

## YOUTH EMPLOYMENT AND EDUCATION: THE REALITIES OF EUROPEAN UNION AND GEORGIA

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### Abstract

*Education has always been linked to success. However, after the global economic crisis (in 2008) young people all over the world (especially in developing countries ) have started questioning if the mentioned idea is a proven fact. In order to view if a diploma is a guarantee of a bright future in both developing and developed countries, this article is focused on examining the relationship between tertiary education and work attainment in Europe. The paper provides theoretical perspectives concerning the latest employment realities and issues of the European youth.*

*The statistic data presented in the work reflects on aspects like how much time is needed for a young person to find job and if the level of formal education defies success on the job market. The theoretical assessments of the European Union's youth education and employment enables to analyze current transformations in the learning system that the young Europeans are faced with. The conclusions drawn from the article will be the foundation of the examination of the youth employments trends in a developing country, like Georgia (to be discussed in the upcoming article).*

**Keywords:** Education; European Union; Georgia; Post Soviet countries; Youth Unemployment;

**JEL Classification:** E24, J13;

### I. INTRODUCTION

Every year millions of young people decide to attend university, with a hope to attain a good professional vocation after graduation. Global society has created a culture where education is associated with having a prosperous life. Even though the image of success is encouraging, in reality, having a diploma does not always equal to having a good job. This "cliché breaking" statement is mostly true for developing countries like Georgia, where youth unemployment was up to 30.8% (age: 20-24) and 20% (age: 25-29) in 2018 (National Statistics Office of Georgia, 2018).

After the collapse of USSR, the post Soviet countries' job markets started to experience major changes. Historically, Georgia has had a high rate of literacy and an established culture of obtaining tertiary education. However, after gaining independence, the country has been experiencing problems of youth unemployment.

For a developing country like Georgia, having an educated, self-actualized youth, is a "must". Hence, youth unemployment is not only an economic but a social problem as well. Although, the mentioned post Soviet state has been working with European Union on various development strategies, the causes of youth unemployment and the work conditions of newly graduated students are not a common subject of discussion. Hence, observing some of the aspects of European youth employment such as time needed to find first job after graduation, how does the level of education effect the amount one earns, if the level of education received is suitable for work "market" and etc., is a safe mean of acknowledging our problems and developing ways to battle our issues.

The first part of the article overviews the conditions and statistics of youth unemployment and education of the European Union. The mentioned information will assist to analyze the problems that currently Georgian young workers are facing and come up with certain solutions, in the second part of the work.

### II. YOUTH UNEMPLOYMENT AND EDUCATION STATISTICS IN EUROPE

According to the 2016 data, there were approximately 19.6 million tertiary students in European Union, 61% of which were trying to obtain their bachelor's diploma. The majority of students (34%) were studying social sciences and/ or law (Eurostat, 2018).

As of March 2019, the youth unemployment rate in EU 28 area was equal to 6.4%. The indicator has reached its historical minimum since the year 2008. The mentioned fact gives hope to the European youth now, because up until 2013 the youth unemployment rate was experiencing a promptly increasing trend.

Even though, the youth unemployment tendency is decreasing throughout the territory of EU 28, some countries like Greece and Spain are yet experiencing higher levels of youth concerning the subject.

