

No Longer on the Sidelines? Youth and Politics

## Has the "Neither-Nor" Generation Reached a Dead End?

The Effects of Social Inequality and the COVID-19 Pandemic on Brazilian Youth

Luiz Gustavo Carlos / Kevin Oswald

All areas of Brazilian society were hit hard by the pandemic. Increasing unemployment, declining education, and the absence of adequate state measures have put the country in a precarious situation that reveals the structural problem of inequality and causes frustration and fear about the future, especially among the younger generation.

Geração nem-nem (the "neither-nor" generation) is a term used in Brazil to refer to young people aged between 15 and 29 who are neither integrated into the labour market nor attend an educational institution such as school or university. The percentage of young people in this situation increased greatly in the early 2010s, reaching a peak of almost 30 per cent in the second half of 2020.¹ This is all the more worrying because young adults in this age group in Brazil currently represent 50 million, almost one quarter of the population of the largest Latin American country.²

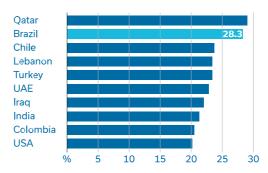
Although these numbers increased over the course of the devastating COVID crisis, as they did in other emerging and developing countries, it is certain that, in Brazil, this phenomenon is generally associated with specific and long-standing factors such as more difficult conditions for accessing education and the labour market.

Brazil has continental dimensions and is home to 213 million people.3 It also has impressive natural resources. In the past, these three characteristics have been decisive for the country's uneven economic development. The strong emphasis on exporting agricultural products promoted rural development, and large spaces were approved for agricultural production, while industrial production tended to be relegated to the background and produced a small number of technologically complex products, exacerbating the concentration of income. This basic economic orientation has been responsible for structural inequality for decades, since it concentrates income among a relatively small group of elites. The Brazilian government (so

far) has thus been unable to distribute income more evenly among the population, leading to a number of structural problems in such areas as educational opportunities, health, living space, and basic sanitation.

According to 2019 data from the United Nations Development Program (UNDP), Brazil has the second highest concentration of income after Qatar.<sup>4</sup>

Fig. 1: Income Concentration among the Richest One Per Cent of the Population in Various Countries



Source: own illustration based on Sasse 2021, n. 5.

Figure 1 shows that the highest earning one per cent earn more than one quarter (28.3 per cent) of the country's income. Looking at the highest earning ten per cent of the population, they earn 41.9 per cent of the country's income according to the same UNDP data. Conversely, this means that the remaining 90 per cent of the Brazilian population earn less than 60 per cent of the total income in the form of wages – a clear sign of income concentration and therefore of extreme socioeconomic inequality in the country.<sup>5</sup> Another important indication of Brazil's social

structure is its Gini index of 0.539 based on estimations made in 2018. This index, developed by the World Bank,<sup>6</sup> ranges between 0 and 1. The closer it is to 0 (complete equality), the less inequality there is in the country; the closer to 1 (complete inequality), the greater the inequality.<sup>7</sup> Based on this indicator, Brazil also ranks as one of the ten countries with the greatest inequality worldwide.<sup>8</sup>

Between 2003 and 2010, Brazil attempted to use its positive macroeconomic situation resulting from the raw materials boom and associated record export earnings to engage in social redistribution. The earnings were invested in social programmes and public social policies, leading to a significant increase in the Human Development Index (HDI). In particular, access to the public health system improved, and various initiatives were launched for advancing the urbanisation process. At the same time, infant mortality fell and life expectancy grew.<sup>9</sup>

This positive trajectory began to reverse in 2013, when Brazil was shaken by a series of political protests and mass demonstrations, which, in retrospect, can be viewed as harbingers of economic and political upheaval. Another important element affecting the political and economic landscape in 2014 was Operação Lava Jato (Operation Car Wash), which exposed – sometimes

in a contradictory and legally questionable manner – cases of corruption involving a number of prominent politicians and businesspeople. These political shocks persisted until the 2016 impeachment of President Dilma Rousseff and triggered a deep institutional crisis that extended to almost all areas of society. Brazilian investment security also steadily declined, the smouldering economic and political crisis deepened, and a severe rift in Brazilian society gave rise to a dangerous polarisation throughout the country.

The Brazilian gross domestic product (GDP) reflects the political and economic development described here. In 2013, the Instituto Brasileiro de Geografia e Estatística (IBGE) was still able to observe a significant increase compared to the previous year, but the rise did not continue in the following years. The Brazilian economy shrank by more than three per cent in 2015 and again in 2016. The GDP for 2020 is also important, since it demonstrates the impact of the pandemic in Brazil.

