

GLOBAL PERSPECTIVES

8987/03/PRE

Paper 3 Presentation

October/November 2014

PRE-RELEASE MATERIAL

To be given to candidates

READ THESE INSTRUCTIONS FIRST

Guidance for Teachers

This Resource Booklet contains stimulus material to be used by candidates preparing their presentation for 8987/03. One copy should be given to each candidate.

Presentations must be prepared in a four-week period. This may take place at any point before 31 October 2014, by which date all presentations must have been submitted to CIE.

The Presentation is marked out of 40.

Instructions to Candidates

- You should use the enclosed stimulus material to help you identify the subject for your presentation.
- Your presentation should attempt to answer a question.
- Your presentation must address alternative perspectives on the question you select and must engage directly with an issue, an assumption, evidence and/or a line of reasoning in one or more of the documents within this Booklet (i.e. you should not just pick an individual word or phrase which is not central to the reasoning of or the issues covered by the documents).
- You are expected to reflect on these perspectives using your own research.
- Your presentation should be designed for a non-specialist audience.
- Originality in interpretation is welcomed.
- Your presentation may be prepared in a variety of formats and should normally include an oral commentary.
- The speaking or running time of your presentation should be a maximum of 15 minutes.
- Whether presented or not, the submission must include a verbatim transcript of the presentation.

This document consists of **12** printed pages.

Document 1

‘Create jobs, and hope, for a vulnerable generation; Jose Manuel Salazar-Xirinachs governments to focus on growth, education and wider incentives.’

An article by Jose Manuel Salazar-Xirinachs in *South China Morning Post*, a Chinese newspaper, 30 December 2011

Jose Manuel Salazar-Xirinachs is Executive Director, Employment, at the International Labour Organisation.

Alongside the crisis in the euro zone, youth unemployment has been the hot topic of the news in these final weeks of this year. The BBC’s “The World Speaks” survey named unemployment as the world’s fastest-rising concern. And people are right to be concerned, as the figures are alarming.

In Asia, young people account for around 20 per cent of the population yet make up almost half of the region’s jobless. They are at least three times more likely than adults to be out of a job.

Globally, about 70 million young people are unemployed, and if we add to that the estimated 152 million young people living on less than US\$1.25 per day, we have some 225 million people in a very precarious situation.

Those young people who are in work, whatever their pay, face more gloom. During a recession, young people are usually the last to be hired and first to be fired, largely due to lack of work experience.

When it comes to entering the job market, those who have been lucky enough to go to university face a difficult transition, either due to a skills mismatch or a lack of emphasis on employable skills. In the US for example, according to the US National Association of Manufacturers, manufacturers have 600,000 unfilled positions due to a lack of qualified workers.

This is a huge waste of human capital. A scarred generation is in the making, facing a dangerous mix of high unemployment, precarious work and increased inactivity in developed countries, and persistently high poverty in the developing world.

Against this background, it is no wonder that the young are angry and frustrated, and have played a highly visible and critical role in this year’s protests for change.

Governments are struggling to tackle the problem. First, we need an integrated strategy for growth, with clear targets for investment, growth and job creation.

A second key ingredient is investment in quality education and training, and improving their relevance to market needs. We need to work with the private sector to reduce skills mismatches.

A third ingredient is providing a wide variety of incentives and services: hiring subsidies, training and retraining grants; and services to facilitate the transition to jobs.

Lastly, we need to promote partnerships: public employment services and private employment agencies, labour offices and municipal authorities, governments, employers and workers, international and non-governmental organisations, all need to work together.

The youth employment crisis is grave, but not unsolvable. We owe it to our children to make sure they get a fair chance at making a decent living. The world cannot afford a lost generation.

Document 2

‘Europe’s Jobless Contrasts: Unemployment is a problem any free market can solve.’

