

**Remarks by R. C. Geary at the Assembly of the Youth Council of Ireland, at
Kilkea Castle Hotel, Saturday, 14th October 1978**

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I am very pleased with the documentation Mr Corry was good enough to send me, the policy and the programme statements, both of which are practical, realistic and possess the sublime merit of brevity. I was in at the beginning of setting up the unemployment statistics of this State but I demur only mildly at the animadversions in these documents about their quality: everything can be improved. We in CSO, were early pioneers in devoting a special volume practically to unemployment at the Census of Population and I should think that those interested have only to inquire at CSO to obtain current statistics of registered unemployed and not-yet-at-work classified by age.

But this is as nothing compared with my joy at reading (in the policy statement),

"There is no hope of full employment without a new economic strategy, direct job creation measures and political will of an unusual and extraordinary kind in the Irish context."

This is a full endorsement of a point I have in a number of papers and articles: the economic process, i.e. the working of the market economy will not of itself solve or perceptibly affect the endemic Irish unemployment problem, although of all approaches it is the best, as costing nothing. The State must intervene on an unprecedented scale. Actually the Irish State has had considerable experience in all methods of job creation. It must be confessed that in neither Ireland nor anywhere else has great success attended general government's attempts at job creation but I think we have isolated the main reasons for lack of success of which, in my opinion, too low expenditure is not the only reason, if it is the main reason.

It is an excellent augury for the success of a revolutionary approach to the relief of unemployment amongst young persons that so many organisations evince their genuine concern by their being represented on the National Youth Council. I shall advocate, however, your adding to the number.

The first Census of Population after Independence was that of 1926 and, if I were asked now, 50 years on, what was my main impression from the Report of that census (which I helped to prepare) I would say that it was the revelation of the very high percentage (compared to UK) of persons aged 15 - 19 who were in the categories "not yet at work" or "out of work". Judge my astonishment when, at the last census, that of April 1971, the number of boys "not yet at work" was only 8,200 or 6% of the number of males aged 15-19. The rest without jobs were allegedly at school, many, perhaps the majority, unwillingly. Even so, this is a vast improvement on the situation in the 1920s. In the past the severity of unemployment was mitigated by emigration. Is there always a full realisation, even amongst concerned people, of the magnitude of emigration, i.e. its being deeply imbedded as part of the Irish way of life? As late as the 1950s net emigration meant that 3 out of 5 out of a cohort of children emigrated, and it cannot be an exaggeration to say that 5 out of 5 children considered it as a possibility. One of the best features of the industrial revolution that began about 1960 was the diminution of emigration to near vanishing point, indicating, for the first time in the recorded history of Ireland, a wide recognition by our young people that a livelihood could be had in Ireland. This may be of the first importance in seeking remedies for youth unemployment; an excellent Irish-oriented disposition of youth but one which could easily be dissipated, in reversion to the folk memory, of no work and emigration, if the present employment crisis continues.

A generation ago I was in trouble for appearing to favour emigration in my writings, as a solution of the job problem. I did not then and I shall not now attempt to justify my attitude then but I do insist that the concept of migration like everything else has changed drastically. Emigration was a bad thing for the Irish in the past mainly because the vast majority were uneducated and untrained. The word, with its bitter associations, is surely a misnomer nowadays; let us change it to "mobility of labour", especially in relation to our EEC membership. I am firmly of the opinion that all should be educated and trained up to their

natural ability and that (consistent with individual human dignity that transcends every other consideration) work abroad is better than idleness at home.

My colleagues and I in ESRI have been much concerned with every aspect of unemployment. I shall not attempt a summary in the short time available but commend our works to your notice. If the emphasis specifically on youth is absent, and it is not entirely missing, it may be taken that the analysis and policy proposals for mitigation apply especially to youth. Here I deal with generalities, eschewing statistics that don't take too kindly to the spoken word, as much as I can.

Wherever we go we have to start where we are now. We have no right to propound policies for changes until we know why we are where we are. As propagandists (and I count myself of your number) we must beware of one-sidedness. We must recall that if 10 per cent of the labour force and out-of-work, 90 per cent are at work; that demographic government must tend to spend over thousands of objects - it can't have its pets - as well as the one we favour. I have always marvelled about how closely demand and supply of manpower approximately balance out, granted the complete lack of relationship between the origins of the phenomena, though it is hard on the minority who are misfits, all the time or some of the time. In what we propose we must remember about the baby and the bathwater and the Civil Service tag "the best is the enemy of the good", i.e. idealism may be a danger, the dream postponing any start at all.

