



## The Corelation between Labour Market and Education – Results of a Comparative Study Conducted in the Hungarian, Romanian and British Educational Systems

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### **Abstract**

*The present study aims at highlighting some of the impacts that labour market and education mutually have on each other both in the context of economies in transition (even if they used to have long historic traditions related to pioneering in instruction and education at mass and elite level) and that of a steady and consequent capitalist state undisturbed by the storms of radical political changes and periods of totally negating the values and results created by former historic eras and communities.*

*The main idea is that the relationship between the labour market and education is that of a mutual demand and supply based corelation, permanently influencing each other, so no political or economic authority and power should miss taking this into consideration unless they want to fail.*

**Keywords:** *secondary and higher education, labour market, student assessment, comparative advantage, equal opportunities, economy, demand and supply, job related skills, labour market competences*

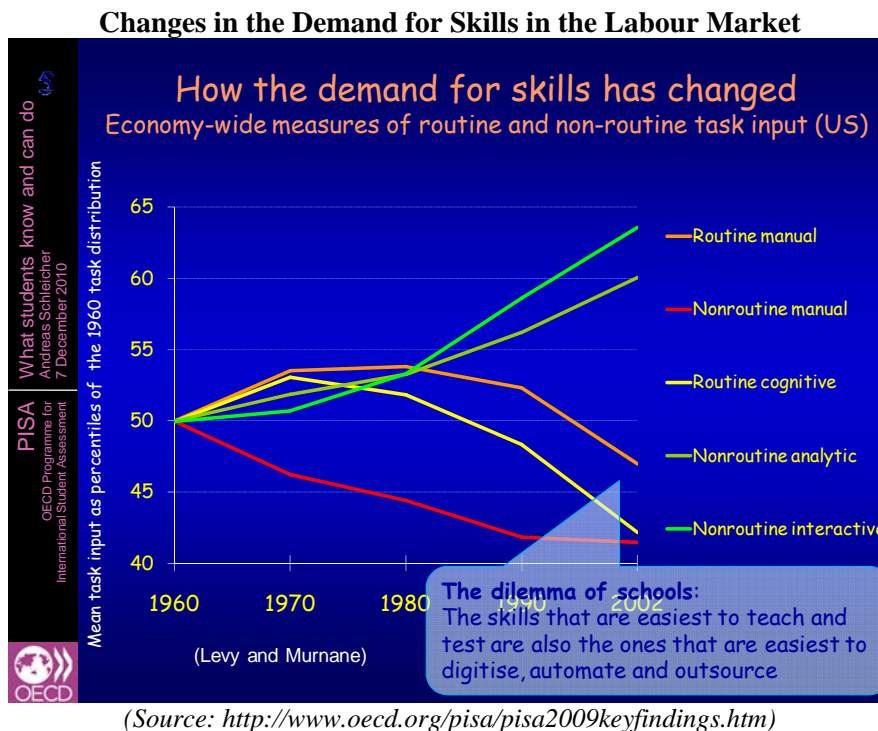
**JEL Classification:** J01, I21

### **1. The Impact of the Labour Market on Education**

The study and analysis of public and private secondary education, as well as higher education, has never been one for 'art for art's sake' in any society and community. The most significant issue in connection with this is how schools can educate and churn out graduates that will be able to comply with all those requirements that have been defined by the basic legislations and constitutions of the different countries; on the other hand, in a pragmatic view of the processes taking place, it is highly impetuous that we understand how our children (i.e. the youth of a nation) become happy, successful, self-satisfied adults and efficient labour force with the help of the SCHOOL and TEACHERS so that they will be able to cope with all kinds of challenges and difficulties both at national and international level. Paraphrasing one of the most welkown Hungarian writer of the 20th century Hungary and Transylvania, Áron Tamási, we have long been aware of the fact that „we have come to this world to somewhere be happy in it”. Nevertheless, this

