

Coronavirus recession threatens to worsen racial inequalities in youth unemployment, researchers warn

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Young BAME people are likely to be hit hardest by the coronavirus recession, researchers at the University of Sheffield have warned.

Dr. Gurleen Popli from the University's Department of Economics has been awarded a prestigious Leverhulme Research Fellowship in order to investigate why young BAME people experience higher levels of unemployment and economic inactivity. Economic inactivity describes those without a job who are not seeking or available for work, including students and full-time carers.

In 2018 the unemployment rate for all 16- to 24-year-olds was 12%, while their rate of economic inactivity stood at 39%. For young white people, the [unemployment rate](#) was 11% and economic inactivity was at 35%—while for young BAME people the rates were 18% and over 50%, respectively.

With little existing research into the reasons for this disparity, Dr. Popli's project aims to explain the differences between BAME and white youths' decisions at the end of compulsory education, and examine the consequences for them when they reach the age of 25.

Dr. Popli fears the [economic downturn](#) caused by the coronavirus pandemic threatens to exacerbate existing racial inequalities—as happened during previous UK recessions in the 1980s, 1990s and 2008-09.

Dr. Gurleen Popli, Senior Lecturer in Economics at the University of Sheffield, said: "COVID-19 has brought into focus the widespread ethnic inequalities in our society, with BAME communities experiencing significantly higher death rates. Public Health England last week highlighted how the pandemic replicated and increased existing

health inequalities—and we are likely to see similar trends when it comes to youth unemployment.

"When shocks hit the economy, [low-wage](#), low-skilled and BAME young workers tend to bear the brunt of job cuts. We saw this during the recessions of the 1980s, 1990s and 2008-2009—and without strong government action, history is likely to repeat itself as the coronavirus [recession](#) bites.

"As the Black Lives Matter movement gains pace in the UK and globally, it becomes imperative to understand why young BAME people experience such high levels of [unemployment](#) and economic [inactivity](#) relative to their white peers."

Provided by University of Sheffield

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