Unemployment in Europe, Structural Changes and Employment Enhancement

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The purpose of this article is to discuss tendencies of changes in unemployment level, unemployment growth sources and labour force redistribution process. The object of this research – W. European and C&E European countries, including their differencies in income and sectoral structure. The methods of research – while doing analysis of unemployment level and labour force redistribution process and identifying main emerging principles, methods of structural analysis and balance were used. The main emphasis of the article is the influence of economy sectoral changes, labour force redistribution and expansion of foreign trade over the formation of the high unemployment level. In the end there are some conclusions and recommendations for reducing high unemployment level, first of all, in the area of structural policy.

1. European Structure and Unemployment Level

In the course of all periods of a human history Europe has been different, it has been permanently split up and divided. At present on the threshold of the two centuries (end of 20-th and emergence of the 21-st) the West European countries uniting into the EU are putting major stress on the efforts to unify all European countries irrespective of the existing national, geographic-regional, social and economic diversities. Therefore, in the present stage of development it is mandatory to comprehend major differences existing among the European countries. Worth of notice are the following several differences in the social-economic area:

high income economics in West European (W. European) countries and medium–income economics in Central and East European (C&E European) countries. The difference in per capita GDP level in these two parts of Europe is rather significant and on average is 10 times as high. The results of a comparison drawn between the richest and the poorest European country (Switzerland against Bulgaria) is even more drastic: even 30 times as high (Table 1).

W. European countries are historically old formations gradually having transformed their structure to a market economy, while C&E European countries are facing a transition to a free market economy, i.e., they are on different economic development levels. At present W. European countries are either in the financial/commodity based economy formation and development stage (III stage): France, United Kingdom, Italy, Denmark, Netherlands et al; or in the commodity based/financial economy development stage with the financial sector gaining more in strength (II stage): Spain, Portugal et al. Meantime C&E European countries (as well as Greece and Turkey) are only in the commodity-based economy formation and development stage (I stage), [1]. With this in mind, the development level of a financial–banking sector, being of utmost importance to the restructuring process, is different in W. European and C&E European countries. In W. European countries the financial–banking sector making 16–23% of GDP level is very strong and highly developed. This is not the case in the C&E European countries where the financial-banking sector is only in its embryonic stage of development making 5–12% of GDP level. In other words, the difference in proportions of a financial-banking sector is even 3–5 times as high (Table 1).

- demand level, capacity of commodity market and their saturation standards are different in W. European and C&E European countries:
  - minimum W. European household expenditures on food, clothes, footwear make about 1/5 of their total expenditure level;
  - maximum C&E European household expenditures on food, clothes, footwear make about 1/2 of their total expenditure level, i.e., 2–3 times as much as in W. European countries. It is evident that in C&E European countries there is a potential to expand the capacity of commodity markets within rather broad limits;
- expensive labour and high standard of living in W. European countries and very cheap labour and relatively low (or in some countries relatively medium) standard of living in C&E European countries.

In spite of the differences that, with time, widened the gap between these two parts of Europe, there exists the problem of a social and economic nature that is common to Europe, as a whole, namely, high unemployment level amounting to 4–15% (Table 1).

In social-economic aspect European structure is polarised, the groups of countries are in different economic development stages. The further to the East, the stronger the polarisation. What unites Europe in employment sphere? Europe is united under the common long-term problem: high unemployment level.

2. Unemployment Level and its Long-term Nature

In the period of 1960–73 W. European countries have witnessed minimum unemployment level, in the EU it was the lowest. The average unemployment level within the aforementioned time interval was only (Fig. 1):

- 2.3% in the EU-15;
- 2.9% in the OECD (European part);
- 3.2% in the OECD on a global basis.

The abrupt turn has taken place after 1974 when unemployment in all W. European countries has experienced a sharp climbout and within the period of 1974–2000 in many countries has become 3–5 times as high. Such an increase in the unemployment level was most prominent in the EU and in 2000 it amounted to:

- 8.3% (3.0 times as high) in the EU-15;
- 8.8% (2.8 times as high) in the OECD (European part);
- 6.5% (2.0 times as high) in the OECD on a global basis.

