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Rural areas of the EU and the influence of globalization on the youth unemployment issue

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Abstract. To speak about the framework of youth unemployment, there is a strong correlation between the economic performance of the state, the general unemployment rate, and the youth unemployment rate. Most important for the states to improve statistics are to work on economic performance and create better possibilities for the young population of society. The growing economic environment will have a positive effect on the unemployment rate in the short run, but it still tends to be the most important issue of states. Besides, policies might concentrate on developing the areas that will bring into the scale a high potential of employment growth. As an example, we can bring the area of tourism, social services, environmental management, etc. which will be more attractive to young people and will have more potential to get employed. It is obvious, that to develop in the framework of unemployment and especially to concentrate on the youth generation of society, the country needs a full package of economic developments. Youth unemployment is directly linked to the general and broader development stages of the state. Another issue that we have not tackled so far is the unemployment of youth in rural areas.

Keywords. Unemployment, rural-areas, youth unemployment

To speak about the framework of youth unemployment, there is a strong correlation between the economic performance of the state, the general unemployment rate, and the youth unemployment rate. Most important for the states to improve statistics are to work on economic performance and create better possibilities for the young population of society. The growing economic environment will have a positive effect on the unemployment rate in the short run, but it still tends to be the most important issue of states. Besides, policies might concentrate on developing the areas that will bring into the scale a high potential of employment growth. As an example, we can bring the area of tourism, social services, environmental management, etc. which will be more attractive to young people and will have more potential to get employed. It is obvious, that to develop in the framework of unemployment and especially to concentrate on the youth generation of society, the country needs a full package of economic developments. Youth unemployment is directly linked to the general and broader development stages of the state. Another issue that we have not tackled so far is the unemployment of youth in rural areas.

In the European Union, the development of rural areas and general accessibility for young people from rural areas are a priority that Union itself pays big attention to. To overcome the problem of unemployment of youth in rural areas, states must, in the first stage apply reforms on an agricultural framework. In developing countries, it is also important to promote and support the move of the agricultural sector from general farming towards more commercial use. Furthermore, it is essential to provide space for jobseekers informal sector, to make sure

that young people from rural areas get the possibility to find proper and career-oriented, temporary jobs. Besides, nowadays there are several possibilities worldwide offering employment online.

These processes have started with the fast development of globalization processes. Online jobs, day by day become more popular, and more and more youth get employed through different networks. Numerous possibilities offered by the internet lead young people to become part of the global labor market. There are several platforms nowadays that can offer a task to be fulfilled electronically, which can be easily done anywhere in the world. There is a tendency that the young generation has a better relationship with modern technologies and developments, so these online jobs are better suited to them, rather than to adult job seekers.

The world has gone to a new level of globalization. Technological developments also went way too further. Another important change since 2005 is online education. Nowadays more and more universities offer online courses and it's easily possible to get a degree from home. Several platforms for online education have been, created like moodle, ski prep, Thinkific, etc. Besides we have to mention that the new era of Facebook has concurred the online space of the world which also offers a very good platform for job seekers. Through this platform everything is possible like blogging, trading, finding partners, job search, education and it can be also mentioned as one of the widely used search engines.

Globalization—the dramatic increase in cross-border flows of capital, goods, and people and their values and ideas—is manufacturing deeper interdependencies and changes in power relations. It's a shaping process of the twenty-first century, providing each challenge and opportunity. Global governance is an incomplete patchwork of institutions, rules, and processes that transcends the authority of individual nations. The weather of worldwide governance is many, including formal agreements among nations; the architecture and practices of international and intergovernmental institutions and international courts; the policies, behaviors, and actions of states and multinational corporations; and therefore the work and influence of civil society organizations. Economic interests have largely dominated democratic practices, influenced social equity, and at the same time led to environmental concerns within the evolution of worldwide governmental institutions and processes. Powerful international trade and monetary institutions stay opaque and exclusive, while the power and reach of international companies typically escape oversight or effective regulation. Thus, while the impact of worldwide governance on peoples' lives is growing, democracy in global governance faces acute deficits. Transparency and accountability in the global higher process are often critically deficient. The global government process remains limited in the sense of global representation. Understated populations and weaker states have restricted voice and standing, limiting their access and participation. Injustices persist, as rights are unevenly recognized and unplanned coordination often substitutes for meaningful democratic processes. Together, these deficits challenge the power of countries and groups to guard their commonwealth, ensure necessary social and environmental protections, and promote ethical and effective stewardship of common resources.

