

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Economics and Management



Bachelor Thesis

**The analysis of youth unemployment development in the
Republic of Tajikistan**

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

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Economics and Management

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Thesis title

The analysis of youth unemployment development in the Republic of Tajikistan

Objectives of thesis

The main aim of this thesis is to describe the issue of youth unemployment and its development in the Republic of Tajikistan and how it influences the daily social lives of people. The thesis also shows which factors affects unemployment and how various group of people deal with it.

Methodology

This thesis will be divided in two parts: theoretical and practical. The theoretical part will deal with the explanation of terms that are important to clarify the issue of unemployment. At first there will be described how to measure unemployment, its types, relationship to inflation, natural rate of unemployment, groups at high-risk and causes. In theoretical part there will be used professional publications, textbooks, books and websites dealing with unemployment. The practical part will be devoted to the unemployment issue of The Republic of Tajikistan through conducting a social survey that will focused to identify the causes of unemployment from employers and employees' point of view as well as quantitative and qualitative analysis.

The proposed extent of the thesis

40 pages

Keywords

unemployment, economic activity, income, labour market, inflation

Recommended information sources

- BRITT, Claudio. Crime and unemployment among youths. A time series analysis, *American Journal of Economics and Sociology*, 53(1),p. 509. ISBN 978- 0313302596
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- "World Values Survey Association." WVS Database, www.worldvaluessurvey.org/wvs.jsp.

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Declaration

I declare that I have worked on my bachelor thesis titled "The analysis of youth unemployment development in the Republic of Tajikistan" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 15.03.2021

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The analysis of youth unemployment development in the Republic of Tajikistan

Abstract

This bachelor thesis deals with the problem of youth unemployment in Tajikistan. The work is split into three chapters. The first chapter focuses on theoretical aspects of unemployment and youth and provides a description of youth unemployment in Tajikistan. This part is based on data from academic sources. The second chapter provides a survey among young people in Tajikistan and their attitude to the issue of unemployment in the country. The last part highlights the results of the survey and gives recommendations for solving the youth unemployment in Tajikistan.

Keywords: unemployment, economic activity, income, labour market, youth, education, corruption

Analýza vývoje nezaměstnanosti mládeže v Tádžikistánu

Abstrakt

Tato bakalářská práce se zabývá problémem nezaměstnanosti mladých lidí v Tádžikistánu. Práce je rozdělena do tří kapitol. První kapitola se zaměřuje na teoretické aspekty nezaměstnanosti, mládeže a popisuje nezaměstnanost mladých lidí v Tádžikistánu. Tato část je založena na datech z akademických zdrojů. Druhá kapitola poskytuje průzkum mladých lidí v Tádžikistánu a jejich postoje k otázce nezaměstnanosti v zemi. Poslední část zdůrazňuje výsledky průzkumu a dává doporučení k řešení nezaměstnanosti mladých lidí v Tádžikistánu.

Klíčová slova: nezaměstnanost, ekonomická aktivita, příjmy, trh práce, mládež, vzdělání, korupce

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1. Introduction

Unemployment is one of the most discussed historical and current phenomena of market economies. It dramatically affects the governments of all countries. It encompasses the economic, social and psychological well-being of the population.

Employment in the labour market is conditioned by several characteristics that distinguish groups of people with a higher risk of job loss. They include young people, women with small children, disabled citizens, the elderly and people with poor education. My bachelor thesis intends to describe the problem of unemployment in Tajikistan, focusing on one of the most vulnerable groups in the labour market, namely youth.

The thesis is divided into three chapters. In the first chapter, I will characterize the youth, their life attitudes, interests and value orientations in contemporary society. Also, I will provide a theoretical description of the unemployment concept and its types. Then the second chapter deals with the employment of young people in the labour market, youth unemployment and the possibilities of reducing youth unemployment in Tajikistan. The last part of my bachelor thesis focuses on the conducted survey of 125 respondents about the current situation and provides several recommendations for decreasing the youth unemployment level in Tajikistan.

2. Objectives and Methodology

Objectives

This thesis aims to describe the issue of youth unemployment and its development in the Republic of Tajikistan and how it influences the daily social lives of people. The thesis also shows which factors affect unemployment and how a young people in Tajikistan cope with the unemployment.

Methodology

This thesis will be divided into three chapters. The first chapter will describe the theoretical framework of unemployment and youth as well as the situation of youth unemployment in Tajikistan. This chapter will be based mainly on the literature research and analysis. The second chapter will provide a survey among young people in Tajikistan. 125 respondents from Tajikistan participated in the survey. It consists of 12 questions. The last chapter analyses the outcome of survey and gives several recommendations for improving the situation with youth unemployment in the country.

3. 1. Theoretical Review

3.1 Youth

The life of each person goes through certain phases and transitions - the so-called life cycle. It clashes with vital points of the socialization process. They are conditioned both biologically and socially. With each new stage, the ranking of values, opinions, attitudes, life problems and goals changes. Cultural differences and material conditions also influence particular phases. During the life cycle, many factors influence a person, both internal and external ones. There are, for example, political changes or wars that would affect everyday life for several years, European integration, technological development, computerization, modernization and many others.

Modern life complicates the creation of a transparent life cycle scheme. Life expectancy has increased, and working conditions have changed too. Nevertheless, at least for orientation, it is good to maintain the division of the life cycle into the usual phases (Green, 2010):

- Childhood
- youth (teenagers)
- adults (young and mature)
- old age

Values and behaviour occupy an important place in the motivational structure of each person. There is a tight and complex connection between society, its development and the personal traits of the person. Significant changes in society also affect changes in the values of the person. Therefore, in the 1990s, the Tajik society was expected to make a fundamental change in the value system related to the dissolution of the USSR. However, the development of society and social change takes place through revolutions and upheavals and smooth processes, which will only become apparent after a long time. We are talking, for example, about the mutual influence of changes in the system of social values on political changes and the influence of political changes on the system of social values. In contrast, these influences have different periods. Such changes undoubtedly impact everyone, but the main subject of society's value system changes is the young generation. (Green, 2010)

Most of the young generation are confident, inquisitive and adventurous people who feel that they can cope with practical life and adapt to socio-economic change. However, there are also groups of physically and mentally less resilient people, dependent on their social environment, impenetrable, looking with uncertainty for their future. It is also impossible not to mention a group of young people who, by their actions, go beyond the current laws, against the laws, uses the gaps in today's legislation and sets such a procedure as a programmatic motto and builds its social existence on it. The interconnection of all these philosophies of life creates a societal value climate, which today tends to higher consumption of material values than a consumerist way of life. (Green, 2010)

3.2 Unemployment as a concept

Unemployment is a macroeconomic problem that has a strong effect on every person. Loss of work for most people means lower living standards and causes psychological trauma. Therefore, it is not surprising that the problem of unemployment is often the subject of political debate, which underlines the great relevance of unemployment today.

Unemployment is defined as a situation where someone of working age cannot get a job but would like to be in full-time employment.

The entire population of the country is divided into two categories:

- 1) economically active population (labour force);
- 2) economically inactive population.

The economically active population (labour force) is a part of the population supplying the labour force to produce goods and services. The number of the economically active population (labour force) includes the employed and the unemployed.

The employed include persons of both sexes aged 16 and over and those of younger age who do work for remuneration, are temporarily absent from work for sickness and other good reasons, work without pay in the family enterprise.

Unemployed persons 16 years and older who have no job (income occupation), are engaged in its search, are ready to start work.

The economically inactive population is a part of the population that is not part of the labour force, including young people. Economically inactive people include students, cadets, pensioners, household workers and those who have stopped looking for work or do not need to work.

3.2.1 Types of unemployment

There are several types of unemployment, according to Hawkins (1979).

Demand Deficient Unemployment

Demand deficient unemployment occurs in a recession or period of very low growth. If there is insufficient aggregate demand, firms will cut back on output. If they cut back on output, then they will employ fewer workers. Firms will either cut back on recruitment or lay off workers. The deeper the recession, the more demand deficient unemployment there will be. This is often the most significant cause of unemployment, especially in a downturn. It is also known as cyclical unemployment – unemployment caused by the cyclical contraction of production. The difference between the actual value of the unemployment rate and the value of the natural rate is called cyclical unemployment.