Table 1. ***Structure of the European countries Basic indicators 2000***

	West European countries	***Central and Eastern European countries***
	High-income economies	*Middle-income economies*
GDP per capita[1] (thousands US dollars)	10–38	1–5
Financial-banking sector as a percentage of GDP[2]	16–23	5–12
Unemployment as a percentage of total labour force[3]	4–11	6–15

[1] [8].
[2] Calculations made by author [6].
[3] [5].

Within the last 25 years (starting from 1974) in W. Europe, particularly in the EU, rather stable and even regular unemployment level growth tendency has surfaced up and turned into a long-term problem that, unfortunately, cannot be resolved within 3–5 years.

For C&E European countries facing the transition to a market economy the unemployment problem has arisen quite unexpectedly. High unemployment level (6–15%) in these countries has developed rather speedily (within several years) because of the following reasons: sharp economic decline (GDP has dropped from 1/5 down to 1/2 or even more); large-scale restructurization of the economy and in its relevant sectors; dramatic shrinkage of a domestic market; loss of commodity markets abroad; low financial capacity of the country et al.

For C&E European countries high level of unemployment has turned into a long-standing problem that has arisen, firstly, because of the necessity to restructure, in a cardinal way, the economy, internal and external commodity markets, etc.; and secondly, due to low competitiveness level of commodities, underdeveloped financial capacity and high fuel-energy resource intensity ratio.

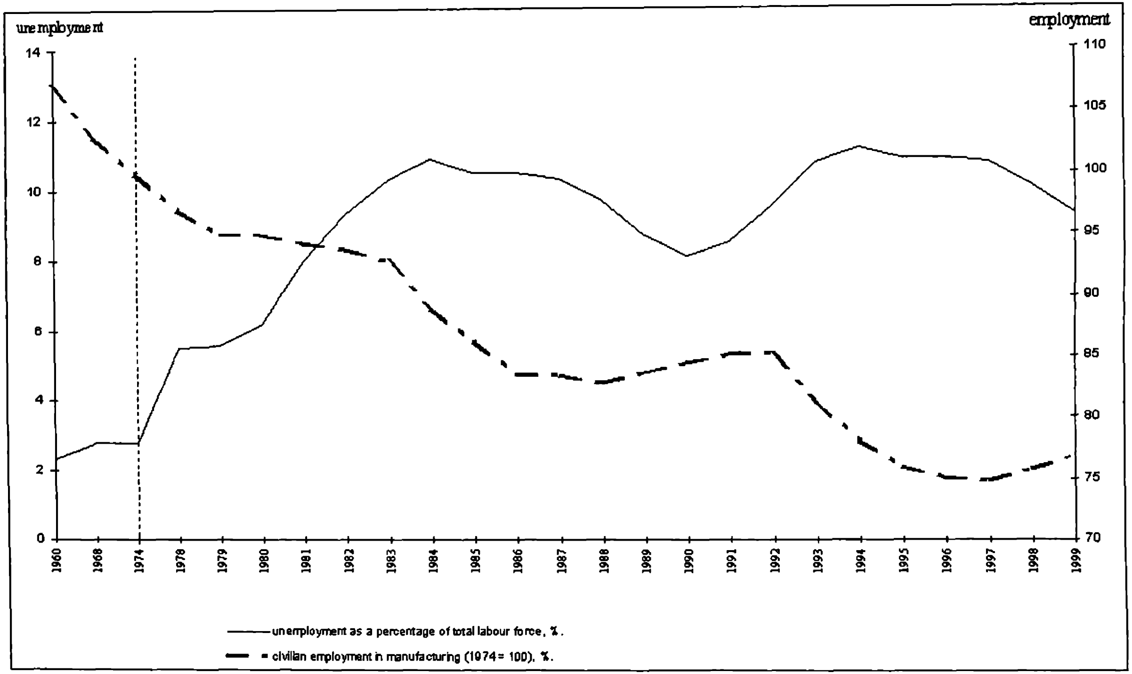
Worth of notice is the fact that while establishing a real unemployment level it is important to take into account the job seekers who are not registered with labour exchange offices. In W. European countries the number of such category of people may amount to 1/3 of the total unemployment level (in some countries this share is even higher). For instance, in Germany the share of job seekers not registered with labour exchange offices may account for 40% of the total unemployment level [7].

