

# **Rising employment opportunities for the youth in Central Asian countries through skills development and promotion of interaction of education system and labor market.**

(By the example of Uzbekistan)

## **Foreword**

The problem of providing employment opportunities for the youth became common almost for all developing countries. Being unemployed early in life takes a heavy and enduring toll on the individual. It can damage prospects for employment later in life. The habit of working once lost is very difficult to recover, leading to a cycle of despair, poverty and social instability, a cycle that's destructive not only for their own lives but for society as a whole.

Despite many new opportunities for productive work in today's high tech business environment, work opportunities for youth have lagged behind in the developing world. Target 16 of the Millennium Development Goals directly addresses this problem<sup>1</sup>. It calls for developing and implementing strategies for productive work for youth, affecting long-term national economies as well as a generation of consumers and investors. Today, young people aged between 15 and 24 are only a quarter of the world's working population but they make up half of its unemployed. The European Union alone has more than 4.3 million unemployed young women and men; Latin America and the Caribbean, over 8.8 million. Some 7% of adults are unemployed in Europe, yet more than 18% of the young lack jobs. In Latin America and the Caribbean, the difference is similarly stark – 15% of the young, compared to only 5.6% of adult workers, suffer from unemployment. The young not only have greater difficulty in finding work of every sort, they have an even smaller share of decent and productive jobs. Across the world they tend to work longer hours for lesser pay, with little job security. In economic upturns, they are amongst the last to be hired, and in downturns<sup>2</sup>. The problem of youth unemployment is rapidly assuming dangerous proportions in many countries as their economies and educational systems are unable to accommodate these numbers of youth. Youth unemployment is an urgent global issue that has repercussions in demographic, social, economic, health, and environmental spheres. These impacts will be felt at the individual, familial, national and global levels if not addressed, and this is a prescription for disaster. If provided with an enabling environment and opportunities, youth in both developed and developing countries can be key agents for social change, economic development and technological innovation. Youth bring with them boundless energy, imagination, creativity, ideals, and a limitless vision for their future and the societies in which they live. If not utilized, they are a wasted resource. Thus, it is imperative that youth are harnessed as part of society. This can be achieved through providing sustainable and decent employment and livelihoods opportunities for them<sup>3</sup>.

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<sup>1</sup> Target 16. *In cooperation with developing countries, develop and implement strategies for decent and productive work for youth*

<sup>2</sup> *From UN Secretary-General's address to the 4th European Union/Latin America and Caribbean Heads of State Summit*

<sup>3</sup> *Youth Unemployment: The Current Scenario.* [www.yesweb.org/gkr/res/issuestatement.doc](http://www.yesweb.org/gkr/res/issuestatement.doc)

During the last decades, the developing countries were induced by the donors and the international finance agencies to make investment in social sectors development, particularly in education. A huge domestic investment made in this type of general education bore no relationship with the requirements of the job market. The result is that a ‘mismatch’ between the demand and supply of labour has created a large force of unemployed youth in the developing countries. In order to strike a balance, it is essential that an ‘national employment opportunities plan’ in consultation with all stakeholders should be drawn, taking into account the existing shortages in various vocations and the projected demand of the labour force. The education policy should be then integrated with this employment plan. <sup>4</sup>

National education and training systems often fail woefully to equip people with the skills and abilities required by dynamic, globalising economies. This affects young people disproportionately as they lack work experience to compensate for inadequate training. Thus, programmes which combine on-the-job training with attendance in vocational schools would be particularly helpful for them. National educational systems must also give young people better career guidance, and more information about the labour market. Many young unemployed come from communities where there is high unemployment in older generations too. Lacking working role models, they can often get career advice only from school-based schemes. In addition to these, Government job centres providing both vocational guidance and labour market information can play important roles in helping young people to choose their career or find a job<sup>5</sup>.