will never be implemented without proper individual knowledge, expertise and skills that a specific society at a specific time will need. Thus, all segments of the labour market as well as those of the whole economy will have an interdependent relationship with the SCHOOL, mutually influencing each other, mutually setting up targets and objectives, as well as triggering ways of solving problems, filling in gaps and providing for necessities and gaps in both domains. The graph presented below is meant to prove that it is as soon as the primary school that we can already witness a deep change at skill and ability level, meaning that nowadays' societies have changed so much that the former, so called classic or traditional sets of skills may not be enough or able to comply with presentday labour market demands; there is such a need for special routine or half-routine skills that economy expects that they can only be achieved by a different mentality, subject content, instruction and methodology used in education from the very basic and elementary level. On the other hand, the diagram will also show that the most easily assessed skills will be those that can be automated the easiest (which will lead to another dilemma in education, as well). The graph will show the changes in manual, cognitive, analytical and interactive routine and non-routine skills and abilities between 1960 and 2002, and the conclusion is that the changes witnessed at skill level will trigger (or SHOULD trigger) changes at the level of school processes and subject content as well.

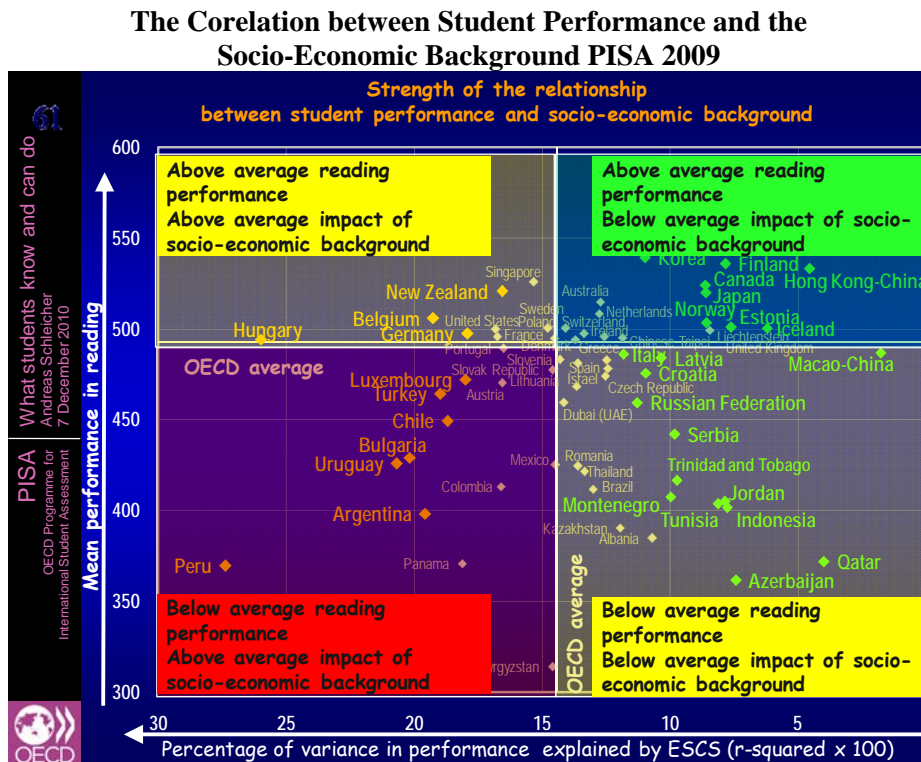
Figure 1.



The fact that educational policymakers and governments have discovered and got aware of the correlation between education and economy can be best proved by the fact that „business placement” has become an integral part of education (even if that is most true for higher education and vocational or technical secondary or post-secondary education. This means that theory and practice (i.e. practical know-how and scientific theory have been