In C&E European countries the formal unemployment level – with allowance for the number of job seekers not registered in labour exchange offices – may be still higher: 1/2 to 2 times as high depending on the social economic situation in the country and the reliability of statistical data. E.g., in Lithuania of 2000 the formal unemployment level was 11.5%. On the other hand, if to take account the number of job seekers not registered in labour exchange offices, it would make 15.4%, i.e., real unemployment level would be 1.3 times as high.

Thus, real unemployment level in 2000 could make:

- 11% on average in the EU-15 and 5–14% in individual W. European countries (apart from the extreme case, i.e., Spain where the formal unemployment level in 2000 was 14.1%);
- 9–22% (or even more) in individual C&E European countries.

Fig. 1. ***Growth of unemployment in EU Decrease of employment in the EU manufacturing sector***



Data source: [2,3].

It is evident that unemployment has become an acute and important problem to Europe. The number of people affected by unemployment was:

- around 16 m in W. Europe (EU). In terms of the number of people, it would be equal to the population of Belgium + Netherlands;
- about 20–28 m in C&E Europe (Czech Republic, Hungary, Poland, Yugoslavia, Romania, Bulgaria, Albany, Lithuania, Latvia, Estonia, Byelorus, the Ukraine, Moldova and Russian European part). In terms of the number of people, it would be equal to the population of Romania or Czech Republic + Hungary;
- approximately 36–44 m in Europe, as a whole. In terms of the number of people, it would be equal to the population of the whole of Spain.

Long-term high unemployment level problem – what is it:

- *temporary normal process* that will disappear naturally or on implementation of several more important projects or measures;
- *long-term alarming signal* covering almost all European countries and warning on the future deep-rooted and long-standing social and economic crisis which in the multinational Europe would possibly give rise to a peculiar confrontation of a quite novel character;
- *evident long-term after-effect* that is too obvious to prove that economy has experienced qualitatively new, fundamental changes to be followed by the new processes that, with respect to time, have left far behind the European economy. Unfortunately, time and ongoing social-economic processes do not wait. Thus, a natural question arises: have these fundamental changes in the European social-economic life been subject to profound digestion and in-depth analysis; have the projects been developed to eliminate such long-standing after-effects? Or alternately, in order to gain and secure a low unemployment level (3–5%), quite different (or even new) economic development strategy and priorities for the European countries are needed?

To our mind, long-term high unemployment level is a fundamental problem of a complex nature encompassing vital economic development areas that cannot be resolved within several years at the expense of one-off, local or short-term measures (projects).

Long-term unemployment level is stated to make a negative impact on other spheres of public activity, gives rise to new problems and leads to continuous impairment of a social-economic situation in each country:

- *in health sector* – human health is impairing due to permanent tensions, stresses detrimental habits (rise in crime level, addiction to alcohol and drugs), etc. All such factors contribute to a shorter life expectancy and, primarily, to economically gainful life expectancy. Moreover, within a period of 1985–2000 a long-term unemployment (i.e., when the person is out of work for one year or even longer) in W. European countries (EU-15) has risen to make 30–61% (48% – in EU of 2000), i.e., 50% jobless people has stayed out of work for more than one year. Apart from that, a formal unemployment level among young people (under the age of 25) is 2–2.5 times as high as the average unemployment level. This leads to the formation of the inferiority complex among young people. It goes without saying, that in C&E European countries high unemployment level exerts even stronger negative effect upon a human health;

in the sphere of stability – is apt to shatter social-economic stability of the country and in the community of countries. Moreover, evident social-economic diversities and even a certain polarisation between W. European and C&E European countries have already become deeply rooted;

- *in the sphere of political activity* – gives way for leading political parties to lose their seats during elections. In our opinion, victory of social-democratic parties during elections in W. European countries could be attributed to a long-term and high unemployment level as well as incapability to cut it radically down within the last 10–15 years;
- *in economic sphere* – within the last 15–20 years has been promoting economic growth with after-effects, namely the formation of the long-term high unemployment level stereotype and its consolidation in W. European countries and even the formation of an adequate social-economic mentality. To our mind, such a stereotype of an economic growth accompanied by after-effects may soon and quite easily find its place in C&E European countries. In such a case reduction of a long-term high unemployment level in Europe would become still more problematic.

3. Unemployment Growth Sources and Balanced Labour Force Redistribution Process

Certain sectoral structure and its variations within a country or a community of countries usually contribute to unemployment formation and its growth tendency.

