of school, but uses the “bulk of research suggesting that increased time in school does not lead to greater academic achievement” to oppose any policy proposals of the like. Some opponents argue that time is already not being used effectively in schools, and that more effort should be put into improving that core issue rather than unintentionally extending inefficiently-used time (Evans, 1997).

C. Adolescence

Building effective peer support programs

If we are to construct effective peer-mentoring programs that can be installed in schools throughout the nation and have a substantial positive impact on dropout rates, our research about the nature and potential of peer influence is key. One important conclusion drawn from research is that the transition to high school is incredibly crucial. Parsons found that a person is most easily influenced when he
or she needs information in order to adapt (Hallinan, 1990, p.123). This is the case in the transition from middle to high school, as incoming ninth graders are most in need of guidance when it comes to social norms, classes, activities, and many other things. So, peer-mentoring programs are most necessary and most effective if they focus on incoming ninth graders just as they begin high school and begin to adjust. This idea is reinforced by the fact that over one-third of dropouts occur in the ninth grade ("High school dropouts," 2010).

It is also essential to remember that the quality and nature of peer relationships are critical. As noted, students whose friendships had more positive features had greater school engagement (Berndt, 1999). So, the mentors must be encouraging and positive in their interactions with their mentees. Similarly, mentors need to be consistent. Research shows that students with more stable relationships are better adjusted to school. For a friends’ influence to be maximized, the friendship must continuously be reinforced (Berndt, 1999). Thus, mentoring programs must ensure that the pairs meet regularly in some context.

Another factor that needs to be taken seriously is matching mentors with mentees who have similar interests. Adolescents typically form stronger friendships with those share similar attitudes and interests. An adolescent’s behavior is linked to his or her close friends (Simons-Morten & Chen, 2009), and to increase the likelihood that a friendship becomes tight-knit, similarities should exist between the two people. Finally, peer-mentoring programs should have the effect of making the entire school’s culture and environment more open and welcoming. Much significant research has underlined the importance of school and classroom
environment. Adolescents whose school environments are marked by openness and a welcoming of participation are more likely to intervene in a situation of injustice or exclusion (Feigenberg, King, Barr, & Selman, 2009), thus further spreading the cycle of positive influence.

*Mentoring for at-risk youth*

Studies have indicated that mentoring programs – whether peer-to-peer or adult-to-youth – are particularly meaningful for youth from backgrounds of environmental risk and disadvantage. One notable study of an inner-city peer mentoring program by Sheehan, DiCara, et al found that peer mentoring for younger children can be very helpful in working to reduce violence, particularly among inner city children and youth (Sheehan & LeBailly, 1999).

In a meta-analysis of 55 evaluations of youth mentoring programs, Dubois, Holloway, et al found that outcomes of at-risk youth due to personal vulnerabilities varied greatly depending on the quality of the program, and that poorly implemented programs even showed evidence of negatively affecting the development of youth participants. Additionally, they found that “program effects are enhanced significantly when greater numbers of both theory-based and empirically based ‘best practices’ are utilized and when strong relationships are formed between mentors and youth.” These findings emphasize the real importance of having well-designed and well-implemented mentoring programs (Dubois, 2002).
D. Young Adulthood

As suggested in the McKinsey study’s analysis of the three stakeholders – education providers, youth, and employers – each of them must take some responsibility for the high levels of worldwide youth unemployment and the serious lack of communication that has helped precipitate it.