Adapted from an article in *The Wall Street Journal*, a US newspaper, 3 April 2012

Shortly before Monday’s release of Europe’s unemployment figures, the European Commission issued its quarterly “Employment and Social Situation” report, which ventures that “the transition towards a greener economy is expected to have a significant impact on employment.” Will it ever: This week German solar-panel maker Q-Cells, with its 2,000 employees, filed for bankruptcy.

With solutions like that, it’s no surprise that the EU’s unemployment rate is expected to rise to 11% by the end of this year from an already dismal 10.2%, which is up from 9.5% a year ago. The latest statistics point to an economic stagnation that only Brussels could imagine will improve with windmills, solar panels and carbon taxes.

The instant diagnosis from our Keynesian friends is that there’s nothing wrong with Europe’s unemployment problem that more government spending can’t fix. But here’s a puzzle: The countries in the EU with the lowest unemployment, Austria (4.2%) and the Netherlands (4.9%), have both distinguished themselves since 2008 through borrowing and spending restraint.

The countries that have seen the fastest reductions in unemployment are the Baltic trio of Estonia, Latvia and Lithuania. All were hit hard by the financial crisis. But they cut spending, maintained the value of their currencies, made it easier and cheaper for businesses to fire workers, loosened restrictions on overtime and chipped away at other measures perversely billed as “employment protection.” All three are on the way to recovery.

By contrast, the worst unemployment figures come from Greece (21%) and Spain (23.6%), with youth unemployment topping 50%. Both countries have also seen their job markets deteriorate the fastest: Greece’s unemployment was a comparatively modest 14.3% last year. Until very recently both had some of the most cosseted labor markets in the world, with the near-impossibility of firing a worker accounting for the near-impossibility of finding a job.

The good news is that Madrid and, to a lesser extent, Athens are now trying to adopt a more German approach to their budgets and a more Baltic approach to their labor markets, albeit in the face of protests, strikes and riots. Greece’s latest round of spending cuts include leaner health-care and public-investment budgets, while Spain’s labor reforms will make it cheaper and easier for companies to dismiss workers and to reduce their wages. Both governments would also do well to offer across-the-board tax cuts that encourage entrepreneurship, small and large, in whatever shape it may come. Unemployment is a problem any free market can solve, provided the state doesn’t sit on the necks of job creators.

Document 3

‘The frustration of unemployed Arab youth is spilling over into the streets.’

Adapted from an article by Jeffrey D. Sachs in *The Daily Star*, a Lebanese newspaper, 9 April 2011

Jeffrey D. Sachs is a professor of economics and Director of the Earth Institute at Columbia University. He is also a special adviser to United Nations secretary-general on the Millennium Development Goals.

This article was published in collaboration with Project Syndicate, a not-for-profit newspaper syndicate.

Many factors underlay the ongoing upheavals in the Middle East: decades of corrupt and authoritarian rule, increasingly literate and digitally-connected societies, and skyrocketing world food prices. To top it off, throughout the Middle East (as well as Sub-Saharan Africa and most of South Asia), rapid population growth is fueling enormous demographic pressures.

Egypt’s population, for example, more than doubled over the course of President Hosni Mubarak’s rule, from 42 million in 1980 to 85 million in 2010. This surge is all the more remarkable given that Egypt is a desert country, its inhabitants packed along the Nile. With no room to spread out, population densities are rising to the breaking point. Cairo has become a sprawling region of some 20 million people living cheek-by-jowl with inadequate infrastructure.

Rapid population growth means a bulging youth population. Indeed, half of Egypt’s population is under the age of 25. Egypt, like dozens of countries around the world, is facing the extreme – and largely unmet – challenge of ensuring productive and gainful employment for its young people. Employment growth is simply not keeping up with this population surge, at least not in the sense of decent jobs with decent wages. The unemployment rate for young people (15–24 years old) in North Africa and the Middle East is 30 percent or more. The frustration of unemployed and under-employed youth is now spilling over into the streets.

The problem of high youth unemployment is certainly not confined to the developing world, however. In the United States, the overall unemployment rate is around 9 percent, but among 18–25 year olds, it is a staggering 19 percent. Many have become discouraged and dropped out of the labor force entirely: not at school, not at work, and not looking for work. They don’t protest much, but many end up in prison.