The development of a cyclical form of unemployment leads to an excess of its actual level over natural. The economic cost of this excess is expressed in the lag of the actual volume of GNP from its potential value. Its size is calculated based on Okun's Law. (Ibragimov, 2017)

Since the employed people participate in the production of goods, and the unemployed ones do not, it can be assumed that an increase in the unemployment rate should be accompanied by a decrease in the actual volume of GNP. This negative relationship between the unemployment rate and the volume of GNP is called Okun's Law because economist Arthur Melvin Okun was the first to investigate this relationship. (Urban, 2015)

Structural Unemployment

Inefficiencies in the labour market cause this type of unemployment. It may occur due to a mismatch of skills or geographical location. For example, structural unemployment could be due to:

Occupational immobility. Many vacancies are available, but many workers may not have the relevant skills for a particular job. Sometimes companies can struggle to recruit during periods of high unemployment.

Geographical immobility. Jobs may be available in the capital city. However, unemployed workers from rural areas (or vice versa) may not be able to move there due to difficulties in getting housing e.t.c.

Technological change. If an economy goes through technological change, some industries will decline. It is likely to lead to structural unemployment. For example, new technology (nuclear power) could close down coal mines, leaving many coal miners unemployed. (Diamond, 2013)

Frictional unemployment

This type of unemployment refers to the short periods of unemployment necessary to find a job that matches the employee's qualifications: This occurs when workers left one job but did not find another yet, for example, when students graduate the university and need some time to find a job. There is always likely to be some frictional unemployment in an economy. (Mlakar, 2011)

Seasonal Unemployment

In certain regions, unemployment may be seasonal, e.g. unemployment rises in winter when there are no tourists. (Engle and Hylleberg, 1996)

3.3 Combating unemployment

Combating unemployment is a priority for all states in the World; society's well-being depends on a successful solution to the unemployment problem. Government, civil society and businesses realize that it is better to deal with causes than to cope with the consequences. If the fight against unemployment turns out to be ineffective, this phenomenon avalanches all sorts of crises. Since there was no single way to combat unemployment, various methods had to be used to address the problem.

One of the most important methods of reducing unemployment is the creation of new jobs. The economic system, which creates more jobs, aims to increase the amount of public product and thus more satisfy the material needs of the population, support and increase, first of all, of small and medium-sized businesses.

The problem is that not everyone can open and run their own business. Besides, it is not easy to set up a business in Tajikistan. To do this, you need at least to have some start-up capital. Currently, there is support from the state in this direction in the form of subsidies.

The rate of frictional unemployment can be reduced by:

- 1) Improving the information provision of the labour market. In all countries, this function is performed by employment organizations (labour exchanges). They collect information from employers on existing vacancies and report them to the unemployed;

- 2) Eliminating factors that reduce labour mobility. To do this, you need first of all:
- a) to create a developed housing market
 - b) to increase housing construction;
 - (c) to remove the administrative barriers to relocation from one village to another

Vocational retraining programmes contribute most to reducing structural unemployment. Such programmes should ensure that the workforce is in the best possible direction to match existing jobs.

The most difficult is to deal with cyclical unemployment. Since the demand in the labour market is derivative and depends on the situation in the markets of goods and services, employment will increase and unemployment will fall if commodity markets will be more demanded. (Diamond, 2013)

The ways for increasing the demand are:

- to stimulate export growth. It can lead to an increase in output and, consequently, an increase in employment;
- to support and encourage investments;
- to raise the competitiveness of goods and services. (Diamond, 2013)

There are four most assertive policies aimed at preventing unemployment: Scandinavian, European, American and Japanese. Let us take a closer look at them.

3.3.1 American model

The American model of regulating unemployment is based on encouraging entrepreneurial activity, enriching the most active part of the population. Low-income groups are creating an acceptable standard of living partially through benefits. This model is based on a high level of productivity and mass orientation toward personal success. The United States of America is the supreme power of the capitalist world. They have enormous economic and scientific potential. The American model is focused on private property, so the state encourages entrepreneurial activity and creates all conditions for the development of the personal success of citizens. The most considerable income in the U.S budget comes from the service sector, i.e. medicine, trade, banking, insurance companies, etc. The U.S. economy is primarily based on free-market relations and a very competitive atmosphere. The main features of the American model are:

- the absolute predominance of private property;

- the legislative provision of maximum freedom of market subjects;
- the limited scope of governmental regulation.
- the relatively small share of the state budget in GDP and the share of state investment and social security payments in the structure of public expenditures. (Howell, 2005)

Thanks to this model, the living standard of the population has increased. Thus, the real middle class has more life benefits than before. At the same time, the American model of regulating unemployment has its drawbacks:

- a large income gap between the rich and the poor (the richest have an income 37 times more than the poorest in the US);
- Low levels of primary and secondary education;
- Deficit of annual external accounts (they import more goods than export). (Howell, 2005).

3.3.2 Japanese model

The Japanese model of regulating unemployment is based on increasing the adaptive capabilities of the Japanese economic and labour potential to the changing demands of scientific and technological progress. (Lin, Miyamoto, 2012)

Several distinctive features characterise the regulation of unemployment in Japan.

- 1) There is a lifelong employment system in Japan when the employee works in the same enterprise throughout his life. Regardless of education, the career starts at the lowest positions, with a guaranteed promotion within 23 years.
- 2) Salaries in Japanese companies is determined by the manager, depending on the actual results of the work. They have one of the lowest differentiation in salaries in the world.

The Japanese economic model shows the growth and expansion of the economy as a whole. In this regard, Japan becomes more independent from fluctuations in the external market, guarantees stable domestic demand and, as a result, greater employment in the manufacturing sphere. (Lin, Miyamoto, 2012)

3.3.3 The Scandinavian model

The Scandinavian model (or Swedish) of unemployment prevention is characterized primarily by Sweden's economic development model. Currently, this model is probably the most successful, but at the same time, it practically does not apply to the economies of other countries. The Scandinavian model combines full employment, price stability and income alignment through restrictive economic policies supplemented by selective measures to maintain a high level of employment. Sweden's official unemployment rate is below 2% of the working-age population. (Lorentzen, 2014)

3.3.4 European model

European countries are distinguished by various approaches to the regulation of employment and the labour market. For example, there are rather strict labour laws in France and Germany that strictly regulate employers and employees' relationship in matters of hiring, dismissal, and working conditions. Trade unions play an active role in the labour market, using various measures to defend their position. The social insurance system is highly developed and ensures the implementation of state guarantees for citizens who have been left without work, pensioners, disabled people, etc. (Symes, 2006)

Employment policies in these countries include four main elements:

- 1) restrictive fiscal policy, aiming at supporting less profitable enterprises and curbing the profits of high-yielding companies in order to reduce inflationary competition between them;
- 2) a policy of solidarity in wages, which pursues the goal of achieving equal pay for equal work, regardless of the financial situation of the entrepreneur or the industry affiliation;
- 3) stimulating the creation of new jobs, as well as centres for the training and retraining of personnel;
- 4) selective support in sectors of the economy that have low economic indicators and ensuring the solution of critical social problems. (Symes, 2006)

As for Tajikistan, there is no clear and 100 per cent match with any of the models mentioned above, but it contains some elements of those models. For instance, there is

also a limited scope of private property; however, indeed, not to that great extent as in the USA. As in Europe, the government in Tajikistan tries to provide support to sectors of the economy that have low economic indicators and to ensure the solution of critical social problems.

3.4 CONSEQUENCES OF UNEMPLOYMENT

3.4.1 SOCIAL EFFECTS

Socially, income reductions and living standards. Property stratification in society is amplified, which often leads to socio-political instability. The loss of a source of income leads to a decline of moral foundations, loss of self-esteem, family breakdown, etc. Scientists reveal a direct link between high unemployment and the increase in suicides, homicides, mental illnesses, deaths from cardiovascular diseases. Finally, history shows that mass unemployment leads to rapid, sometimes very turbulent social and political changes. That is why the state should not rely on the self-regulating role of the market but should actively intervene in this process. (Fineman, 1987)

3.4.2 Economic effects

Unemployment entails severe economic costs. One of the most significant negative effects of unemployment is the decrease in production.