linked in some kind of internship, business practice on the spot, in a business environment in all three countries analysed). It also means that policymakers, governments are trying to conclude strategic partnerships with the big protagonists of economic life, with big companies, which are able to aid and provide support not only in developing the economy, but in setting up and elaborating a more efficient and practice based education and instruction as well. In the following diagram we can see a couple of correlations between school performance (i.e. student results and performance) and the socio-economic background that they have (according to a PISA 2009 survey): thus, there are countries in which the impact of background socio-economic factors on society and education is overwhelming (i.e. above the average) and where student performance is also above the average (like New Zealand and Singapore); but there are also countries where the above-the-average student performance has not been triggered and influenced by above-the-average socio-economic impact (like in Austria, Germany, Canada etc.). What's more, in Peru, for instance, students prove a below the average reading and reading comprehension performance while society is faced with an above-the-average comprehensive socio-economic impact; or in Montenegro, Serbia or other countries the students' below-the-average reading skills are seconded by a below-the-average socio-economic impact as well.

Figure 2.

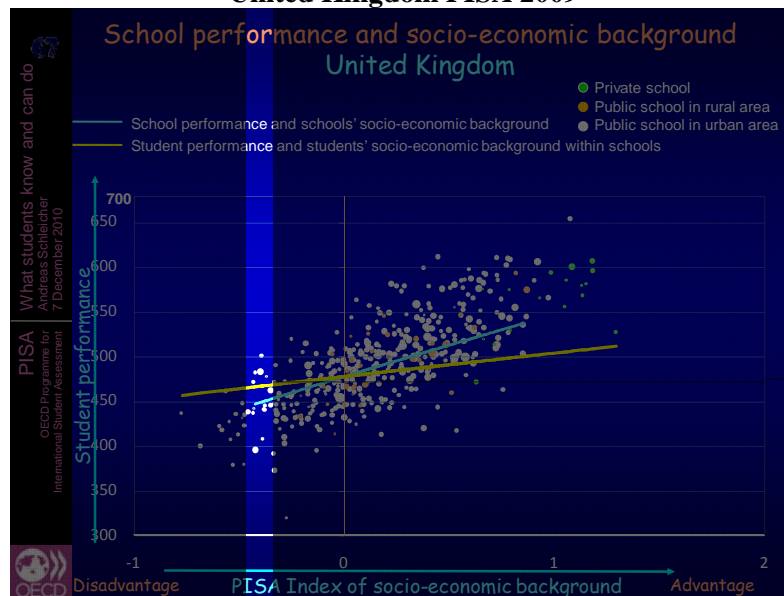


(Source: <http://www.oecd.org/pisa/pisa2009keyfindings.htm>)

We can also see a diagram about the United Kingdom situation, where both student and school performance (whether public or private, city or provincial schools) is presented in correlation with the socio-economic impact factor:

Figure 3.

### The Correlation between School Performance and Socio-Economic Background in the United Kingdom PISA 2009



(Source: <http://www.oecd.org/pisa/pisa2009keyfindings.htm>)

#### 2. What Message Do the Educational Policy Documents Convey- What Shall We Expect in the Future?

The analysis of the Hungarian, British and Romanian national and government level educational documents shows a clear message for all factors having an impact or some benefit in the instructional and educational process in the already mentioned countries (whether they are teachers, students, employers, employees as well). This message could be too much and too little at the same time: one aspect is that it is definitely worth learning and studying, as it is all these that will put the solid basis of a wealthy adulthood, of our chances to cope with the more and more difficult challenges that our globalised, yet very atomistic world make us face, in societies in which it is only us that we can count on (and, as well, OUR TEACHERS- which is something that goes without saying!). This also means that we need teachers who are able to fulfil what Aristippos, the Greek philosopher of the antiquity (and the contemporary Paolo Coelho) had said (paraphrasing them): "Teaching is nothing more than showing opportunities, whereas learning is only making use of these opportunities."