The world’s labor markets are now interconnected. Young people in countries as diverse as Egypt and the U.S. are in effect competing with young Chinese and Indians for jobs. China’s low-paid, reasonably productive manufacturing workers and high-quality infrastructure (roads, power, ports, and communications) has set the standard for competitiveness globally. As a result, low-skilled workers in Egypt, the U.S., and other countries must either raise their productivity enough to compete at a decent wage, or accept extremely low pay or outright unemployment.

So creating decent jobs at decent wages is at the heart of being internationally competitive. That requires equipping workers with a good education, strong on-the-job training, and supportive infrastructure. While the private sector must create most of the jobs, the public sector must create the underlying conditions for high productivity. That is a tall order.

Only one high-income region has done a reasonably good job of preparing its youth, and its overall economy, for tough global competition: Northern Europe, including Germany and Scandinavia (Denmark, Finland, Norway, and Sweden). In these countries, public education is excellent, and the transition from school to work often involves programs like the apprenticeships for which Germany is especially famous.

In developing countries, the main advances are found in countries that emphasize education, public investment in infrastructure, and serious on-the-job training. South Korea is the leading success story, with superb educational attainment and strong employment of young people, having taken the country from a developing country to high-income status within one generation. South Korea has accomplished this feat in China's intensely competitive immediate neighborhood.

The countries of North Africa and the Middle East should learn from East Asia and Northern Europe. If democracy is to take hold and flourish in Egypt, Tunisia, and elsewhere in the Arab world, the new reform-minded governments must make the youth unemployment crisis their highest priority.

Middle Eastern countries should elaborate strategies to improve the quality and increase the length of schooling, invest in job training, establish private-sector apprenticeships, and develop small and medium-sized businesses. They should identify key infrastructure projects needed to ensure private-sector productivity. And they must work together to deepen regional trade integration, thereby creating a much larger market.

The deposed authoritarian rulers – Tunisia's Zine al-Abidin Ben Ali, Mubarak, and soon Libya's Moammar al-Gadhafi – stashed away billions of dollars stolen from the public treasury. This ill-gotten money should be recovered and put into a special fund for youth employment.

Moreover, with oil prices back above \$100 per barrel, the Gulf states are enjoying a bonanza. They, too, should create a special fund for youth employment in the region through the Islamic Development Bank. There can be no better way to use the region's resources than to ensure that its young people's lives are enriched by education, skills, and high-quality jobs.

Document 4

‘Schools must be brought closer to the world of work.’

An article by Breege Burke in *The Times*, a UK newspaper, 4 November 2011

Breege Burke is Chief Executive of Working Links, a training provider.

The relationship between mainstream education, higher education and the world of work is at a crossroads. With almost one million young people out of work, it is obvious that substantial change is urgently needed. Even in times of growth, however, levels of youth unemployment and the number of young people not in training, education or employment have been consistently high. It could be argued that this crisis in youth unemployment has been created by the combination of a tough jobs market and an education system that is not calibrated to help the young prepare for a life of sustained employment.

Our research into the value of vocational skills and apprenticeships shows that young people are as aware of this deficiency in their schooling as employers. While businesses have long argued that schools need to deliver basic literacy and numeracy, employers and young people recognise that further to this, employability or “soft” skills are at a premium. So-called soft skills (communication skills, organisational skills, team work and motivation) are ranked as more important than exam results by many young people and their would-be employers. That is why we have called on the Government to embed employability skills more effectively across the curriculum. This is not a call for more hands-on work experience but a demand that schools take seriously their responsibility to foster skills essential to the workplace.

While we welcome the Government’s commitment to expanding apprenticeships, our research found fewer than 25 per cent of young people receive advice about apprenticeships in school. Many schools remain too focused on increasing the numbers of pupils in their sixth forms or going on to university at the expense of alternative routes to employment. Businesses also share this frustration: overwhelmingly, employers want to be involved in the development of employability skills in schools through work experience placements, mentoring schemes and direct involvement in careers advice.

