

## SOCIAL AND ECONOMIC DEVELOPMENT



### YOUTH UNEMPLOYMENT IN THE LATGALE REGION OF LATVIA: CAUSES AND CONSEQUENCES

V. V. Voronov<sup>1, 2</sup>

O. P. Ruza<sup>1</sup>



*Youth unemployment is a serious problem in Latvia, as unemployed young people make up 16.3% of the total number of unemployed in the country, while in the Latgale region the number of unemployed young people aged 15–24 years was 18.8% of the total number of unemployed in the country in 2015. The purpose of this study is to identify the main current causes of high unemployment amongst young people in the Latgale region of Latvia aged 15–24 years. This age group of young people acted as a target group for sociological research based on a quota sample (by sex and age) in an online survey of respondents in 2016. The results of the study were processed using the Statistika program.*

*The transformation of social and economic processes in the world, Europe and the post-Soviet space has led to changes in the labor market of young people, which are objective and subjective, contradictory, which continue to this day. It is established that the behavioral rationalism of young people (labor mobility, vocational education, etc.) in the regional labor market is combined with its behavioral irrationalism (lack of desire to work for various reasons, the need for contact with family and friends, etc.). This is due to the growing uncertainty in the youth labor market due to the growth of competition, the emergence and growth of flexible forms of employment, depriving young people of the clarity of career and confidence in the future.*

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<sup>1</sup> Daugavpils University,  
1 Parades St., Daugavpils, Latvia, LV-5401.

<sup>2</sup> Institute of Sociology of the Russian  
Academy of Sciences,  
24/35 Krzhizhanovsky St., Bldg. 5,  
Moscow, 117218, Russia.

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*The survey results also show that the majority of unemployed youth in the Latgale region deliberately refuses to emigrate outside Latvia and would like to link their future with the region and the country.*

**Keywords:** youth unemployment, unemployment problems, unemployment rate in Latvia, economic behaviour in youth, regional labour market

## Introduction

The UN defines the youth as persons aged 15—24.<sup>1</sup> Similarly, the International Labour Organisation's 'Key Indicators of the Labour Market — KILM 10 — Youth unemployment' classifies those aged 15—24 as youth.<sup>2</sup> Among the economically active young people, the unemployed are those not working but looking for a job and ready to take one that corresponds to their skills and knowledge. In the euro area, which includes Latvia, the rate of unemployment in this group reached 22.4% in 2015<sup>3</sup> [1, p. 27]. The indicators used in Latvia's official statistics are comparable to the international ones. However, the national and regional statistics demonstrates that the youth constitutes the most vulnerable category in the labour market. The rate of unemployment among the youth is traditionally above the overall rate of unemployment in the economically active population of Latvia and its regions. In our study, we focus on the Latgale region, which has the largest proportion of Russian speakers in Latvia. In this area, the problem of youth unemployment is the most acute in the country. We relied on the official statistics, the literature published in 2007—2016, and our own applied studies to analyse and assess the regional youth labour market.

The central problem of this study is prospects and limitations faced by the youth in the regional labour market, which is affected by both external and internal socioeconomic processes and the global employment trends. Residents of the Baltics identify social inequality (Lithuania), unemployment (Latvia), and migration (Estonia) as the major current problems in the EU. According to the Eurobarometer surveys, 30% of the Latvians considered unemployment the main problem in the European Union<sup>4</sup>.

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<sup>1</sup> UNESCO: working with the youth and for the youth, available at: <http://www.unesco.org/new/ru/social-and-human-sciences/themes/youth> (accessed 08.04.2018).

<sup>2</sup> KILM 10. Youth unemployment, available at: [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms\\_422439.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_422439.pdf) (accessed 8 April 2018).

<sup>3</sup> Eurostat Statistics Explained. Electronic resource, available at: <http://ec.europa.eu/eurostat/statistics-explained/index.php/> (accessed 8 April 2018).