It is evident that unemployment and its growth can be attributed to different levels of increase in labour force and enhancement of employment:

- *1960–73 period* – The growth of labour force in EU–15 has been completely absorbed by enhancement of the employment level (difference – 0%). Therefore, the unemployment level in the EU-15 in 1960–73 has been very low and accounted only for 2.3% (average, Table 2–3). The question arises: what factors have succeeded to accumulate the growth of labour force and to ensure such low unemployment level? To our mind, this can be explained in terms of the following changes:
  - the growth of labour force has been accumulated by two economic sectors having the major influence on the economic growth in 1960–73, namely: service sector and manufacturing sector which have contributed to the increase in the unemployment level by 28.4% and 7.2%, respectively (Table 3);
  - the service sector and the manufacturing sector have additionally accumulated labour force that has been freed up from the agricultural sector (–44.4%, Table 3).

  Low unemployment level in W. Europe of 1960–73 has been gained due to a balanced redistribution of labour force between:
  - *increase in labour force and enhancement of employment in a service sector and manufacturing sector;*
  - *underemployment in agriculture and enhancement of employment in a service sector and manufacturing sector, i.e., rather intensive growth rates of a service sector and of a manufacturing industry in W. Europe have contributed to low unemployment level – 2–3%;*
- *1974–95 period* – The increase in the employment level has managed only partially to absorb the growth of labour force in the EU-15 (difference – –8.4%): this was the reason why the unemployment level has risen apparently and in 1995 it amounted to 10.7% (Table 2–3). The question arises: why the growth in labour force has not been accumulated to a full extent while the employment level has

Table 2. ***EC unemployment and employment changes 1960-99[4] Per cent***

	Average				*1960–73*	*1974–95*	*1996–99*
	1960–73	*1974–79*	*1980–89*	*1990–99*			
Unemployment as a percentage of total labour force	2,3	4,6	9,1	9,9			
Growth of civilian employment in manufacturing	0,5	–1,0	–0,9	–0,6	7,2	–20,6	0,7

Table 3. ***EC labour force and employment changes 1960–99[4] Per cent***

	1960–73	*1974–95*	*1996–99*
Total labour force growth	4,3	11,6	2,9
Total employment growth	4,3	3,2	4,7
❖ Difference[5]	0	–8,4	+1,8
Growth (decrease) of employment			
❖ agriculture	–44,4	–52,4	–8,7
❖ industry	7,2	–23,3	0,8
➢ manufacturing	7,2	–20,6	0,7
❖ service	28,4	40,6	7,9

[4] [2;3].

[5] Difference = total employment growth - total labour force growth.

been increasing speedily? In our opinion, the explanation lies in the following changes:

in the period of 1973–95 in order to meet the needs of the increasing labour force, the need for creation of new jobs have been 2 times as high as in 1960–73 since the increase in labour force in W. Europe in 1973–95 was twice as intense as in 1960–73 (by 0.5% and 0.3% per annum, respectively; Table 3);

underemployment has even more deepened and has already covered two sectors of the economy: agriculture and manufacturing industry where the employment level has dropped down dramatically to 52.4% and 20.6%, respectively (Table 3);

underemployment in the manufacturing sector has created a double employment reduction effect – the employment in the manufacturing sector in 1974–95 has been no longer increasing and the sector was unable to absorb a free labour force as in 1960–73, on the contrary, the manufacturing sector itself has freed up even ¼ of its labour force (Fig.1, Table 2–3) which could have been absorbed by the service sector only;

the service sector had to carry a triple load: to absorb the growth in labour force; underemployment in agriculture and underemployment in the manufacturing sector (Table 3). Despite the fact that the employment level in the service sector has become 40.6% as high, this was not sufficient and the service sector was able to absorb only a certain portion of the free labour accumulated in the economy.

Long-term and high unemployment level in W. Europe of the period of 1974–95 has developed as a result of a long-term unbalanced redistribution of the labour force between:

the growth in the labour force and increase of the employment level in the service sector;

reduction of labour force in the manufacturing sector, agriculture, on the one hand, and increase of the employment level in the service sector, on the other hand, i.e., too slow service sector development rate was able to absorb only some part (1/4) of the accumulated free labour, thus favouring the formation of high unemployment level.

