

GENDER ASPECTS OF YOUTH EMPLOYMENT IN GEORGIA

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Abstract

The Actuality of an Issue: Today unemployment in Georgia is one of the most severe socioeconomic problems and therefore is Current challenges for the country. That's why his scientific study is of great importance, especially on the basis statistical indexes of employment and unemployment.

The goal of the study is to analyze the modern picture of unemployment and employment in Georgia based on the calculation of the statistical data on the Background of Gender Stereotypes.

Research methodology: In development of the article, generally accepted qualitative and quantitative data analysis methods of the economic science were employed, among them, statistical data processing, data grouping, inductive-deductive data analysis methods. The scientific study employs surveying, observation, as well as comparative, analytical, and graphical methods, which are used by the author to compare and analyse facts and assess solutions to specific issues.

Results and implications: The paper considers the gender aspects of employment in Georgia. Besides, the trends of unemployment and their reasons are identified and the international instruments of protection of human rights regulating the equality between the men and the women in Georgia are considered. In addition, based on the statistical data, the analysis of employment and unemployment is given in a gender respect.

Keywords: *Unemployment, Analysis, Business Economics, Management, method.*

I. INTRODUCTION

The problem of unemployment is one of the acutest problems in Georgia and as the results of different statistical, conjunctive or social surveys evidence, often ranks first among the most important social-economic or political problems the country and Georgian people face.

Following the interests in improving the labour market efficiency, the topicality of the issue is even clearer if considering the necessity for implementing the balanced policy of the national labourmarket by the state taking into account the national specificity and global trends.(N. Abesadze,2013)

Unfortunately in terms of globalization the main reason of poverty in Georgia is still unemployment and low income rates among society. (M.Tsartsidze,E. Kvirkvelia,2014)]In an economic respect, as a result of unemployment, we gain the costs of so-called unused production opportunities lost because of unused labor, i.e. production possible to gain provided the unemployed were employed. In terms of unemployment, factors of economic instability, such as reduced total demand, savings and investment demand, reduced total supply; production fall, etc. show up. Thus, in terms of unemployment, the economic potential of the country is impossible to use in full and the national wealth is impossible to increase to the maximum possible level. Economic growth rates, sector economy characteristics, technological progress and innovation development, productivity and its dynamics have an essential impact on the natural level of unemployment. (M. Tsartsidze 2013),Social aspects of unemployment are no less important. In the developed countries, the state is the first to undertake providing the labor-bodied population of the country with the subsistence minimum. Unemployment leads to an increased number of crimes, suicides and divorces. The studies evidence that 1% increase in unemployment leads to a 7-8% increase in the number of crimes. Generally, unemployment amplifies the social stress and political instability in the country. Consequently, unemployment is one of the most important and urgent problems affecting not only the unemployed population of the country, but also general state interests. This, on its turn, puts the priority and necessity for realizing some active policy by the state on the agenda. (N. Abesadze,2014.) Thorough statistical analysis of unemployment is the basis for accomplishing permanent monitoring of unemployment and undertaking relevant correction measures. In addition, the study of unemployment in respect of the country in general, as well as in regional, gender, age and urban and rural respects, has a great practical importance to develop the right policy of employment, as one of the major factors to overcome poverty. The goal of the study is to analyze the modern picture of unemployment in Georgia based on the calculation of the statistical data. In development of the article, generally accepted qualitative and

quantitative data analysis methods of the economic science were employed, among them, statistical data processing, data grouping, inductive-deductive data analysis methods. The scientific study employs surveying, observation, as well as comparative, analytical, and graphical methods, which are used by the author to compare and analyze facts and assess solutions to specific issues. (N. Abesadze,2014.)

The study demonstrated that in terms of chronic, mass unemployment, there is a deficit of the professional qualified labor force. In addition, low level of training of workers and specialists has a certain impact on the labor market conjuncture. These deficiencies prove that the modern education system is not totally oriented on the labor market requirements. The quality of professional retraining is poor (N. Abesadze, N. 2010). The basic reasons of poverty are unemployment and low level of incomes of population. Therefore, a support of population's employment is very significant for a solution of social problems and for acceleration of economic development of any country.