We must face up to the paradox that in the market economy (though with a large and increasing number in the non-market sectors) labour is a cost like any other, ceteris paribus to be reduced per unit of output in the interest of efficiency and productivity. It has happened significantly in agriculture over the years, where the situation has been small increase in volume output with large decrease in number employed. If the productive capacity of the nation could be released, with no constraints (wage, tax or other) it is at least arguable that real GNP per head could be substantially increased, including payments to the

unemployed who might even be increased in number. The blunt truth is that, at least for many years to come, a choice must be made between policies of optimality in jobs or optimality in income, the trouble being that the vast majority of individuals in the nation are impelled by the profit motive which they thoroughly understand, whereas job optimality is an abstraction, something that people approve in the abstract but do not feel it concerns them as individuals.

Some relevant facts: as late as 1961-1966, i. e. after the start of our modern industrial revolution, about 2,000 boys started their careers as unskilled workers: in one of my writings I ask rhetorically: "how many potential geniuses are amongst that number each year?" It is true that, as my erstwhile colleague, B. Hutchinson, has shown, a fair proportion of these subsequently improve their situation. In the Investment in Education Report of 1965, it was stated that 53 per cent of pupils in primary schools leave without completing their primary education. One surmises that this is the main recruiting ground for the unskilled. Again ca 1961-1966 the male unskilled, some 130,000 or one-eighth of the labour force in those pre-recession years, had always an unemployment rate of over 20 per cent. Were it not for the unskilled, Irish male unemployment would have been only 4 per cent, which some experts regard as "full employment" in Irish conditions; female unemployment was a problem only recently. Clearly there is substantial oversupply of unskilled and a major object of policy must be to reduce their numbers, by training and education. This is a matter rather more for pre-entry into the labour force, i. e. for children, than for the present generation of unskilled. This is an aspect which my colleague, M. Dempsey, and I have begun to study.

Some years ago it was shown in an ESRI paper that, in relation to our comparatively low GNP, our social security payments were the largest in EEC, though not the largest in absolute amounts; it was many years earlier, in fact in an appendix to the so-called Emigration Commission, that I counselled moderation in social security payments and to concentrate Government expenditure on industrial development at present, so as to enable greater generosity in social security in future, a policy of reculer pour mieux sauter. I still think there is merit in this advice. Of course, the choice is a bitter one: austerity now for prosperity later.

The statistics clearly show a tendency towards longer sojourn on the Live Register in recent years, which may be related to the constantly improving social security payments. At the same time, at a sample inquiry addressed to men on the Live Register about two years ago, some 85 per cent replied that they would take any job, even one of lower status than their usual job; of course it would remain to be seen if, in fact, they were offered such a job they would accept; anyway most were labourers.

Though you are far more knowledgeable than I am on the point, I have been concerned about the principle of payments of social security to boys and girls. The payments may be small but, to children who have just left school, they may appear large and as "money for nothing" may act as a disincentive towards learning or work. By the way, my own study of special employment schemes in USA have suggested that learning, always cited as an end of policy, comes badly out of its association with special works.

The slogan I favour is "Work not Dole" for everyone. There are thousands of jobs which require to be done, easy to specify but most non-market in character, though it could be argued that the job-objective of creating a more beautiful countryside will benefit our tourist industry. In a recent ESRI paper a three stage evolution is contemplated, in the third stage, described as "millennial", special employment schemes, created to diminish unemployment will gradually merge into all economic activity, with full mobility of labour. But the market economy must always be the most important, which brings me to some concluding remarks about employers and IDA in their relation to our present problem.

Registered unemployed always contained a high proportion of long-term unemployed and the proportion is increasing, a fact which must be associated with increases in social security payments. At earlier censuses it was customary to ascertain the number of people who experienced any

unemployment was only about one-fifth of the labour force. It may be lower now, with the growth of the number in public employment, most of whom are not exposed to the risk of unemployment.

