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## EXPLORING THE ROOT CAUSES OF YOUTH UNEMPLOYMENT FROM THE PERSPECTIVES OF THIRD COUNTRY NATIONALS

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**Abstract.** The current study overhauls the issue of youth unemployment in Third Countries. This problem does not only have a negative impact on the lives of young people but also affects the whole economy of Third Countries. The methods which were employed in this study are in-depth interviews and the method of the case study. All in all, it was found that the main causes of youth unemployment in Third Countries are the attitude of youth towards work opportunities, the lack of youth's knowledge and skills necessary for the labor market, and the hesitation of employers to hire and invest in inexperienced people. Finally, the governments of Third Countries are recommended to strengthen the legislation regarding working illegally, to create groups having the function to detect the employees and enterprises involved in informal labor relations, to take into consideration the experience of other countries and disseminate educational messages to young people inciting them to constantly learn and to entrepreneurs inciting them to hire the representatives of youth.

### Introduction

In the modern world with the swift pace of development, the problem of unemployment remains actual. The labor market plays a vital role as it has the role of an extremely complex distribution system that ensures the connection of employees to jobs. Thus, it influences productivity, growth rates, and many other parameters of the economy. The unemployment rate is an important indicator of a country's level of economic development as it reflects the ratio of unemployed citizens in society and those who have permanent jobs [10; p.34-60]. Employment not only affects a person's material state but also determines his or her mental, moral, and social status, role in society, and future [8; p.117-129]. Youth is the future of any society and therefore, youth unemployment has the most difficult and threatening consequences for further development. The issues of youth employment and youth unemployment are particularly relevant in connection with the post-industrial development of society and the formation of the information society as a new historical phase of civilization development.

Youth unemployment is a social and economic phenomenon in which able-bodied youth are looking for work and are ready to start working, but they cannot exercise their right to work and as a result, are deprived of income and livelihood [6; p.199-234]. Nowadays, the high unemployment rate among young people is an undeniable fact. Unemployment itself is not only an indicator of economic instability in the country but also one of the most acute socio-economic problems of our time [8; p.117-129]. Young specialists are not able to fully appreciate their skills, abilities, and flair and therefore, they overestimate their suitability for the labor market. It is also difficult for them to start their way of formation because all enterprises have different attitudes towards hiring without work experience.

Young people entering the labor market for the first time, without a profession or sufficient experience, are generally regarded as a socially vulnerable group in all countries of the world [4; p.48-49]. Some employers consider hiring an inexperienced professional as a waste of time taking into consideration the additional time spent on training. They believe that it is more likely to increase productivity over this period with the help of experienced professionals [10; p.34-60]. On the other hand, certain people see the benefits of hiring such specialists. Young employees are less

resistant to innovation and they are characterized by a longer period of forthcoming ability to work which can be a significant factor for organizations that implement a particular strategy [8; p.117-129].

The scrutiny of the unemployment rates amongst youth in Third Countries in the recent five years shows the increase. In 2015, 2016, and 2017 the indicators of youth unemployment rates were very similar and constituted 13,31 %, 13,41 %, and 13,34 % respectively [9; p.427-432]. However, in 2018 and 2019 the rate went up and became 13,75 % and 14.23 % respectively [9; p.427-432].

Youth unemployment in Third Countries is a problem that affects not only one cohort but the whole population. Indeed, when representatives of youth have difficulties to find a job it affects the whole family. For instance, if a young gentleman or lady is unable to find a job all the members of the family become concerned. In certain cases, the situation is even more serious if a family is poor and a young person or a young lady who is not able to find a job is a breadwinner. As a consequence, the wellbeing of whole families can depend on the ability of young people to become employed.

It should be also underlined that youth is always regarded as the future of every nation and the inability of young people to find jobs puts under doubt their perspectives. As a consequence, the futile efforts of getting a proper job entail impairment of their self-esteem. Moreover, when young people have problems with finding a job they can become stressed and unhappy.

