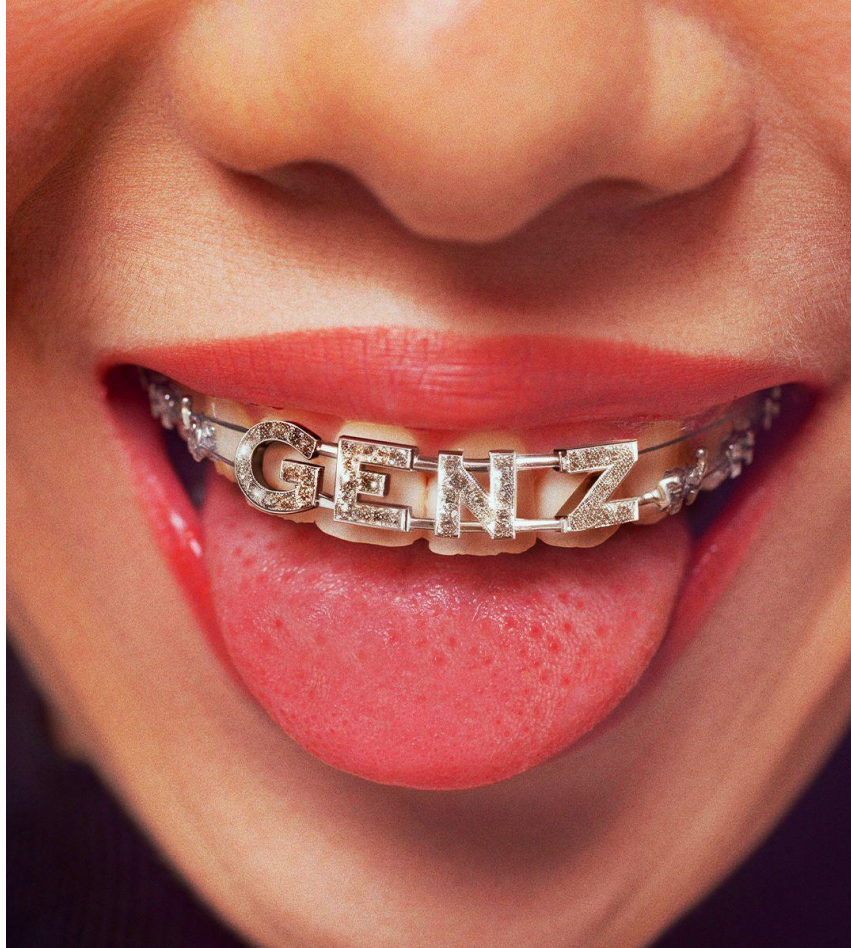


Reasons to be cheerful about Generation Z

They are not doomed to be poor and anxious



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A vast cohort is coming of age. Globally, some 2bn people were born between 1997 and 2012, and so are part of “Generation Z”. In America and Britain this group makes up a fifth of the population, rivalling the share of baby-boomers; in India and Nigeria the young far outnumber the old. For each generation there is a simple narrative: that boomers were shaped by post-war plenty, for example, or millennials by the financial crisis of 2007-09. For Gen Z the popular view is that smartphones have made them miserable and they will live grimmer lives than their elders. More and more people in the West tell pollsters that today’s children will be worse off than their parents. Youngsters themselves worry about everything from the difficulty of buying a home to the looming dangers from climate change. Social scientists fret that Gen Z-ers, having spent

their formative years doomscrolling and suffering from fomo, are now gripped by an epidemic of anxiety and depression. Politicians in America and Britain are mulling banning smartphones and restricting social media for the under-16s; parents and schoolteachers everywhere are trying to police screen time.

All this can make it hard to feel optimistic about Gen Z. But when you look around the world, and at a wider set of measures, the Zoomers are far from doomed. In many respects, they are doing rather well.

For a start, the popular narrative makes an important omission: the roughly four-fifths of the world's 12- to 27-year-olds who live in emerging economies. Thanks to growth and the spread of technology, youngsters in places like Jakarta, Mumbai or Nairobi are far better off than their parents were. They are richer, healthier and more educated; those who have smartphones are better informed and connected. Small wonder that, in a survey by the un in 2021, the young in emerging economies were more optimistic than those in the rich world.

Yet in some places there is a fear that the rapid progress of recent decades might fail to repeat itself. That anxiety is evident in China. Thanks to economic uncertainty and an emphasis on quantity over quality in higher education, over a third of degree-holders there may be unemployed.

In the rich world the picture is rosier than people think. Those of Gen Z who are in work—and in America there are nearly as many of them in workplaces now as there are boomers—are doing nicely. Red-hot demand for workers helps, as does the fact that Gen Z-ers are wisely acquiring marketable skills. More of them are pursuing science, engineering and medical degrees; the humanities have fallen out of favour.

Wages for Gen Z are rising at a much faster pace than they are for older workers, and the youth-unemployment rate across the rich world is at its lowest in decades. In America the income of the average Zoomer, after adjusting for taxes and transfers, comfortably exceeds that of a millennial or a Gen X-er at the same age, in real terms. True, housing affordability has worsened since the 1980s. But, thanks to Gen Z-ers' stronger wage growth, house prices as a

multiple of earnings are roughly where they were for millennials a decade ago. And young people today are at least able to put more of their salaries into savings.

Already Gen Z-ers are transforming the world of work. They have bargaining power—and they know it. Many millennials came of age in the shadow of the global financial crisis; they felt so precarious that they were afraid to ask for pay rises. Gen Z seems to have fewer qualms about quitting for a better opportunity, or taking things slowly and enjoying life. Bosses, unused to being on the back foot, complain. But older workers will be quietly thankful if overall pay and perks go up.

Gen Z will shape society in other ways, too. Young people's concern about climate change will, as they reach voting age, make states more likely to act. More broadly, Zoomers tell pollsters they want bigger government. They may change their minds when they have to pay more taxes—or they may not.

They are a serious bunch, less given to late nights, binge drinking and promiscuity than their elders were. There is a dark side to this. They socialise in person less, have less sex, and are more likely to say they are lonely. Reported rates of anxiety and depression are rising in much of the West. Some of this probably reflects a greater willingness to open up about mental health. But other factors play a role.

The extent to which social media fuel mental distress among the young is furiously debated. In the West the rise in anxiety coincides with the adoption of social media. However, hard evidence of causation is limited, and most of it comes from studies of adults in the rich world.

What is clear is that Generation Z has been at the sharp end of a technological revolution. The speed with which smartphones and then social-media apps were adopted around the world left users, and young people in particular, scrambling to figure out how best to navigate them. Social media have brought benefits, such as entertainment and connectivity, but also costs. Some content may be harmful, and time spent scrolling could have been devoted to study or sleep.

OK Zoomer

Transformative technologies often have downsides. In the past, people have adapted: think of the seat belts and regulations that made cars less deadly. Encouragingly, there are signs that



social-media habits are already shifting as users weigh the costs and the benefits. Instead of posting about themselves publicly, for example, many are retreating to private groups on messaging apps. So far, the evidence that would justify a blanket ban on smartphones for the young does not exist, though schools should be free to bar them from classrooms, and parents are right to restrict screen time.

It is only natural for the old to worry about the young. If that leads to better mental-health treatment, or fewer restrictions on building more homes, well and good. But celebrate Gen Z's resourcefulness, and its successes, too. ■

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