<sup>4</sup> European Commission. Standard Eurobarometer 86. Public opinion in the European Union. Fieldwork: November 2016. What do you think are the two most



We have already considered the socioeconomic background of the current situation in Latvia's economy and labour market [2, pp. 437—445]. The results of the survey corroborate the findings obtained. Since the country's accession to the EU in 2004, the economic growth in Latvia has been sustained by the service sector, borrowed funds, the inflow of foreign (primarily financial) capital, and the grants from the EU structural funds. Today, traditional and intermediary services account for 75% of Latvia's economy. They make money without producing anything, whereas the proportion of manufacturing is below 15% of the country's GDP. Latvia's manufacturing sector does not use advanced technologies. Almost 70% of the value added in production is associated with low-tech industries. The mid- and high-tech produce accounts for 2 and 29% of the total production respectively. The national budget and taxation policy cater to the oligarchs and the public officers. The government expenditure to GDP ratio has reached 43.9%, which is one of the highest levels across the EU. International experts believe that the Latvian tax burden caused the cost of labour and capital to soar, thus making the national manufacturing industries and agriculture so expensive that they were left without any competitive edge. The country became an export zone for the EU production and banks [3]. The national and regional large manufacturing exporters (VEF, Alfa, RAF, Khimvolokno, and many others) were closed and replaced by small companies that make a modest contribution to the country's GDP. Numerous shopping malls and entertainment centres stand as a surrealistic testimony to the 'flourishing' of the Latvian economy. Since an increase in the government revenue became an unattainable goal, the government have strived to reduce the expenditure, including that on the employment policy. Latvia is a thin market with small potential for exports. Thus, the service, manufacturing, and agricultural sectors cannot create skilled jobs for everyone who needs them, including the young people. When it comes to politics, the discussion of the employment of the economically active population, including the youth, is completely dominated by the political powers, whose interests do not coincide with those of the Latvians. These powers are the bureaucratic ethnocracy represented by the national-radical and liberal parties. This is manifested in the low level of popular trust in the political institutions (25%) — a result of a discriminatory policy against a significant part of the society. The civil society institutions are weak, which is particularly true of the employer and employee associations. The future of Latvia is

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important issues facing (OUR COUNTRY) at the moment? Autumn 2016. P. 14, available at: [https://ec.europa.eu/finland/sites/finland/files/eb86\\_first\\_en.pdf](https://ec.europa.eu/finland/sites/finland/files/eb86_first_en.pdf) (accessed 28.12.2017).



uncertain because of the mass emigration fuelled by unemployment among the people of working age, low remuneration, and a low birth rate. The latter is a result of the youth lacking a clear vision of the future. The country lost a third of its population after regaining independence in 1991. These problems manifest differently from region to region. In 2016, the average salary in Latgale was approximately half of that in the capital Riga region. The average income of the Latgale residents was below 600 euros per months, whereas it ranged from 700 to 900 in the other regions of the country. The low incomes and salaries urge the local residents, primarily the young ones, to move either to the capital region and Riga or abroad, in search of a better life.<sup>5</sup>

In Latgale, where the problem of employment is the most acute, there are numerous causes of unemployment among young people. The traditional ones are the lack of professional knowledge and work experience, ageism in the labour market, low demand for the young people's professions, and the closure or repurposing of companies in the aftermath of the economic crisis in the EU and the world. The most recent causes are a poor command of languages (Latvian, Russian, English) and insufficient communicative and IT skills. Sometimes the private employers are neither interested in investing in the training of young specialists nor willing to do so. The knowledge and skills acquired by the youth during their study sometimes have little to do with the demands of the labour market. Another important aspect is the absence of subsidies for private and public companies that would encourage them to create jobs for the youth. All this lends an urgency to research into the possibilities of and limitations to youth employment in the regional market.

## Methods

This study aims at exploring the behaviour of the Latgale youth aged 15—24 in the labour market and identifying the cause of the high unemployment rate among young people. To reach this goal, we set the following objectives — to study the literature and information on youth employment, to track the dynamics and describe the structure of unemployment among the youth in Latgale in 2007—2015, to identify the causes of youth unemployment in this region, and prepare relevant recommendations.

