

ECONOMIC TRENDS OF THE YOUTH LABOR MARKET IN UZBEKISTAN

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Abstract

The relevance of the study, confirmed by the growing scientific interest in the topic of youth employment in the labor market, is increasing in the context of the new paradigm of innovative development of the national economy in Uzbekistan. The feasibility of studying the economic aspects of the youth labor market development is determined by the high birth rate and the growing unmet demand of the population for educational services. It is obvious that the problem of ensuring the affordability of quality higher education as the main factor in the employment of young people in Uzbekistan is complicated and multidimensional. It is important to explore trends, formulate ways to develop the youth labor market and create a system for monitoring the compliance of the educational market offer with the employers' demands in the labor market. This article is aimed at assessing the current realities, predicting the prospects for the foreseeable future, justifying the ways and specific measures to create irreversible conditions for the convergence of science, education and the real economy in the labor market of Uzbekistan.

Keywords: Unemployment, labor market, youth, education, employment

JEL classification: J00, J01, J08, J2, J20, J4, J40, J6, J60, J7, J70, J8, J80

1. Introduction

This problem has been researched by the authors for a long time, and therefore, real tangible results have been obtained. In addition to the developing obvious trends such as gender disproportions, an insufficient level of skills acquired in colleges and lyceums, insufficient job offers and the absence of adequate organizational and economic conditions and guarantees for the self-realization of young persons, there are also hidden ones, including low competitiveness of young people compared to other age groups, the increased number of young people refusing to work on principle or young people employed in the shadow sector of the economy due to lack of vocational education, underdeveloped regional markets and, as a result, overcrowded labor markets of few megacities, imperfect retraining, reskilling and occupational mentorship. Since the measures to eliminate these problems should be comprehensive, systemic work is needed to improve the methodology for researching the youth labor market, identify macroeconomic dependencies and consequences, and develop youth labor policies at the regional and corporate levels, and in small business.

The general idea of the development of the national economic system in Uzbekistan is formed by five strategic priorities – state and public construction reform, judicial reform, development and liberalization of the economy and social sphere, security assurance and constructive foreign policy. All these spheres create conditions for systemic and comprehensive solutions to the identified problems; they are integrated and clearly manifested in the development of educational system and youth labor market. It is important to understand that Uzbekistan's development strategy is aimed at creating conditions for human development, consistently molds the young people's patriotic and professional consciousness, understanding the importance and the need for continuous self-development and self-improvement, willingness to labor productivity.

Moving from the general to the specific, analyzing strategic objectives of the educational system and the labor market in the context of general trends and challenges, the authors draw a disappointing conclusion: young people lost the work values, which led to a decrease in the occupational prestige of a number of professions needful to society, not to mention their

transformation under the impact of digital technologies. The general question of labor market development is that the dynamics of the economy development makes quite high demands on the professionals at all levels – their professional competence, occupational culture, levels of occupational adaptation and creative initiative. There is much concern about the problem of conformity of school leavers and university graduates with the general requirements.

Numerous private aspects concern young professionals who are at the initial stage of their careers. These are regulatory, organizational, socio-economic and personal problems, for example, specific problems of graduates' employment, their most complete professional and personal fulfillment are often linked to their individual mindsets. Under the influence of contemporary subcultural patterns many graduates, aiming at the unjustified payment criteria for their work and quickly getting the prestigious job positions without having an adequate level of general cultural and professional competencies run into various difficulties and become a significant braking factor in business development. Thus, private problems become general and systemic ones.

Multiplicity of individual cases and methods for their identification and classification complicate the problem. Absence of demand for graduates may vary widely depending on the social, sectoral or regional statuses, which indicates the complexity and magnitude of the problem. Accordingly, the problem of creating a mechanism for the youth labor market development requires the participation of government, private sector and civil society.

The hypothesis put forward by the authors is based on the results of a broad sociological study of youth labor market in Uzbekistan, revealing the nature of general and specific problems, and determining the methods of their solutions and current trends in the development of the labor science methodology on the basis of the acquired empirical experience.