International organizations are created and expected to provide solutions whenever governments face transnational challenges, such as international and civil wars, humanitarian emergencies, flows of refugees, outbreaks of infectious diseases, climate change, financial market instability, sovereign debt crises, trade protectionism, and the development of poorer countries. But their role in world politics is controversial. Some perceive them as effective and legitimate alternatives to unilateral state policies. Others regard them to dominate as for the exercise of power by dominant states. Others yet are regularly disappointed by the gap between the aspirations and their actual performance in addressing global problems and try to find out

the causes of that gap. While some commentators tend to lump all international organizations together, the functioning, power, and effectiveness of international organizations differ widely – across organizations, issues, regions, and over time. A key aim is to understand these differences and their implications for the solution of transnational problems that are caused by global trends of globalization.

At the same time, globalization has opened new opportunities for building cross-border coalitions that are finding innovative ways to deal with and resolve global problems. Novel combinations of public, private, intergovernmental, and non-governmental organizations are asserting their concerns, forging new democratic practices, and advancing systemic changes in global processes, rules, and institutions. The structural change caused by the top of the cold war and accelerated globalization has transformed the worldwide environment. Global governance is under the emerge nowadays, by the multinational organizations that already had built a strong economic network and are performing well on the global market.

The developing global governance basis - has created opportunities for regional organizations to participate as actors within the EU (and other institutions). Regional organizations are emerging as actors in their titles within global governance institutions. The EU is far and away from the most advanced case of regionalism and features a long tradition of developing actor capabilities and external foreign policies. Regionalism is a component and primary movement that is a key feature of globalization processes. Regionalism is often seen as a societal, political response to the varied problems linked to neoliberal globalization. Resistance to mounting inequalities and hardships imposed by economic globalization results in new sorts of regulation and social welfare institutions. In additional general terms, new regionalism studies seek to know how regions are constructed and reconstructed, why and the way the state- and non-state actors close in formal and informal regional settings within the context of globalization. One example is the emergence of regional organizations as subjects and actors in their title within the worldwide governance framework. The challenges of globalization and post-Cold War restructuring have created opportunities for regional organizations to participate in global governance within the EU alongside states. This raises the question of whether regional actors like the EU have the required capacities to effectively operate within the system, bringing us right to the core of regional actorness.

To speak about new changes that the globalization process has brought to the world since 2006, first, we have to tackle the challenges. The main challenge is how the world is ready for the fast technological developments and what influence it might have in the long run on the economy of the states. One of the issues that make the disappearance of jobs has continued and it will continue even more. But at the same time, the number of online jobs is increasing daily. A lot of platforms have been created for freelancers, where it is easy to find a job not even going to interview or training. More and more cloud-based companies are joining the business world and by offering lower service prices they become incompatible with office-based companies. Home-based jobs, home offices are the future of the jobs but it comes also with some disadvantages and challenges, such as taxation, or contract relations between employees and employers and also between state and employee. In the world of Globalization where changes are necessary countries have to focus on getting four basic things right:

1. The right infrastructure
2. The right educational system
3. Right governance and
4. Right environments.

The youth who are skilled to use technologies can offer their services to different online platforms and therefore easily reach a much global market of labor. This leads young people

from rural areas to new opportunities. Online training and studies also is an additional big opportunity for the young people living in rural areas.

There is a direct connection or interdependence of globalization processes and enlargement of the single world market. This enlargement of the market was mainly geographical but had some additional elements as well, which are directly linked to the processes of globalization. The incorporation of different industries became an essential part of global market enlargement. Such enlargement brought in the picture new states such as India and China and also new types of productions such as telecommunications, energy, etc.

