The Transition Generation: Young people in school and work in Central and Eastern Europe and the Commonwealth of Independent States

Sheila Marnie and Leonardo Menchini

SUMMARY

Young people go through several transitions in their path from childhood to adulthood: in education, work, family formation, health and citizenship. This paper focuses on the transition from school to the labour market for the generation of young people in CEE/CIS who experienced the most turbulent years of the transition during their formative years.

Using administrative data on school enrolment as well as data from labour force surveys, the paper tracks the main trends in education enrolment at the primary, lower and upper secondary levels, showing that the impact of the economic difficulties of the early 1990s was greater in the poorest countries of the region, and was reflected in particular in falling enrolment for the non-compulsory levels of education. The post-1998 period of economic recovery brought with it a marked divergence between upper secondary education enrolment in the Central and Eastern European countries and the rest of the region. However, data on enrolment provide only a partial picture of what happened to the school system during the transition; statistics on attendance and achievements from other data sources suggest that inequalities in school access and quality increased both across the region and within countries.

Education trends (using indicators measuring both quantity and quality) influence outcomes in the labour market, but can also be influenced by them: the results of labour force surveys show that young people in CEE/CIS face a high risk of unemployment or underemployment. At the same time, in particular in CEE, the lack of employment opportunities encourages young people to remain in the education system for longer periods.

Mismatches between the outcomes of education systems and labour market demand, as well as the character of recent economic growth, have resulted in significant imbalances in the labour market, with the result that young people are among those most affected by unemployment (mainly in CEE) and underemployment (mainly in CIS).
The Innocenti Discussion Papers (IDPs) are signed pieces by researchers on current topics in social and economic policy.

The findings, interpretations and conclusions expressed in this paper are entirely those of the author(s) and do not necessarily reflect the policies or the views of the United Nations Children’s Fund (UNICEF).

Extracts from this publication may be freely reproduced with due acknowledgement. Suggested citation:


For further information and to download our publications, please visit the IRC website at <http://www.unicef-irc.org>

Correspondence should be addressed to:
UNICEF Innocenti Research Centre, Piazza SS. Annunziata, 12, 50122 Florence, Italy, Tel: (+39) 055 20 330, Fax: (+39) 055 2033 220, Email: florence@unicef.org

About UNICEF IRC
The UNICEF Innocenti Research Centre in Florence, Italy, was established in 1988 to strengthen the research capability of the United Nations Children’s Fund (UNICEF) and to support its advocacy for children worldwide. The Centre, formally known as the International Child Development Centre, has as its prime objectives to improve international understanding of the issues relating to children’s rights, to promote economic policies that advance the cause of children, and to help facilitate the full implementation of the United Nations Convention on the Rights of the Child in industrialized and developing countries.

The Centre’s publications contribute to the global debate on children’s issues and include a wide range of opinions. As a centre for excellence, Innocenti also collaborates with external partners and often seeks contributions and inputs from children’s rights specialists from a range of disciplines.
THE TRANSITION GENERATION: YOUNG PEOPLE IN SCHOOL AND WORK IN CENTRAL AND EASTERN EUROPE AND THE COMMONWEALTH OF INDEPENDENT STATES

Sheila Marnie¹, Leonardo Menchini²

¹Consultant, UNICEF IRC <smarnie@unicef.org> ²Programme Specialist, UNICEF IRC <lnenchini@unicef.org>

Keywords: Young people, education, unemployment, Central and Eastern Europe, Commonwealth of Independent States

Introduction

In CEE/CIS countries, young people who were in the 15-24 year age group in 2005 represent the generation which experienced the most turbulent years of the economic and political transition in a formative stage of their development. Since they are also the generation which will have to take forward transition and the future development of their countries, it is important to understand their experience of that period. Young people have to go through several changes in their path to adulthood; this paper looks in particular at their passage from school to work.