In terms of unfavourable demographics, the high level of unemployment and poor economic activity, insufficient employment and labour compensation, accordingly is clearly seen and particularly, among women. There is a strong flow of the workforce, mostly young people, including high-qualified labour, to foreign countries. In addition, as strange it may seems, the flows of the professionals from abroad it is found in our country in excess numbers are quite intense. (N. Paresashvili, 2015)

Purpose. Unemployment is the main problem for the modern Georgian society. As statistical and social inquiries suggest, unemployment is a severe socioeconomic problem in Georgia and it is the most important political issue for the country. Thorough analysis of unemployment is the precondition for permanent monitoring of the unemployment-related processes and realization of the measures for rescuing the situation (N.Abesadze 2013)

Method. It is necessary to efficiently analyze statistics of unemployment for developing the perfect mechanisms for regulation of a labor market.

In development of the article, generally accepted qualitative and quantitative data analysis methods of the economic science were employed, among them, statistical data processing, data grouping, inductive-deductive data analysis methods. The scientific study employs surveying, observation, as well as comparative, analytical, and graphical methods, which are used by the author to compare and analyze facts and assess solutions to specific issues.

Main results.

Unemployment is the most actual socioeconomic issue in Georgia and the different studies confirm this thesis. The unemployment rate is high in cities, as well as in villages, but according to the official statistics, percent of unemployment is 11,8%.

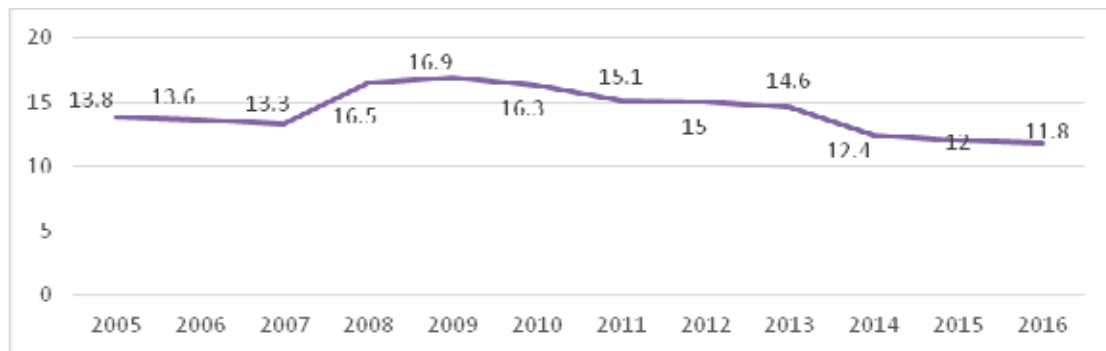


Fig. 1. Unemployment rate in percentages

Source: www. geostat.ge. Official web page of National Statistics Office of Georgia, last access 15/11/2017

In 2016, an economically active part of population compiled 67.5% of population of employable age (age of 15 and above). A level of population's activity has decreased by 0.3% and a level of employment has decreased by 0.2% compared to the previous year. The level of employment in urban settlements has decreased by 0.5% and in village-type settlements has decreased by 0.1%. The level of activity has decreased by 0.8% in urban settlements and by 0.1% in village-type settlements compared to the previous year.

If we observe a design of employment, then we'll notice that traditionally a share of self-employment is higher. In the last period this trend is sustained and corresponding indicator practically isn't changed in 2016 too.

An unemployment rate is lower in rural population compared to urban population. In 2016, compared to 2015, the level of unemployment decreased by 0.4% in urban settlements and increased by 0.2% in village-type settlements.

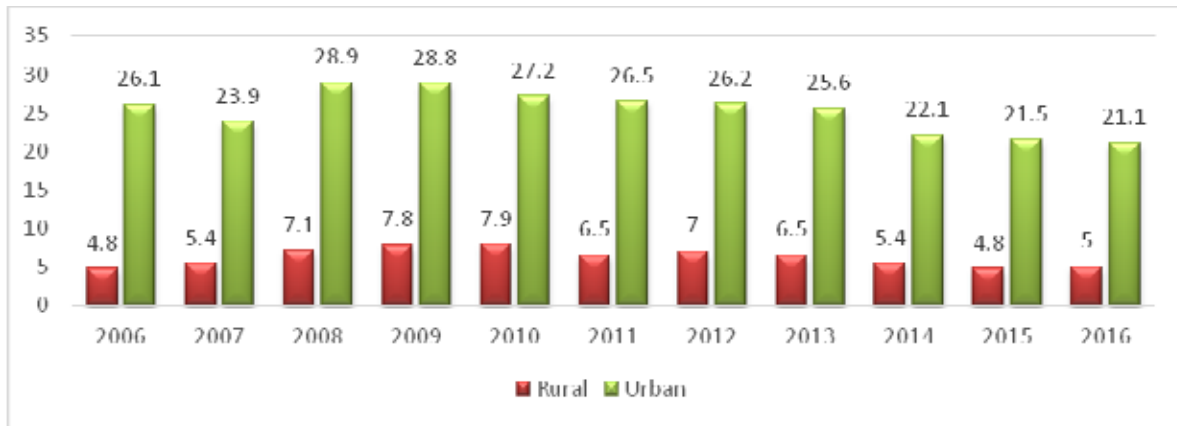


Fig. 2. Unemployment Rate by Urban-Rural Areas.(%)