Improving job information accessibility and connecting youth to employers

In order to give youth graduating from high school a fair chance to evaluate their decision to attend or not to attend college, and then what to study in college, detailed information about the work force must be available. As discussed, the decision to attend higher education is one that is by no means cheap. There is the cost of attending as well as the opportunity cost of what one could have done – in terms of earnings, on the job skills development, and promotion within an organization – during the time he or she spends taking classes and studying for exams. A young person should be fully informed about how his or her decision of what to study will impact him or her when it comes time to find a job. A series of OECD studies emphasizes that high quality career guidance has the effect of helping youth make better-informed decisions about their future (“OECD G20 Labour,” 2012). However, existing career guidance programs often suffer from poor funding, under-qualified instructors, and lack of access to timely and relevant labor market information, and potentially start too late in the development of a young person (“Youth Unemployment Challenges,” 2012).
The first step that is entailed in overcoming this obstacle is the creation of a base of information, and the second step is getting this information out there in a way that ensures all youth know that there are resources available to help them make decisions, regardless of whether their parents have been through those types of decisions before. Examples of successful information-gathering institutions in this case are the United Kingdom’s National Career Service, the Columbia Labor Observatory, and India’s Pratham Institute for Literacy Education and vocational Training. The UK’s initiative provides detailed information about different jobs on the web, and offers career counseling over the phone. Evidence has shown that from its inception in April 2012 to June 2012, the website has received over one million visits, has enabled 270,000 face-to-face sessions and has led to 50,000 phone conversations, all with an 85% average user satisfaction rate (Mourshed, 2012).

As Internet job boards are the source of about 25% of new hires according to CareerXroads, the online matching organizations will become increasingly vital. INJAZ al-Arab, the Arab-world affiliate of Junior Achievement that operates in 14 nations, is currently working on developing an online platform – Arab Youth Portal (AYP) – for the delivery of e-learning and job matching to promote youth employability and entrepreneurship. This group appears to be poised for success in connecting businesses to youth as it currently reaches 200,000 Arab youth annually and has thousands of private sector volunteers. Organizations like INJAZ and Junior Achievement partner with schools and vocational institutions to increase young people’s exposure to employment and the labor market at an early age. Junior
Achievement has reached more than 4 million students in the US ("Youth Unemployment Challenges...,” 2012).

Skills-training programs for youth

So, INJAZ and Junior Achievement serve as both communicators of knowledge about the provide sector and skills trainers. They are not the only programs making an impact using solid methods of skills training. Skills training programs serve as particularly useful when dealing with youth who are out of school and work (NEET students). Studies of youth job training programs show that they are most impactful in their long-term impact by emphasizing goals like staying employed, advancing in the workforce, and such. The programs are less impactful in the short-term, and do require time commitment that could be spent working. However, long-term benefits can outweigh these short-term challenges.

Studies show that effective skill-training/job-training programs have certain things in common including recruiting excellent staff with experience working with youth, an understanding of the employment landscape, and follow-up mechanisms after a student is matched with a job. Literature on what makes a successful skills training program for youth is available. Catherine Dun Rappaport and JoAnn Jastrzab created a guide called “Promising Practices for Helping Low-Income Youth Obtain and Retain Jobs: A Guide for Practitioners” that evaluates the US Department of Labor’s Welfare to Work Project. Importantly, it includes a "how-to" section to help organizational staff incorporate proven successful practices (Rappaport & Jastrzab, 2013).
Examples of successful programs like this, indeed, exist all over the world. In the UK, the government has made 3.6 billion pounds available to the new Skills Funding Agency. This agency prioritizes training young adults, the low-skilled, and the unemployed. Similarly in Australia, the government has created the National Workforce Development Fund, which will allocate 700 million dollars to training for priority skills. Though new and untested, its model is an excellent example of communication between the public and private sector, at it is co-invested by the two sectors (“Youth Unemployment Challenges…,” 2012).

Making vocational schooling more prevalent and less stigmatized

Both McKinsey and Manpower indicate that a major roadblock for youth enrolling in vocational schools is the perceived lack of prestige and respectability. This discussion came to the forefront of American politics during the 2012 presidential election, as candidate Rick Santorum infamously referred to President Obama as “snob” for suggesting that all youth in the US should attend college. While the execution of the comment was as poor to say the least, the larger point was meant to be that many of the positions that have the most skills shortages around the globe – including technicians and skilled trades positions – require vocational schooling and not university schooling.