This analysis of the causes of youth unemployment in Latgale uses quota sampling (by sex and age) based on our 2016 survey (N = 402) of

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<sup>5</sup> Seventy people fewer each day. Will Latvia go extinct? Available at: <https://inosmi.ru/social/20170601/2394954.html> (accessed 01 June 2017).

people aged 15—24. The quota sampling corresponds to the structure of the population, as reflected in the statistics from the State Employment Agency of Latvia.<sup>6</sup> We conducted the survey online. The questionnaire contained 23 questions relating to the behaviour and motivation of the youth in the regional labour market, as well as the features, current state, and dynamics of this market<sup>7</sup> [17; 18]. The data were processed using the SPSS software.

According to the Central Statistical Bureau of Latvia, the Latgale region was home to 29,345 people of the selected age group. The study employed the logical methods (synthesis and analysis), the comparative methods, various statistical methods, the frequency analysis, and the diagram method.

The official statistics shows that, in 2016, the Latvian youth aged 15—24 and residing in Latgale (its cities and towns with the surrounding districts) had the following structure. The youth of Daugavpils and its district accounted for 38% of the total young population of Latgale. Thus, we surveyed 152 young people (78 males and 74 females) from the regional quota sample of 402 respondents. Rēzekne and its districts, where we surveyed 92 young people (48 males and 44 females), are home to

<sup>6</sup> NVA. 2007, *Bezdarba radītāji un NVA aktivitātes 2007. gadā*, available at: <http://www.nva.lv/index.php?cid=6&mid=241> (accessed 17 December 2015); NVA. 2008, *Bezdarba radītāji un NVA aktivitātes 2008. gadā*, available at: <http://www.nva.lv/index.php?cid=6&mid=241> (accessed 17 December 2015); NVA. 2009, *Bezdarba radītāji un NVA aktivitātes 2009. gadā*, available at: <http://www.nva.lv/index.php?cid=6&mid=272> (accessed 04 January 2016); NVA. 2010, *Bezdarba radītāji un NVA aktivitātes 2010. gadā*, available at: <http://www.nva.lv/index.php?cid=6&mid=297> (accessed 28 December 2015); NVA. 2011, *Bezdarba radītāji un NVA aktivitātes 2011. gada*, available at: <http://www.nva.lv/index.php?cid=6&mid=330> (accessed 11 January 2016); NVA. 2012, *Bezdarba radītāji un NVA aktivitātes 2012. gadā*, available at: <http://www.nva.lv/index.php?cid=6&mid=404> (accessed 18 January 2016); NVA. 2013, *Bezdarba radītāji un NVA aktivitātes 2013. gada*, available at: <http://www.nva.lv/index.php?cid=6&mid=444> (accessed 27 February 2016); NVA. 2014, *Bezdarba radītāji un NVA aktivitātes 2014. gada*, available at: <http://www.nva.lv/index.php?cid=6&mid=470> (accessed 18 November 2016); NVA. 2015, *Bezdarba radītāji un NVA aktivitātes 2015. gada*, available at: <http://www.nva.lv/index.php?cid=6&mid=494> (accessed 10 October 2016).

<sup>7</sup> Jauniešu bezdarbs Latgales reģionā vecumā no 15 līdz 24 gadiem, available at: <https://www.survio.com/survey/d/L2C9O8T9C0C7U7M8>; Grandars.ru. 2016, *The population and the sample technique*, available at: <http://www.grandars.ru/student/statistika/generalnaya-sovokupnost.html> (accessed 02.10.2017); Survio. 2016, *Jauniešu bezdarbs Latgales reģionā vecumā no 15 līdz 24 gadiem*, available at: <https://www.survio.com/survey/d/L2C9O8T9C0C7U7M8J> (accessed 8 April 2016).

23 % of the region's youth and the Preiļi district to 13 % (52 people surveyed — 28 males and 24 females). The Balvi district is home to 9 % of the region's youth (36 people surveyed — 18 males and 18 females), the Ludza district to 9 % (36 people — 20 males and 16 females), and the Krāslava District to 9 % (34 people — 18 males and 16 females).

## Results

The unemployment rate in the EU, including Latvia, is high and it is increasing more rapidly among the youth than in any other age group [4, pp. 43—58; 5].