To speak about the labor market of youth, the processes mentioned above already had influenced it a lot. For example, the new countries joining the common market have massively increased cheap labor supply accessible for international companies which gives the possibility to utilize production processes. The outcome of this process is easily visible for young people by creating a more competitive environment and fewer possibilities for just graduates entering the labor market. Of course, the general process of globalization has a lot of impact on the youth and labor market of young professionals. The institutional conditions and growth, besides the global market extension, have created new processes for the organizations and guidelines for production. Changes caused by the globalization processes in the labor market are significant, leading to a dramatic reorganization of the processes of production. Generally, the changes and the causes of the globalization processes can not be managed or facilitated as it comes in the picture as a natural process and everyone around was asked to act accordingly and show a high level of flexibility. Changes in production processes and labor supply had a direct and most significant effect on the youth labor market. Production process reorganization required highly trained and skilled labor to be involved in the production process and in this case, the demand for young workers on the market became fewer. Companies had to break down and adopt training in different directions, according to new directives. The next stage and challenge by the processes of globalization was the development of the internet, which has huge and very positive effects on companies, by the reduction of the transaction costs. For international networking companies, it has never been so easy before to deal with finances. For such companies, around the globe, relocation of capital and immediate implementation regarding finances had become an easy and fast process. The development of new software technologies also enabled the systematization of data and knowledge, which before was dependent on the personal opinions sent through the internet. This in itself gives the possibility to the companies to control the suppliers in the way to be sure that the integration process of the new directions for the production of goods and services is structured and facilitated in the right order.

The facilitation processes that are offered from the states to youth by the educational institutions try to avoid the negative effects of globalization on developing the youth labor market. Segmentation of the changes under globalization emerges the need for new skills and some specific education in the labor market. These needs have been coordinated and implemented in the education of young people. Those effects prove more flexibility of the youth labor market and its acceptability on global changes. The institutions that monitor the changes include higher education representatives who have to determine and monitor young people in the transition period from school to work. Generally, within the European Union, around 50% of the young people move from school to higher education but there are some young people, around 25% who tend to seek a job after receiving basic education. This means that young people at an early age enter the labor market in low-level jobs, where no skills or qualification is required. (Leitch, 2006). The importance of the institutional structure is the most significant element that shapes the youth labor market. To bring the example of successful states on the youth labor market, Germany is the best example institution-wise. In Germany a small percent

of young people go to high education after graduating the school, most of them are entering the labor market by finding normal level jobs and only a small proportion of youngsters get jobs in low-level jobs, which don't require any skills. Institutional arrangements are the main body in Germany that provides such structuring of the transition period. It also has to be noted that for young people, the transition period of moving from education to work is not always shaped and not always guaranteed a secure job environment.

One of the other factors under the globalization processes that affect youth unemployment is employment policies. Changes in employment policies have been introduced by the government to follow new regulations and raise competitiveness in the global market. These changes are also leading companies to attract investment from foreign countries. These policy changes mainly are related to the flexibility of the general labor market and underline the importance of the involvement of disadvantaged targets. However, the labor market and employment policy changes are dedicated to overcoming already existing problems. That is the main reason why usually changes are affecting the low-level segment and rarely to the high level. Low-level segments are usually the ones who need more support with employment contracts, job seekers' allowance, etc.

In the decade of globalization, the most significant effect on the employment market appears to be a noteworthy increase in the skill levels of employees. This development takes bases on changes caused by the development of institutional structures, enlargement of higher and vocational education fields, processes of computerization and digitalization, and generally IT developments. Since the start of globalization processes, new skills became essential for job seekers as companies had changed their requirements based on structural changes. For example, problem-solving and communication skills are essential nowadays for young people to enter the labor market and therefore these are skills that had been addressed by the educational institutions of some states to be included in their educational curricula. In the last decade, under the increase in job demand, the biggest growth of job places was recorded in high-paid jobs, followed by the lowest-paid jobs. Middle sector and high-level jobs were the ones that required upgrades on skills for employers and as young people were the ones who had the opportunity to develop new skills and competencies before leaving education, demand on the labor market for them had positive consequences. There are many graduates nowadays who take high-level jobs, which are well paid and offer them stable career opportunities. Such jobs mainly appear in the field of private sector and business. Several governmental institutions also started to raise demand on the skilled youth segment and offer high-paid job positions. Grows and structuring of those jobs as part of the globalization processes on the global labor market through local and international companies and activities associated with them. Nevertheless, those processes and on raised on the labor market are also significantly influenced by the government of each state and by the new policies applied to the local level on the local labor market. Besides, the influence of government is also visible on the growth of jobs, even in the private sector as its directly linked to the educational policies and its influence on demand for young people, graduates that are just entering the labor market.

In most of the European Union member states, activities and assets toward the trade have been in the direction of encouraging investment in the demanded knowledge. In those processes involvement of the industrial sector and multinational corporations are noteworthy. Multinational companies themselves, in the last years, have experienced significant growth in job opportunities for young professionals. Through, the characteristics of multinational jobs are also influenced by the globalization processes. Generally, international corporations have extended their activities and industries to follow trends of the global market, which in the end created well-paid and high-quality job spaces for young job seekers.