Various types of unemployment differ in the causes of the occurrence and the impact on economic development. Frictional and structural unemployment, for example, are natural in the market economy. Their existence is associated with such factors as the change of residence, the search for better work, qualitative changes in the production process, etc. As a rule, they do not require drastic measures of government regulation. The occurrence of cyclical unemployment is associated with fluctuations in business activities. The state regulates it through fiscal and monetary measures. (Flatau et al. 1991)

3.5 Youth and unemployment

Employment in the labour market is conditioned by several characteristics (age, health status, education, gender, ethnicity), which exclude groups of people with a higher risk of job loss and predetermine them for long-term unemployment. These groups are also at risk of repeated unemployment. They can find employment only in the secondary labour market and lower-paid jobs with an uncertain future. Unemployment thus poses a more significant threat to specific groups of the population. Obviously, the state policy must focus on these groups. (Gunderson, Fazio, 2014)

Young people are divided into the age category of 15 to 29 years, including recent graduates of secondary or high schools with short experience. Youth is a group of the population that is currently at risk in the labour market. Young people applying for their first job are at a significant disadvantage in competition with other applicants. They have no experience, essential work habits and lack certain work contacts. (Gunderson, Fazio, 2014)

3.6 Youth and unemployment in Tajikistan

As in many other countries, youth in Tajikistan face particular challenges in entering the labour market. Due to the high proportion of young people in the country, the labour market must annually accept more than 100,000 young graduates. More than 30 per cent of urban youth were unemployed, the unemployment rate among rural youth was lower - 13.3 per cent. This happened because labour migration is much more common among young people living in rural areas than among young people living in cities. Besides, many young people in rural areas are self-employed or help in family businesses. (Statistic agency of the Republic of Tajikistan, 2020, accessed on 28.2.2021)

In terms of looking for work through public employment services, young people find it easier to find work than people from adult cohorts. Simultaneously, the level of trust in state employment services is low in general and among young people in particular. The majority of unemployed youth do not seek help from state employment services but prefer to look for work independently. The fact that most young people are not entitled to unemployment benefits contributes to this choice of behaviour. (Babaeva, 2008)

The unemployment rate among young people depends on their educational level. For example, at the end of 2019, about 23.5 per cent of all graduates were registered as unemployed, including 11 per cent of tertiary graduates, 64 per cent of secondary vocational graduates and 50 per cent of primary vocational graduates. (Ibid. 2008)

Graduates with higher education, as a rule, are in demand in the labour market. However, 20 per cent of them still occupy blue-collar jobs in manufacturing (34 per cent of graduates with vocational education and training). (Statistic agency of the Republic of Tajikistan, 2020, accessed on 28.2.2021)

The imbalance between the acquired skills and the demands of employers can be explained by the low involvement of employers in the development of educational standards and young people in training programs in the workplace. It makes young people less choosy about the type of work they are willing to accept, and many take on temporary work or work in the informal economy.

As mentioned earlier, the agricultural sector remains the most extensive “employer” for young people and adults. In terms of youth employment, the underdevelopment of other sectors of the economy hinder the creation of new job opportunities, and this is a very alarming fact.

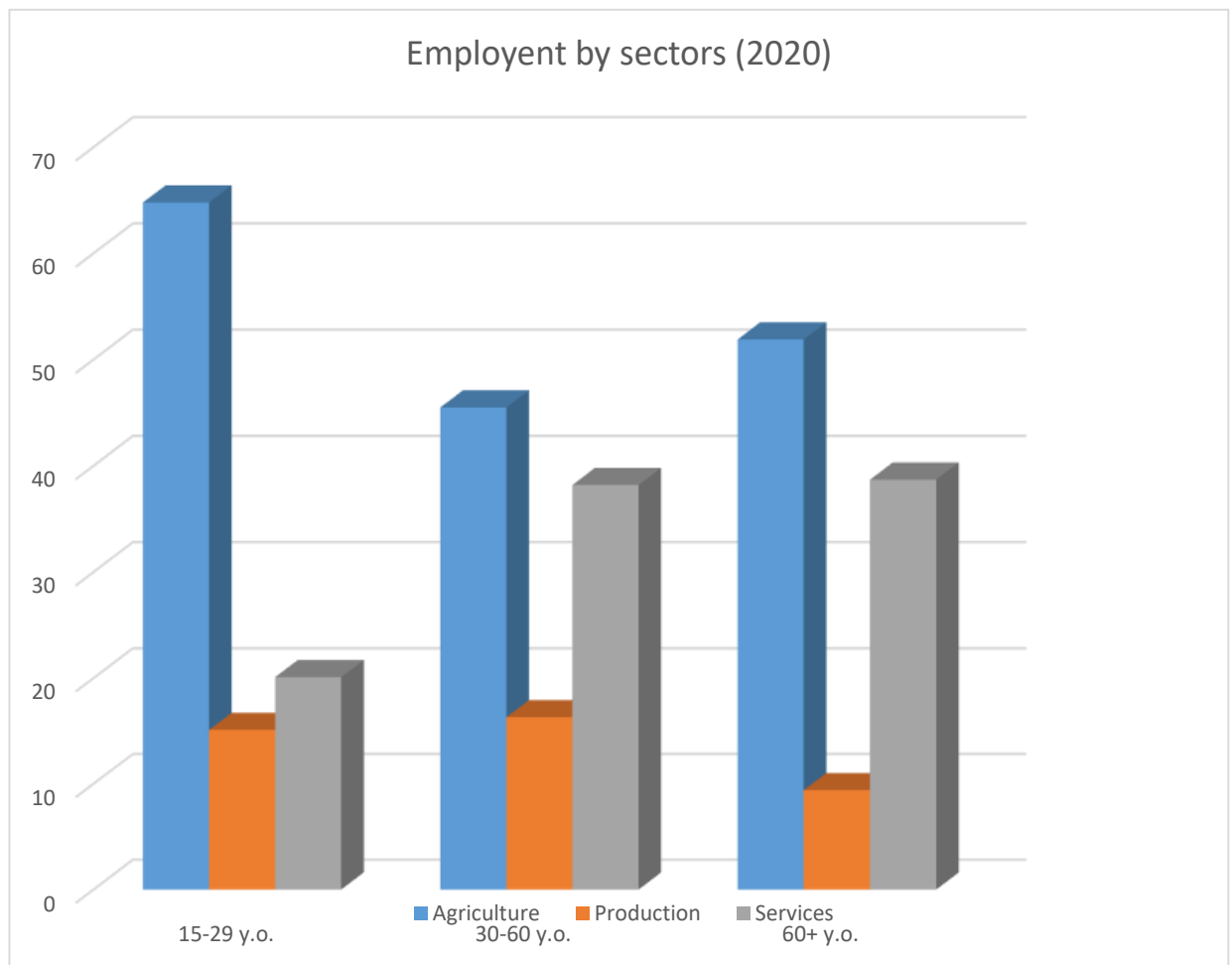


Chart 1. Employment by sectors. Source: Ministry of Labour, Migration and Employment in Tajikistan

The situation is most difficult for young women, especially in rural areas. Deteriorating access to high-quality education during the 1990s had a longer-lasting impact on young women than men. The low level of education and the inability to participate in economic activity due to the high birth rate largely explains the fact that the economic activity of women in the Republic of Tajikistan is significantly lower than that of men (the share of economically active women is 39 per cent, and economically active men - 72 per cent). (Statistic agency of the Republic of Tajikistan, 2020, accessed on 28. 2. 2021)

Young women with children usually do not work or work in low-skilled jobs. Besides, women hardly participate in the migration process and have to assume the role of head of the household for a long time, which also affects the position of women in the labour market and their vulnerability during economic downturns.

3.7 Corruption and state policy in Tajikistan

The problem of corruption has become an increasingly relevant and discussed topic in Tajikistan. The research showed that corruption occurs at various levels of power structures and in almost all sectors. This phenomenon is a serious barrier to the healthy development of the labour market, it requires an intervention and elimination. (Jononov, Soliev, 2019)

For many reasons, many people do not apply to the state employment service for employment issues. Some experts suggest that among these reasons the most significant are the lack of transparency, insufficiently developed legal literacy, large-scale corruption and bribery. They highlight that the causes of corruption are connected to the problem of bureaucracy, an abundance of instructions, permits, inspections, licenses, audits, which give the authorities full scope for arbitrariness, blackmail, and extortion of a bribe. Legal and regulatory frameworks are weak to control it. (Jononov, Soliev, 2019).

Some authors highlight that states are not putting efforts enough to decrease the unemployment in the country, which also increases the level of poverty. Officially, around 30% of population in Tajikistan live below the poverty line. However, according to experts, in reality the percentage is at least twice as high. In the field of public administration, further reforms are still required to improve the situation with unemployment taking into account all segments of the population and all spheres, especially education. (Kamilova, Musinova, 2020)

Another authors note that the labour market system is significantly weak and it makes difficult to find a job for job seekers. Simply, they face challenges where to find the vacancies, how to prepare CVs and further issues. They also highlight that for employers one of the main concerns is the low education level of job applicants. Those who are more educated tend to get more attractive offers on the labour market with higher pay rates. (Ajwad et al, 2014)

Currently, besides the corruption, the labor market is characterized by a number of further problems that are closely interrelated and together complicate the process of forming the quality of human capital. (Abdukarimov, 2020)

Those include:

- inconsistency of the quality of the labor force with the professional qualification requirements of employers. The labor market, despite the unemployed labor force that

does not have the necessary qualifications, is already experiencing a shortage of qualified personnel, especially of the engineering and technical profile.