### Income Inequality and Declining Education Constitute Structural Problems for Brazilian Youth

The above-mentioned period of political upheaval had direct repercussions on the entire

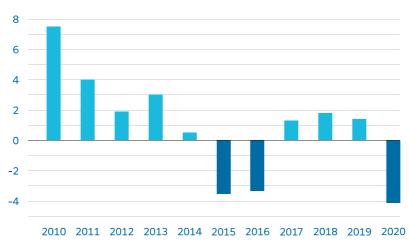


Fig. 2: Annual Rates of Change in Brazilian GDP in Per Cent

Source: own illustration based on IBGE 2021, n. 21, p. 17.

structure of Brazilian society, with adolescents and young adults bearing the brunt of setbacks. Young people are hit especially hard by unemployment, and saw their incomes fall four times more than the average for other demographic groups due to the COVID crisis.12 According to a socio-political study conducted by the Getulio Vargas Foundation (FGV Social)<sup>13</sup>, which examines social inequality for individual earned income based on the Gini index, the index value rose from 2014 to the second half of 2019. This is an indication of a progressively increasing inequality. In 2019, income inequality among young people (15 to 29) was 41.2 per cent higher than among the overall population14, underscoring the necessity of special political measures for this group.

# There is a surplus of young people with similar profiles on the labour market.

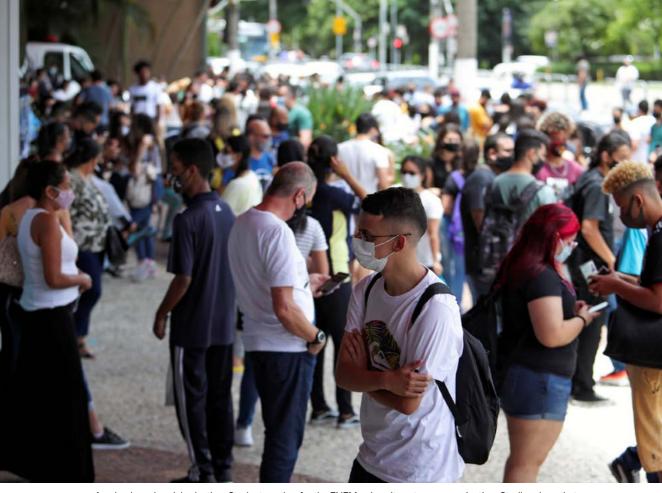
Opportunities for access to high-quality education in Brazil are still largely reserved for those with sufficient financial resources to either pay for a private university, or to establish the best possible conditions for acceptance into a prestigious public university. By international standards, Brazil enjoys a high number of publicly accessible educational institutions offering children and young people free, comprehensive education. However, the problem is that the quality of these institutions is significantly lower than private, fee-paying ones. The Brazilian educational system presents a unique feature with respect to admission to higher education: to enter the country's universities, students must take a national university examination (Exame Nacional do Ensino Médio, ENEM) for most public universities and the best private ones. This test serves not only to establish the level of education for secondary school students15 for a national comparison, but also to classify them in a ranked list used for admission to public universities and scholarships to private ones.16 The ENEM represents another important yardstick

for the state of public education policy, since millions of students sit it. The disparity between private and public educational institutions in primary and secondary education is highlighted time and again in the assessment of ENEM results and admissions to the best universities. The reason behind this is that those who had better (which overwhelmingly means private) primary and secondary education have greater chances of securing a place in the country's best public and private universities. Scientific surveys show that the higher the annual tuition fee, the higher the average ENEM point total of the exam taker.<sup>17</sup>

Besides the unequal opportunities for admission to university education associated with this, ENEM results also have far-reaching effects on access to the first job, since many public school graduates who are refused university admission have little chance in the highly competitive labour market. This is because they have limited or no practical work experience and, as has been pointed out, their education is of lower quality than that of graduates of private educational institutions. Given the surplus of young people with a similar profile on the labour market and demand for labour that has not risen to the same extent, companies are naturally beginning to choose the best educated from the large pool of applicants. For those who only had an average public education, perhaps because their parents earned too little, the cards are stacked against them in the competition for spots in universities or for practical professional training. That means young people are often ruled out from the labour market and from higher education at one stroke before they reach 18 years.