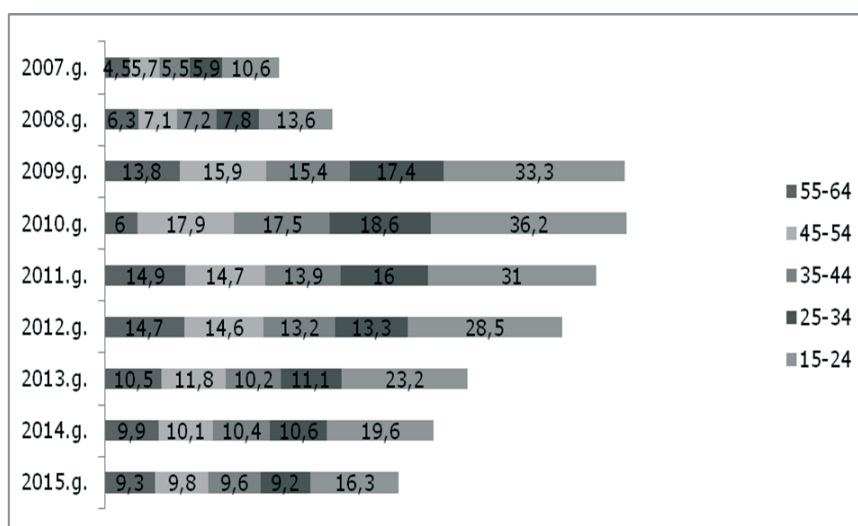


Fig. The unemployment rate in Latvia across all age groups in 2007—2015

Source: prepared by the author based on the data of the national statistics of Latvia.<sup>8</sup>

The concept of youth unemployment requires a complex approach that combines an analysis of changes in the economy, particularly, the labour market flexibility, of the skills and the employers' requirements, and the family background that often affects employment preferences. The success of the EU policies and investment will depend on Latvia's efficiency and readiness to respond [6—11].

<sup>8</sup> NBG02. Ekonomikas aktivitātes, nodarbinātības un bezdarba līmenis, (%), Centrālās statistikas pārvaldes datubāzes, available at: [http://data.csb.gov.lv/pxweb/lv/Sociala/Sociala\\_\\_ikgad\\_\\_nodarb/NB0020.px/?rxid=562c2205-ba57-4130-b63a-6991f49ab6fe](http://data.csb.gov.lv/pxweb/lv/Sociala/Sociala__ikgad__nodarb/NB0020.px/?rxid=562c2205-ba57-4130-b63a-6991f49ab6fe) (accessed 8 April 2016); Statistical Yearbook of Latvia. Riga: Central Statistical Bureau of Latvia, 2018, pp. 117, 119—121.

Our survey included various questions related to the offers in the labour market and the respondents' employment plans and current activities. Based on the results obtained, we analysed what problems the Latgale youth face when they start looking for a job [12—17].

A big group of people aged 15—24 consists primarily of the unemployed youth with secondary education qualifications. We strived to understand how the youth see their future and what plans they have regarding higher education. Our analysis shows that over half of the respondents (61.6%, 380 people) are planning to enter higher education. Another 5.8% (22 respondents) are considering the idea of a second degree. The youth have many good reasons to increase their education level that will shape their plans for the future. These reasons are the ambition to improve their financial prospects, the intention to find one's place in life, or the desire to start a job. Based on these considerations, young people choose training courses.

Few respondents (8.9%) are planning to enrol in professional training courses as an opportunity to improve their knowledge and skills. Only 10% of the respondents are going to benefit from retraining opportunities and take on a different profession. Some of the young people aged 15—24 are not planning to receive education in the future. They account for 4.2%, which is the smallest proportion among the respondents. A sound reason for a young person not to continue education is current employment or sufficient monthly income.

An analysis of the data on the officially and unofficially employed young people shows the following. Out of the 402 respondents, 120 people work full-time and 88 part-time. In the first group, 80% are employed officially. The others do not have any social guarantees. In this case, the employer does not pay the taxes imposed by the state. Only 9.1% of the respondents working part-time have registered their labour relations. This is rather common for the youth, whose employment is often sporadic. At the same time, the labour relations of a significant proportion of the young people employed full-time are not legally registered. Usually, the employer is unwilling to employ a young person officially (22.7%). Some respondents have made some sort of a deal with the employer in order to work unofficially (18.2% of those working full-time and 20.5% of those working part-time). We have established that, in the Latgale region, the two parties decide for unofficial employment in the case of a part-time job. However, young people do not understand that, this way, they are losing many benefits — social guarantees, official work experience, and employment records for their future careers. The respondents explain their behaviour by the hope to find a full-time job that would meet their career aspirations and income expectations. During the survey, we explored how young people looked for and found jobs.