### **Challenge of youth employment in Central Asia and Uzbekistan’s way to provide decent work for the new generation**

Central Asia—Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan—is home to almost 60 million people. Located at the center of the vast Eurasian continental space, the countries of this region are today the focus of intense international attention because of their geopolitical and economic importance, their natural and human resources, their transit potential for transcontinental trade and transport, and their unsettled political situation. <sup>6</sup> Today, the Central Asian republics vary widely in terms of their geography and population size, natural resource endowments, economics reforms being carried out etc. Nonetheless, they share many challenges and opportunities, in part because of their common history, their important cross-border trade, water, energy and environmental links. In many important respects, the people of Central Asia and their governments have been remarkably successful in meeting the very difficult problems they faced after the Soviet collapse. One of the main problems occurred after independence was providing decent job for everyone. So, for Central Asian countries in the beginning of reform processes after independence the increase of intensity in the labor market was characteristic, which was expressed in reduction of employment, growth of unemployment and combined with changes in branch structure of employed

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<sup>4</sup> *Trends in youth unemployment. Masood H.Kizilbash*

<sup>5</sup> *From UN Secretary-General's address to the 4th European Union/Latin America and Caribbean Heads of State Summit*

<sup>6</sup> *Kemal Dervish, Administrator, UNDP*

population. Thanks to efforts of the governments and reforms the intensity in the labor market was taken away, but there still remain some unsolved problems concerned with further promotion of youth employment.

Uzbekistan has over 26 million people, with 36% living in urban areas and 64% in rural areas. The model of incremental transition to market relations enabled Uzbekistan to ensure higher records in cumulative growth and achieve important outcomes. First, the country managed to avoid any serious civil disturbances or social, ethnic or military conflicts. Many other transition countries were not so fortunate. In addition, it preserved the growth potential of its agricultural sector—the most important sector for employment and income generation. Third, it managed to achieve macroeconomic balance in a relatively short time through appropriate fiscal and monetary policies.

During the period from the 1960s to 1990s, a high birth rate (30–40 per thousand per annum), requiring large expenditures on the creation and maintenance of social infrastructure, resulted in a lack of employment opportunities for much of the growing labor force, thereby rendering impossible any achievement of high rates of growth in per capita terms. The Soviet policy of promoting a high birth rate was carried out in the interests of the USSR as a whole. Its main goal was to maintain the defense capability of the country through a steady rise in the share of army recruits from the Central Asians republics, including Uzbekistan. Since independence, demographic policies have shifted towards the real needs of the people. As a result of the measures taken, the annual increase of the population over the last five years fell to 400,000, compared with over 500,000 in the mid-1990s. Moreover, in 2003, the birth rate was 19.8 per thousand, i.e. 1.7 times less than in 1991<sup>7</sup>. During the period from 1991–2002, the annual population growth rate fell from 2.2% to 1.2%.<sup>8</sup>

The population structure is currently dominated by the working-age group (women of 16–54 years and men of 16–59 years), which represents 56% of the total, while children and teenagers under 16 years of age account for almost 37%. The average age of the population is 25.5 years (24.1 years in rural areas and 27.9 in urban areas), meaning that Uzbekistan can be considered, according to international demographic classification, a country with a young population. The birth rate remains the major factor in the growth of the population of the Republic; however, it continues to decrease from year to year and this tendency has become constant. After an insignificant increase in the number of births in 2004 (by 31.9 thousand people) the number of births in 2005 decreased again from 540.4 to 538.0 thousand people. More than two thirds of the newborns (69.1%) were registered in rural areas. The average birth rate (per one thousand people) was 22. pro mil in rural areas and 17.3 pro mil in urban areas.<sup>9</sup> Due to the intensive demographic growth rate, children, adolescents and young adults up to the age of 25 years comprise 60% of the total population. Hence, providing the new generation with decent work is becoming more actual day by day. And here the interaction of education and labor market is crucial. Because, recently all over the world the young people suffering from a paradox, an incredible paradox: while they have, on

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<sup>7</sup> The small increase in the birth rate—from 20.4 per thousand in 2001 to 19.8 per thousand in 2002, was due to the entrance into the fertile age group of women born during 1985–1986, when the birth rate peaked at 37.4 per thousand in 1985 and 37.9 in 1986.

<sup>8</sup> Human Development Report. Uzbekistan 2005.

<sup>9</sup> Uzbekistan Economy. Statistical and analytical review for the year 2005.

average, higher education levels than older workers, they enjoy more limited access to employment. This fuels a sense of unfairness, and sends a message that more education will not improve job prospects<sup>10</sup>. The main reason of this problem is that, there is no deep study of the demand in the labor market and absence of special mechanism for supporting employment of graduates of different educational institutions. In Uzbekistan from beginning of the reform of educational system, the issue of interaction of education and labor market was in the centre of attention. Of course there was a good progress in this way, but unfortunately there are still considerable problems in providing jobs for graduates of most educational institutions.