The fact that the current government under right-wing populist President Jair Bolsonaro places little value on educational policy exacerbates these problems. In 2021, the Ministry of Education's budget was reduced by 2.7 billion reals. The official reason for this reduction is general austerity measures affecting all ministries. Yet, it is striking that the Ministry of the Economy's budget was reduced by only 1.4 billion reals, more than one billion less than the





Academic and social selection: Students gather for the ENEM university entrance examination. Studies show that students from expensive private schools tend to do significantly better. Source: © Amanda Perobelli Reuters.

reduction to Education. <sup>18</sup> Moreover, since Bolsonaro took office in January 2019, the Ministry of Education has been one of the ministries blighted by the most controversies, and changes of minister occurred with astonishing frequency. What is more, criteria for the suitability of the education minister appear to be not so much expertise in the relevant field, as agreement with the President's ideological orientation.

For instance, Milton Ribeiro, the current Minister of Education, said in a speech that "the university should in fact only be for a few". 19 This statement, clearly intended to deny higher education to underprivileged groups and prevent diversification of the student body, is in line with the current government's position. Verbal attacks by the government on universities and academia in general are no rarity under

Bolsonaro, and the catastrophic crisis management during the pandemic clearly showed that policy recommendations founded on science are not valued; instead, life is being made increasingly difficult for critical academics and scientists by means of funding cuts and fake news.

### The Impact of COVID-19 on the Labour Market and the Educational System

The global pandemic is exacerbating structural problems in a plethora of countries, since many economies have been virtually brought to a standstill by the necessity of social isolation. In Brazil, the pandemic directly affected the number of young people aged between 15 and 29 who neither work nor participate in any form of education or training programmes. The

pandemic inflated the figures by about three percentage points, and the percentage of those in the "neither-nor" generation increased to the record of 29.33 per cent alluded to at the beginning of this article.<sup>20</sup> This can largely be ascribed to the recession caused by COVID-19 (see fig. 2). During the crisis year of 2020, the Brazilian economy slumped by 4.1 per cent<sup>21</sup>, with massive layoffs primarily from the services sector such as tourism and the hotel and catering industry, which was in a months-long lockdown, disproportionately affecting young people.

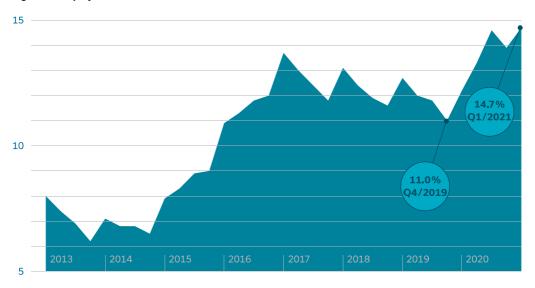
In Brazil, private educational institutions managed to improvise relatively quickly in the first months of 2020, and to change mechanisms such that lesson plans could be adapted and virtual teaching and homework implemented to ensure the orderly completion of the 2020 school year. Public schools, on the other hand, had to make much deeper cuts in their curricula, since the vast majority of their students were among the less privileged classes and often had no access to an internet-compatible end device: a prerequisite for following remote teaching. This illustrated the problem of digital inequality.



Pictures of former President Lula da Silva (left) and Head of State Jair Bolsonaro at a demonstration in São Paulo: Neither the previous governments of the workers' party nor the current right-wing populist government have developed sustainable solutions in education and social policy.

Source: © Amanda Perobelli, Reuters.

Fig. 3: Unemployment Rate in Brazil in Per Cent



Source: own illustration based on IBGE 2021: Biblioteca. PNAD contínua trimestral, ID 2421, in: https://bit.ly/3Ccqgxc [11 Nov 2021].

Besides the fact that access to digital media was unequally distributed among the population because of income inequality, digital competence also varies widely, as it is primarily the least privileged young people who have no access to stable internet, not to mention teaching in fundamental technical issues and skills. The impossibility of guaranteeing all students equal access to the internet and technical tools constituted one of the reasons for increased drop-out rates, which, in turn, is another major cause of the significant rise in those belonging to the "neither-nor" generation in the wake of the pandemic.<sup>22</sup>

Another exacerbating factor is the unemployment rate. It has seen an almost continual increase since 2012, stabilising between 2017 and 2019, and skyrocketing again in 2020 because of the COVID crisis and subsequent global economic collapse, greatly worsening the situation for the "neither-nor" generation. Figure 3 shows the increase in unemployment from the first half of 2020 until its peak in 2021.