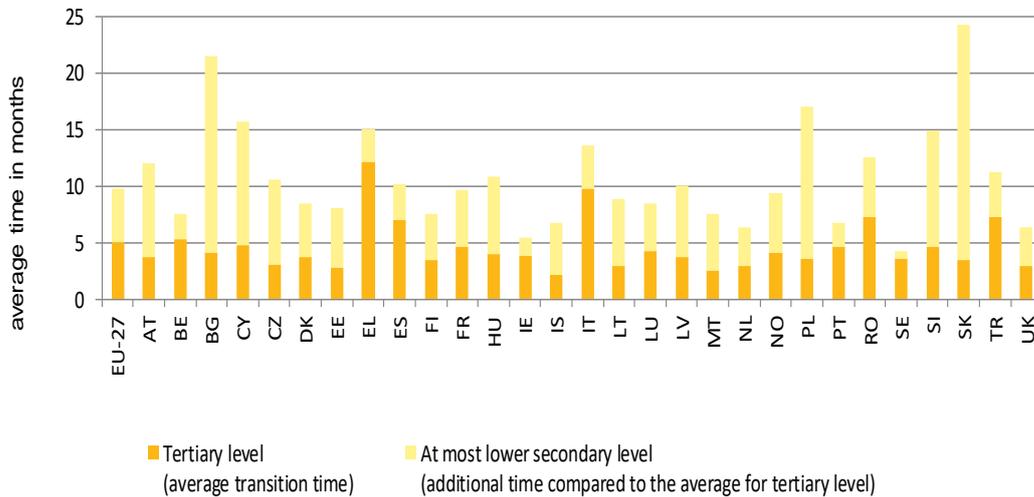
Historically the unemployment rate is higher for young women than men. The trend is continued today as well, as it is easier for men to find work, than for women. As of now the gender gap is equal to 1.4% . However, in 2013, when the youth unemployment in EU had reached its maximum, the difference was equal to 0.1% (Eurostat, 2019).

During the year 2009, the average age youngster leaving education, in the European Union, was 21.2 years old and it took an average of 6.5 months for the newly graduate to find a job. The higher the educational attainment, the lesser the time needed to find a job. The British spent the least amount of time during the job search: 3.5 months, while it took Greek young people more than a year to find work (Eurostat, 2009).

The Europeans not only collect information concerning how much time do young people need to obtain their first jobs, they are evaluating the first, working experience that the youth has gained. Eurostat carries out a survey " Level of experience on the labour market since leaving education" in order to measure the transition between studies and work, of the people who had graduated at least five years ago. According to a study conducted by International Labour Office (ILO) in Peru, the psychological experience and overall, quality of the first job determines a person's future professional route (ILO, 2016). Hence, studying the transition experience can be very beneficial.

Education and proper knowledge have been sought after by the European employers for many years. Even though at the beginning of the economic crisis young people were facing a choice to either give up their further education and start working, and/or continue their education, the hirers always proffered to chose someone who had had tertiary education.

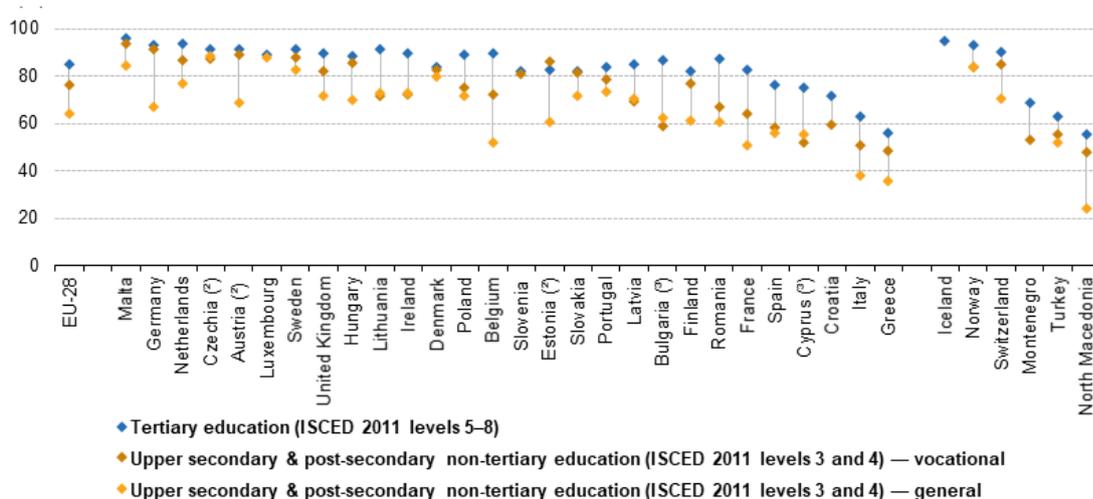
As shown by data , the higher the level of education, the higher the level of employment :



Notes: Results are based on people who left formal education in the last five years.