### **Education system of Uzbekistan: Towards providing high quality knowledge, skills and employment**

The right for access to education is stipulated in Chapter 41 of the Constitution of Uzbekistan, which states: “Each and every citizen has a right to education. The government guarantees equal and equitable access for free education”. The process of strengthening the links between the economic system and education system is the main feature of the latest developments in society. When Uzbekistan became a sovereign state in September 1991, and started the gradual transition to a market economy, these changes required an adequate system of education and training. Such a system was designed to reflect the rapidly changing labor market conditions and to encourage indigenous improvements in the structure of the education cycle, as well as pedagogical contents. The transition to a market economy caused a strong demand for new curricula, new teaching methods and new interpretations of literacy, competence, practical knowledge, professional qualifications and employable skills. At the present time the policy of the state in the field of education is based on its own model. It is aimed at training of highly qualified specialists, competitive cadre for work in the market economy, supporting of educational establishments of various types. Special attention is paid to the conformity of education institutions to the state curricular, to provide social protection for students and teachers as well as to upgrade technical and methodical base of educational institutions. The major precondition for development of the country is the functioning of the education system and professional training. This system should provide the formation of a new generation of specialists, capable to live in a society with advanced common and professional culture, social and personal activity and able to take independent decision in a socio-political environment. Transition to multilevel system of higher education was aimed at improving quality of professional training. The reform of the system of higher education was directed to develop creativity of future specialists in the process of independent work on the basis of active forms and methods of training. Adopted in 1997 the National model became a basis and core of the National program on personnel training which has defined conceptual mechanisms of fundamental overhauling of the education system and professional training. The program is a normative and scientific base for reforms, it lays a way to fundamental changes in the structure and contents of the education system, with the inclusion of the nine-year common secondary education,

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<sup>10</sup> *From UN Secretary-General's address to the 4th European Union/Latin America and Caribbean Heads of State Summit*

completely new independent kind of middle special, professional education, two-level system of higher education. The essence and distinctive feature of the National model of the professional education is the system's integrity that encompasses following basic components: individual, the state and the society, continuous education, science and manufacturing. Role, functions and objectives of continuous education in the implementation of National model have been clearly formulated in the followings:

First phase (1997-2001) - creating legal, regulatory, scientific methodical, financial basis for its overhauling and developing on the basis of the preservation of positive potentials of the existing system in professional training.

Second phase (2001-2005) – full-scale implementation of the National program, its adjustment by using accumulated experience, development of labor market and real social – economic conditions.

Third phase (2005-to present) - accomplishment and further development of a system of professional training on the basis of analyzing and synthesizing of cumulative experience according to perspectives of social – economic development of the country. In accordance with the Law of the Republic of Uzbekistan “On Education” and the National Program of Personnel Training, a transition to a system of free and obligatory 12-year education (including 9 years of general secondary education and 3 years of vocational training), is being implemented. Until the age of 6 or 7, children receive pre-school education in different types of establishments. General secondary school education consists of 2 stages: primary school education (Grades 1-4) and secondary education (Grades 5-9). Secondary special, vocational education is provided in academic lyceums and professional colleges and creates the basis for acquiring specific professional skills or for continuing study in institutions of higher education (*Appendix 1*).

The system of secondary special and vocational training involves more than 800 educational institutions which provide training to thousands of young people. Finally, 63 institutions attended by more than 250000 students are currently operating in the system of higher education, while the number of students is increasing. In comparison with the beginning of the 1990s, the number of courses offered by higher education institutions has almost doubled.