According to a study by FGV Social, the unemployment rate for the group of young people

aged between 15 and 29 rose from 49.4 per cent to 56.3 per cent as a result of the pandemic.<sup>23</sup> The rise in unemployment, the number of school drop-outs, and the difficulties in attending virtual teaching put millions of young people in Brazil in a position in which they can neither work nor receive an education.

#### Conclusion

Brazil was hit hard by the pandemic and has great difficulties in coping with economic and social problems that already existed prior to COVID-19. This is largely due to political instability and governmental incompetence. COVID emergency assistance (Auxílio Emergencial)<sup>24</sup> was one of the few effective governmental measures whose aim was to prevent complete economic collapse, mass poverty, and an extreme rise in social inequality. Since a large swathe of the Brazilian population work in the informal sector and were suddenly deprived of jobs when the pandemic hit, this important measure had positive effects and supported millions of families.

At the same time, the situation for youth in Brazil is dramatic. Despite the phenomenon of the

"neither-nor" generation having been present before the current pandemic-driven crisis, its effects on young people aged between 15 and 29 who are suffering from unemployment, a lack of equal opportunities, and insufficient access to education, are especially devastating.

Notwithstanding investments in social and educational policy that had a positive impact on the lives of young Brazilians, the governments led by the left-wing workers' party, Partido dos Trabalhadores (PT), made a series of errors between 2003 and 2016. The primary problem was the inability to develop a solid strategy for sustainable equality of opportunity and affordable educational and social policy that is neither subject to the whims of interest groups nor to economic fluctuations. The raw materials boom and Brazil's economic upswing facilitated the implementation of many promising social and educational measures. For instance, the "University for All" (Universidade para todos, ProUni) programme of 2006 was focused on state financing of scholarships to private universities for students from poor families. By expanding the fund for financing university students (Fundo de Financiamento Estudantil, FIES), the state assumed the costs of education, which could be repaid upon graduation. However, all these innovations failed in long-term planning and in deeply anchoring the programmes into Brazilian legislation. When raw materials prices began to fall (in particular from 2010 as the second Lula government transitioned to the first Dilma Rousseff government), this policy area quickly lost importance again due to conflicts of interest and unfavourable economic developments. When the crisis deepened in 2016 and Dilma Rousseff was impeached, many of the measures were gradually hollowed out or not extended because of their cost. The opportunity was also missed not only to improve access to higher education, but also to adopt measures to facilitate integration of young people into the labour market and to fund non-academic, practical training models.

Nor does the current government seem willing to address problems of the younger generation,

and instead attempts to subject educational policy to ideology. The will for international cooperation in the areas of education, science, and technology is not particularly strong in the Bolsonaro government. Policies addressing the particularly vulnerable population group of 15 to 29-year-olds with special offers would be all the more important, since the dilemma of the "neither-nor" generation described here is without doubt an issue of serious macrosocial and economic significance. At the same time, those affected find themselves in a decisive development stage between adolescence and adulthood. If no political measures based on scientific data and real needs are implemented for this section of the population, the problem will simply be shifted to the future - and what is now the "neither-nor" generation could become a lost generation. This is thus an issue that should be debated in the presidential campaign that is already kicking off, and a constructive competition of ideas should ensue. Brazil, the "Land of the Future", should offer its youth neither insufficient educational opportunities nor hopelessness in their search for a job and provide its nem-nems a way out of this dead end as quickly as possible.