For too long education, employment and skills policies have not been aligned – perfectly illustrated by the disconnect in the way we educate our children and the world of work into which they emerge. Nearly 80 per cent of the young people and employers we surveyed for our report thought that education policy was too focused on academic qualifications. At a time when employment providers are pushing to promote enterprise and entrepreneurship – to create jobs as well as fill them – we need an education system geared towards giving people skills for life as well as a string of A–C grades.

Unemployment at the start of working life can do lasting damage to a young person’s chances and the social costs of youth unemployment are felt across society. Unless we refocus our energies on aligning education and training with job opportunities, we risk paying the price for a lost generation that is alienated from the world of work. But if we succeed, we will not only empower young people to build lasting careers but develop the capacity the whole country needs if the UK is to compete in the global economy of the 21st century.

Document 5

'Teenagers the hardest hit in tough economic times.'

An article by Chris Zappone in *The Sydney Morning Herald*, an Australian newspaper, 2 January 2012

It's not only in Europe that teenagers are bearing the brunt of rising joblessness. Australia has a youth unemployment problem of its own.

From February 2008 to December, the number of jobs held by 15 to 19-year-olds shrank by 92,200, despite a gain of 623,600 for the whole market, according to an analysis of Australian Bureau of Statistics (ABS) data.

In December alone, 18,500 teenage jobs were scrapped, or some 63 per cent of all jobs.

The loss of jobs for under-20s is mirrored in a rise in the teenage unemployment rate, which hovered at 17.3 per cent in December, up from 16.3 per cent in December 2010 and 13.6 per cent in December 2008. The overall jobless rate in December stood at 5.2 per cent.

The director of the Centre of Full Employment and Equity at the University of Newcastle, Bill Mitchell, said the youth employment numbers "made a mockery" of claims by politicians and market economists that Australia was close to full employment.

"Teenage workers are being locked out of the labour market now and not gaining skills," Dr Mitchell said. "In this current recovery, the teenagers have been going backwards."

Dr Mitchell said the lack of demand in the economy meant employers were less likely to take on younger staff, who would require more training. Also, the areas that traditionally employed young people, such as retail – the largest private-sector employer – construction and technical trades, had been hit hard by the weakness in the economy and its structural change.

In 2008, retail trade employed 239,100 people aged 15 to 19. The data showed that fell to 215,500 last year. Over the same period, the number of teenagers employed in construction fell from 68,700 to 59,300. For manufacturing it fell from 54,300 to 41,400.

Last year was marked by subdued consumer spending, the collapse of booksellers Borders and Angus & Robertson and clothing chain Colorado. Consumers have shifted away from traditional in-store shopping in favour of using the strong dollar to shop online from overseas sites.

Construction activity slowed to a crawl through 2011 amid interest rate uncertainty and the slump in household borrowing. Manufacturing withered after the dollar punched through parity with the US dollar, making Australian exports less attractive on global markets.

The broader economy generated no net jobs in 2011, the weakest annual pace since 1992.

ANZ economist Katie Dean said part of the problem for younger workers might be that employees were putting in longer hours, which limited companies' need for to hire.

From December 2010 to December last year, the aggregate number of hours worked rose to 1.622 billion a month from 1.6 billion, according to the ABS.

"The global financial crisis has [also] coincided with the hiring freeze for a lot of companies," Ms Dean said. "Anecdotally I would suspect that new hire levels haven't recovered to pre-GFC levels."

Ms Dean and Mr Mitchell said the structural shift away from traditional retail, due to technological change and the strong dollar, was hurting young workers.

Susan, a part-time 19-year-old Melbourne shop assistant, has seen the faltering merchandise in stores lead to staff cuts in the store she works in.

“The more experience you have, the easier it is to find a job, but you have to start off very small,” said.

Lacking experience, many friends her age had resorted to “cash-in-hand” jobs, such as waitressing or dishwashing.