Formulation of the problem: The problem of developing the youth labor market is more relevant than ever against the background of the demographic processes in Uzbekistan. The novelty of the studied problem is determined by the historical conditions of the national economy development in Uzbekistan over the past 27 years. At the present stage the country has achieved an unprecedented rate of demographic growth. According to official data, since 2004 there has been an annual increase in population. In the period 2016-2018 the steady population growth is equal to 1.5% per year. The population increase rate amounts to 1271 people per day. As of the beginning of 2018, children under 15 years of age made 26.5% of the population of Uzbekistan, with 68.8% of people aged 15-65 and 4.7% of persons over 65 years old. From the standpoint of these data, the economy should not experience a shortage of skilled labor, since the literacy rate among young people is 99.9%, and 100.0% among the older generation (Statistics digest, 2018)

The development of Uzbekistan's economy is also characterized by high growth rates of up to 8.0% per year. At the same time there are unexplored problems of school, college and university graduates' employment, and the youth labor market remains unexplored and therefore regulated insufficiently. The authors have set the problem to assess the youth labor market situation, identify and systematize the existing trends and propose solutions that meet the current strategic priorities of the development of the Republic of Uzbekistan. The urgency and complexity of solving the problem is determined by the lack of empirical evidence and methodological coverage.

2. Literature review

The labor science genesis and evolution are an integral part of the development of economics. The basis of the modern methodology for the youth labor market research was formed by the ideas of the leaders of all economic schools studying the issues of market economy. The current stage of development of the youth labor market analysis is characterized by a wide spectrum of research, the possibility of exchanging information at the international level and the unification of research methods, which is caused by the global nature of the youth employment problem. This is evidenced by the data of the International Labor Organization, stating the relationship of youth employment with global economic growth and achievement of the Millennium Development Goals, declared by the UN. The global significance of the problem is underlined by the actual growth of international youth unemployment. In 2017, 5.6% of the population of the planet were unemployed, the

unemployment rate exceeded 192 million people, and by 2019 it will reach 193.6 million people (Statistics digest, 2018). Since the beginning of the 21st century, the number of young unemployed in the world has reached 88 million persons, 13.0% of young people (15-25 years of age) in the world have no jobs, implying a decrease in this indicator (Statistics digest, 2018).

A study of a large body of scientific literature on the problems of the modern labor market showed a high scientific interest in the factors of the labor market internationalization – the international trade growth, the formation of new information and financial systems, the establishment of supranational and national institutions, and the emergence of cryptocurrencies (Abdurakhmanov and Zokirova, 2013; Commander et al., 1995; Kibanov and Dmitrieva, 2017). The factor of deepening technological specialization at the level of countries and regions under the influence of transnational corporations creating channels for the distribution of human resources (firms and their branches) is recognized as significant (Abdurakhmanov and Zokirova, 2014; Borjas, 2013; Commander and Tolstopyatenko, 1997). The researchers emphasize that these trends, influencing the structure of the global labor market, create conditions for rapprochement of countries, a deeper understanding of mental and cultural differences, and form new value systems and standards of workers' behavior (Ehrenberg, and Smith, 2012; Holopova and Bogdanova, 2014).

Information technology development is viewed through the prism of new opportunities for managing labor and working time. Scholars state the emergence of the newest criteria for the social division of labor – highly paid informational labor for high-value production, low-paid labor for high-volume production, raw material producers' labor based on natural resources, and devalued labor of extra producers (Bezrukov, 2018).

Numerous research works are devoted to studying international experience in the development of the institute of social responsibility as an objective condition for ensuring the protection of the rights of social partners – employees and employers. Social partnership development is regulated through state mechanisms for supporting small business, encouraging innovative activities, creating educational infrastructure, improving legislation, etc. (Simchenko et al., 2018).

