

Staggering levels of youth unemployment in the Balkans

By Ante Dotto
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Figures issued recently by the German Statistical Office and Eurostat revealed a huge 25 percent increase in youth unemployment across Europe in the course of the past two and a half years. The current levels of youth unemployment are the highest in Europe since the regular collection of statistics began.

The frontrunner for youth unemployment in western Europe is Spain, where youth unemployment has doubled since 2008 and now stands at 46 percent. In second place in the European rankings is Greece, the first country to be bailed out by the European Union and to install austerity measures, with a rate of 40 percent.

Even these levels of joblessness, however, are overshadowed by the figures available for the Balkans, where an average of more than 50 percent of young people are without work. In fact, youth unemployment in the region is almost four times the EU average. In the light of the recent youth unrest in Britain the implications of the social tensions lying behind these numbers are evident.

Radio Sarajevo recently revealed that 58 percent of young people between 15 and 30 years of age are unemployed in Bosnia and Herzegovina. According to data from the Macedonian State Statistical Office (SSO), 52.5 percent of youth aged 15-24 were unemployed in the first quarter of 2011. In Serbia, the unemployment level for the age bracket 15-19 is 53.6 percent, and 49.3 percent for those between 20-24.

Precise, recent data is hard to come by in some cases. An International Labor Organization (ILO) meeting in December 2007 estimated youth unemployment in Montenegro at 58 percent, and the situation has undoubtedly worsened since the financial crisis of 2008-2009. In Kosovo, with overall unemployment levels of more than 50 percent, it is estimated that up to

75 percent of young people are out of work.

Another characteristic of the region is the huge number of long-term unemployed. The ILO reports that more than three quarters of unemployed youth have been looking for job for more than a year.

According to the Albanian Institute of Statistics (Instat): "A distinctive feature of the Albanian Labor Market is the high percentage of long-term registered unemployed persons reported to the total of registered unemployed. In 2000, the share of long-term unemployment ... was 89.6 percent". This increased to 92 percent in 2009.

The numbers are somewhat lower elsewhere in the region, but still exceptionally high. The National Employment Service's December 2010 report on labor market trends in Serbia says long-term unemployment, i.e., over 12 months, is 64.12 percent. Meanwhile, Macedonia's SSO lists 63.8 percent of the unemployed as being without a job for more than four years!

With no prospects for a job and a career, more and more young people are considering emigrating to Western Europe or North America. The *Southeast European Times* of August 12 reports that 63 percent of Serbian university students would like to leave the country, which ranks second in the world in "brain drain", according to the US Agency for International Development (USAID). In Kosovo, more than half of the young population is seeking to emigrate.

Compounding the conditions for young people is the fact that they are often employed only in part-time, precarious work. The official employment figures disguise huge levels of underemployment. For instance, ILO research found that in 2006 the share of temporary work of the overall workforce in Croatia was 12 percent, while the percentage of young workers involved in temporary work was 51.1 percent. In

Slovenia, around 35 percent of workers below 30 are on temporary contracts.

More often than not, young people are forced to take jobs in the unofficial, black economy. Their employer does not register them in order to avoid paying health insurance and pension installments. Even those lucky few who obtain proper work are reported as minimum wage earners, so that the cost of their coverage to employers is minimal, while the workers themselves may in effect be paid somewhat more. These forms of employment limit their benefits and lower the level of pension they can eventually draw—even though the current pension level is inadequate even for better paid workers.

The ILO reports that almost 69 percent of youth in Albania and around 60 percent of young workers in Bosnia and Herzegovina are employed in the unofficial economy. In Croatia, only 39.4 percent of the active population is officially employed, indicating that the rest of the employed population is engaged in illegal or semi-legal forms of employment. In Macedonia, the corresponding figure is just over 30 percent!

For all of these reasons, young people are especially hard hit by poverty and keenly feel the impact of inflation in prices of basic necessities, coupled with stagnating or falling wages. An article in the E-Balkan portal of August 14 entitled “Ever decreasing living standards in Serbia” reveals that, compared to August 2009, the price of sugar has risen 100 percent, edible oil by 69 percent, coffee by 46 percent, gasoline by 31 percent, and milk by 29 percent. Quoting the National Organization of Consumers, they estimate that “the living standard of Serbian citizens is 60 percent lower than last year”.

The Balkans have already seen social unrest earlier this year. Up to 200,000 people demonstrated in Tirana, Albania, late in January, simultaneously with the unrest in Tunisia and Egypt. There were three casualties. In February and March, Croatia was engulfed in anti-government protests, sometimes involving violent confrontations with the police. On both occasions youth were at the forefront.

Numerous regional newspapers have reported on the social and economic dimension of the youth protests in London, Athens, Madrid, Cairo, etc. Often they drew the conclusion that record levels of youth unemployment across Europe portend further social

unrest, especially under conditions of the continent-wide austerity policies now being enforced in the interest of finance capital.

However, none of these reports were honest enough to admit that the regional situation confronting the youth in the Balkans is far worse than that faced by young people in much of Western Europe. The Balkans is a tinderbox of exacerbated social tensions, and the region’s youth are particularly hard hit. As the example of Tunisia shows, it often takes just a spark to set the whole region ablaze.

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