-Insufficient training is provided for certain categories of specialists in agriculture, construction, information and communication technologies, housing and communal services, etc. According to expert estimates, the demand for skilled labor for leading sectors of the economy and small business will grow in the future. This will require serious adjustments in the organization of professional training of specialists and the development of special programs for retraining the unemployed and advanced training of those employed in production.

- high employment in the informal sector and low wages in the formal sector. Informal employment in Tajikistan is increasingly involving young people of working age. The expansion of informal employment leads to a lack of social payments and tax revenues to budgets of all levels, which leads to a lack of domestic investment and underfunding of the social sphere and, most importantly, does not contribute to an effective income and wage policy in the country

- high dependence on remittances from external labor migration.

4. Practical Part

I conducted a questionnaire survey focused mainly on the young workers in Tajikistan as part of the analysis. The questionnaire was aimed at finding possible causes of unemployment, to study the ideas of youth regarding unemployment in the country with particular questions that are reflected in the survey. The questionnaire was formed in electronic form at [survio.com](https://www.surveymonkey.com) and distributed to people through social networks (Vkontakte, Facebook), electronic forums ([tajforum.tj](https://www.tajforum.tj)) and snowball technique. The survey took place from 18.2.2021 to 28.2.2021. A total of 126 participants responded to the survey. The questionnaire has 12 questions. The answer was set as mandatory for all questions. Detailed questionnaire is attached as the Annex 1. The evaluation of the questionnaire is done with the help of graphs and pie charts.

4.1 Age

The first question asks the respondent to indicate his or her age. It has only five options, from which the respondent can choose only one. Chart 1 shows that majority of respondents represent the age between 18-23 y.o., composing the 71% of the total respondents. Further computations exclude the respondents above the age 35 and more.

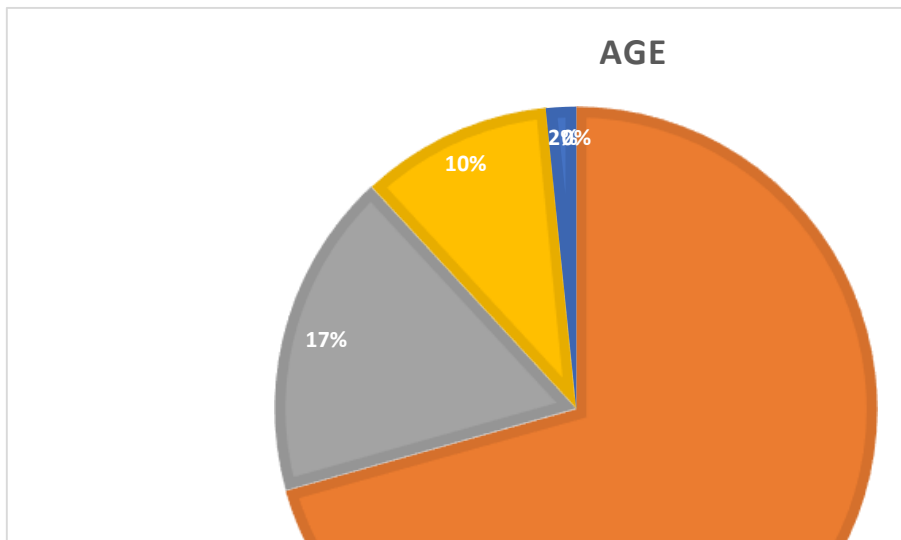


Chart 2. Age of the respondents. Source: own processing

4.2 Gender

The respondents answered to the following question in survey: "Your gender?" It is seen from Chart 2 that there is a relatively great gender disbalance in responses. In total, 98 men participated in the survey totalling in 78%, and 28 women, which makes up 22% of the total number of respondents. It should be noted that the sample is not gender-balanced, which was indeed affected the overall conclusions.

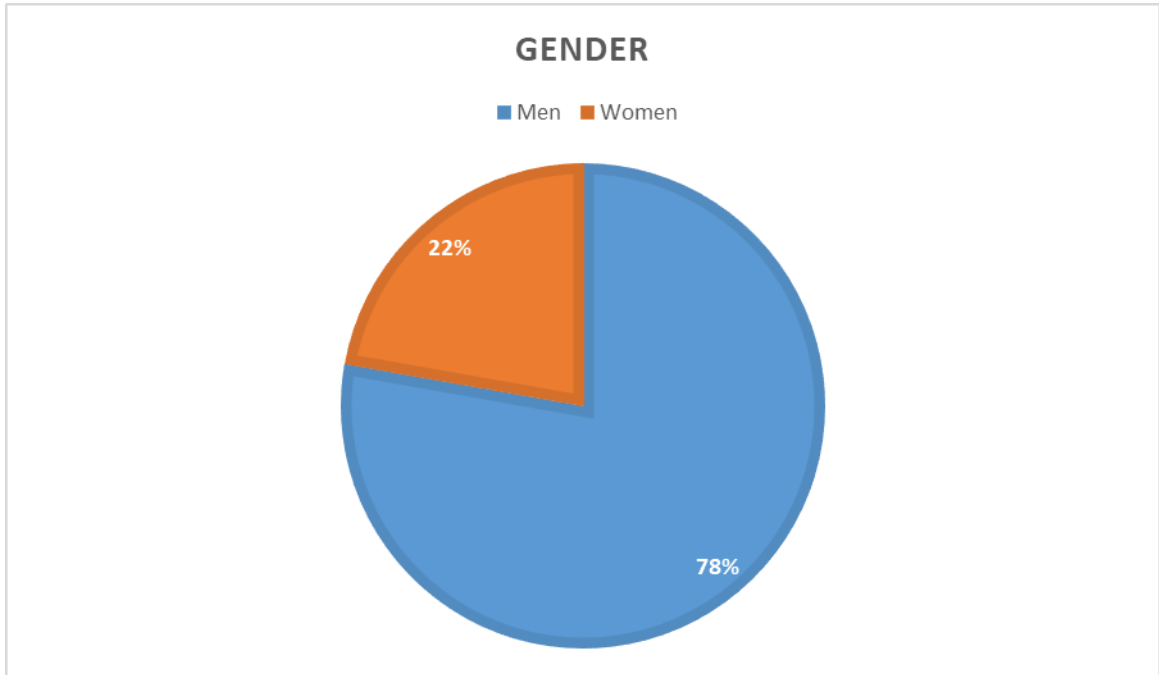


Chart 3. Gender of the respondents. Source: own processing

4.3 Marital status

The respondents answered to the following question in survey: "Your family status?" The question defines the marital status of the respondent and has 5 options to answer. The survey shows that most of the respondents are single, which eliminates the burden and pressure for being responsible for someone else in the family (spouse, kids). There are 78 single respondents, 20 in relationship, 18 married, 10 divorced and 0 widowed. We can unite young people who are single and in relationship into one category who has no additional responsibility or social benefits.