The problems of the labor market development in the Republic of Uzbekistan are dealt by:

- The Center for Economic Research (CER) which was established in 1999 with the assistance of the Government of the Republic of Uzbekistan and the United Nations Development Program (UNDP). In terms of solving the youth labor market problems, research on the development of pre-school education, demographic processes and effective labor market policies is of interest in the context of sustainable development of Uzbekistan;

- The Institute of Forecasting and Macroeconomic Research which was established in accordance with the Presidential Decree No. PP-3752 dated May 29, 2018 and conducts research on trends and forecasts of socio-economic and innovative development of the regions of the Republic of Uzbekistan;

- The “Scientific Foundations and Problems of Economic Development of Uzbekistan” Scientific Research Center (CEDR) under the Tashkent State Economic University, which was established in accordance with the Resolution No. PP-1927 of the President of the Republic of Uzbekistan dated February 28, 2013. The Demography and Labor Market Sector conducts fundamental and applied studies of demographic processes in Uzbekistan's regions, and analyzes the labor potential and labor market level, the degree of balance in the availability of labor resources and jobs created;

- The Population and Labor Economics Scientific School under G.V. Plekhanov Russian University of Economics, headed by the author of this article – Academician of the Academy of Sciences of the Republic of Uzbekistan K.Kh. Abdurakhmanov. Strategic research areas are the development of new approaches to ensuring the working population employment, improvement of the human capital investment efficiency and the study of demographic trends in the Republic of Uzbekistan;

- Center for Economic Development (CED), a non-profit non-governmental organization which provides research services in the field of economic development and economic policy, in particular, the social sphere and the labor market, including sectoral studies and industry insights;

- Izhtimoiy Fikr Center for Public Opinion Research, focusing on the study, generalization and analysis of public opinion, basic and applied research in the field of improving the methodological foundations of the public opinion study and the organization of scientific forums. Under the general leadership of Academician of the Academy of Sciences of the Republic of Uzbekistan R.A. Ubaidullaeva the Center conducted a sociological survey on the theme "Uzbekistan's Youth: life values, morality, social guidelines" in 2016;

In 2018, the Ministry of Employment and Labor Relations of the Republic of Uzbekistan conducted a large-scale study of 9.000 households in terms of the actual share of the informal employment sector in Uzbekistan and the actual unemployment rate among the economically active population. In addition, the Ministry launched pilot projects on the vocational guidance of high school students in the regions.

The comprehensive studies conducted in the country formed the basis of promising decisions and strategic programs developed by the Government, new legislative acts, the Employment Promotion Concept and the State Program on implementing the Action Strategy for five priority areas of development of the Republic of Uzbekistan in 2017- 2021 during the "Year of Supporting Active Entrepreneurship, Innovative Ideas and Technologies" (Presidential Decree No. UP-5308, 2018).

The "Yoshlar-kelajagimiz" (Youth is our Future) state program is aimed at ensuring youth employment by promoting and supporting youth business initiatives, start-ups, ideas and projects, training unoccupied youth in high-demand occupations and business skills (Presidential Decree No. UP-5466, 2018). Provision is made for preferential loans and property leasing at a rate of 7.0% per annum for youth business initiatives, issuing loan guarantees (up to 50.0% of the loan amount), participation in projects at the rate not exceeding 50% of their value (with subsequent sale of the fund share within five years). "Yoshlar mehnat guzari" (Center for Youth Employment) complexes will be established in labor-abundant areas to create sites for trade and consumer services and small manufacturing facilities.

The employment promotion concept defines the current areas of basic and applied research of the youth labor market in Uzbekistan. There is a clear tendency to separate the problems of the youth and women's labor markets into a separate area of research. At the same time, today the main problem of economic science in Uzbekistan is the imperfection of the domestic methodological framework, the non-systemic nature of research, the lack of scientific debate on the problems of the youth labor market, which makes it impossible for the scientific community to develop and improve the economic science methodology. In this sense, practical decisions and measures of state regulation are ahead of scientific research. Within this context, in the authors' opinion, the relevant objects for basic and applied research include:

- socio-economic reasons for youth unemployment and the disparity between supply and demand in the youth labor market;
- the role of public-private partnerships in ensuring effective coordination and integration of the educational system and the youth labor market;
- the causes and impact of informal employment, precarization and flexibility of social and labor relations on the economy, as well as the reasons for the imbalance between unemployment benefits and income taxes;
- development of regional labor markets, growing shortage of qualified personnel for basic sectors of the economy;
- adaptation of modern marketing research technologies to the youth segment of the labor market in Uzbekistan;
- improvement of labor legislation in the field of youth employment, mitigation of employment conditions, promotion of mentorship and young workers' adaptation tools;
- methods for popularization of lowly occupations required by economics; creating the conditions for a successful career choice and job hunting.

The problems of youth unemployment are analyzed in many modern scientific publications; however, all the authors note that in practice there are no programs for promoting youth employment or they are implemented ineffectively, which ultimately affects the quality of life of the population group under study (Rofe, 2010; Rubery and Wilkinson, 1994; Layard and Richter, 1995). Despite the significant number of scientific papers on youth

employment and unemployment, many of their theoretical and methodological aspects are studied insufficiently (Karmanova et.al, 2013; Kvint, 2009). The problems of determining the essence, role and place of the youth labor market in the system of social and labor relations remain debatable.

The issues of youth unemployment are widely discussed, the need for their solution is obvious, but from a practical viewpoint, they require further study

3. Methods

- The methods of statistical observation, summaries and grouping are used in this study. According to the coverage of units in the aggregate, the following types of statistical observational studies are distinguished:

- Complete observation implies acquisition of information about all population units. It is characterized by high material and labor costs, and inefficiently quick delivery of up-to-date information. It is used in taking the population censuses, data collection and reporting for large and medium-sized enterprises of various forms of ownership.

- Incomplete observation is based on the principle of random selection of units of the studied population, with all types of units in the aggregate, represented in the sample as a whole. It has a number of advantages over complete observation relating to reduction of time and money costs. This type of observation is used in the given study.

- Statistical information may be acquired by the following methods:

- - Direct statistical observation, when the evaluators themselves establish the fact to be recorded by direct measurement, weighting, and counting.

- - Documentary observation which is based on the use of various kinds of accounting documents. It includes a reporting method of observation, when enterprises submit statistical reports on their activities on a strictly mandatory basis.

- - Survey which implies obtaining the required information directly from the respondent. This method of sampling inquiry is used in the given study.

- - Summarizing which consists of the following steps: selection of grouping attributes; determination of the group formation order; development of a statistical indicators system for the characterization of individual groups and the aggregate as a whole; development of layouts for statistical tables to present the summary of the results. Most often, simple summary reports do not satisfy the researcher, since they provide too general ideas about the phenomenon under study. Therefore, statistical material is subject to grouping.

Grouping is a method for subdividing the entire considered set of data into groups that are homogeneous according to the characteristics being studied, for example, grouping the population by sex and age. Grouping provides the basis for subsequent data summary and analysis. An essential feature according to which data sets are grouped is called a grouping attribute or a basis for grouping. Grouping is carried out to study the structure of the data set or the relationships between its individual elements. It is possible to identify the effect of individual units on average totals by means of grouping, for example, grouping of the unemployed by the level of education to create new jobs more effectively.

4. Findings

The structural and dynamic characteristics of Uzbekistan's modern youth labor market identified by the authors are the key results of the study. Based on the analysis of the existing imbalances, the long-term goals and objectives are formulated for the systemic basic and applied research, as well as the development trends of the youth labor market.

The research findings have shown that the real youth labor market tends to increase the gap between supply and demand, the quality and content of vocational education and the need for personnel in the real economy, the number of working and unemployed youth, and the

levels of regional market development. Thus, according to the data of the conducted survey, the educational level of respondents was quite high, since they were graduates of academic lyceums, colleges and universities: 64.0% of lyceum graduates and 7.0% of college graduates were enrolled in universities, 71.0% of college graduates preferred to find a job and are currently employed. Accordingly, every third lyceum graduate and every fourth college graduate received the status of the unemployed. Notably, the majority of the respondents are young men (56.0%).