One way to change the mood surrounding vocational schools is for employers to take a more proactive hand in working with schools to put impressive vocational school graduates in front of students. Employers could also potentially create more sought-after professional development programs for vocational school
graduates to help emphasize the potential to enter employment after vocational school and advance beyond traditional conceptions.

Interestingly, in Australia and Germany vocational school students make up a majority of secondary school students. Perhaps these nations have a blueprint that others should learn from, as they are among the most successful in moving young people from school to work and have curriculum offerings aligned well with the needs of the business community ("Youth Unemployment Challenges...,” 2012).

**Combined private sector training and education programs**

One way for employers to ensure they are getting the type of worker they need to function and for youth to sign up for higher education without the massive cost and risk burden is for employers to invest in the education and training of young people that they want to work for them after graduation. In Egypt, for example, the Americana Group linked up with the Ministries of Education and Higher Education in order to train people to work in their restaurants and food businesses. These students spend up to half of their time working and earning wages or the company, and the company pays for tuition and guarantees a full-time position after graduation. From the perspective of the student in this case, he or she can accept the program without worrying about a debt burden or about having to be unemployed for any period of time after graduation celebrations end. On the company’s end, this is sure-fire way to recruit and train skilled labor that fits its needs and to prevent high turnover that plagues other companies, particularly in the food industry in which Americana operates. This is not the only example;
Newport News Shipbuilding in the US has a similar program called “The Apprentice School” that invests up front in its students and has had historically very high and long-term retention rates. Students become full-time employees and often eventually key leaders of the company (Mourshed, 2012).

India’s Pratham Institute, mentioned previously, has a model of “Learn now, pay later” in which students pay 30% of tuition during their studies and then pay back what they owe in increments after they have secured a job. In uniquely and excitingly filling the critical peer mentoring need and the skills training need, Pratham provides skills tutoring for youth who then tutor and mentor primary school students. The Institute refers to this as “Education for education” (Mourshed, 2012).

*Programs to invest in business ideas of young adults without education*

One key thing to note is that just because someone does not understand the details of finance and business models does not mean he cannot come up with an idea with potential to help the community around him and make a profit. Indeed, there are people in poor countries all over the world who understand their communities at a deep level and can tell you exactly what is needed or could be used to improve their communities. This is the mentality of organizations like Awethu Project in Johannesburg, South Africa. Founded by a Rhodes Scholar who grew up in the slums of Johannesburg and studied in the US and the UK, the organization does thorough analyses in different communities to find people who have business ideas that have the potential to succeed. The organization matches these people with
business leaders from around the region, utilizing the all-important factor of mentoring to help support these budding business leaders. What is crucial to this model is that Awethu Project invests its own funds in each business it decides to accept into its incubator program; the success of Awethu Project as a business model is entirely tied to the success of the businesses it supports. This is another example of the importance of partnerships between organizations and individuals that include investment on both sides, mirroring the importance of private organizations investing in youth to help them pay for education and learn the requisite skills to be successful in their industries (Awethu Project).

V. Conclusion: Improving Socioeconomic Mobility Step-by-Step

As we have seen through the earlier part of this discussion, there is certainly no one initiative or policy that can possibly solve the problem of socioeconomic immobility of young people. There are roadblocks that exist even before the child is born because of familial characteristics and before the child enters school, during school, and after school as the young adult attempts to enter the work force.

The latter part of our analysis, however, shows that there are indeed solutions in different places around the globe that are working towards creating societies in which all people have the opportunity to advance socioeconomically. In order for a society to truly tackle this issue of opportunity for all young people, there must be open communication, investment, and innovative partnerships between government, business, community centers, schools, and – crucially – the youth themselves. We must carefully consider each barrier faced in the life of a
young person and implement and scale up successful initiatives for each step of the way.

Ultimately, many barriers to socioeconomic mobility of youth are very traversable. Excitingly, there are enough promising initiatives out there to indicate a very warranted hope for a future world in which a child can have a real opportunity to succeed socially and economically regardless of the background in which he is born.
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