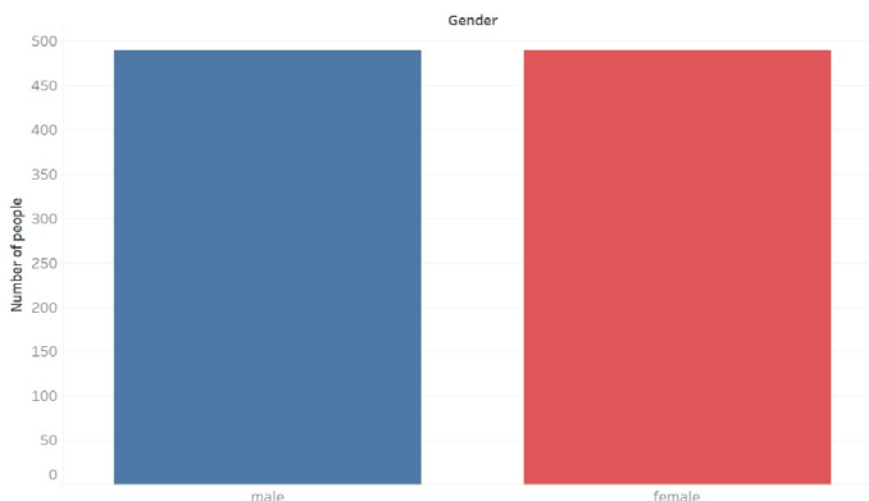
Apart from this, it is essential to realize the long-term effect of youth unemployment in Third Countries. The inability of young people to become employed entails the decrease in their incomes during their lives since the periods of unemployment negatively affects one's careers. What is more, such an inability increases the probability that they will be only temporarily employed in the future. It can be also emphasized that the impossibility to find a proper job also leads to the alteration of preferences of young people. To be more specific, when they are unable to become employed for a certain period of time the necessity forces them to agree to obtain jobs that are lower than their qualification. As a consequence, it entails the reduction of the time of fixed-term contracts and gradual increase in fixed-term employment.

### **Methodology**

The main objective of this paper is to scrutinize the issue of unemployment among youth and suggest measures which need to be taken in order to solve the problem. In order to carry it out, the qualitative methods of the case study and in-depth interviews will be applied. More precisely, the issue of youth unemployment will be deeply analyzed. Both primary and secondary resources will be utilized in order to achieve the purpose of the research. More specifically, peer-reviewed academic articles taken from online databases and decrees of the president and the cabinet of ministers will be used. Additionally, it would be pertinent to mention that interviews have been conducted with the participation of employees of the employment centers of various Third Countries. These interviews have been conducted in personal meetings and with the help of Skype. Interviewees were asked about their opinion concerning the youth unemployment in their countries, the activity of employment centers, and the legislative framework regarding unemployment. Moreover, they were also asked to share their opinion regarding the disadvantages of the current employment system and suggest measures that can be helpful to improve the current situation and decrease the level of youth unemployment. The data obtained from these interviews have been analyzed via the method of coding or indexing. This method is useful for underlying the most significant parts of interviews and conceptualizing the data.

### **Results and Findings**

The survey and interview were conducted to find the exact reasons of youth unemployment from the perspectives of individuals. Almost 1000 individuals participated surveys and interviews.



Graph 1.

According to Graph 1, it can be observed that for keeping gender balance, the number of males and females are equal, because in this article, we always tried to reduce all the risks, which can affect the course of research.



Graph 2.

In Graph 2, the answers of individuals are displayed. If we pay attention to the graph, we can pretend that majority of individuals see the main reason of youth unemployment on the attitude of youth towards work opportunities as 47 %, then from the perspective of survey and interview takers, the second root cause display itself on lack of youths' knowledge and skills necessary for the labor market as 25 %. The last reason is hesitation of employers to hire and invest in inexperienced people, and this cause got 19 % out of 100 %. Also, there are types of answers that were given by individuals, however those answers did not get more percent, therefore all were collected under category of other.

**Problem Description**

The aim of this chapter is to investigate and reveal the reasons that have caused unemployment amongst the youth of Third Countries. According to the analysis of scholarly articles and the results of the conducted interviews, the main causes of high unemployment among young professionals are the attitude of youth, the lack of knowledge and skills necessary for the labor market, hesitation to hire and invest in inexperienced people:

### ***The attitude of youth towards work opportunities***

One of the causes of the unemployment of youth is their attitude towards their employment opportunities. Certain young people have high expectations from employers, and as a result, their requirements are also high. To be more specific, even though such young people do not have a necessary level of competency they still want to get high salaries. They are not satisfied with the jobs that are suggested to them by employment centers in accordance with their skills. Indeed, the majority of young people want only a job in the office and did not want to work as a salesperson or a waiter. Additionally, young people are impatient in terms of career promotions and want to climb the career ladder quickly. They are driven by the idea of big promotions and high salaries, but they do not want to work hard and acquire new skills to get the desired positions and salaries.