Most respondents (43.0%) had incomplete higher education by virtue of age composition. The share of persons with higher education was 30.0%. There are few young people with incomplete secondary education (3.0%) among the respondents. The remaining 24.0% of the respondents graduated from lyceums and colleges. Many young people surveyed (20.0%) majored in engineering, 15.0% of respondents being doctors and medical workers, 14% – accountants and economists, 12.0% – managers, 11.0% – service sector workers, 10.0% – teachers, 8.0% – lawyers and 10.0% of respondents got qualification certificates for certain trades. It is easier to find a job having education; therefore, the majority of low-skilled or unskilled workers are unemployed. Subsequently, the employment rate of those with qualifications was twice as high as compared to low-skilled workers.

Among the employed respondents, 40.0% do not work in the specialty they had trained in, 28.0% are dissatisfied, and find the work to be poorly paid, but interesting; 12.0% of respondents, on the contrary, are satisfied with wages, but consider their work uninteresting, 14.0% do not like the work schedule, 7.0% consider the work to be good, but note poor teamwork; 30.0% are afraid to be made redundant; 5.0% consider their jobs to be bad in all respects, 42.0% do not quit due to good remuneration. However, 23.0% of young people are satisfied with the work schedule, and 5.0% of respondents understand that they will not find better job.

The research of the degree of young people's satisfaction with their job resulted in the conclusion: in general, those who have found their place on the labor market are not completely satisfied with the situation; underlining low salary and small opportunities for career advancement as the drawbacks. Young people are mostly afraid of losing their jobs for one reason or another (41.0%), 40.0% of respondents do not think about the possibility of losing their jobs, and only 19.0% are not at all afraid of losing their jobs and have a sense of confidence.

The research of the attitude of young people to the possibility of continuing education led to an interesting conclusion. The majority of the respondents (55.0%) think that in modern conditions it is necessary to have a higher education. A part of the respondents obtain a second higher education or continue their studies under Master degree or Doctoral Program. To improve competitiveness in the labor market, young people are trying to improve their educational level in courses, seminars and trainings, learn foreign languages and master new computer programs. The market responds with growing competition among commercial educational centers.

A study of the ways of job hunting has demonstrated the ineffectiveness of centers for employment promotion and social protection of the population. The majority of young people (35.0%) were employed through acquaintances; 20.0% of respondents applied directly to enterprises; and 7.0% answered vacancy advertisements and visited job fairs held in the regions. Only 8.0% of young people appealed to employment promotion and social protection centers, and 21.0% used all employment options.

The research revealed that the current labor market in Uzbekistan is characterized by gender imbalances, which manifests itself in the level of wages. Male graduates are paid higher wages than females. This fact confirms the general pattern characteristic of the labor market in Uzbekistan – women are displaced into low-paid sectors of the economy. The highest wages were reported by young men engaged in the automotive engineering, construction and financial sectors. The terms and ways of finding a job for girls and boys are practically similar, averaging between one and three months.

Life in Transition III survey (LITS, 2016) of the European Bank for Reconstruction and Development (EBRD) confirms the existence of a gap in levels of economic activity between men and women in Uzbekistan. Thus, according to experts, 33.1% of women of working age were economically active, i.e. had a job and/or were actively looking for it, while economic

inclusion of men made 73.9% of the population.

The relatively low economic inclusion of women observed in Uzbekistan also determines the low female employment rate. Thus, table 1 shows that in urban areas, women's economic inclusion and employment rate is almost twice lower than men's labor force participation rate, and more than twice in rural areas. For comparison, the average world level of women's economic inclusion was 50.0% over the past 5 years, which means that about half of female working age population were either employed or actively looking for work. For example, over the past 5 years the average level of women's economic inclusion was about 65.0%.

In Uzbekistan, in 2016 men's higher education enrolment was 10.6%, while women's education enrolment was 6.5%.