Most young people working full-time found their jobs through relatives (17.6%). Another 16.2% were employed by the HR department of the company and 11.8% via the mass media. Only 7.4% of the young people surveyed found a job with the help of a state employment agency. This means that the mediation between the employer and the employee, carried out by these organisations, is inefficient. Most Latgale companies advertise to find new employees, without relying on mediators. The survey shows that some local young people are enterprising enough to start their own company (4.4% of the respondents). The young people who were invited by the company management or staff account for the smallest proportion — 2.9%, whereas 1.5% found a job differently — for example through acquaintances or fellow athletes.

The mass media (the Internet, TV, the radio, the press) was instrumental in the employment of 13.6% of the youth. The same proportion of young people found a job differently and did not specify how. Another 9.1% started their own business or 2.3% took a part-time job at the invitation from the company management or staff.

Overall, most young people in the Latgale region look for a part- or full-time job through friends, acquaintances, and relations.

As to the reasons for terminating employment, most respondents (25.6% of those employed full-time and 25.6% employed part-time) explained that they had made this decision because of the need to pay more attention to their studies. The other reasons for leaving a full-time job were dissatisfaction with the working conditions, work schedule, long commuting distances (16.7%), and remuneration (14.4%). Another 10% of the full-time young employees said that they had lost their jobs because of personnel cuts or even the closure of the company. Other reasons for quitting a job were mentioned. These are poor relationships with the colleagues and management, change of residence, family affairs (the birth of children, marriage, the need to look for an ill relative or to support the family, etc.), health condition, and dismissal by the employer. The other respondents who were employed part-time quit their job because they were dissatisfied with the remuneration (5.9%) or their labour contract expired (2.9%).

Our questionnaire included a question about the motives of young people. We asked whether they were willing to work, to find a job, or to fulfil their potential as professionals. Those who were employed but not satisfied with their current job were asked the question about whether they were looking for a different employment opportunity. We have established that the desire to find (or change) a job was a strong motivation for 78.3% of the respondents. However, 21.7% of the young people surveyed stated openly that they were not willing to work.



The major reason for avoiding employment is the intention to complete one's studies. When surveyed, these respondents studied full-time and their priorities were shifting towards receiving an education. Part of the young people surveyed accepts only seasonal job offers to work full-time during vacations. When asked about the high unemployment rate in the Latgale region, the respondents mentioned such circumstances as the impossibility to find a job, regardless what the professional field is and how much time was spent on the search. Other common circumstances include the impossibility to find a job close to home (this is especially true for the rural areas), the lack of necessary experience or education, and poor health.

Another 4.4% of the respondents lost any motivation or hope to find a job. These data suggest that the social welfare institutions should support the young residents of the Latgale region as regards their hopes and motivation for employment, in order to reduce the numbers of the future clients of these institutions. Only a small proportion of the respondents (3.3%) was satisfied with their current employment.

Overall, the biggest problem faced by young people looking for a job is the lack of work experience (46.3%). This is not surprising, since the youth, aged 15—24 are either students or recent graduates and thus have little work experience. By adopting the best practices of the other EU states, Latvia has to ensure a higher employment rate among the youth. Many of the EU member states (the UK, Ireland, Germany, the Netherlands, France, and others) have launched youth employment programmes in collaboration with the national companies. These programmes include targeted assistance in employment, financial support for specialists providing professional training for the youth, subsidies for the companies that employ young people, and other initiatives. This way, young people gain an idea of work and acquire the necessary experience and skills. However, the Greek, Spanish, Italian, and Portuguese national programmes for youth employment support did not yield the desired results. In these countries, the youth unemployment rates are very high and growing. Thus, a promising common strategy for the EU countries and regions is an increase in the flexibility of the youth labour market (this means seasonal and part-time jobs).