Modern societies, alongside with the European Union liberal approach to labour markets and education, will trigger a few new challenges and aspects as far as the issue that we are discussing is concerned; we are witnessing a very serious problem related to new aspects of migration (and we are not talking only about the principle of free movement of labour, which is one of the freedoms that have been conquered by the unification and synchronisation of certain domains that the European countries share and agree upon). These can be listed as movements triggered by study and work related migration, but we could also say that the most important impulse that moves mankind on is its thirst for happiness, i.e. our having become more flexible and more mobile is mainly

generated by the everlasting desire of people to have a better life. This is not something new, though: it seems that we have come back to something that has been going on in history since medieval times (we might remember that young people set off for other European countries, big educational cities where they learnt the ins and outs of their professions, they completed their „internship”, their apprenticeship and then went home to make good use of what they had gained in know-how and expertise). Nevertheless, this presentday mobility has a great impact on national communities and economies (even if we only consider the Hungarian student contracts concluded by the government and undergraduates, meaning that they have to stay in the country for at least the period of their state subsidised tuition; or if we consider the Romanian multi-million population (temporary though but still long term) shortage throughout decades and generations since the change of regime. These are all very serious problems that have dramatic consequences in the economy of the already mentioned countries, as well. The message for the governments in force is very clear and we really doubt that, for instance, the Hungarian Government's „Come Home” programme is efficient enough to persuade all those Hungarian graduates who have left the country to come home for lower salaries! These initiatives can be appreciated but, unfortunately, they will not solve the real problems that these economies and educational systems are facing (yet, they may offer short term and immediate support to young people in need).

The British situation is somewhat different, as throughout their historic heritage, the United Kingdom has such a culturally heterogenous society due to their colonial empire that members of the British society would and could go home to any part of the world! Their mentality familiarises with the „gap year” term and concept which comprises their liberty to just disrupt their studies at almost any point (though it is customary to do it between secondary and tertiary education) and go abroad; this can be considered a catalyst of their gaining confidence and responsibility, it is also an integral part of becoming an adult.

### ***3. What are the advantages and disadvantages of the already mentioned national educational systems and how can they convey national and universal human values for the future?***

Our main conclusion of the analysis referring to all three national systems is that all of them are flawless at theoretical and principle level; each of them tries to give a fair solution to complying with and meeting demands set by nationals at community and individual level, as well as by the overall economy (in point of business profit, employers' and employees' demands). By all this, all three systems aim at setting up and elaborating educational subject content and methodologies in order to provide equal opportunities and high expertise.

The problem lies in the animosity and conflicts that the excessive uniformity and centralisation of the Central-Eastern European countries' national curricula of the past periods have generated in all stakeholders and target groups of the national education/instruction that they have reacted in an overall and such a mistaken denial of everything that had had to do with the past (and any past- even with the most respectful and valuable results of the past educational efforts and traditions). This has also led to non-acceptance of any national minimum and unification attempt at any level of primary, secondary or tertiary education, which has necessarily and logically led losing values, chaos and decrease in the cultural and educational level both of teachers and students. The

overheated political and ideological connotations of any professional debate have also had their toll in the national educational processes and their outcomes (the best example for that is the Romanian GCSE situation).

Another problem is that the typical Central-Eastern European fake equality and the paternal role of the former communist states have nourished the unrealistic belief and expectations on behalf of the whole communities that we are entitled to all this (and to everything related to education and employment) without taking and shouldering real responsibility for our life and fate, which also generates the wish to blame anybody else but us for our failures, always finding scapegoats in the process.

In the meantime, after so long communist decades and so much yearning for democracy, now that we have it, we are not able to understand it the way it should be meant, and we skip into libertinage and false independence, in some kind of „we have the right to do anything we wish and want” attitude, forgetting (or even not willing to learn ) that individual freedom is and should be bordered by another individual’s freedom, i.e. we can only do whatever we want as long as we do not hurt and harm other people’s right for freedom.

Putting things right is even more difficult because the teaching profession and teacher training are at a never experienced low in these countries; their social prestige has dramatically declined (it came hand in hand with the financial prestige as well, since teaching has always been something that communities and governments have taken for granted and have capitalised on the internal motivation and missionary beliefs of teachers-to-be!). Unfortunately all this is something of the past. The teaching profession cannot stand up for its own values and otherwise real role in society, it is not perceived as something valuable and noble in most post-communist societies (in Hungary it has been a ‘second chance’ option even in socialist times, as well!). In a very narrow, superficial approach and understanding of things, teaching and teachers as a profession, can hardly fulfil their role of creating, conserving and conveying values and valuable systems, as they lack reliability within the community.