Source: Source: www. geostat.ge. Official web page of National Statistics Office of Georgia, last access 15/11/2017

A study on the basis of detailed regional analysis shows that regional unemployment rate has increased in Imereti, Tbilisi and Shida Kartli regions. The highest unemployment rate is in Tbilisi, where this indicator has increased slightly by 0.6% in 2016 compared to previous year. In Imereti and Shida Kartli regions the same indicator has increased correspondingly by 2.0% and 0.2%. The unemployment rate has significantly decreased in Samegrelo-Zemo Svaneti region and in Autonomous Republic of Adjara correspondingly by 2.5% and 2.1%,

When we estimate employment and unemployment rate in the gender scope, it is noticeable that unemployment rate in women has decreased by 1.4% and in men has increased by 0.7% in 2016 compared to 2015. The corresponding rates are 8.8% and 14.2%. Traditionally unemployment rate is higher in men than in women. The basic reason for it is that majority of unemployed women belongs to the non-active category of population. Level of non-activity is double in women than in men (correspondingly 42.0% and 21.8%). Therefore, women have lower level of activity and employment compared to men.

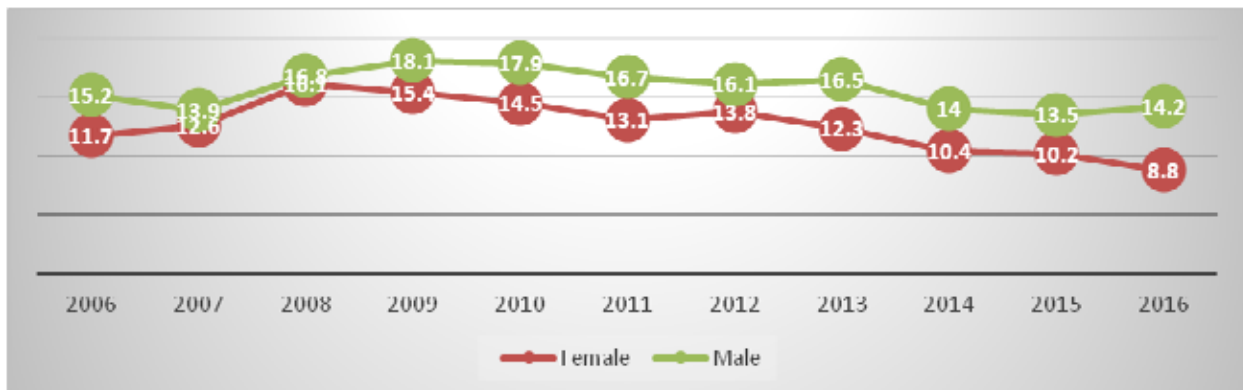


Fig. 3. Unemployment Rate by Gender.(%)

Source: Source: www. geostat.ge. Official web page of National Statistics Office of Georgia, last access 15/11/2017

Level of activity of women has decreased by 0.9% and of men has increased by 0.1% in 2016 compared to 2015. The corresponding indicators are 58.0% and 78.2%.