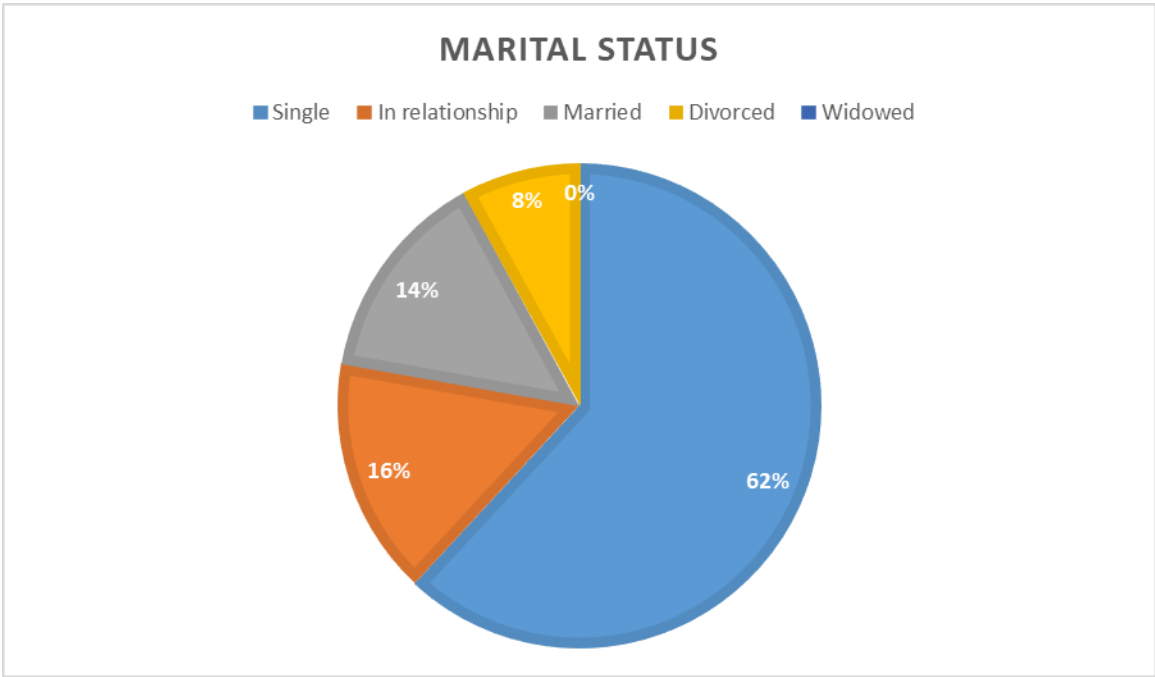


Chart 4. Marital status. Source: own processing

4.4 Employment status

The respondents answered to the following question in survey: "Your employment status?" From this chart we can see that 39% of respondents are not employed, whereas 25% are temporary employed, and only 36% are permanently employed.

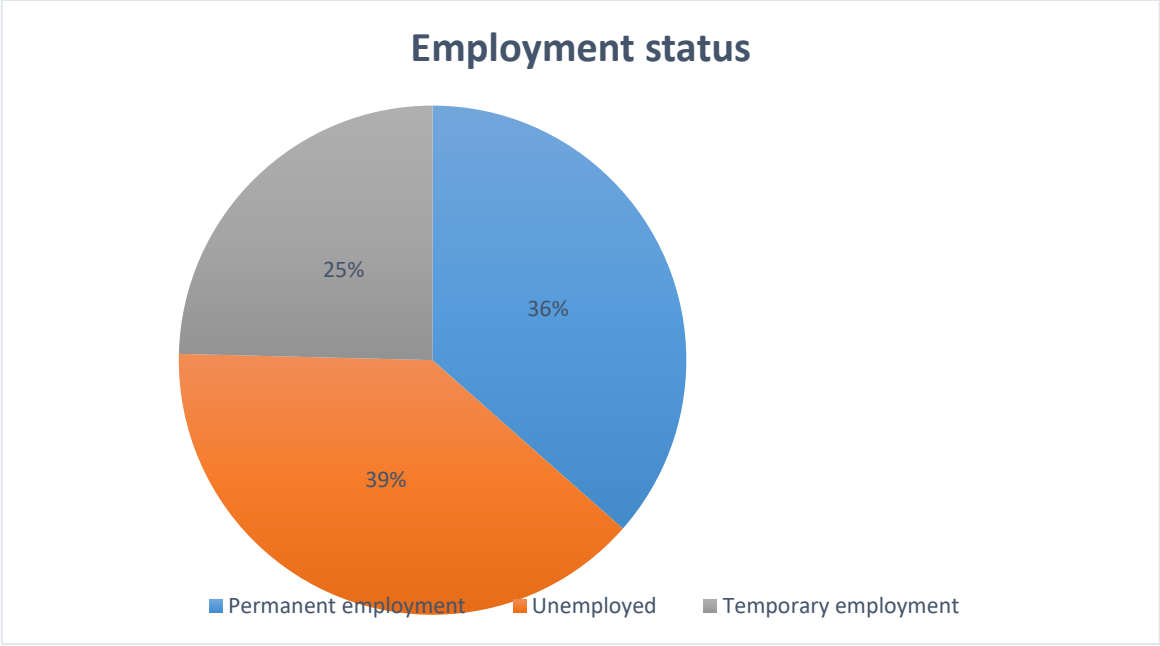


Chart 5. Employment status. Source: own processing

4.5 If employed, how many hours do you work in week?

The respondents answered to the following question in survey: "If employed, how many hours do you work in week?" From those who answered as permanently employed or temporarily employed, 50% work 40 hours (39 respondents), 18% work 10-20 hours (14 respondents), 10% work from 1-10 hours (8 respondents), and 22% work 20-40 hours (17 respondents).

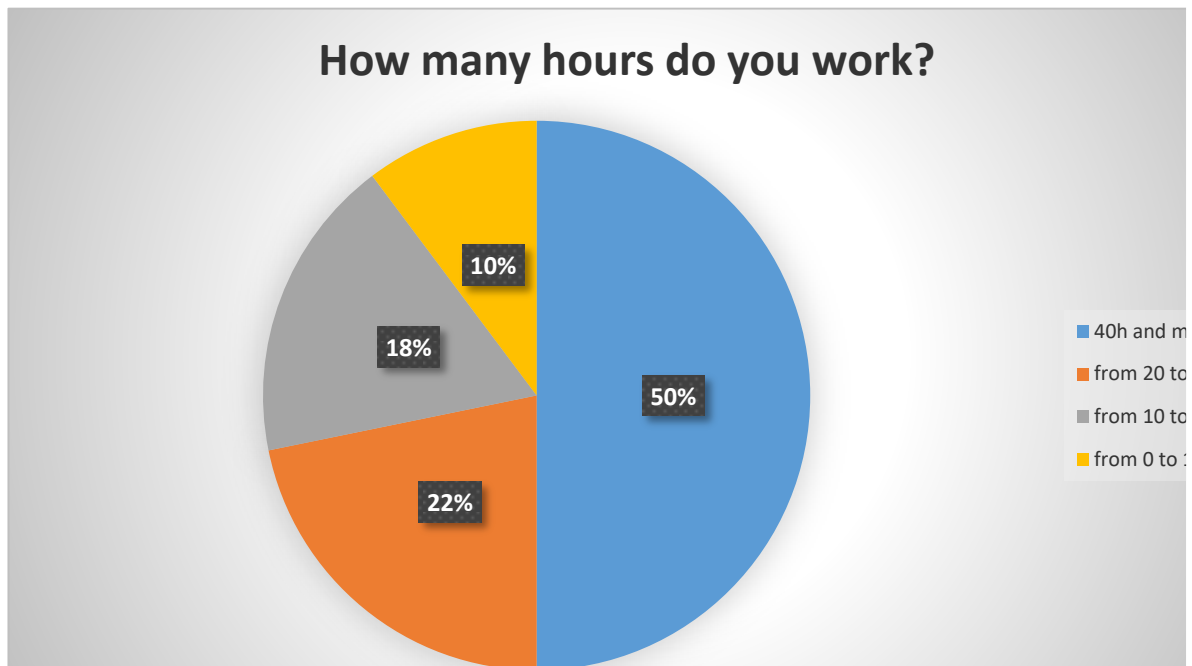


Chart 6. How many hours do you work? Source: own processing

4.6 How long have you been unemployed?

The respondents answered to the following question in survey: "If unemployed, how long have you been unemployed?" The question was referred to unemployed respondents. From this chart we can see that 37% have been unemployed for 1-3 months, 29% for less than 1 month, 14% for 3-6 months, 14% for 6-12 months, and only 6% for more than 1 year. Those who have been unemployed for less than 3 months (66%) might be from the category of frictional unemployment or seasonal unemployment.