The low enrollment in kindergartens and nursery schools is an important factor that decreases women's employment; this prevents women from releasing the time spent on childcare for economic inclusion. Whereas in 1991, the preschool enrollment rate in the republic was 55.0%, by 1999 this figure had dropped to 25.0%, in 2004 – to 19.3%, and in 2013 – to 14.4%. At the end of 2018, in Uzbekistan kindergartens were able to accept 581,000 children in total, which made only 23.3% of the total number of children aged 2-7 years old (Statistics digest, 2018).

Table 1. Levels of economic activity and employment in the rural and urban areas in Uzbekistan, %

	Economic activity		Employment	
	Male	Female	Male	Female
Rural areas	74.2	27.5	62.8	22.3
Urban areas	73.5	38.7	61.3	34.5

Source: LITS, 2016. Percentage indicators are weighted average based on sample inclusion probabilities

It should be noted that the low level of children's enrollment in preschool institutions and their weak facilities and resources were the main reasons for adopting Presidential Decree No. 5198 "On measures for improving management of the preschool education" and Presidential Resolution No. 3305 "About the organization of the activities of the Ministry of Preschool Education of the Republic of Uzbekistan" on September 30, 2017.

Chronically low level of women's economic inclusion, gender inequality in employment can lead to maintaining an excessively high level of fertility and low-income families due to the fact that predominantly only men will ensure their maintenance and female labor potential will be insufficiently employed in the economy.

Unemployment among educated youth, among graduates of higher educational institutions is a problematic trend. It triggers much concern because it is a vicious result that contradicts the assumption and evidences that higher education and vocational training lead to increased productivity and employment opportunities for young people.

The study of the conditions of young professionals' hiring revealed a number of objective characteristics that predetermine the cautious attitude towards them on the part of employers. Young employees often find themselves in the "experience trap" when they lack work experience that they could report in their job applications only because they were not able to get a job. Also a form of employment is a separate issue for graduates. The tendency of informal employment is traced. Such work is very beneficial to the employers; they have the opportunity to avoid the additional costs that are associated with taxation. For the employees, this job is unprofitable and unpromising; this will affect their pension benefits, as a result.

In current conditions, it is necessary to assist students and graduates in adapting to the labor market in a period of high competition and financial instability, as well as to improve the quality of students' education. In the course of promoting employment, we consider it necessary to monitor job vacancies for students and graduates on an ongoing basis, to conduct vocational guidance work at schools and universities with younger students, which will enable to identify occupational aptitude at an early stage of personal development and will have a beneficial effect on the number of talented students and young professionals. It is necessary to create conditions that motivate employers to participate in youth employment promotion programs and acquisition of practical skills by young people. It is possible, for example, to compile a rating of employers, to assess their HR-brand from the viewpoint of

youth, to draw up recommendations for improving their own HR-brand.

Despite a slight decline in the unemployment rate, youth participation in the labor force is also declining. This means that the increase in the number of jobs is only part of the ongoing reforms in Uzbekistan (ILOSTAT, 2018). Under the influence of reforms in Uzbekistan's economy, the employment situation has recently begun to slowly improve. In some regions, there is even a decrease in unemployment to medium levels, including among young employees.

The problem of informal employment is becoming especially acute. The World Bank estimates showed that in 2013 in the republic 42.0% of the working age people worked informally (World Bank and GIZ, 2017). In 2016, 26.1% of men aged 18 to 64 were employed in the informal sector, whereas this figure was 12.5% for women (LITS, 2016). Construction, a sector with a more complex and burdensome tax system, is leading in the level of informal employment, where 70.0% of people do not have registration with tax and/or social security agencies. More than half of these people, namely, 58.2% of 70.0% are employed in day-long (20.3%), seasonal (33.8%) and temporary jobs (4.1%). Informal employment is significantly higher among young people aged 15-24.