Today’s older children (those aged 15-17) and young adults (those aged 18-24) started school in the late-1980s and early-mid 1990s, a period of substantial change not only in the organization of the education systems, but also in the function of formal education in relation to the economic system and the labour market. Under the socialist regimes, the secondary school and higher education curricula were designed explicitly to supply the expertise and skills required in the planned economy. School leavers and graduates were guaranteed employment, albeit with limited choice regarding location, wage level, etc. Now the transition from education to labour market is more complex. Curricula have to be adapted and be more flexible to match the changing demands of the markets, and the lack of broad-based growth and slow restructuring in some countries has meant a shrinking of employment opportunities. This has resulted in large imbalances in the labour markets in CEE/CIS, with young people being one of the groups most affected by unemployment and underemployment, leading to problems of integration and social inclusion.

Education is key in providing young people with the skills and knowledge required to stimulate their interest and make them competitive and productive in the labour market. However in parts of the region incomplete reforms and lack of adequate investment mean that the quality of school and vocational education has fallen. It is not providing the knowledge and skills required by young people in order to enter increasingly competitive labour markets and knowledge-based economies. Low quality education, or dropping out of education early, means more limited opportunities, and increases the likelihood of unemployment, or underemployment in low wage low-skill labour, which can in turn contribute to the intergenerational transmission of poverty.

1. The Transition Generation and Education

Under central planning the countries of the CEE/CIS had achieved impressive results in education: at the onset of the transition, adult literacy was almost universal; access to free basic education was the norm by the early 1980s, and enrollment rates were high even at the non-compulsory levels. However, the huge economic and institutional changes in the early 1990s led to changes in both the supply and demand for education. On the positive side, national education programmes now offer more subjects, more varied curricula, and more opportunities to follow individual preferences. On the negative side, these benefits are not available to all, but rather to those who live in the more prosperous parts of the region, and also those who are able to pay. For others, there has been a reduction in education opportunities and also in the quality of education on offer.

On the demand side, the fall in average living standards, as well as the loss of regular work and wages experienced by many households during transition, meant that families could not always afford the increasing direct and indirect costs of sending children to school, or were concerned that their children found paid employment as soon as possible. And on the supply side, loss of tax revenue, and for some countries loss of transfers from the central budget, gave rise to large cuts in public expenditure, forcing governments to shift part of the costs for education formerly paid by the public sector onto households. As a result both formal and informal payments for education increased significantly. The reduction in public expenditure also led to a deterioration in the quality of the education infrastructure and facilities, to drops in real wages for teachers, in the quality and quantity of teaching materials and on the general quality of the school environment.

The data available is used below to capture the education experience of those born at the beginning of the 1980s, who started their basic school education at the beginning of transition. This generation experienced the first and most brutal shocks delivered to the education system; some managed to weather these shocks better than others. There is no panel or longitudinal data with which to monitor the trajectory of individual school children, but data on enrolments, attendance and quality at various stages in the transition period provide some indication of the changes and challenges faced by this generation as it passed through the various levels of education.

Figure 1 shows that at the beginning of the 1990s the average gross enrollment rates in basic education were high, ranging from a maximum of 99 per cent in Central Europe to a minimum of 92-93 per cent in the Caucasus and Central Asia. In the early 1990s, despite the severity of the economic crisis, basic school enrollment rates were largely maintained. The Central European countries were the most successful and managed to maintain full enrollment throughout the period, while the other subregions experienced only slight declines (3-4 per cent), reaching their lowest level in basic education enrollment rates around 1993. After this dip, there was a period of almost continuous growth in enrollment rates. The poorest countries of the region experienced the largest declines in gross enrollment rates, but these tended to be concentrated at the lower secondary level, while enrollment in primary education remained almost unchanged.
These results suggest that overall between 5 and 10 per cent of children in the basic school age groups, were not enrolled in their respective school level in the different sub-regions. However official enrolment rates conceal the full extent of the decline in access to basic education experienced by the transition generation, and the extent to which inequalities in access grew in the 1990s. Survey data on attendance rates show that school absenteeism was more prevalent among the poor, and that the reasons for irregular attendance were the deteriorating conditions of school infrastructure, lack of heating, lack of transportation, and lack of money to buy clothes or shoes to send children to school. Another key reason for falls in attendance rates, especially in the poorer countries of Central Asia, the Caucasus as well as Moldova, was the pressure on children to work in order to supplement family income. There is also evidence of a reduction in access to basic education for disadvantaged ethnic minorities (in particular Roma, in Central Europe and South-Eastern Europe).