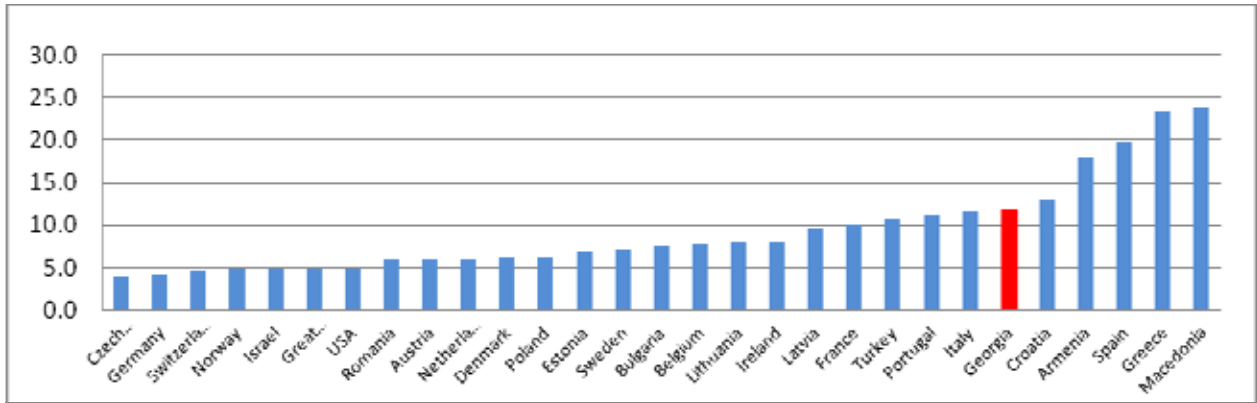


Fig. 4. Unemployment Rate by country in 2016 (%)

Source: Source: www. geostat.ge. Official web page of National Statistics Office of Georgia, last access 15/05/2017

If we consider an unemployment in the age scope, then we'll see that in Georgia situation isn't good.

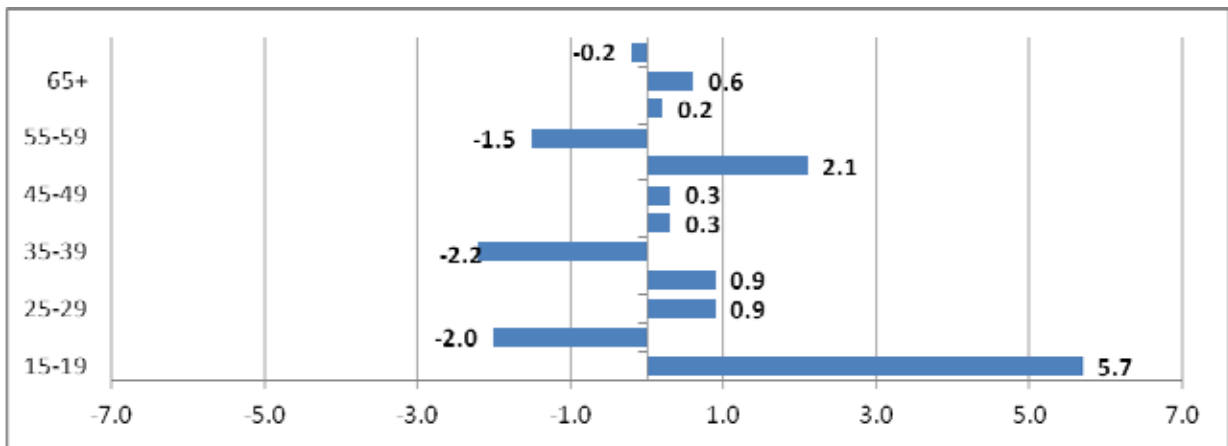


Fig. 5. A change of unemployment rate in 2016 compared to 2015 (%)

Source: Source: www. geostat.ge. Official web page of National Statistics Office of Georgia, last access 15/11/2017

A study of unemployment rate in the age scope shows that unemployment rate has reached the highest point in 15-19 age group (31.9%) and this indicator has increased by 5.7% compared to 2015.

An unemployment rate is traditionally the lowest in the 65+ age group, because this is a retirement age. Majority of population of this age is unemployed, doesn't seek jobs and belongs to the non-active category of population.

It may be surprising, but a rate of unemployment decreases as indicators of employment also decrease. According to the official statistics, unemployment rate is 11.8% and a decrement is 22% compared to 2012.

Government has been permanently conducting different reforms during the last 10 years. However, many negative events had impact on different processes at the labor market of Georgia, as well as in almost every post-soviet country. Often passive political programs have been financed. It caused increment of groups of population with low-compensation, activation of unemployment, part-time employment, etc. State apparatus often didn't spend enough financial resources to implement efficient programs that would be beneficial in the long-term perspective.

Unemployment of youth is the actual issue in Georgia too. In addition, the model of centralized distribution of graduates of higher and specialized education institutions doesn't exist anymore. Besides, there is no labor mechanism for regulation of relationship between professional education system and enterprises. Therefore, specialists are trained chaotically and without consideration of demands of a labor market. Majority of graduates join the group of unemployed and search for jobs with the help from relatives and friends.