5. Discussion

The conducted research showed positive trends in the labor market development in Uzbekistan and the contradictions caused by economic growth, analyzed and systemized reasons for youth unemployment:

- in the field of education, quality and affordability are improving, educational programs and standards are being refined, competition among higher educational institutions is growing, new foreign universities and private schools are emerging, teachers' salaries are being indexed and increased;
- in the field of employment, the investment activity growth results in the economy as a whole and the creation of new jobs, as well as the development of the recruitment services segment using the Internet;
- gender differences are being erased in remuneration and distribution of paid administrative functions, youth and female business activities are encouraged by the state;
- requirements for the young professionals' competence are increased: awareness of new technologies, ability to innovate, expand the scope of activities, readiness for constant self-learning, ability to use complex decision-making procedures, willingness to take risks, communication skills, a high degree of flexibility, ability to work with various motivation systems, knowledge of people to choose employees, people management skills, etc.;
- the number of economically active population has totaled 14,357.3 thousand people (76.9% of all labor resources) and increased by 2,754.2 thousand people over the ten-year time period.

Table 2 contains summary of the analysis of the youth labor market problems persisting in Uzbekistan.

Table 2. Problems of the youth labor market in Uzbekistan

Problem	Cause	Solution	Expected effect
Difficulties of socio-professional self-determination of youth. Wrong career choice	Transformation of the socio-cultural conditions of formation under the influence of globalization and digital economy development	Comprehensive measures to reform all levels of the national educational system. Improvement of PPP system	Formation of a modern educational system and human capital development
Lack of professional experience and practical skills of adaptation and self-development in graduates.	Quality problems in education. Inefficient selection of applicants.	Creation of a system of orders to train professionals for specific regions, industries and companies. Involvement of leading practitioners and government officials in the educational process.	Achieved balance of supply and demand in the labor market, increased youth employment

Problem	Cause	Solution	Expected effect
Increase in the number of unemployed youth and informal employment	The imbalance of taxes and incomes, unaffordability of higher education	Education quality and affordability improvement, tax policy improvement	Shrank shadow economy
Employment outside the area of expertise as specified in the (College/Degree) Certificate	Disparities between the supply of educational services and the demand for occupations in the labor market	Creation and development of a competitive environment in the field of education	Increased mobility and competitiveness of young professionals
Low productivity of young employees	Imperfection of social partnership mechanisms	Improvement of the regulatory environment for recruiting and hiring	Creation of professional personnel reserve for the innovative development of the economy

However, the official statistics of the facts confirming the growth of the youth labor market is not accompanied by data revealing the reasons for obvious imbalances. There are difficulties in assessing the effectiveness of the labor market mechanisms, because of fragmented published statistics, relying on it is difficult to build trends for individual indicators and to conduct an independent assessment. For example, stating that with a general unemployment rate of 5.0%, the youth unemployment rate was about 19.2%, the author had to limit himself to qualitative conclusions based on his own observations.

Employment and labor laws and regulations need to be improved as well. It is necessary to bring the system of Uzbekistan's youth labor market concepts in line with international standards. Employees with a civil contract concluded do not have equal rights as those employed under an employment contract. The trade unions are not initiative in the regulation of wages, which does not ensure labor-related incentives for workers.

This situation results in contradictions arising in the labor market of higher education graduates:

- between the social attitudes and occupational guidance of young people and the needs of enterprises, organizations and companies in the workforce;
- between the task of improving the efficiency of young professionals' training and the existing system of university training;
- between the theoretical training of graduates and the lack of the necessary skills for the practical use of the knowledge gained;
- between the life and professional plans of graduates and the real opportunities for their implementation;
- between the interests of the development of a separate enterprise and the interests of the society.

The following causes of youth unemployment are typical for Uzbekistan:

- high demographic pressure on the labor market;
- insufficient supply of new jobs in the labor market of Uzbekistan;
- an insufficient level of cognitive and non-cognitive skills obtained by young people in colleges and lyceums, which are important for the formation of professional competencies;
- low youth labor productivity due to insufficient work experience;
- an insufficient level of competencies in young persons who have graduated from vocational schools due to the ineffective selection of applicants and the low quality of education;
- underdeveloped mechanisms of social partnership in ensuring the integration of theory and practice at educational institutions, as well as the subsequent employment of graduates;
- wrong occupational choice in the absence of an effective system of vocational

- guidance for young people;
- lack of compliance of training quota structures and the recruitment needs of the economy;
- traditionally low higher education enrollment rate for many years.