1996–99 period – The growth of labour force in EU–15 has been completely accumulated and even exceeded by enhancement of the employment level (difference – +1.8%). Therefore, the unemployment level in the EU-15 in 1996–99 began to diminish progressively (Fig.1, Table 3). The decrease in unemployment level lies in the following changes:

- the enhancement in labour force has been accumulated by service sector and manufacturing sector, where the employment level rose accordingly 7.9% and 0.7% (Table 3).
- service sector and manufacturing sector also accumulated rather large decrease of employment level in agriculture (–8.7%, Table 3).

The decrease of high unemployment level in W. Europe of 1996–99 has been gained due to a balanced redistribution of labour force between:

the growth in the labour force and increase of the employment level in the service sector and manufacturing sector;

reduction of labour force in agriculture, on the one hand, and increase of the employment level in the service sector and manufacturing sector, on the other hand, i.e., increase of the employment level in both sectors (the service sector and manufacturing sector) absorbed not only enhancement of employment and reduction of labour force in agriculture, but also some part of the accumulated free labour, thus the unemployment level in the EU began to diminish from 10.8% in 1996 to 9.2% in 1999 (Fig.1).

The period of 1974–99, featured for the growth on the unemployment level, can be split up into four parts (Fig.1):

1. 1974–84: unbalanced redistribution of the labour force followed by very emphatic and abrupt rise in the unemployment level.
2. 1985–91: balanced redistribution of the labour force providing favourable opportunities for the reduction of the unemployment from 10.9% (1984) down to 8.5% (1991).
3. 1992–94: unbalanced redistribution of the labour force and speedily rise in the unemployment level.
4. 1995–99: balanced redistribution of the labour force providing opportunities for the reduction of the unemployment from 10.7% (1995) down to 9.2% (1999).

Within the last 25 years the manufacturing sector, with the employment level reduced down to ¼, has become the major source of unemployment in the W. Europe. Agriculture has played a secondary role: here, the decrease in the employment level is on-going for many decades and, to our mind, has already become a regular historical phenomenon.

In C&E European countries high unemployment level has developed due to cardinal restructuring of the economy and speedy, sometimes abrupt and chaotic redistribution of labour force among different sectors of the economy. Under such conditions there was quite a number of unemployment sources; but the most prominent one, in our opinion, is the industry featured for production decline and underemployment.

4. Expansion of Foreign Trade, Globalisation of Commodity Markets and Enhancement of Employment

Many factors contribute to enhancement of employment: expansion of foreign trade, more specifically, promotion of export plays an important role in this trend of activities.

Export structure, globalisation and employment. Within the last 30 years EU-15 export structure has remained still oriented to the export of industrial goods which has accounted for 80% of the total export volume [3]. Globalisation of commodity markets, once initiated, failed to introduce any significant changes in the EU-15 export structure, i.e., export structure adapted to a broad scope of industrial goods has remained unchanged. From the quantitative point of view, the increase in the export share of machinery and transport equipment (from 33% in 1964 to 41% in 1977) against the total volume of export has made an exception.

In our opinion, W. European export expansion has started to lag behind the speedily progressing globalisation process. The following factors speak in favour of the above statement:

- the W. European export structure, with respect to continental (regional) aspects, has remained conservative and W. Europe-oriented. W. European export beyond the regional borders (or beyond W. European borders) has accounted merely for 1/3 of the total export volume; 2/3 stands for export within the region borders, i.e., export trading between W. European countries. Meantime, in N. America and Asia the picture is reverse: 2/3 is designated for export outside the region and only 1/3 stays within the region;
- as regards commodity groups, W. European export structure has been subject to very moderate changes and appears to be rather "rigid". For instance, within the last 30 years the export share of machinery and transport equipment has increased only 0.2 times and in 1999 has accounted for 43% of the total export volume, while in Japan it has become 1.6 times as high and accounted for 70% of the total export volume;
- the most potential W. European companies have been assigned to play rather modest role in a global market, and – what is more important – in the most rapidly developing machine building sector: as regards information technology sector, out of 20 most potential companies only 3 are W. European companies (10 are located in the US and 7 in Japan); in the sector of consumer electronics out of 13 largest companies only 3 are W. European companies (8 Japanese); in the vehicle industry out of 20 biggest companies 6 are W. European (8 are situated in Japan and 3 in the US) [7];
- the education structure of would-be specialists in technology in the EU countries is changing too slowly. For instance, within the EU there are only 39 technology students per 100,000 population, while in the US and Japan the analogous indices are 77 and 76, respectively, i.e., twice as much [7].