Apart from the drops in enrolment and attendance, and the resulting inequalities in access – which would be easier to quantify if data on actual attendance were available for all the countries – there is evidence that the quality of school education across the region became much more differentiated, and that the average quality also dropped in some countries. Quality in education is always difficult to measure, but the results of standardized international tests provide some indication of the levels, trends and distribution of school achievements, and can be used as a proxy measure for the quality of school education.

The results of three rounds of the TIMSS (Trends in International Mathematics and Science Study) programme, carried out in 1995, 1999 and 2003 showed that children in the 4th and in the 8th grade of school education in the countries of the region included in the comparative studies (all those in the European part of the CEE/CIS region, with the exception of Armenia) were on average well positioned in the international ranking in sciences and mathematics achievement: most countries had scores above the international average scores, while the rest were very close to the international average. However, in some cases, for example, the Russian Federation, Slovakia and Bulgaria, the scores for the eighth grade mathematic tests declined significantly between 1995 and 2003, while Lithuania was the only country in the region to register an improvement in the average scores (see figure 2). Evidence of substantial inequality in school achievement has also been found within the individual countries, confirming increasing differentiation in the quality of school education provided.

The deterioration in the average quality of school education occurred early on in the transition period. UNICEF (1998) reports, for example, that in Hungary average learning achievements had deteriorated overall during the ten years leading up to 1995, and that the worst deterioration was in reading skills especially in rural areas. Unfortunately there are no data on school achievements from some of the poorest countries of the region (Caucasus and Central Asia), where indirect evidence suggests that the deterioration was more pronounced.

To summarize, the transition generation went through basic education in a period in which the school system was suffering from resource constraints and undergoing far-reaching changes. On the one hand, most of the countries were able to contain the reduction in basic school enrollments; but on the other hand, some 5-10 per cent of pupils were not enrolled in school and a larger share – mainly those from the most disadvantaged socio-economic strata – were not attending regularly. At the same time, there was evidence of a growing divergence in the quality of school education, with children in the richest countries, and within countries children from the more affluent households, reaping the advantages of the greater range and choices. This implies that some of the generation lost out at an early stage in their development in the chance to acquire skills which would help them later to avoid poverty and disadvantage. As argued in Tomasevsici (2006, p. 74) “the previous right to education was supplanted by access to school, excluding those who could not afford the cost”.

**Figure 1**: Trends in basic education enrolment in CEE/CIS subregions, 1989-2005 (gross enrolment rates)

Note: Basic education corresponds to the ISCED levels 1 and 2. Normally it lasts from ages 6/7 to ages 14/15, including primary and lower secondary education. Source: Elaboration of data from TransMONEE database 2007.
**Figure 2:** Averages scores in mathematic tests (TIMSS) among children aged 13, 1995, 1999 and 2003

Note: The yellow bar refers to the year 2003. Countries are ordered by decreasing levels of the scores in 2003. Armenia, Estonia and Serbia participated only in the 2003 round of TIMSS. In 2003 TIMSS was conducted only in the Serbian part of Serbia and Montenegro.


**Figure 3:** Trends in gross enrolment rates in upper secondary education (ages 15-18) in CEE-CIS sub-regions


The growing differences in access to upper secondary levels for this generation – measured by enrolment rates for ages 15-18 year olds since 1995 – are more visible. Figure 3 shows that at the beginning of the transition upper secondary enrolment rates were in the range of 75-90 percent. There was then an initial decrease in enrolments in all the sub-regions except for Central Europe, but levels recovered relatively quickly in the Baltic countries, which, like the countries of Central Europe, had gross enrolment rates of circa 100 per cent by the beginning of the 2000s. Recovery in enrolment rates was slower in the Western CIS countries, especially in the Russian Federation and Moldova: in 2005 this sub-region reported average gross enrolment rates for upper secondary of 78 percent, a level close to the average registered in South Eastern Europe, and five per cent lower than the 1989 level. But the greatest decline was seen in the Caucasus and Central Asia, where upper secondary enrolment rates decreased sharply in the first half of the 1990s, and showed only tentative, and inconsistent, signs of recovery in the following ten years.
These figures illustrate the growing intra-regional differences in access to upper secondary for the children born in the early 1980s and entering upper secondary in the late 1990s. However, while the enrolment rates suggest that access for young people in the countries of Central Europe and the Baltics was almost universal, it was not quite as high as suggested by the enrolment rates, since there were also high levels of drop-out, especially among those in vocational secondary programs.