The following employment promotion measures are proposed to improve the current situation in the youth labor market:

1. Legislation improvement in the field of employment regulation:
 - to improve the structure and legal framework of the state employment agencies;
 - to improve the organization and functions of local employment service offices; to ensure their financial independence and the maximum approximation of the conditions and tasks of the functioning to the labor market trends;
 - to introduce modern forms of outsourcing, crowdsourcing, public-private partnerships (PPP) in the work of labor agencies, including the outsourcing of labor force sample surveys;
 - to develop a system of personnel training and retraining for employment services using a competency-based approach.
2. Information support improvement for decisions in the field of employment regulation at the macroeconomic level;
 - to organize and carry out the population census at a high organizational level;
 - to improve the methodology for statistical analysis of the youth labor market on the basis of advanced foreign experience with regard to the labor market specifics in Uzbekistan;
 - to ensure effective interaction between the units of the Ministry of Economy, Ministry of Employment and Labor Relations, State Committee on Statistics, Ministry of Higher and Secondary Specialized Education in the issues of forming statistics on supply and demand in the labor market, accounting for job reallocation
 - to develop an information infrastructure for conducting scientific research on trends and problems in the development of the youth labor market in Uzbekistan.
3. Provision of sustainable youth employment through the implementation of targeted measures:
 - to allocate lump sum subsidies to employers for vocational training and advanced training of young employees;
 - to create integrated databases of vacancies for young people;
 - to develop the system of training, retraining and advanced training at the sectoral and regional levels based on public-private partnerships;
 - to form a system of vocational guidance and socialization of school students and adolescents;
 - to deepen the integration of the educational system and production at the colleges and universities;
 - to ensure transition to international quality standards and rating assessments of the educational process;
 - to increase the affordability of higher education by developing a competitive environment through increased number of private and foreign universities, created branches of leading universities in the regions of the country and abroad.
4. Regulation of labor migration:
 - to create infrastructure for monitoring and regulating migration flows
 - to control recruitment, selection, training and sending of migrants,
 - to create attractive conditions for money transfer by banks,
 - to ensure reintegration of returning migrants in the labor market of Uzbekistan,
 - to provide consulting, employment and other services.
5. Reduction of the informal employment level:
 - to improve tax policy,
 - to modify methods for forming databases and analyzing the level and structure of informal employment in the economy.

6. Conclusions

The conducted research has revealed the essence of the trends in the development of the modern youth labor market in Uzbekistan. Due to the identified causes, an unfavorable

situation develops in this market, which requires taking a number of compensation measures by the state. First of all, these measures should be manifested in the ongoing youth policy. It should be aimed at creating regulatory, economic and organizational environment and guarantees for self-realization of a young person. The development of young initiatives will contribute to maintaining social harmony in the society and focus on the achievement of individual goals of the economy, politics, moral and cultural development of young people. The following results of the youth employment promotion measures are expected:

- 1) **In education**
 - Improvement and modernization of new educational standards according to the labor market demands;
 - Deepened relationship between theory and practice in educational processes;
 - Education quality improvement;
 - University brand enhancement by increasing the demand for its graduates in the labor market.
- 2) **In youth environment**
 - Improved quality of life of young people
 - Increased youth mobility and adaptability to modern labor market conditions
 - Ensured decrease in the unemployment rate among college and university graduates
 - Increased competitiveness of students and graduates
- 3) **Among employers**
 - Popularization of successful companies and brands among graduates
 - Employers' rating upgrade to attract young people;
 - Employers' participation in the educational system improvement
 - Guaranteed employment within the gained specialty with the provision of professional and personal growth of young professionals

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