Another problem of the Latvian labour market (and the Latgale region is no exception) is that the local educational institutions train specialists whose knowledge and skills do not meet the requirement of the labour market. Our study has shown that young people find it difficult to secure a job in the field of their expertise (22.7%). The youth also believe that the knowledge and skills obtained during their studies do not

meet the employers' requirements (3.4%), whereas 2% of the respondents experienced a situation where the private employer was not interested in either hiring a young specialist or investing in her or his training.

When answering the question about the preferable options of employment, over a quarter of the respondents (27%) said that they wanted to open their own business. This can have a positive effect on the employment rate in Latgale, where business activity is much less intense than in the other Latvian regions. The youth are ready to implement their ideas and they do not want to be in a subordinate position.

Labour migration to the other countries of the European Union is another prospect considered by the local youth. Almost a quarter of the respondents (21.2%) are planning to look for a job abroad. Another 18.9% of the young people believe the large Latvian companies to be an attractive employer. The same proportion of the respondents is willing to work at a small local private company.

Fewer respondents entertain the idea of continuing their education — only 10.8% (56 people) are planning to enter a Master's, doctorl, or post-doctoral programme.

Having studied the services provided by the National Employment Agency (NEA), we concluded that they were not very popular among the youth. Only 17.4% of the respondents rely on and hope for help from the NEA and only 46.4% (306 people) are registered with the Agency. The two most popular reasons foregoing registration are the status of a student and current employment. However, the NEA helped 82 people of the 290 who answered the relevant question (28.3%) to find a job, to complete a training course, or to undergo retraining. Among those registered with the NEA as unemployed, only 47.9% (68 people) received assistance. At the same time, 134 people (81.7%) were not registered as unemployed and thus they did not get any help from the Agency.

When asked what personal shortcomings may have prevented them from finding a job they wanted, the respondents mentioned insufficient professional skills, poor command of languages (English, Latvian, Russian), and a lack of communicative skills necessary for getting along with the management, the staff, and the clients (47.3%). Some young people (8%) admitted that they lacked skills in working with the necessary software and the Internet (3.5%). The importance of this factor cannot be overestimated in today's world. The respondents also mentioned some other skills (1.5%), for example, that of driving a tractor.

To move with the time, mobility is a necessity. Mobility is very important for young people willing to adapt to today's life, new technology, employment requirements, etc. In this study, we tried to find out whether the local young people understand the concept of labour mobility. When

asked about what was necessary to be mobile in today's world, 59.2% of the respondents mentioned command of a foreign language, 48.8% fine health, and 48.3% good education. All this, they believe, creates chances for better employment and higher remuneration.

Loyalty to the state, region, or town is not very important for the youth in today's world. This is especially true for the new EU member states. People are adapting to the current situation and benefitting from the opportunities of free migration within the EU and beyond it. Thus, migration means not only finding employment but also receiving education abroad. In our study, we identified what reasons compelled the Latgale youth to stay and receive education in their home region.

Most respondents who stayed in Latgale (398 out of 402 people) stressed that they chose to study and work in the home region because of their family, friends, and acquaintances, who matter much in their lives. This reason belongs to the realm of psychology — people value those close to them, their support and emotional reassurance. Only 18.9% of the respondents believe that they can develop, receive a good education, and do what they like and want in Latvia. Another 11.9% of the respondents stay in Latvia because of their profession. Their knowledge and skills are in demand in the home country. A smaller group (8.5%) brings together the patriots who cannot imagine living in a different country, whereas 6% stay in Latvia because of the rich cultural heritage — the language, the traditions, the art, the architecture, etc. Only 2.5% of the respondents said that they might leave the country if they had enough money after they finished school. Some of these respondents are not Latvian citizens. The survey shows that for most local young people the refusal to emigrate is completely conscious and they associate their future with their home country and region.

When answering the question about the possibility of moving abroad, over half of the respondents mentioned that at the time, they did not have an experience of studying or working abroad and they were not planning to leave Latvia. At the same time, 17.3% of the local young people had an international work experience. However, they did not want to emigrate at the time of the interview. Almost a fifth of the respondents (23.8% or 80 people) had used to work abroad and was planning to repeat this experience in the near future. The smallest proportion (6%) did not have an experience of working abroad but they wanted to try it soon.

