



## Solving Youth Unemployment

April 23rd, 2013

UNEMPLOYMENT in the euro area reached a record high in early 2013. According to Eurostat, the European Commission's statistical service, unemployment in the 17 member states stood at 12%.

Meaning that 19.1m people are unemployed in the euro area, of which 3.6m are under 25 years old. Youth unemployment rose to 23.9% in February from 22.3% a year ago—rates in Greece and Spain are over 50%. These levels of unemployment are disasters of epic proportion.

Governments, bankers and bureaucrats appear to be stymied by this crisis. Are they pretending that it is business as usual? Appalling.

There are cries for spending to be curtailed...but on the backs of whom? It is not the youth that created the bloat, unreasonableness of the fiscal environment and dare we say it, the corruption that appears to have become the norm. [CUT HERE]

Here are some radical thoughts

Focus on the under 25 year olds.

Start now, 90 days max.

Call it an internet and other service friendly business initiative.

Use the [KISSES](#) approach.

Keep it short, simple, effective, social!

Offer a “few strings attached low interest loan”

Offer 5 million loans of \$15,000 Euros.

That will require a pool of investment of \$75 Billion dollars.

They can pay 3% per annum interest - later.

Principle is due in 5 years, but can then be amortized over a 60 month basis or \$250 per month, with additional months added for the interest.

What will happen?

Let's use a version of Pareto's Principle.

- Not initially successful: 80% or 4 million
- Some success: 20% or 1 million.

Of the “some success” we apply some forecasting using the [Pareto Principle](#) and some models we have developed with [Andion](#) and prior.

We divide the “success” into 4 categories

1. Limited success: Employment for self, generating \$25000 per year of revenue
2. Success: Employment for self and another generating \$30000 per person per year of revenue
3. Greater success: Employment for self and 4 others generating \$50000 per person per year of revenue
4. Champions: Employment for self and 50 others generating \$100,000 per person per year of revenue
5. Bonus category: Please keep reading

The Champions are producing \$5 Million per year of turnover.

Small potatoes some of you might be thinking. Estimated annual impact on the economy? 70 Billion, with about 30 Billion making its way into various levels of government coffers. This would give a societal payback of less than three years and a business payback of 5 years.

Still not impressed? We predict that a new level of ‘success’ would also be obtained – a bonus category of about 1300 businesses that we would call “True Champions.” These “True Champions” would employ 250 persons each, with each person generating \$250K per annum. Those numbers would add another 80 Billion to the economy and 30+ billion to government coffers.

What type of businesses could do that? Music labels, social media companies, travel businesses, head offices of new chains of eateries, travel and historical societies, just to name a few. With 5 million motivated people, we do not know what they will dream up and then with a little push from us begin to implement.

Where would these 1300 “True Champions” come from? From every level of the 5 million start ups, even the 4 million that, are not initially successful. These people will learn from their mistakes, get the taste of entrepreneurship in their mouths and many will want to try again. The strong will not look at the initial lack of success as failure, but as learning and motivation to try again with better and smarter plans.

As my friend Andre says these people are PHD – poor hungry and desperate. It may sound harsh but necessity is the mother of invention. Let’s not let these assets rot on the vine!

We do not think that this is a solution only for Europe, but for North America and other parts of the ‘developed’ world that have become ‘me too’ societies. We need to become a ‘can do’ society.

We here at Andion with our commitment to support Children’s causes are hosting the 4<sup>th</sup> Annual I.G.P.T. Tournament benefiting Autistic Children. For additional information visit our website [www.igpt.ca](http://www.igpt.ca) or purchase a ticket [here](#).