

Macro Roundup Article

Headline: [Why Has Youth Unemployment Risen So Much in China?](#)

Article Link: <https://www.gspublishing.com/content/research/en/reports/2023/05/21/4c0bf50b-d41-4bbf-9451-965fca4bbf58.html>

Author(s)	Maggie Wei
Publication	Goldman Sachs
Publication Date	May 24, 2023

Tweet: A @GoldmanSachs analysis notes that China's youth unemployment is not an outlier globally but that misalignment between college discipline and business requirements remains a persistent challenge.

Summary: Young people aged 15-24 years old appear particularly vulnerable when economic growth slows and labor market faces stresses. For example, International Labor Organization (ILO) data showed youth unemployment rate in 2021 was more than 20% in a few European countries such as Spain, Italy, and close to 10% in the US in 2021. Note ILO's definition is slightly different from NBS's. ILO uses the 15-24 age group while China's National Bureau of Statistics (NBS) survey looks at the 16-24 age group. China does not seem to be an outlier when comparing its youth unemployment rate relative to income level among global peers. Although our analysis above suggests youth unemployment rate is quite cyclical and is set to decline as service activity growth improves, there may be other structural headwinds contributing to the high youth unemployment rate. In particular, mismatches between skillset graduates acquired from their higher education and skillset required by employers in industry with booming labor demand might have caused frictions in the labor market and therefore contributed to high youth unemployment rate.

Primary Topic: China

Topics: China, Demographics, Other Source, Unemployment/Participation, Workforce

Permalink: <https://www.edwardconard.com/macro-roundup/a-goldmansachs-analysis-notes-that-chinas-youth-unemployment-is-not-an-outlier-globally-but-that-misalignment-between-college-discipline-and-business-requirements-remains-a-persistent-challenge?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2023/05/Mismatch-Goldman-Sachs-.jpg>