Table 1: Educational attainment of young people aged 20-24, select countries, 2005

<table>
<thead>
<tr>
<th>Country</th>
<th>% of 20-24 year olds who completed upper secondary education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Republic</td>
<td>91.2</td>
</tr>
<tr>
<td>Hungary</td>
<td>83.4</td>
</tr>
<tr>
<td>Poland</td>
<td>91.1</td>
</tr>
<tr>
<td>Slovakia</td>
<td>91.8</td>
</tr>
<tr>
<td>Slovenia</td>
<td>90.5</td>
</tr>
<tr>
<td>Estonia</td>
<td>82.6</td>
</tr>
<tr>
<td>Latvia</td>
<td>79.9</td>
</tr>
<tr>
<td>Lithuania</td>
<td>87.8</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>76.5</td>
</tr>
<tr>
<td>Romania</td>
<td>76.0</td>
</tr>
</tbody>
</table>

In contrast, data for the countries of Central Asia and the Caucasus show only a slight recovery in the enrollment rates of 15-19 year olds after the dramatic decline at the onset of the transition. Figure 5 uses the results of a labour force survey carried out in Kyrgyzstan in 2004 to show that only 57 per cent of males and 66 per cent of females aged 15-19 were attending school, while more than one third of males were participating in the labour force (31 per cent employed and 5 per cent unemployed) and one girl in ten was neither working nor studying.

Figure 4 shows trends in the ‘main occupation’ (i.e. study, work, unemployed, or not studying and not participating in the labour force, ‘not occupied’) for young males and females aged 15-19 years in Slovakia between 1994 and 2005, and highlights the growing share of those remaining in education (circa 90 per cent in 2005), and the declining share of those participating in the labour force. The trends and rates are very similar for males and females, with very low numbers of young people neither working nor studying. This picture is typical for the other Central European countries and the Baltic States.

Figure 4: Distribution of 15-19-year-olds by occupation in Slovakia, 1995, 2000 and 2005


2. Young people in the labour market and youth unemployment

Young people are likely to encounter difficulties in entering the labour market in all parts of the world: in rich, middle-income and poor countries. The ILO (2006) argues that youth (individuals aged 15-24) represent a group with serious vulnerabilities in the world of work, and one which faces an ever-declining pool of decent work opportunities as well as high levels of economic and social uncertainty. Young people tend to have higher levels of inactivity, unemployment (including discouraged unemployment\textsuperscript{18}) and also of underemployment,\textsuperscript{19} than the older age groups of the population. The ILO (2007) provides estimates of youth unemployment across the world, and argues that the CEE/CIS region\textsuperscript{20} has the second highest youth unemployment rate, after the Middle-East and North Africa region.

Despite recent economic growth, the CEE/CIS region as a whole continues to be characterized by the high employment imbalances that have accompanied the restructuring of labour markets. Many of the jobless are young first-time job seekers and those who do manage to find jobs are more likely to find short-term employment. TransMONEE data on young people’s participation\textsuperscript{21} in the labour market and unemployment\textsuperscript{22} are derived from the national labour force surveys and point to a mix of similarities and differences in rates and patterns of youth employment. The situation regarding young people’s participation in the labour market shows considerable variation by sub-region. Only a small proportion of young people aged 15-19 (in several cases not more than 10 percent) participates in the labour market in Central Europe, the Baltic States and most of the Western CIS and South Eastern Europe countries, where enrolment in upper secondary education is the norm (in Central Europe and Baltics) or is very common. In the Caucasus and Central Asia, on the other hand, a large share of these older children is already part of the labour force.\textsuperscript{23}