Within the last 20 years qualitative changes within the W. European export expansion structure have been taking place at a too slow pace and W. Europe has started to lag behind the speedily developing globalisation process, thus becoming a relatively closed structure as regards commodity market expansion opportunities (2/3 of the total export volume is export oriented to trading among W. European countries themselves). It restricts export expansion opportunities and simultaneously, creation of new jobs and enhancement of employment in the W. European industry sector.

On the other hand, very broad specialization is characteristic of the W. European export structure: it covers majority of industrial products and is under-oriented to perspective science and technology-intensive trends and, in the first place, to the machine building (information technology, electronics et al.) industry featured for continuous expansion of its commodity market and rather speedily transformation into a global market.

It is worth paying attention to the fact that in the machine building sector labour intensity is higher compared with other sectors of industry. And this, in turn, provides good opportunities for creation of new jobs and enhancement of employment.

The efforts directed to a more clear-cut specialization of the W. European export and acceleration of export for the machine building sector (characterised by a speedily developing global commodity market) would provide favourable conditions both for cardinal expansion, on a global basis, of the W. European commodity market and mitigation of employment reduction pace in the manufacturing sector. This would open the door for balanced redistribution of a labour force within the economy and accommodation of a freed up labour force to the service sector and, consequently, for reduction of the unemployment level.

Export-import balance and import of jobs. Within the last 30 years W. European (EU-15) export-import balance has been nearly always negative and amounted to 3–6%. Only in 1993–99 export-import balance became positive and amounted to 3–6%. Meanwhile, such an export-import balance in the machinery and transport equipment section has been always positive, i.e., export has prevailed over import: by 50% in 1964–77; 30–40% in 1978–85; and by 10–20% in 1986–99.

Given the export-import balance of the country is positive and significantly large, it would mean that the country-exporter of goods is significantly reducing the number of jobs in another country, i.e., to our mind, import of jobs to this country (where export level is rather smaller than import level) takes place. In this case the number of jobs and employment level rises in one country followed by a relative decrease both in the number of jobs and employment level in another country. This gives way to lower unemployment level.

This phenomenon is very typical of Japan with low unemployment level:

- export-import balance of Japan has been positive and sufficiently large. Within the last 15 years export has been 1.3 – 1.8 times as large as import;
- export-import balance in the machinery and transport equipment section has been also positive and significantly large. Within the last 20 years export in machinery and transport equipment section of Japan has exceeded the import and it has been 4–10 times as high. In other words, export-import balance in the machinery and transport equipment section has been the major decisive factor in formation of the Japanese foreign trade balance;
- unemployment level was very low and within the last 30 years has accounted for only 2–4%. It is obvious that export of jobs from Japan to other countries because of positive and significantly extensive export-import balance in the machinery and transport equipment section has made a significant impact on the formation of a long-term and low unemployment level.

Currently C&E European countries are restructuring their export structure in various aspects, primarily, by reorienting actively their export from E. European markets to C. European, W. European and other world markets. Unfortunately, majority of C&E European countries are suffering a negative (and rather potential) export-import balance pointing to the fact that rather big number of jobs is imported to C&E European countries from other countries. This, in turn, has its impact on the formation of the unemployment level. The most significant reason of a high unemployment level, however, is large and abrupt structural changes taking place in the economy (industry sector included) within a relatively short period of time. In our opinion, the most effective trend to be pursued by the C&E European countries in their efforts to enhance employment is structural formulation of policies and priorities in the economy (industry sectoral included) and their prompt implementation.

5. Conclusions and Recommendations

1. Employment and unemployment level variations are affected by a great number of multilateral factors. To our mind, structural changes taking place in the economy (industry sector included) and shaping different employment and unemployment levels are the major determinants.

2. Structural policy and priorities are the cornerstone based on which any structural changes in the economy (industry sector included) could be initiated. Structural policy and priorities make it possible to:

- develop specialization in the economy (industry sector included), to expand international and global co-operation;
- ensure balanced redistribution of a labour force as well as long-term and low unemployment level;
- develop specialization and restructuring of exports;
- expand domestic and foreign markets;
- etc.