*Table -1. Enrolment in secondary specialized and professional educational institutions by gender and type of education(thousands)*

	2000/2001		2001/2002		2002/2003		2003/2004		2004/2005	
	wo- men	men	wo- men	men	wo- men	men	wo- men	men	wo- men	Men
<b>Number of students</b>	<b>54,4</b>	<b>52,3</b>	<b>101,6</b>	<b>120,8</b>	<b>109,0</b>	<b>127,5</b>	<b>120,7</b>	<b>135,6</b>	<b>152,7</b>	<b>170,8</b>
<b>Attending at:</b>										
<b>Day classes</b>	47,3	42,6	92,0	106,9	95,5	112,7	106,4	122,1	135,0	156,0
<b>Evening classes</b>	6,9	9,4	0,4	13,5	0,1	0,3	0,1	0,2	0,1	0,2
<b>Correspondence classes</b>	0,2	0,4	0,1	0,3	13,4	14,5	14,2	13,3	17,6	14,6

*Source: Gender Equality in Uzbekistan. Facts and Figures 2000-2004. Statistical Bulletin*

Table-2. Enrolment in Higher Educational Institutions by gender and type of education (thousands)

	2000/2001		2001/2002		2002/2003		2003/2004		2004/2005	
	wo- men	men	wo- men	men	wo- men	men	wo- men	men	wo- men	Men
<b>Number of students</b>	16.7	28.0	19.6	31.0	21.0	33.6	23.5	37.4	25.7	33.6
<b>Attending at:</b>										
<b>Day classes</b>	15.2	25.5	17.3	28.0	17.3	28.6	18.5	29.3	22.0	32.3
<b>Correspondence classes</b>	1.5	2.5	2.3	3.0	3.7	5.0	5.0	8.1	3.7	1.3

Source: Gender Equality in Uzbekistan. Facts and Figures 2000-2004. Statistical Bulletin

Multi-level programs of education have been introduced, including B.A. and M.A. degrees. Conditions for real competition among institutions of higher education have been created, and contacts with foreign institutions are being expanded. In recent years, some institutions from other countries have opened affiliated institutions in Uzbekistan.


## Conclusion


The proclamation by the Government of the Republic of Uzbekistan that education is priority sphere of social-economic development, democratization, humanization all spheres of public life as well as the adoption of the National program on specialists preparation gave new impetus to developing the educational system and for the creation of new types of educational institutes. The specific feature of Uzbekistan is its high literacy rate, which is 99.2% making it the one of the highest in the world<sup>11</sup>. The key priorities for education system reform in Uzbekistan are to grant equal opportunities for education at all levels and to create conditions for maintaining the quality of education according to modern requirements. In the Republic of Uzbekistan, in the meantime, governmental and non-governmental structures are dealing with the activity of adult education. During the next decade the getting both secondary and vocational education will become more significant trends. The main concern is getting the job by youth after completing vocational education. Transition to the new economic relations in country leading to the changes of requirements of the labor market. According to the changing in the economic structure the needs in the education is changing as well. Because, the demand for skilled labor in leading industries remains unsatisfied and will increase significantly following the structural transformation of the economy. Greater balance in the labor market should be obtained by improving the education of qualified specialists in secondary special, vocational, and higher educational institutions, who can easily adapt to the rapidly changing demands of the labor market. Reform of the education and the system of advanced education of specialists who can meet the demand for skilled workers is becoming increasingly important. Funding of vocational educational institutions based on the results and quality of their performance, and assessed against the formal criterion of successful job placement of graduates, should force them (educational establishments) to reorient their activities in line with labor market demand. Moreover, specialized educational institutions should be able to decide the type of education they offer independently, in accordance with the skills which are in demand on the labor market.

<sup>11</sup> Human development report. Uzbekistan 2005.

## The national system of education

Age	Name of Scholastic Institution		Level of Education
31	<b>Doctoral studies</b> (at least 3 years)		<b>Post-graduate education</b>
30			
29			
28	<b>Postgraduate study</b> (at least 3 years)		
27			
26			
25			
24	<b>Professional higher education programs</b> (medicine, up to 12 years)	<b>Masters Decree</b> (at least 2 years)	<b>Higher education</b>
23			
22		<b>General higher education programs</b> (at least 4 years)	
21			
20			
19	<b>Academic lyceum</b> (3 years)	<b>Professional college</b> (3 years)	<b>Secondary special, vocational training</b>
18			
17			
16	<b>General secondary school</b> (5 years)		<b>General secondary education</b>
15			
14			
13			
12			
11			
10	<b>Primary school</b> (4 years)		
9			
8			
7			
6	<b>II-stage</b>		<b>Pre-school education</b>
5			
4			
3	<b>I-stage</b>		
2			

 Compulsory education

 Non-compulsory education