Figure 6 below shows that the rate of participation in the labour market for young people aged 15-19 is low, and has been decreasing, in the 8 countries which joined the EU in 2004. In these countries the overwhelming majority of young people aged 15-19 are enrolled in upper-secondary or higher education programmes. In South-Eastern Europe and in the Russian Federation, the decline in participation rates is less striking and the increase in upper secondary and higher education participation is only one of a number of factors explaining the declining trends in labour force participation: in Bulgaria, Romania and in the CIS countries, there is some evidence that the numbers of discouraged young people have increased.\textsuperscript{24} But what is common to all the subregions is that those 15-19 year olds who participate in the labour force, and to a lesser extent young adults aged 20-24 years, face difficulties in finding a job (in particular a regular job in the formal labour market). As a result, there are problems of youth unemployment, or in the case of Central Asia, underemployment.

Figure 5: Distribution of 15-19 year olds by main occupation in Kyrgyzstan, 2004

Figure 6: Trends in labour force participation rates for 15-19-year-olds in CEE/CIS sub regions, 1995-2005

Note: Results from the national labour force surveys. The data for South-Eastern Europe include only Bulgaria, Croatia, TFYR Macedonia and Romania.

Figure 7: Labour force participation of 15-19-year-olds in select CEE/CIS countries, 2005

Note: Data from national labour force surveys.

Figure 7 presents data on labour force participation rates for 15-19 year olds in 2005 for selected CEE/CIS countries, and shows that the participation rates are higher in the Central Asian countries as well as in Albania. The difference between participation rates for males and females is minimal, apart from a few exceptions (notably Kyrgyzstan which was discussed above).

The levels of unemployment for the 15-19 year old age group are high, especially in the countries with the lowest labour force participation levels, i.e. the countries of Central Europe. Unemployment is lower – in the range 10-20 per cent - in some of the countries with higher youth participation rates, i.e. Central Asia and Albania (see fig 8). Slovenia is an exception since it has a quite low participation rate (13 percent) and a relatively low unemployment rate (13 per cent). In all CIS countries for which data for 2005 are available, females aged 15-19 have a higher unemployment rate than males, and in some cases the difference is quite marked: in the Russian Federation for example the unemployment rate for females aged 15-19 in 2005 was 32 per cent compared with 21 per cent for males. In Kyrgyzstan it was 21 and 13 per cent respectively.
Figure 8: Participation and unemployment rates among 15-19-year-olds, select CEE/CIS countries, around 2005

Note: Results from the national labour force surveys.

Figure 9: Participation of young people aged 20-24 in the labour force, select CEE/CIS countries, 2005

Note: Results from the national labour force surveys.
Figure 9 presents data on labour force participation rates for the 20-24 year old age group. The patterns of participation differ from those for the 15-19 year old age group presented above, in that most countries have participation rates ranging between 45 and 60 per cent, and even higher in some countries. Only Moldova and Georgia (two countries with high rates of external migration) have participation rates below 40 per cent. In all countries, the participation rates for males exceed those for females.

However, participation in the labour market does not necessarily mean employment. In fact, unemployment rates for young people aged 20-24 years range between 10 and 20 per cent in most of the countries, but are much higher in some (table 2). In Poland, for example, in 2005 one in three young people aged 20-24 year old was unemployed (corresponding to 623 thousand people), and in Slovakia one in four. The Russian Federation and other CIS countries have the lowest unemployment rates in CEE/CIS, but the Russian Federation alone had the highest absolute number of unemployed aged 20-24 (981 thousand in 2005). These differences in unemployment rates are partly a reflection of the different market adjustment mechanisms adopted to cope with the negative demand shocks in the labour market in the 1990s: in most of the CIS countries wages rather than employment levels were adjusted downwards resulting in a growth of underemployment or low-productivity, low-paid employment; while in the Central Europe and South-Eastern Europe countries the shocks and adjustment led to higher levels of open unemployment. A significant share of youth unemployment is long term, especially in the Central European and South-Eastern European countries (figure 10), partly reflecting a mismatch between the curriculum of upper secondary, vocational and tertiary education, and the skills demanded in the labour market.