“It’s hard to find good permanent work.”

Since February 2008, the number of part-time workers has risen 10.7 per cent to reach 3.39 million in December, on trend terms.

An ABS labour market study shows drops in full-time youth employment in the recession of the early 1980s and the early 1990s as well as when the global financial crisis began in 2008–2009.

To date, a recovery in the 15 to 19-year-old unemployment rate is yet to begin, with the youth employment rate ticking higher in recent months, mirroring developments in crisis-stricken Europe.

Document 6

‘Young, educated and jobless in Taiwan.’

An article by Goh Sui Noi, Senior Writer, in *The Straits Times*, a Singapore newspaper, 8 February 2012

Just days before Taiwan’s presidential election last month, industrialist Terry Gou spent an evening with students at the National Taiwan University (NTU). The forum’s subtitle was telling: ‘Dedicated to the lost generation, a dialogue with young people’.

The forum comes at a time when youth unemployment – of those aged between 15 and 24 – is a high 12.5 per cent against a general 4.39 per cent unemployment rate. Singapore’s youth unemployment rate for 2010 was 9.9 per cent while the current rate for the European Union is 22 per cent.

What Mr Gou, 61, had to say was not encouraging. Since founding his company in 1974, he said, he had not seen a global economic crisis as serious as the one now. The contract manufacturer hires more than one million workers worldwide and manufactures a large proportion of the world’s electronic products including the iPhone and iPad. He revealed he had put the brakes on activity, cutting excess capacity and reducing the inventory.

The future looks bleak for young Taiwanese already disadvantaged when compared with their older counterparts.

The situation looks particularly bad for university graduates with a first degree. Last year, those with general degrees had the highest unemployment rate at 5.79 per cent, compared with 4.75 per cent for senior high school graduates and 4.63 per cent for graduates of vocational institutions. Those with post-graduate degrees fared better with 2.97 per cent and 2.52 per cent respectively.

Taiwanese analysts explain that for various reasons, it is normal for young people to have a higher unemployment rate than other age groups. Young people with little or no work experience find it difficult to compete for jobs with those who are more experienced.

Also, relatively comfortable young Taiwanese are not in a hurry to find jobs after graduating, say Taiwanese analysts. With financial support from the family, young people can afford to take a longer time looking for jobs.

But there are also other factors that should worry the government.

Take the relatively high unemployment rate for university graduates.

Sociologist Wang Fu-chang explained that higher education was overdeveloped, with more than 90 per cent of senior high school graduates able to go on to university. And many do. Over the 2008–2009 school year, about 250,000 students graduated from university with a first degree, more than the combined total of 234,700 who graduated from senior high and vocational schools.

The government acknowledged recently that the supply of university graduates exceeded demand. There is also a mismatch in the skills graduates are trained in, compared with those needed by industries. There are jobs going a-begging even as there are graduates unable to find jobs.

Companies are also more reluctant to train and hire young workers on a permanent basis in the present climate, preferring short-term contracts.

In the past, unemployed young Taiwanese would start their own businesses. But among university graduates, the desire appears to have dissipated. A university professor noted on a television news program last month that his students a decade ago were more willing to take the risk of starting a business than today's students.

On the other hand, the barrier to entry for small businesses, particularly in retail, has been raised with the advent of the franchising model. In a foreword to *Blood And Sweat Chain Stores*, sociologist Hsieh Guo-hsiung writes that traditional small retailers have disappeared, having been replaced by franchises whose sheer size and power make it difficult for independent retailers to compete. Those wanting to start their own businesses were forced to do so as a franchisee. The book describes how unfair contracts reduce franchisees to little more than store supervisors with little control over the business.

With such great odds stacked against them, it is no wonder that young people's employment was an election issue in last month's presidential poll. Among the promises made by the candidates were small loans to help young people start businesses, unemployment subsidies for first-time job seekers, and moving Taiwan's industries up the value chain.

Young people will welcome the short-term measures. But those who are still in school hope the government will seriously address the more deep-seated problems causing high unemployment among Taiwan's young people, including those with university degrees.