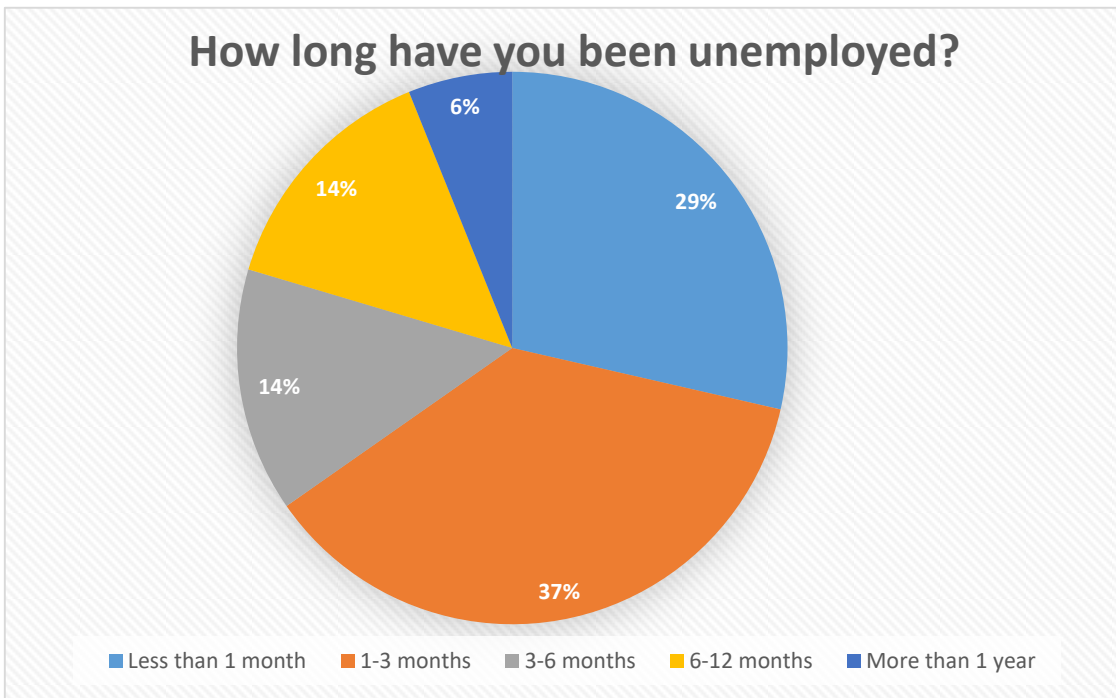


Chart 7. If unemployed now, how long have you been unemployed till today? Source: own processing

4.7 Highest education level

The respondents answered to the following question in survey: "Your highest education level?" From the chart we can see that the majority of respondents either have higher education or in proces of getting the higher education.

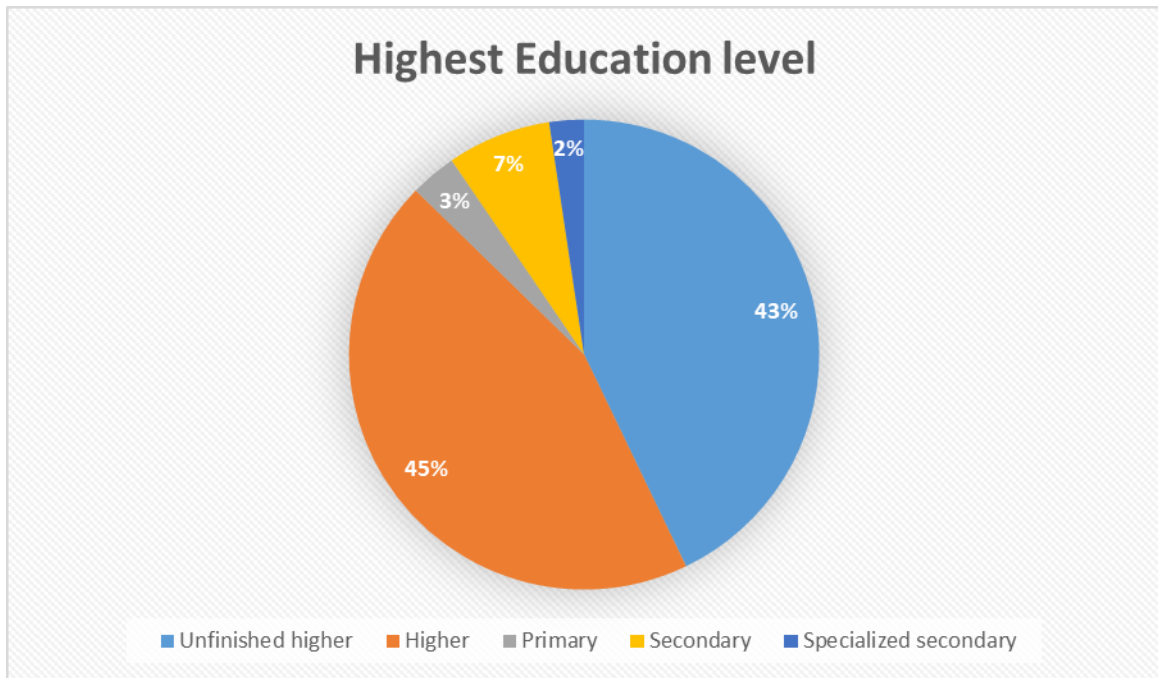


Chart 8. Highest education level. Source: own processing

4.8 Do you use CV?

The respondents answered to the following question in survey: "Do you use CV for applying a job?" Majority of respondents use CV while applying for job, and only 5% percent of respondents don't know what the CV is. A lot of people work in rural areas in agricultural sector and they don't need CV for working. Furthermore, almost half majority of respondents (40 out of 49 respondents) choose Yes, whereas the rest of unemployed respondents chose No (8 respondents). There were 1 unemployed respondent who didn't know what the CV is.

The modern job seekers tend to use CV in order to get a job, but some people don't use it because they find jobs through their friends – informally and without competitive conditions.

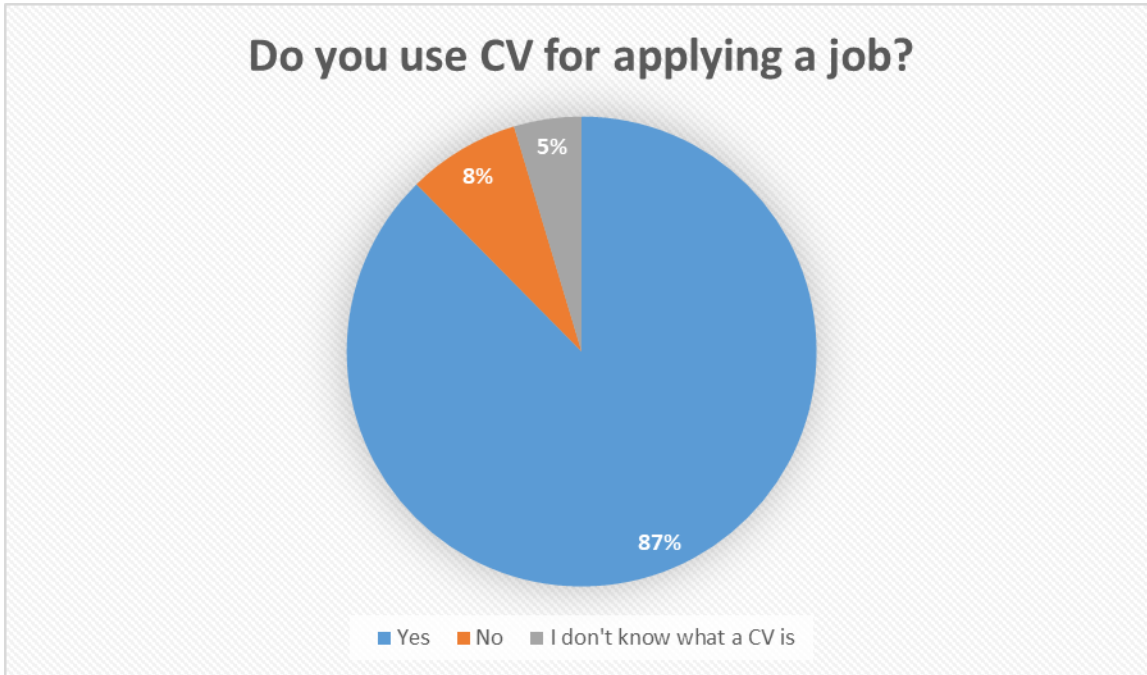


Chart 9. Do you use CV for applying a job? Source: own processin

4.9 Choose methods you would use in searching for a job

The respondents answered to the following question in survey: "Choose methods you would use in searching for a job?" 44 respondents use family support while looking for a job, and 42 respondents use friends networking. Those who use job search websites, social media and employers' websites are 25%. In Tajikistan the workers are recruited on the basis of family or friends network. It may be because employers don't consider meritocracy principles while hiring the personnel.