Gender differences in unemployment rates for the 20-24 age group are limited, apart from in a few countries (table 2, last column). However intra-country differences in rates can be very high, as for example in the Russian Federation, where Siberia and the Southern Federal region have particularly high rates, and the Northern Caucasus regions report exceptionally high levels of joblessness (neither working nor studying) among young people.

### Table 2: Unemployment rates for young people aged 20-24 and female to male ratio, 2005

<table>
<thead>
<tr>
<th>Country</th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
<th>Female to male ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Republic</td>
<td>15.8</td>
<td>15.7</td>
<td>15.8</td>
<td>1.00</td>
</tr>
<tr>
<td>Hungary</td>
<td>17.4</td>
<td>17.6</td>
<td>17.5</td>
<td>1.01</td>
</tr>
<tr>
<td>Poland</td>
<td>33.8</td>
<td>35.5</td>
<td>34.5</td>
<td>1.05</td>
</tr>
<tr>
<td>Slovakia</td>
<td>27.1</td>
<td>24.3</td>
<td>25.9</td>
<td>0.90</td>
</tr>
<tr>
<td>Slovenia</td>
<td>12.8</td>
<td>14.7</td>
<td>13.6</td>
<td>1.15</td>
</tr>
<tr>
<td>Estonia</td>
<td>13.3</td>
<td>13.1</td>
<td>13.2</td>
<td>0.99</td>
</tr>
<tr>
<td>Latvia (2004)</td>
<td>13.6</td>
<td>17.2</td>
<td>15.1</td>
<td>1.27</td>
</tr>
<tr>
<td>Lithuania</td>
<td>14.8</td>
<td>13.8</td>
<td>14.4</td>
<td></td>
</tr>
<tr>
<td>Albania (2002)</td>
<td>19.0</td>
<td>14.0</td>
<td>16.5</td>
<td></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>21.0</td>
<td>17.8</td>
<td>19.7</td>
<td></td>
</tr>
<tr>
<td>Croatia</td>
<td>25.0</td>
<td>29.7</td>
<td>27.0</td>
<td>1.18</td>
</tr>
<tr>
<td>TFYR Macedonia</td>
<td>62.1</td>
<td>62.8</td>
<td>62.4</td>
<td>1.01</td>
</tr>
<tr>
<td>Romania</td>
<td>19.1</td>
<td>16.3</td>
<td>18.0</td>
<td>0.85</td>
</tr>
<tr>
<td>Moldova</td>
<td>18.9</td>
<td>16.4</td>
<td>17.7</td>
<td>0.87</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>12.7</td>
<td>13.5</td>
<td>13.1</td>
<td>1.06</td>
</tr>
<tr>
<td>Georgia (2004)</td>
<td>25.0</td>
<td>35.2</td>
<td>29.0</td>
<td>1.41</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>12.3</td>
<td>14.9</td>
<td>13.5</td>
<td></td>
</tr>
<tr>
<td>Kyrgyzstan (2004)</td>
<td>13.6</td>
<td>15.9</td>
<td>14.5</td>
<td>1.17</td>
</tr>
<tr>
<td>Tajikistan (2004)</td>
<td>11.7</td>
<td>10.0</td>
<td>11.0</td>
<td>0.86</td>
</tr>
</tbody>
</table>

Note: Results from the national labour force surveys. Data for Ukraine for 2005 indicates that the unemployment rate for young people aged 15-24 was 14.9 per cent (15.2 per cent for males and 14.4 per cent for females).

Conclusion

The young generation in the CEE/CIS region has to take forward the transition process. Their education, their skills, their active participation in the labour markets and their full inclusion in the society will have an impact not only on their individual development, but also on that of their countries.