In addition, the high percentage of youth unemployment in Third Countries is caused by the involvement of young people in informal labor relations. It is indicated that the real number of unemployed representatives of youth is less in comparison with official statistics taking into account that certain young people prefer to work without a labor contract. For instance, it is quite popular to have a job as a waiter without any contract in a restaurant or a tea house. As a consequence of such informal employment activities, they are automatically deprived of the benefits of the social protection system of governments of Third Countries. To be more specific, there are no deductions from their salary directed to form their pension and no insurance in the case of accidents that can occur at the workplace.

### ***Lack of youths' knowledge and skills necessary for the labor market***

One of the main causes of youth unemployment is the lack of knowledge about the labor market. This cause is especially relevant for young people coming from poor families. Many young people lack knowledge regarding the modern labor market which, in turn, does not allow them to draw the right conclusions for building their own careers. Indeed, the most of schools of Third Countries do not prepare students properly for the choice of realistic career paths. To be more specific, in educational centers, young people do not obtain information about the most appropriate ways to develop their careers. Moreover, the students of Third Countries are not provided with information that they can be self-employed or be involved in entrepreneurial activities.

The other cause is the lack of skills needed in existing job positions. Many of those who have obtained education often have only theoretical knowledge, which makes them ill-adapted to the actual tasks that they will face at work. This is partly due to school curricula and weak links between employers and training systems. Moreover, the majority of young people fail to prove themselves during interviews. For instance, most of them are not even able to present information about themselves in a proper and systematic way. It can be also underscored that young people lack specific modern skills highly appreciated by employers such as collaboration, communication, critical thinking, creativity, and emphasis on the needs of the enterprise. Additionally, it should be born in mind that the modern labor market constantly changes. Skills that were actual and significant a couple of years ago can be unnecessary due to the development of technologies. Therefore, employers want to hire people who have all the significant skills that are actual at the moment.

### ***Hesitation of employers to hire and invest in inexperienced people***

The next reason for the youth unemployment emphasized by all the authors is the reluctance of employers to hire young and inexperienced people. In the interviews, almost all employers of Third Countries want everything "right here and right now" and therefore, they are more likely to opt for experienced specialists instead of hiring young people and turn them into competent specialists. Thus, it would be pertinent to deeply analyze why employers hesitate to hire young employees in order to understand their position. One of the major causes why employers are predetermined to opt for experienced employees is that it is costly to hire young people. There are no problems with experienced employees as their resumes contain their skills, service record, and achievements. However, candidates without experience can only be judged based on their personal competences. Hence, companies

are forced to conduct multi-stage interviews, games, and tests, as well as organize mass advertising campaigns and job fairs in order to find candidates that are appropriate to an acceptable extent. This requires considerable investment and the return is hardly guaranteed to take into consideration that companies rarely manage to retain young employees for more than one or two years. The representatives of youth require special attention to themselves and they want not only to work but also to have fun at work. Moreover, they also want to have a free schedule, but employers are not ready to satisfy all these caprices.

Moreover, inexperienced young people are not hired due to the unwillingness of employers to face the consequences of their mistakes. Any blunder of young employees can be costly for companies taking into consideration that they risk lose customers and lose rivalry with competitors. Moreover, it can take time to improve the mistake at stake which, in turn, can cause losses. Therefore, employers prefer to employ those who will be less likely to make mistakes. As a consequence, there is a paradoxical situation: employers want to have experienced employees, but young people who graduated from schools or universities cannot find enterprises when they can get the necessary experience.

Besides, employers also do not want to teach young and inexperienced employees. Indeed, they prefer the employees who are familiar with the activity of the company. For instance, if there is a store that specializes in selling bicycles the owner will need an employee who has experience in selling bicycles. Only a person with previous experience will be able to explain to customers the difference between two bicycles and duly consult them. Companies are not ready to invest in someone who cannot show results immediately [9; p.427-432]. The main reason for that is a characteristic feature which is peculiar to a majority of Third Countries' entrepreneurs, namely unwillingness to make long-term investments. To be more specific, they are either impatient or simply do not realize that a long-term approach can be more beneficial for the as the returns will be higher. For instance, hiring young employees and investments made in his education or skills development will turn him or her into a competent specialist which can make an immense contribution to the development of a company in the future.