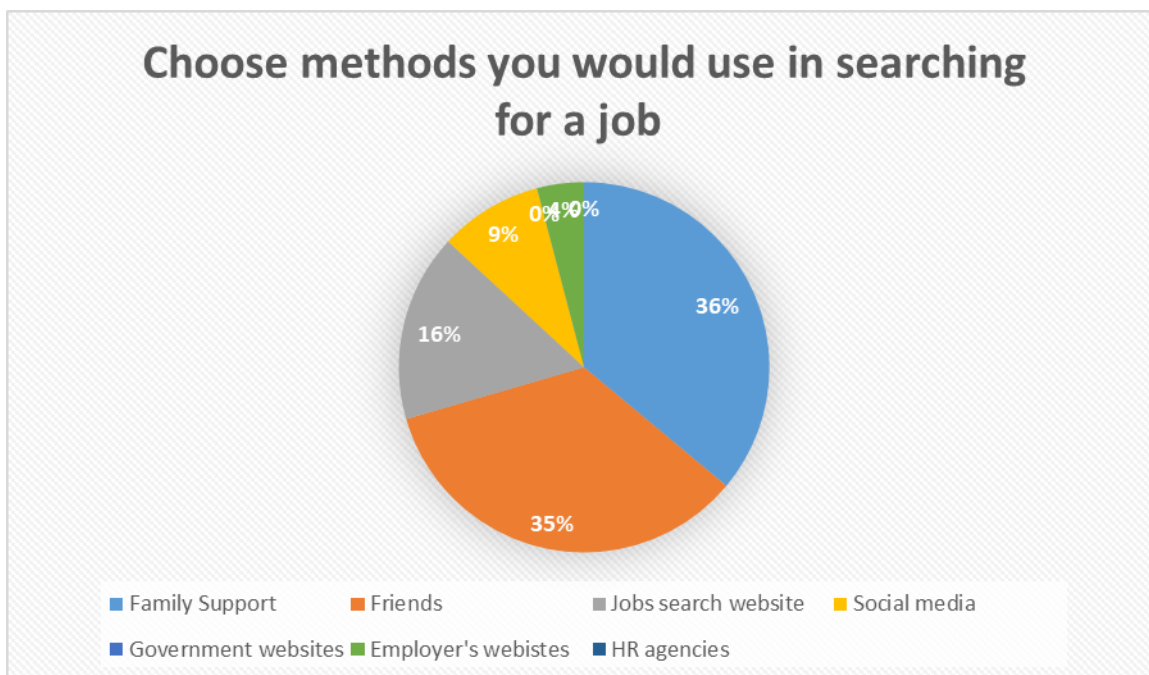


Chart 9. Choose methods you would use in searching for a job. Source: own processing

4.10 What, in your opinion, are the main causes (maximum 2) of youth unemployment in Tajikistan?

The respondents answered to the following question in survey: " What, in your opinion, are the main causes of youth unemployment in Tajikistan?" Top 3 causes of youth unemployment, according to the respondents, are lack of working places, corruption and education. This is clear gap for the government tha they need to fulfil. Those 3 causes might be the reason why people in Tajikistan use family and friends connection in order to find a job. Without well-structured and healthy employment system in the country it is hard to find a job without connections.

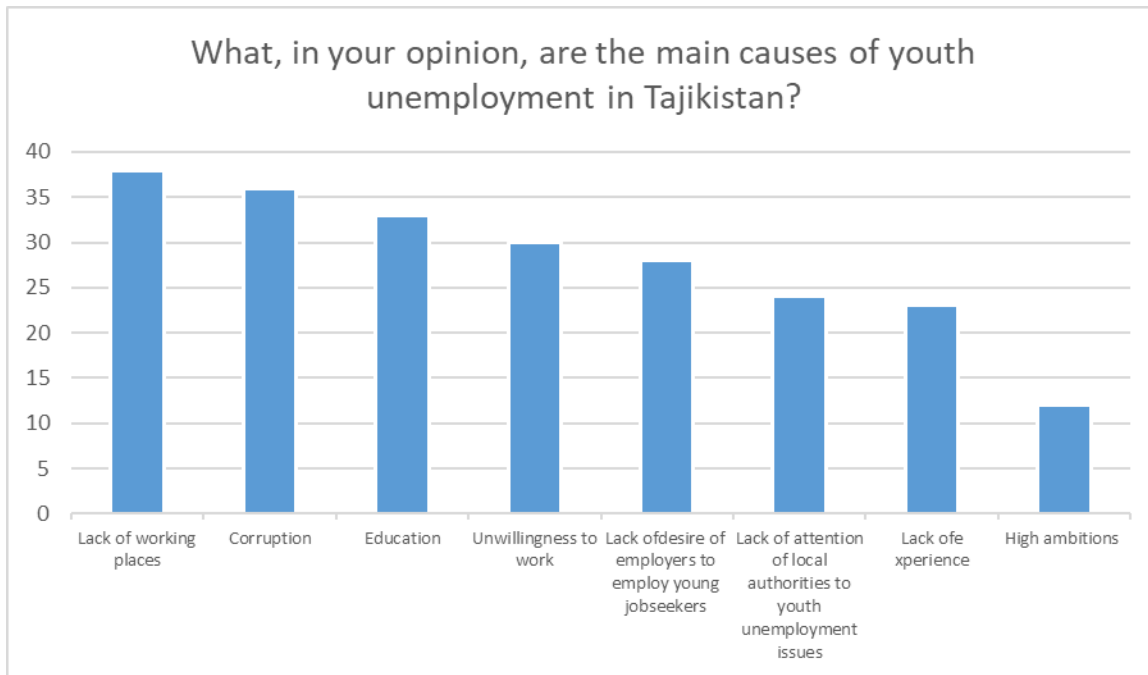


Chart 10. What, in your opinion, are the main causes of youth unemployment in Tajikistan? (Max.2 answers possible) Source: own processing

4.11 In your opinion, has the rate of unemployment in Tajikistan increased or slowed down in recent years?

The respondents answered to the following question in survey: "In your opinion, has the rate of unemployment in Tajikistan increased or slowed down in recent years?" Majority of respondents think that the unemployment rate has either highly increased or slightly increased. There are few people who think that it's highly decreased or slightly decreased. The situation with COVID-19, in my opinion, contributed to such thinking with a great extent. In a country with poor employment state policy and high level of corrupted authorities, it is not surprising that people think that the rate of unemployment highly increased in recent years. Official sources say that despite many challenges, various sectors of economy attracted investments more than 5.4 billion TJS or 470 million USD; the state economy increased in 2020 for 4.5% and GDP reached 82.5 billion TJS or 7.23 billion USD. (Anadolu Agency, 2021) However, experts say that many people don't believe the official statistics, and the situation with economy and unemployment is much worse.

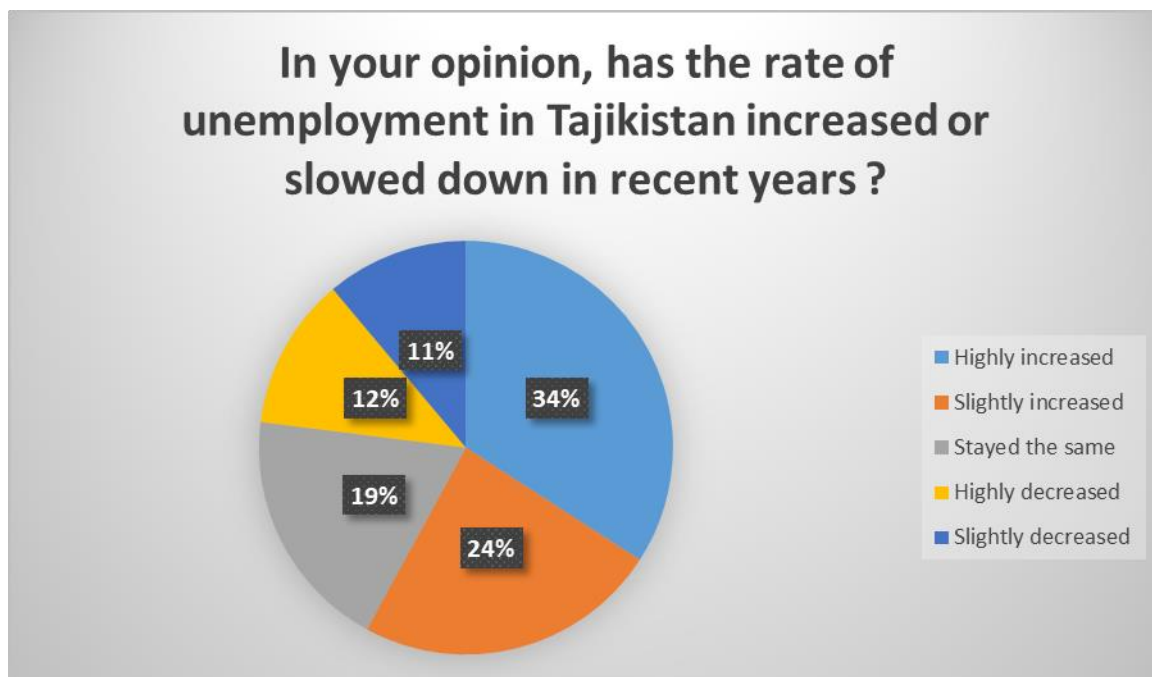


Chart 11. In your opinion, has the rate of unemployment in Tajikistan increased or slowed down in recent years? Source: own processing

4.12 What can help solve the problem of youth unemployment in Tajikistan?

The respondents answered to the following question in survey: " What can help solve the problem of youth unemployment in Tajikistan?"Based on this chart we can conclude that the respondents have chosen three main reasons of unemployment among the young population. These are corruption, lack of reform in the education system and lack of working places. But if we dig into this issue, we can conclude that systemic corruption is one of the main reasons why the demand for jobs in Tajikistan cannot be satisfied.