Here and elsewhere the growth of a class of quasi-permanent unemployed must be contemplated as a possibility. Perhaps automation, so much under discussion about twenty years ago but forgotten when full employment became so common in Western Europe, has come upon us. Most of us may deplore this fact with its developing a class of permanently dependent citizens, a class of rejects, society containing working bees and drones. Is work then so particularly sacred? In a free society, may not people be free not to work? Think of some, perhaps most, types of work, and may not citizens seek their satisfactions elsewhere? People who love work are usually good at it, and if their energies were allowed full pay, the nation's welfare for everyone (including non-workers) might be greatly increased. Certainly those "able and willing to work but unable to find suitable employment" must be adequately provided for and, more important, protected from humiliation. It was for that reason I suggested years ago that all citizens should have a civil service type contract.

Though rarely specifically mentioned in connection with the problems we are discussing here, the role of private employers is fundamental. On their decisions to expand or not to expand, the employment of thousands depends, and they are few in numbers, in non-agriculture perhaps only some hundreds. The prosperity or otherwise of the country depends on their skill, assiduity and knowledge. One cannot generalise about them but there is no evidence of their containing any residue of the hard-faced men or the robber barons of the 19th century. If there were, the unions would soon put them to rights. I was amused to read American work recently of quotations from speeches of American businessmen redolent of social morality, contrasted with that of Nikita Khrushchev's blunt statement that profit was the criterion of efficiency.

I think that the active involvement of employers and their organisations in your activities is greatly to be desired.

Public institutions are rarely praised but I praise IDA, an organisation vital in connection with youth employment. It has succeeded in creating a large output and volume of employment at low cost to the Irish taxpayer, perhaps nowadays some £5,000 per head investment per worker employed on average, if always constrained by the fact that employment (mainly of young people) percentage increase is less than half of percentage volume of output. IDA cannot be held responsible for the decline of some concerns, so that the net gain in employment is certainly not enough to absorb the supply. No extra employment is possible without capital investment, so that funds at IDA's disposal must be greatly increased. It might be a good idea to have IDA represented on your Council. So should AnCO.

Total investment, home and foreign, may be four or five times the amount of £5,000 per person employed mentioned as the Irish contribution. Of course Ireland has to pay in the form of profit leaving the country: as the old Spanish proverb says: "Take what you want, said God, and pay." But recent reports show a strong tendency for US firms in Ireland to plough back a large part of their profits for future development. Also, some industries are so large in foreign trade, that a modern State, however small, must have a part of them, even if they are highly capital-intensive.

A positively final word. The works Central and Local Government must create, require intensive, skilled, coordinated preparation, with intensive review at all stages, with a built-in ability to change at short notice.

Maura Dempsey's and my main motivation in starting this research on the relation between the unskilled trades and education and training was our knowledge

of the self-perpetuating social inequality in the educational system. As B. Hutchinson showed, there is some net upward mobility between the generations but not enough. We had Monica Nevin's finding that less than one per cent of the children of labourers reached the university, compared with something like 20 per cent for children of higher professionals (I speak from memory). Very lately we have had Dale Tussing's ESRI paper showing that expenditure per pupil in national schools was £91, secondary, comprehensive and community £181, vocational £289, third level (university etc) £512. Of course, these four grades do not sort out the social classes but the general showing is quite apparent. Even though primary schools now reach only to children aged 11, they are of enormous importance for children of poor parents. These schools should supply standards which could be taken for granted in higher grade families. Children emerging from these schools coming from poor homes, notwithstanding compulsory attendance at secondary etc. to age 15, may be socially disadvantaged for life. By more teachers, classes must be reduced to an average of 20.

I am aware of the drastic character of this proposal, having regard to the fact that as late as 1971-72 less than one quarter of children in National Schools were in classes with a class-size of less than 30. I cannot overemphasise the importance of primary education, even of children up to age 12. Young children must be taught the three Rs to which I would add S - speaking. Properly equipped with these, further education is comparatively easy. If the Minister cannot get enough primary teachers at existing pay scales, he should increase the scales. No job in the State is more important. While our State happily has genuine demographic aspirations there is a serious shortfall in this matter of primary education, none more calculated to anchor the poorer classes in their present condition from generation to generation. My last word: the National Youth Council should accord the first priority to this aspect.