3. *Criteria of structural policy*. Such factors as: the opportunities to choose appropriate economic (industry) development trends and their ambiquity; multiplicity and dynamism of a sectoral structure; high unemployment level and improvement of the living standard as well as other conditions favour the objective necessity to formulate adequate criteria. The criteria are offered: employment of population, increase in GDP and labour productivity, science-intensive production and competitiveness in the market, resource demand and their utilisation efficiency, environmental health. Population employment criterion is the most important with respect to the fact that long-term and high unemployment level is characteristic of the Europe, as a whole. Cardinal reduction of high unemployment level is a long-term process that may require 5–10 years or even more to correct the situation.

4. EU, the organisational structure within Europe, is functioning for a long time and is involved in prompt and large-scale restructurisation process in a social-economic and financial sphere of the European life. The EU should develop structural policy and priorities, harmonise it with European countries and start implementation thereof. It is evident that speedy and sometimes even abrupt globalisation of commodity markets necessitates restructuring of the economy (industrial sector included). Accordingly, when properly formulated structural policy for the economy (industrial sector included) is in place and priorities are set up, restructurisation process would take place more speedily and efficiently and, what is most important, without after-effects: i.e., excluding primarily high unemployment level. In addition countries should form a real opportunity to balance changes between increase in labour force, enhancement of employment in economy and redistribution of labour force between economy sectors, first of all between enhancement of employment in a service sector and underemployment in agriculture and other sectors.

5. *The problem of a long-term and high unemployment level is primarily a long-standing signal warning of the essential constraints inherent in the social-economic policy and giving some time for the elimination thereof. Unfortunately, the time interval provided is not long, while a long-standing warning signal may become an obvious long-term after effect. Furthermore, within the last 20 years a characteristic feature of the EU was high unemployment level with a stable and wavy tendency (8.1% – the lowest unemployment level was in 1990 and 2000, Fig. 1).*

6. Within the last 10 years in Lithuania rather high unemployment level has surfaced up: 15.4% (according to residents' poll) – 2000, 52.3% – long-term unemployment level (when a resident is unemployed more than 1 year), 31.3% – the unemployment level among young people (up to 24 years old) or twice as high as unemployment rate of the country, i.e. unemployment turned into a long-term problem that can not be resolved within several years. High unemployment level in Lithuania has developed as a result of unbalanced redistribution of the labour force between rather spasmodic reduction of labour force in the manufacturing sector (–16.5% – 1995–2000 and – 44% – 1993–2000), agriculture (–20% – 1995–2000) and increase of the employment in the service sector (5.3% – 1995–2000), i.e. labour force in the manufacturing sector decreased too rapidly and service sector was able to absorb only 1/3 of the accumulated free labour force. High unemployment level in Lithuania has turned into a problem that has arisen, firstly, because of the necessity to restructure, in a cardinal way, the economy, commodity markets, and secondly, due to low competitiveness level of commodities, etc. On the other hand, Lithuania's structural policy, first of all in the manufacturing sector which is based on developing traditional fields (food industry, textile, etc.), has resulted the formation of high unemployment level.

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NEDARBAS EUROPOJE, STRUKTŪRINIAI POKYČIAI IR UŽIMTUMO DIDINIMAS

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Santrauka

Straipsnyje nagrinėjama Vakarų Europos, Vidurio ir Rytų Europos šalių struktūra pagal pajamų lygį, nedarbo lygis ir besireiškiantis Europos šalių poliarizacijos efektas. Pateikiama nedarbo lygio ir užimtumo kitimo tendencija 1960–1999 m., atskleidžiant: didelio nedarbo ilgalaikę tendenciją Vakarų Europoje ir visų pirma ES; darbo jėgos persiskirstymo tarp ūkio šakų nesubalansuotumą; darbo jėgos prieaugio ir užimtumo kitimo nesubalansuotumą ir kt. Be to, straipsnyje nagrinėjamas eksporto struktūros ir užimtumo ryšys bei pokyčiai, eksporto–importo balanso ir darbo vietų importo ryšys bei pokyčiai. Pateiktas Japonijos, kuriai būdingas mažas nedarbas, teigiamo eksporto–importo balanso įtakos nedarbo lygio formavimuisi pavyzdys. Pateikiami struktūrinės politikos kriterijai ir pasiūlymai formuoti struktūrinę politiką bei prioritetus ir juos įgyvendinti. Tai sudarytų galimybių mažinti nedarbą ir siekti ilgalaikio mažo nedarbo.