### Conclusion

To sum up, it can be inferred that unwillingness to invest in young people, hesitation to hire inexperienced people, the lack of knowledge about the labor market, the attitude of youth, the lack of necessary skills, and the involvement of youth in the informal labor market are the main reasons for youth employment in Third Countries. Apart from this, it is essential to emphasize that in spite of the existence of both legislative framework and institutions, the current policies are not effective enough to address the issue of youth unemployment and reduce its level.

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## ÜÇÜNCÜ ÖLKƏ VƏTƏNDAŞLARININ BAXIŞ BUCAĞINA ƏSASƏN GƏNCLƏRİN İŞSİZLİYİNİN ƏSAS SƏBƏBLƏRİNİN ARAŞDIRILMASI

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**Xülasə.** Bu tədqiqat üçüncü ölkələrdə gənclərin işsizliyi problemini araşdırır. Bu problem təkcə gənclərin həyatına deyil, üçüncü ölkələrin bütün iqtisadiyyatına mənfi təsir göstərir. Bu tədqiqatda istifadə olunan metodlar dərin müsahibələr və nümunə tədqiqat metodudur. Ümumilikdə məlum olub ki, üçüncü ölkələrdə gənclər arasında işsizliyin əsas səbəbləri gənclərin məşğulluq imkanlarına münasibəti, gənclərin əmək bazarı üçün tələb olunan bilik və bacarıqlarının olmaması, işgötürənlərin işə götürmək və təcrübəsiz insanlara investisiya qoymaq istəməməsidir. Son olaraq, üçüncü ölkələrin hökumətlərinə qeyri-leqal işləmə ilə bağlı qanunvericiliyi gücləndirmək, qeyri-rəsmi əmək münasibətlərinə cəlb edilmiş işçiləri və müəssisələri aşkar etmək funksiyasına malik qruplar yaratmaq, digər ölkələrin təcrübəsini nəzərə almaq və gəncləri daim öyrənməyə, sahibkarlara isə gənclərin nümayəndələrini işə götürməyə sövq edən maarifləndirici mesajlar yaymaq tövsiyə olunur.

**Açar sözlər:** *aktiv məşğulluq, gənclərin işsizliyi, əmək bazarı, üçüncü ölkələr, verilənlərin modelləşdirilməsi.*

## ИЗУЧЕНИЕ КОРЕННЫХ ПРИЧИН БЕЗРАБОТИЦЫ МОЛОДЕЖИ С ТОЧКИ ЗРЕНИЯ ГРАЖДАН ТРЕТЬИХ СТРАН

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**Резюме.** Настоящее исследование рассматривает проблему безработицы среди молодежи в третьих странах. Эта проблема оказывает негативное влияние не только на жизнь молодежи, но и на всю экономику третьих стран. Методы, которые использовались в этом исследовании, - это глубинные интервью и метод кейс-стади. В целом было установлено, что основными причинами безработицы среди молодежи в третьих странах являются отношение молодежи к возможностям трудоустройства, отсутствие у молодежи знаний и навыков, необходимых для рынка труда, а также нежелание работодателей нанимать и инвестировать в неопытных люди. Наконец, правительствам третьих стран рекомендуется усилить законодательство в отношении нелегальной работы, создать группы, имеющие функцию выявления работников и предприятий, вовлеченных в неформальные трудовые отношения, учитывать опыт других стран и распространять образовательные сообщения среди молодежи. люди, подстрекающие их к постоянному обучению, и предприниматели, подстрекающие их нанимать представителей молодежи. Наконец, правительствам третьих стран рекомендуется ужесточить законодательство в отношении нелегальной работы, создавать группы, имеющие функцию выявления работников и предприятий, вовлеченных в неформальные трудовые отношения, учитывать опыт других стран и распространять образовательные сообщения среди молодых людей, побуждая их постоянно учиться, и среди предпринимателей, побуждая их нанимать представителей молодежи.

**Ключевые слова:** *активная занятость, безработица среди молодежи, рынок труда, третьи страны, моделирование данных.*

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