We mentioned mentality of society, socioeconomic factors and traditions that have huge impact on the labor market and aggravate the problem of unemployment. Majority of youth in Georgia gets higher education

and learns certain professions that are abundant on the labor market. Therefore, there is a rigid competition in certain fields, but many professions are highly demanded and there is a deficiency of these professions at the labor market. As we see, there is a chaotic situation and only the labor market can't regulate it. We must use optimal symbiosis of state regulation and mechanisms of self-regulation of the labor market to overcome the crisis. If we consider unemployment in the context of age, we have not a good situation in Georgia.

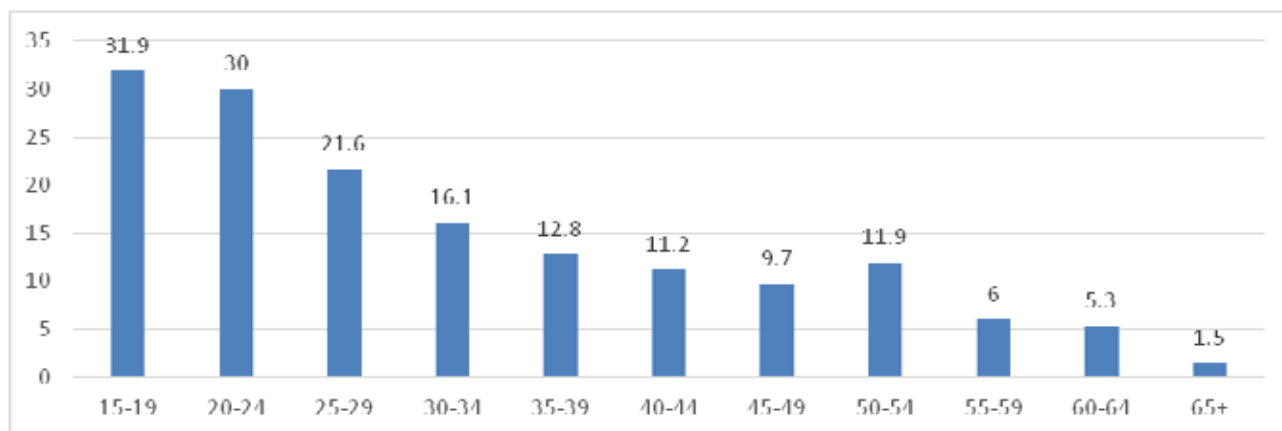


Fig. 6. Unemployment rate in the scope of age in 2016, %

Source: Source: www.geostat.ge. Official web page of National Statistics Office of Georgia, last access 15/11/2017

As it was expected, high rate of unemployment is mostly revealed in the young age groups. Unemployment rate is 11.2% in the age group 40-44, 30% - in the age group 20-24 and 21.6% - in the age group of 25-29.

Attitude of youth towards the labor activity have changed during the last 10 years. Majority of youth wants to be employed from the early stage. The main motive of employment is a high income. However, the main goal of labor activity, i.e. "good life" is often incompatible with the selected means to achieve this goal. As study suggests, majority of graduates of general education schools continue to study in state or private universities without consideration an essence and complexity of the future profession. There is a big network of higher education institutions in Georgia, but young specialists are trained without any justification and preliminary calculations. Therefore, there is a huge discrepancy between the positions of specialists and acquired professions. Also, there is growing another tendency. The most part of young people are planning to go abroad for getting education and extension skills in foreign languages. They indicated reason for their immigration that implies absence of perspectives and impossibility to get self-actualization in a country of their residence. One fourth out of their number are motivated by desire to improve material conditions and to have employment in foreign state. (N. Paresashvili, 2013).

If we consider the dynamics of indicators of education, number of students increases in state and private higher education institutions.

Number of Masters especially increases and if we consider the trends of employment, expectations of unemployment is more realistic. (M. Tsartsidze 2013)

It is necessary to carry out different and efficient activities to increase level of employment and decrease number of jobless people. Particularly, it is necessary to establish an institutional system that will develop and guarantee implementation of macroeconomic mechanisms of employment at the current stage. It is also necessary to define reasons of unemployment and systematize the different aspects of corresponding employment policy. The registration system of unemployment shouldn't be only formal. Optimization of this system is necessary to train labor force and raise its qualification. Currently, professional education (stimulated by government) is at the embryonic stage. Probably mentality of a society and attitude towards the professional education will change and it will improve the situation at the labor market.