Throughout the region, universal or almost universal enrolment rates for basic education have been largely maintained for this generation even in the worst period of economic crises. In the case of Central Asia, they recovered reasonably quickly after an initial drop at the beginning of the 1990s. However these high enrolment rates mask the growing inequalities in access to and quality of basic education which were experienced by this generation. Survey data on attendance rates show that children from poorer households, and in some cases from ethnic minorities, have been more likely to experience a decline in attendance of basic education. Access to upper secondary education has become more varied across the region, with enrolment rates ranging in 2005 from almost 100 per cent for 15-18 year olds in Central Europe and the Baltics, to 60-70 per cent in the Caucasus and Central Asia. Unlike basic education, enrolments for this level did not recover in these two sub-regions after the drop at the beginning of the transition.

The high enrolment rates in upper secondary education in Central Europe are partly a reflection of the lack of employment opportunities for young people, and the difficulties which many experience in the transition from school to work. Prolonging school education is to some extent used to create a buffer zone, allowing teenagers to postpone entry into the labour market. The difficult transition from school to work is reflected in school drop outs, youth unemployment and underemployment, as well as labour migration among young people. On the one hand competition on the labour market means that young people have incentives to gain as high educational qualifications as possible. But on the other hand drop outs and unemployment also point to problems in matching their school education, particularly vocational education, with the skills required on the labour market.

In contrast, the decrease in upper secondary enrolment rates in Central Asia and the Caucasus reflects in part the greater economic pressures on young people to engage in paid employment, even in low-wage, low-productivity jobs; and in part the drop in quality of the education offered at upper secondary schools, and slow reform of vocational education, which has led to perceived low rates of return to education.

Unemployment rates for young people aged 15-24 are high, particularly in Central Europe and the Baltics, where youth labour force participation is lower (reflecting the high enrolment rates in school and upper education). Long term unemployment is particularly worrying, since it can lead to marginalization and a greater tendency to risky behaviour. In the poorer countries (mainly Central Asia) where youth labour force participation rates are higher, underemployment – the quality of jobs – rather than open unemployment is the problem.

Lack of employment opportunities has pushed many young people towards external migration. This represents a short term solution, but also means a “brain drain” and loss of human capital for the countries of origin. Overall the drop in the average quality of school education available for young people, the mismatch between skills taught in vocational education and those in demand in the labour market, the difficulties experience by many in entering employment, is leading to a decline in social and human capital. In order to reverse this trend, youth policies, policy easing access to the labour market have to be developed and greater recognition given to the benefits of investing in young people.
Acknowledgements: This paper presents analytical work carried out for the related segment of the UNICEF TransMONEE Features 2007. The authors are grateful to Virginia Cruissen (UNICEF IRC) for the valuable assistance in data preparation and to Gordon Alexander (UNICEF Regional Office CEE/CIS), Simona Stanescu (Research Institute for Quality of Life, Romanian Academy), Eva Jespersen, Shahin Yaqub and Carlotta Alloero (UNICEF IRC) for the valuable comments on the paper.

This paper focuses on the generation of young people who were aged 15 – 24 years in 2005, i.e. those who were either born at the very beginning of the transition or in the decade preceding it Those who were 15-19 in 2005 were born between the end of 1980s and the beginning of 1990s, and those who were aged 20-24 were born between 1981 and 1985.

The World Development Report 2007 is devoted to young people and their role in development. It identifies 5 transitions which young people need to make in their path to adulthood, namely in education, work, health, family, and citizenship. This short paper concentrates on the transitions which young people make in education and work. See World Bank (2006).

A study conducted in 1995 in Czech Republic, Hungary, Latvia, Lithuania, the Russian Federation, Slovakia and Slovenia, reported that a large share of teachers perceived their social status to be relatively low and teaching was not seen as a desirable profession (see UNICEF (1998) p. 29).

Basic education corresponds to the ISCED levels 1 and 2. It is compulsory and normally lasts from age 6/7 to age 14/15; often divided into primary (to age 10), and lower secondary levels.


It should be noted, however, that monitoring of enrollment rates is difficult for this period due to the large migration flows experienced by many countries in the region. UNICEF (1998) pp.22-23.


The TIMSS is an international comparative assessment of the mathematics and sciences achievement of the 4th and 8th grade students developed by the International Association for the Evaluation of Education Achievement, TIMSS & PIRLS International Study Centre and Lynch School of Education, Boston College, Chestnut Hill.