The data obtained prove that migration is a serious demographic problem for Latvia. Almost 30% of the young people interviewed in Latgale were ready to work abroad. This gives considerable cause for concern, since these attitudes may lead to a significant reduction in the number of young people in Latgale. We believe that the authorities re-

responsible for national migration have to pay greater attention to the demographic and socioeconomic problem in question. The issues considered above are a consequence of the problems in the regional and national economies, of sluggish manufacturing and agriculture, and of the poor development of knowledge-intensive services. These sectors are responsible for economic stability, national economic growth, and public welfare.

## Conclusions

The growing competitiveness in the labour market and the appearance of flexible forms of employment, such as freelance work, contribute to uncertainty in the labour market. This is a long-term trend, which is especially pronounced in the case of the youth.

The Latgale youth aged 15—24 demonstrate two types of behaviour in the labour market. The first one is active adaptation. It is characteristic of the young people looking for a job (78.3%). They are looking not only for permanent employment but also for part-time jobs. The other type is passive adaptation. It describes those young people who rely on the National Employment Agency (20.2%). Most young people find jobs through relatives, friends, and acquaintances (27.9%) or via the mass media (27.5%).

The employers usually want their future employees to be professional, experienced, and enterprising, yet willing to work for very low remuneration. These requirements are unlikely to be met, since most young people do not have either the work experience or the necessary knowledge and skills.

The young people admit that the knowledge that they obtained at educational institutions often have little to do with that required in the labour market. This leads to a growing unemployment rate and young people are forced to leave the country and look for a job abroad. Although unskilled, the jobs the Latvian youth take in other countries pay much better than those in Latvia do. All this accelerates emigration from Latvia and its regions and leads to depopulation.

Part of the young people (30%) views emigration as a solution to all the problems they may encounter in their adult life. However, most young people from Latgale try to stay in their home region and to get an education and find a job in Latvia. This behaviour is explained by both rational and emotional reasons — the need to stay in touch with friends and relations, confidence in one's professional skills, the hopes to start a business in the future, patriotism, the desire to live in a familiar environment, and the rich national culture and heritage.



The youth explain their difficulties with employment by:

- the lack of work experience (46.3 %) and the absence of suitable vacancies (22.7 %);
- low demand for their skills, knowledge, and ageism in the labour market (9.4 %);
- the absence of a state language certificate required for a range of jobs, poor command of foreign languages and insufficient communicative skills (8.4 %);
- the unwillingness of private employers to train young specialists (5.9 %);
- insufficient skills in working with the necessary software and the discrepancy between the employers' requirements and the knowledge and skills obtained at educational institutions (3.4 %).

Only a small proportion of the Latgale youth (10.8 %) are planning to enter a master's, doctoral, or postdoctoral programme. They explain this by lack of time, a low salary in their current place of employment, and the overall low level of income. All this prevents the young people from continuing education.

Some local youth (11 %) lost motivation and hope to find a job. This means that social welfare institutions should support and encourage young people to regain their motivation for work. If they do not approach this problem today, the number of their clients will grow in the future.

It is necessary to consider the best EU practices to pursue a more active national labour policy aimed at the flexible employment of the youth. Many countries of the EU (the UK, Ireland, Germany, the Netherlands, France, and others) have developed national youth employment policies. These programmes include targeted assistance in employment, financial support for specialists providing professional training for the youth, subsidies for the companies that employ young people, and other initiatives. This way, young people gain an idea of work and acquire the necessary experience and skills.

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### The authors

*Prof. Viktor V. Voronov*, Leading Research Fellow, Institute of Sociology, Federal Centre of Theoretical and Applied Sociology, Russian Academy of Sciences, Russia; Leading Research Fellow, Social Studies Centre, Institute of the Humanities and Social Sciences, Daugavpils University, Latvia.

E-mail: [viktor.voronov@du.lv](mailto:viktor.voronov@du.lv)

ORCID: 0000-0002-1022-3692

*Dr Oksana P. Ruza*, Research Fellow, Social Studies Centre, Institute of the Humanities and Social Sciences, Daugavpils University, Latvia.

E-mail: [oksana.ruza@du.lv](mailto:oksana.ruza@du.lv)

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