The study also suggests that incorrect professional orientation often becomes the reason for unemployment. The correct professional orientation may play important role in regulation of employment. In the recent years, only specialists of higher education have been prepared in our country and it has become one more reason for unemployment. The system of professional technical institutions was demolished. However, as Graph 4 shows, number of students of professional institutions is 1.9 times higher in 2016-2017 compared to 2013-2014.

It is also remarkable that students of professional institutions couldn't pass the unified national exams and their decision isn't based on their interests and attitudes. It has negative impact on a quality of professional education.

It is necessary to activate social factors that have positive impact on an employment rate to guarantee a social stability of the labor market and decrease an unemployment rate. The social factors that increase employment rate are considered a stimulating force for macroeconomic regulation. For this purpose, it is necessary to optimize state expenses.

Certain factors prevent an employment of youth and hinder activities of state agencies of employment. Part of youth doesn't get special education and they are socially unprotected. Their competitiveness is low at the labor market because they lack the labor skills and experience. An education system is oriented to train specialists without consideration of demands of the labor market. Range of higher education institutions is almost unlimited because of commercial reasons (almost every second student attends chargeable department). Prestige of general and professional technical education is very low. Employment agencies of regions and cities don't finance the activities of employment policy, when specialists are prepared.

The techniques of prediction of specialist's preparation should be implemented in practice to realistically calculate and prepare people for different professions and qualifications. The calculations should be compatible with demands on labor force in the different fields of national entrepreneurship.

We must take into account that efficient policy of employment includes diverse activities. Nowadays inefficient employment of Georgian population is a main obstacle for socio-economic development, regulation of trade agreement and formation civilized labour market of the country. This means not only decrease unemployment rate but also, support the normal reproduction, retention the physical and intellectual opportunities and development of professional qualification of labor force. All these activities must support an activation of social factors that increase employment rate. In this case opportunities to attract financial resources will grow and social stability will be guaranteed.

II. CONCLUSIONS

It is necessary to activate social factors that have positive impact on an employment rate to guarantee a social stability of the labor market and decrease an unemployment rate. The social factors that increase employment rate are considered a stimulating force for macroeconomic regulation. For this purpose, it is necessary to optimize state expenses. (Trends in employment and unemployment in Georgia. 2011).

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It is necessary to establish the special research center to support employment of young specialists. The basic goals of its activities must be analysis of the labor market, education services, labor certificates of graduates and opportunities of employment of specialists, as well as development of regulation rules. This center must supply information to specialists, entrants and students as well as sign long-term contracts with employers, cooperate with psychologists and sociologists, organize short-term trainings and seminars. All these activities will support youth to reveal individual skills, qualifications and personal characteristics.

Development of organizational and economic activities (with joint effort of corresponding agencies) is especially important for solving the problems of unemployment of young specialists. Such activities guarantee professional adaptation and employment of youth in every type of entrepreneurship. (R. Kinkladze, 2011)

Our country's higher education institutions must implement a marketing technology for the labor market. It implies selection of students with strict criterions, as well as development of unified cycle of students' preparation and specialists' employment. It is also necessary to monitor the employment of graduates. (TugushiM.,Paresashvili N. 2007).

Regional programs of employment should be developed in accordance with infrastructure and geographic data of different regions of Georgia. Such programs will improve the situation in the field of an employment of

youth and increase their competitiveness. In the scope of these programs, specifications of labor of different groups of society (including youth) should be analyzed and their demands should be taken into account. The first steps of labor activities are especially important for youth. Such programs will decrease migration and youth will stay in the regions. Therefore, demographic picture (or situation) will improve.

Regional programs of employment will allow strengthening and developing the professional skills of youth, using their labor potential and creating a new type of regions. Such programs should be based on real conditions of every region and on analysis of problems of youth employment. The main goals of the program should be preparation of more competitive youth for the labor market, creation of corresponding conditions for adaptation, development of activities that support youth and mitigate the results of structural transformation of economy. Besides, different categories of youth and their labor potential should be used more extensively. Youth should get social and psychological support. They must be socially protected and their entrepreneurship initiatives must be supported.

The basic principles of development and implementation of the program should be: legal justification of planned activities; employment of youth in accordance with specifications of cities and villages; openness and transparency for every interested party. The given program will enable us to improve creativity of youth, integrate them into entrepreneurship and support development of their personal characteristics and professional skills. Therefore, more young people will be employed and favorable environment will be established for development of small and medium business.

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