Processes of globalization also brought into the picture new structuring of the organizations, one of them can be a flat organization structure. Flat organization, means flat hierarchical order in the company, and this system became well known in recent years in the global market. The system is considered to be an alternative to the traditional hierarchical structure and is pictured as a future structure of the majority of international companies. The introduction of this new hierarchical order and good practices caused a reduction in career growth perspectives. This structure of flat organizations also had caused fillings of job insecurity and for the adult labor market is more associated with unemployment growth. Grows of demand for the young people in the labor market are leading to the labor market differentiation and making new differentiations regarding jobs. Those differentiations could be split into two groups of old, traditional jobs and new, modern professions. These new jobs are the ones that are mainly occupied by the graduates, and due to the low competitiveness, those are the most well-paid jobs nowadays. It is common when young job seekers, entering the labor market first time have the challenge of competing with experienced job seekers. In such a situation usually, graduates take part-time or permanent jobs, while they continue to such for the career possibilities in full-time positions. Segmentation of the labor market also depends on gender, the status of the target, and age range. For example for female job seekers and minorities, there are always fewer possibilities to take high-level jobs. This status and gender-based discrimination on the labor market is usually regulated by the state policies and labor law, and in the case of the European Union by European human rights law. The role of globalization processes in the segmentation of the labor market is usually is not in favor to balance these priorities. For example, the new jobs, that were discussed above, require the skills that are usually performed by the male workers, such as technical and technological skills.

To conclude, the globalization processes on the youth labor market have a differentiated impact, which varies from processes, targets, and structure. Sustainability and extension of high-level jobs are the main and most positive effect of globalization that influences the global labor market of youth. But has to be mentioned that the development of high-level jobs is more visible in developed states. For example, in developing countries of the European Union such as Romania and Bulgaria, this impact is less visible to compare to Germany and Belgium. Another visible segmentation that needs to be underlined is the differentiation of the labor market by gender, when one can observe that processes of globalization led to the creation of more male-type jobs, rather than keeping balance on the labor market. This gender-based differentiation equally applies to the adult and youth labor market. Important is also to underline the availability of high-level jobs for young people entering the labor market first time and make career possibilities for fresh graduates. For all segments, the process of transition from school to work, under influence of the globalization, become prolonged as they have to be more prepared and well equipped with skills and knowledge to enter the labor market successfully. However, for the ones who did not manage to enter the labor market success and are searching for the high-level jobs transition period is more extended. Usually, searching for jobs for young professionals takes longer as they have to compete with adult professionals, who have more experience and professional background.

Globalization's impact on middle segment job seekers is differently shaped. The biggest issue regarding intermediate-level jobs is the disappearance of many such jobs. Particularly manufacturing jobs and jobs that got replaced with technological developments. Adding new skilled jobs is also in the picture on the middle-level jobs but with the comparison of disappearing jobs, the rate is low, which leads middle-level jobs as a whole to significantly decrease. Still, the biggest effect of globalization processes is seen on the lower level jobs, regarding the youth labor market. The creation of many low-level positions, due to the demand

for extension of manufacturies, led to the process of creating many low-level positions available on a market. As freshly graduates usually can be more competent for low-level jobs, this extension of manufacturing low-level jobs gave young professionals the possibility of employment. Low-skilled and low-paid jobs are mainly are in the service sector and usually, the sector is very much influenced by the statewide demand of the domestic country. Nevertheless, such low-level jobs tend to be low paid and short term, also the job security and training possibilities are at a low level, which itself gives young professionals a lack of career growth possibility. In this stage, transition processes are most challenging, as the job security issues make the transition process mostly unclear. These challenges are mainly caused by the possibility that young jobseekers will get employed permanently and will start moving from one to another job or return to education or even end up unemployed.

Globalization processes are ongoing and it brings new challenges all the time, creation of future jobs, moving to online platforms are leading the labor market to the new, yet undetermined stage. The processes are at some level predictable but also in some areas quite unclear. For the young people these processes and generally globalization changes, in the end, have positive effects as they have time and ability to adapt according to the changes and get a perfect fit for the labor market demand. Future jobs, such as cloud-based companies, technological fast developments, and extension of the global market are mainly beneficial for the development of the youth labor market.

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