- translated from German -

**Luiz Gustavo Carlos** is Project Coordinator at the Konrad-Adenauer-Stiftung's Brazil office.

**Kevin Oswald** is Trainee at the Konrad-Adenauer-Stiftung's Brazil office.

- 1 Neri, Marcelo C. 2021: Juventudes, Educação e Trabalho: Impactos da Pandemia nos Nem-Nem, FGV Social/FGV EPGE, p. 6, in: https://bit.ly/ 3r6xEIy [23 Nov 2021].
- 2 Neri, Marcelo C./Hecksher, Marcos 2021: Jovens: Projeções Populacionais, 06/2021, FGV Social, p.3, in: https://bit.ly/3n3snyV [11 Nov 2021].
- 3 IBGE 2021: População do Brasil, in: https://bit.ly/ 3ocT2ZL [30 Jul 2021].
- 4 UNDP 2019: Human Development Report 2019, Beyond income, beyond averages, beyond today: Inequalities in human development in the 21<sup>st</sup> century, in: https://bit.ly/3n1wTOu [10 Nov 2021].
- 5 Sasse, Cíntia 2021: Recordista em desigualdade, país estuda alternativas para ajudar os mais pobres, Agência Senado, Senado Federal, 12 Mar 2021, in: https://bit.ly/3BXpvbn [27 Aug 2021].
- 6 The World Bank 2020: Distribution of income or consumption - World development indicators, WDI Table 1.3, in: http://wdi.worldbank.org/table/1.3 [27 Aug 2021].
- 7 IBGE 2021: Síntese de indicadores sociais 2020. Uma análise das condições de vida da população brasileira, Coordenação de População e Indicadores Sociais, 12 Nov 2020, in: https://bit.ly/3HeFPID [11 Nov 2021].
- 8 Sasse 2021, n.5.
- 9 Inhudes Gonçalves da Cruz, Adriana et al. 2012: BNDES 60 anos: perspectivas setoriais, Banco Nacional de Desenvolvimento Econômico e Social (BNDES), pp. 12-14, in: https://bit.ly/3kqBWXi [11 Nov 2021].
- 10 Barbosa, Fernando 2017: A crise econômica de 2014/2017, Estudos Avançados 31: 89, pp.51-60, in: https://bit.ly/3c3BOYQ [10 Nov 2021].
- 11 Operation Car Wash began in 2014 and, according to Brazil's federal prosecutors, was "one of the biggest initiatives for combatting money laundering in recent Brazilian history".
- 12 Neri, Marcelo C. 2019: Juventude e Trabalho. Qual foi o Impacto da Crise na Renda dos Jovens? E nos Nem-Nem?, Nov 2019, FGV Social, p.8, in: https://cps.fgv.br/juventude-trabalho [11 Nov 2021].
- 13 Ibid., p. 8.
- 14 Ibid., p. 23.
- 15 Instituto Nacional de Estudos e Pesquisas Educacionais Anísio Teixeira (Inep), an educational research institute for the Brazilian federal agency responsible for ENEM testing, has gathered information showing that five million students took the test in 2020. Arêa, Larita 2021: Divulgados os resultados finais do exame, Inep, 29 Mar 2021, in: https://bit.ly/3qmbAJG [27 Aug 2021].
- 16 de Oliveira, Thiago Soares 2016: O ENEM: breves considerações sobre importância avaliativa e reforma educacional, Educação Por Escrito 7: 2, 31 Dec 2016, in: https://bit.ly/3D6DyNd [11 Nov 2021].

- 17 Zaitune Curi, Andréa / Menezes Filho, Naércio Aquino 2013: Mensalidade escolar, background familiar e os resultados do Exame Nacional do Ensino Médio (ENEM), p.241, in: https://bit.ly/3DaTyh1 [11 Nov 2021].
- 18 Correio Braziliense 2021: Educação sofre o maior corte em orçamento anual sancionado por Bolsonaro, 23 Apr 2021, in: https://bit.ly/3DdmxB2 [11 Nov 2021].
- 19 Globo, G1 2021: Ministro da Educação defende que universidade seja 'para poucos', 10 Aug 2021, in: https://glo.bo/3qsLcxC [11 Nov 2021].
- 20 Neri 2021, n.1, p.6.
- 21 IBGE 2021: Contas Nacionais Trimestrais. 4° Trimestre de 2020. Coordenação de Contas Nacionais, 3 Mar 2021, p.2, in: https://bit.ly/ 3wujOk2 [9 Nov 2021].
- 22 Macedo, Renata Mourão 2021: Direito ou privilégio? Desigualdades digitais, pandemia e os desafios de uma escola pública, Estudos Históricos 34: 73, pp. 262-280.
- 23 Neri 2021, n. 1, p. 18.
- 24 On 2 April 2020, emergency assistance was unveiled on the basis of Law 13.982/2020. The original amount was 600 reals, to which heads of families and informally employed persons with family incomes of less than half the minimum wage per person were entitled. The first aid package began in December 2020 and cost the Brazilian treasury 322 billion reals. In 2021, the aid was extended at a reduced rate: 150 reals for singles, 250 for families, and 375 for single mothers. The immediate aid was granted primarily thanks to pressure by the opposition in parliament, since the government denied the COVID-19 pandemic and its effects. Soares, Jussara/Weterman, Daniel 2020: Depois de 48 horas, Bolsonaro sanciona auxílio emergencial a informais, Estadão, 1 Apr 2020, in: https://bit.ly/3C51Zt4 [27 Aug 2021].