BG, LT and SI data lack reliability due to low sample sizes for the category "at most lower secondary".

**Figure 1: Average length of transition from school to work by educational attainment level, 2009 (Eurostat, 2009);**



(\*) Graduates having graduated within one to three previous years. Ranked on the overall rate for recent graduates with an upper secondary & post-secondary non-tertiary education or a tertiary education (ISCED 2011 levels 3-8).  
 (\*) Upper secondary & post-secondary non-tertiary education — general: low reliability.  
 (\*) Upper secondary & post-secondary non-tertiary education — vocational: low reliability.  
 Source: Eurostat (online data code: edat\_lfse\_24)

**Figure 2: Employment Rates of Recent Graduates (Aged 20- 34) Not in Education and Training, by Educational Attainment Level, 2017 (Eurostat, 2017);**

### III. EFFECT OF ECONOMIC CRISIS ON EDUCATION ATTAINMENT

By the first quarter of 2008, the level of youth unemployment in EU had reached the lowest point throughout the 2000's - 6.8% (Eurostat, Mar. 2019). However, the index started to grow promptly when the financial crisis began. During the economic crisis people all over the world started losing jobs and as evident from various data economically the most vulnerable group of the labor market were people, who only had had school education.

This fact startled the European youth, as it began to view tertiary education as a worthy investment, in order to increase their competitiveness (European University Association, 2011). The news of growing number of students, sent waves throughout the world, as it was evident that the culture of education was changing amongst the new generation.

However, despite having a growing number of students attending universities, according to some new researches (McKinsey & Company, 2014; European Centre for the Development of Vocational Training (CEDEFOP), 2015), employers are struggling to find new employees who not only have a formal tertiary education, but also have practical working abilities. Unfortunately, during their time in universities, students do not get exposed to realistic information and do not develop the skills that are needed for starting a career.

Meanwhile, the employees do not always have the time to raise new talents. Hence, after graduation a lot of young people have a difficulty to start working, even at the entry positions.

In order to solve this problem several solutions have been proposed by the European Universities. Firstly, some of the universities require their students to gain work experience while studying. In Germany, certain universities have "dual programs" which require students to work while being in the Alma Mater.

Often times universities themselves become intermediaries between their students and partner/ donor companies. Universities cooperate with various companies, so that their future alumnae have a guaranteed chance to find a work position, while studying. Thus, the young adults are able to develop technical skills and work culture.

According to the data from 2016, Eurostat states that the number of young people working, while receiving education has risen significantly since 2009 (Eurostat, 2018).

In order to give the youth more competitive advantage professional colleges have been established throughout EU territory. The colleges assist interested parties to go through intensive trainings and/ or establish alternative career paths. After 2007, number of attendees in the professional colleges has risen overall. However, there is an opposite trend of attending professional institutions in countries like UK and Germany. This reality may be explained by the fact that the mentioned countries have one of the lowest youth unemployment levels, throughout the Union territory.

Additionally, job assistance programs have been launched, throughout Europe. This program provides services like coaching, teaching short term courses, assisting in job application process and overall, it is motivating young people to find a work position. Counseling has been found to be one of the most prominent components of the program, as it assists to find high quality jobs in a short time period (Caliendo and Schmidl, 2015).

#### IV. CONCLUSION

Based on the aforementioned information, in order to identify the possible trends of youth unemployment it is not only important to estimate the number of young people who are employed or unemployed but it is also vital to collect data about their various nonfinancial/ economic experiences.

Hence, it may be concluded that according to the data, youth employment is a prominent subject in Europe and the European youth have proof that their hard work in university pays off. The 2008 economic crisis showed the global society, that even the most developed countries may face certain challenges. However, when working mindfully on clear solutions, in accordance to the essential information on hand, the problems may be solved efficiently.

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