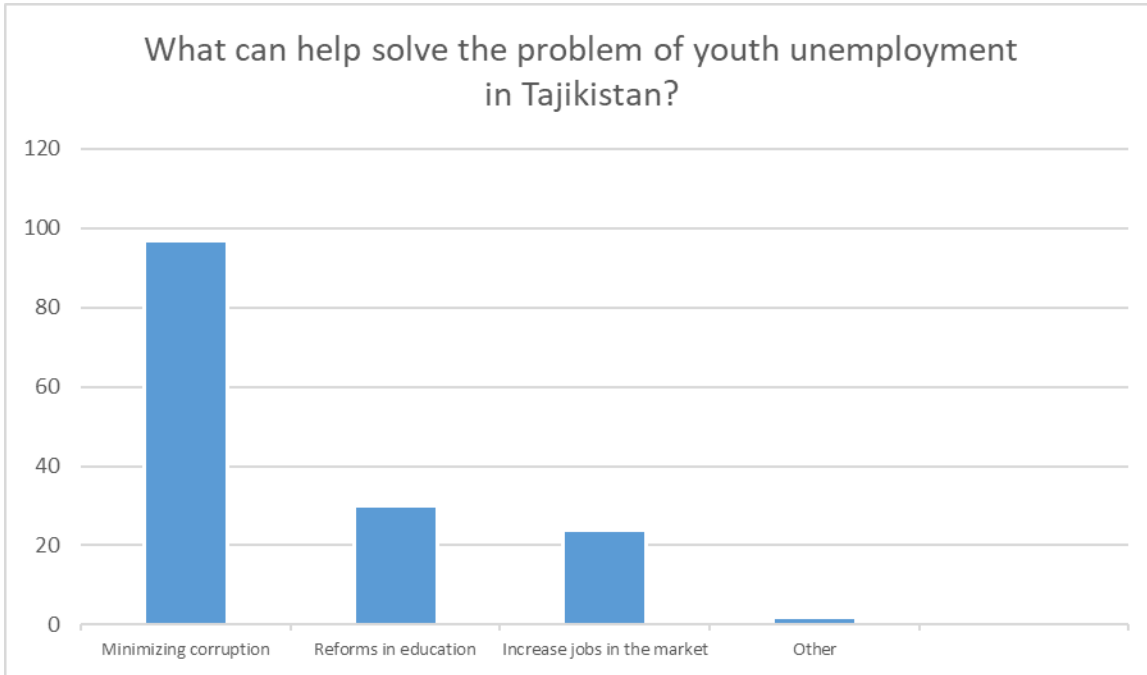


Chart 12. What can help solve the problem of youth unemployment in Tajikistan? Source: own processing

5. Results and recommendations

Based on the conducted sociological survey we explored and analysed the opinions of young people on unemployment. Given that approximately half of respondents are students and another half are people with higher education, it affected the high number of unemployed ones.

Based on all mentioned previously, it can be assumed that the main priorities for improving the situation with unemployment in Tajikistan should be:

- finding ways to encourage employers to create new jobs;
- creating a competitive internal labour market;
- increasing the impact of vocational education;
- increasing the share of formal employment in the economy;
- diversification of external labour migration.

6. Conclusion

This thesis describes the state of the labour market and youth unemployment in the Republic of Tajikistan and provides the latest available statistics. Today, we can conclude that the youth employment in Tajikistan is not in the best shape over the past 10 years, one of the important macroeconomic factors was the Covid19 Pandemic, which led to a fall in the economy not only in Tajikistan, but throughout the world. But the problem of youth unemployment arose in Tajikistan long before the start of the pandemic. Large-scale changes that have taken place over the past decade in post-Soviet countries, including Tajikistan, have had a significant impact on the economic structure, labour market, living standards and migration mobility of the population. The expansion of Central Asian integration is hampered by a number of difficulties of the transformation period in all Central Asian countries, but with specific features in each country.

The thesis is divided in three major chapters. First chapter outlines the theoretical basics of youth unemployment and describes the specifics of youth unemployment in Tajikistan. The second chapter provides a detailed survey of young people from Tajikistan. Based on the survey, a number of unemployment problems were identified. These problems require the development of whole complexes of solutions. The last chapter discusses the outcomes of the survey and provides the recommendations for the state to improve the situation.

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8. Appendix

Youth unemployment in Tajikistan

1. Age / Возраст*

15-17

18-23

24-28

28-35

36+

2. Gender / Пол*

Male / Муж.

Female / Жен.

3. Family status / семейный статус*

Married / В браке

Divorced / В разводе

Single / Не женат или не замужем

I'm in a relationship / В отношениях

Widower / Вдова или вдовец

4. Employment status / Статус занятости*

Permanent employment / Трудоустроен(а) на постоянной основе

Temporary employment / Трудоустроен(а) на временной основе

Unemployed / Не трудоустроен(а)

5. If employed, how many hours do you work in week? / Если трудоустроены, сколько часов в неделю вы работаете?*

1-10

10-20

20-40

40+

Unemployed / Не трудоустроен(а)

6. If unemployed, how long have you been unemployed? Если нетрудоустроены, сколько времени вы находитесь в поисках работы?*

Less than 1 month / меньше 1го месяца

1-3 months / 1-3 месяца

3-6 months / 3-6 месяцев

6-12 months / 6-12 месяцев

More than 1 year/ Больше 1го года

Employed / трудоустроен(а)

7. Your highest education level / Ваше образование*

primary education / Начальное образование (9-11 классов)

secondary / Среднее

Specialized secondary / Среднее специальное

Unfinished higher / неоконченное высшее

Higher / Высшее

8. Do you use CV for applying a job? /Используете ли вы резюме для подачи на работу?*

Yes / Да

No/ Нет

I don't know what a CV is / Не знаю, что такое резюме

9. Choose methods you would use in searching for a job / Выберите способы поиска работы, которыми вы пользуетесь*

Family support / С помощью своей семьи

Friends connection / С помощью друзей и знакомых

Social media platforms / Через социальные сети

Government web sites / На государственных веб-сайтах

Employers' web sites / На сайтах работодателей

Job search web sites / На сайтах по поиску работу

HR agencies / Кадровые агентства

10. What, in your opinion, are the main causes of youth unemployment in Tajikistan? / Что, по вашему мнению, является главной причиной безработицы среди молодежи в Таджикистане?*

Unwillingness to work / Нежелание работать

Lack of experience / Отсутствие опыта

High ambitions / Слишком высокие амбиции

Education / Образование

Corruption / Коррупция

Lack of working places / Нехватка рабочих мест

Lack of desire of employers to employ young jobseekers / Нежелание работодателей нанимать молодых работников

Lack of attention of local administrations to youth employment issues / Нехватка внимания к данной проблеме со стороны местных муниципалитетов и государства в целом

11. In your opinion, has the rate of unemployment in Tajikistan increased or slowed down in recent years? / По вашему мнению, уровень безработицы в Таджикистане за последние несколько лет понизился или наоборот повысился?*

Highly decreased / Понизился

Slightly decreased / Немного понизился

Stayed the same / Остался на таком же уровне

Slightly increased / Немного повысился

Highly increased / Сильно повысился

12. What can help solve the problem of youth unemployment in Tajikistan? Что может помочь решить проблему нетрудоустроенной молодежи в Таджикистане?*

Minimizing corruption / Минимизировать коррупцию

Increase jobs in the market / Увеличить кол-во рабочих мест

Reforms in education / Реформы в образовании

Other.../ Другое (напишите)