Document 7

‘The Big Robot Questions: The social, legal, and ethical problems posed by the coming robot revolution.’

Adapted from an article in *Slate*, an online US magazine, 16 February 2012

This essay by Patrick Lin is taken from the book *Robot Ethics*, released by MIT Press.

Sometimes, the creation is better than its creator. Robots today perform surgeries, shoot people, fly planes, drive cars, replace astronauts, baby-sit kids, build cars, fold laundry and can even eat. They might not always do these tasks well, but they are improving rapidly. In exchange for such irresistible benefits, the Robotic Revolution also demands that we adapt to new risks and responsibilities.

This adaptation to new technology is nothing new. The Industrial Revolution brought great benefits and challenges too, from affordable consumer goods to manufacturing pollution. Likewise, we’re reaping the benefits of the Computer Revolution but also still sorting out ethics and policy arising from it, such as online privacy and intellectual property rights.

If you believe Bill Gates, who says that the robotics industry is now at the point the computer industry was 30 years ago, then we’ll be soon grappling with difficult questions about how to build robots into our society. Here are three key fronts we’ll need to defend.

Safety and Errors

- Is it even possible for us to create machine intelligence that can make nuanced distinctions, such as between a gun and an ice-cream cone pointed at it, or understand human speech that is often heavily based on context?
- What are the trade-offs between nonprogramming solutions for safety – e.g., weak actuators, soft robotic limbs or bodies, using only nonlethal weapons, or using robots in only specific situations, such as a “kill box” in which all humans are presumed to be enemy targets – and the limitations they create?
- How safe ought robots be prior to their introduction into the marketplace or society?
- How would we balance the need to safeguard robots from running amok with the need to protect them from hacking or capture?

Law and Ethics

- Are there unique legal or moral hazards in designing machines that can autonomously kill people? Or should robots merely be considered tools, such as guns and computers, and regulated accordingly?
- Are we ethically allowed to give away our caretaking responsibility for our elderly and children to machines, which seem to be a poor substitute for human companionship (but perhaps better than no – or abusive – companionship)?
- Will robotic companionship for other purposes, such as drinking buddies or pets be morally problematic?
- At what point should we consider a robot to be a “person,” eligible for rights and responsibilities? If that point is reached, will we need to emancipate our robot “slaves”?
- As they develop enhanced capacities, should cyborgs have a different legal status than ordinary humans? Consider that we adults assert authority over children on the grounds that we’re more capable.
- At what point does technology-mediated surveillance count as a “search,” which would generally require a judicial warrant?

Social Impact

- What is the predicted economic impact of robotics, all things considered? How do we estimate the expected costs and benefits?
- Are some jobs too important, or too dangerous, for machines to take over? What do we do with the workers displaced by robots?
- How do we mitigate disruption to a society dependent on robotics, if those robots were to become inoperable or corrupted, e.g., through an electromagnetic pulse or network virus?
- Is there a danger with emotional attachments to robots? Are we engaging in deception by creating anthropomorphized machines that may lead to such attachments, and is that bad?
- Is there anything essential in human companionship and relationships that robots cannot replace?
- What is the environmental impact of a much larger robotics industry than we have today?
- Could we possibly face any truly cataclysmic consequences from the widespread adoption of social robotics, and, if so, should a precautionary principle apply (that we should slow down or halt development until we can address these serious risks)?

“The Future Is Always Beginning Now”

These are only some of the questions in the emerging field of robot ethics. Beyond philosophy, many of the questions lead to doorsteps of psychology, sociology, economics, politics, and other areas. And we have not even considered the more popular Terminator scenarios in which robots – through super artificial intelligence – subjugate humanity. These and other scenarios are highly speculative, yet they continually over-shadow more urgent and plausible issues.

Of course robots can deceive, play, kill, and work for us – they’re designed in our image. And the reflection they cast back triggers some soul-searching, forcing us to take a hard look at what we’re doing and where we’re going.

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