

EnlargeEU Newsletter
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MACEDONIAN HUMAN
POTENTIAL: Trends and
Challenges

Global Perspective

The world is facing a challenge of finding suitable talent for the current and future needs of the economy, with dramatic decreases in the workforce of some of the most developed economies in the world projected for the following decades. By 2025, EU, Japan and the US workforce will decrease from 7-14%. The scarcity of workforce, especially highly-qualified workforce, is hot topic for world leaders and governments of affected states, which devise strategies and revise their migration policies to prevent the looming economic crisis. *Are Macedonia and other Western Balkans countries affected by these challenges and, if so, how can negative impact be prevented?*

Macedonia: triple challenge

Although the decrease in the working-age population in Macedonia is not as sharp as in the Western European states or other states in the region, there is another factor making the situation alarming – lack of economic growth, and thus, limited employment opportunities. Despite the fact that annually, more than six thousand students are graduating from state universities in Macedonia, many Macedonian graduates and students have become consumers rather than contributors to the economy and the social system.

Rocketing unemployment rates, especially among youth and women make job prospects bleak and discourage the young educated and skilled Macedonians in pursuing careers, whether at home or abroad. Moreover, the quickly developing information-driven economy of today requires competitive skills and continuous upgrade of those. Those skills are scarce in developed economies, and even more so in developing countries. Macedonia lags behind with educational reforms and building a knowledge-based economy. The situation has been exacerbated by the limited travel opportunities, including working abroad where younger generations would be able to acquire new skills and capabilities, not available in the country. There is a value in migration as it is one of the pillars for today's economic and social development of globalized societies. Thus, Macedonian economy needs to gain momentum, while its human potential needs boosting of both human capacities and skills – a triple challenge for policy-makers.

Which Way to Development?

Education reforms and student mobility would strategically assist Macedonian economy in producing work force competent to join the global markets. Applying Bologna principles for student mobility and catching up with European educational trends is one way about these challenges. Still more needs to be done in encouraging youth and women employment, who are most affected by unemployment, but who can offer additional boost to the workforce. The prospects for joining the competitive EU labour market demand concerted efforts at preparing Macedonian economy and labour force for that.

EnlargeEU Newsletter is also available at Analytica's blog: www.analyticamk.blogspot.com

QUICK FACTS

Total Labour Force: 890, 000.
Unemployment: 35% (app. 300,000)
Youth unemployment (15 to 24): 1/3 of total unemployment.
Women employment: 32%
Number of Universities: 4 (state); 6 (private)
Annual Graduates from state universities: app. 6,500.
Source: State Statistical Office