As far as the British system is concerned, even if there are problems and drawbacks within the society (compared to itself and to the past situations) the welfare system has churned out generations of youngsters who are facing similar adaptation and value systems crises, just like their peers in the Central-Eastern part of Europe. It is interesting enough to contemplate how performant a junior school student is (by the age of seven they have already learnt how to read, write and count) but as they progress in age and schooling, on the average they witness a gradual decline in their performance, interests and enthusiasm (several surveys show that the secondary school stage is the lowest in performance, which can be seen in their GCSE results, as well).

The European economic difficulties and the different crisis periods in the already mentioned countries have not been able to make the population reach models and results similar to countries like Finland, Korea, Japan, etc., where learning and studying have been considered the most efficient means of social and economic renewal and progress.

### **Conclusions**

While comparing human activities in several aspects and domains of life, we are strongly convinced that education is the area where the longest term, the best predictable, the most social and economic security providing results can be reached; it is the area that needs the thoroughest planning and, in time, it is a kind of activity that is based on the

most extended set of efforts and span. This is the professional area where objectives, opportunities, trends, principles must be set for the students of 'the day after tomorrow', who will have to cope of the challenges of an even farther labour market (facing the needs, requirements, demands of the shortage or successful labour market segments of the future with all the skills and competences that they need). That is why experts in educational policies have an overwhelming responsibility and that is also why continuity is of utmost importance in this field. If this is how we perceive things, it is only common sense to understand that there must be some national minimum, i.e. a minimum of understanding and agreement that would bridge the gaps between all ideologies, niche political interests that only take short term interest into consideration and would not benefit the whole population or nation in the long run. This could also help avoid any kind of „political adventure” affecting such an important domain as education is, because if we spoil something in this field it will only be detected in its consequences too late to be put right. And it is even more disastrous because we are not only talking about different, potentially foul subject content, but about means of guiding people's mentality and personality, how they perceive values (if they have any!); it is also their perception of national and global environment that can be misled, and it may take generations on till things are mended (if they can be mended at all!).

The analysis of legislation in force nowadays will trigger certain conclusions from the very start: even their language shows different approaches and different principles to be carried out:

- It is the mere name of the acts/laws that will convey an outdated, limited or a modern approach: for instance in Hungary in the socialist and left-liberal approach legislation of this area used to be about „public instruction”, whereas nowadays we talk about „public education” again; since times immemorial we have known that the teacher is not only an instructor, but an educator as well, guiding, showing, facilitating, appraising, educating in one word;

- There is a change in the perception of the teacher-student-parent axis as well, as it cannot be considered a completely separated system from all the social, cultural, economic background, since everything is related to everything, and education is deeply rooted in its comprehensive environment and community; teaching and learning are not activities performed only as „art for art's sake”, but for becoming a valuable and benefic member of the whole community;

- Shouldering responsibility towards the subject and object of the teaching/educating activity, i.e. of the whole process of designing and elaborating programmes is also a very important issue. It is not authorities, government bodies that will have and should have the biggest say in the whole process, but the schools and teaching staffs themselves, so the organisations that will also implement them.

- The social responsibility of the individual has also undergone changes; whereas in a free educational system it is the finance provider that will hold any kind of responsibility and will make decisions (even if such a thing as free education has never completely existed!) and the mere term suggests that the individual does not need to do anything but be on the receiver end of the different educational services! This has always had a very bad pedagogical and psychological message, because the receiver (i.e. the student) has considered itself a passive member of this equation; by naming these services „free of charge” implies that parents and students do not have to pay for them, but it is their responsibility to do their best in learning and studying, or at least in respecting and appreciating others' efforts of any kind.

- Another issue that has come up is that it is not only failures that we will have to deal with, but also those who have an outstanding performance, thus providing them extra opportunities because they are doing much better than the average; e.g. they might have a reduction of their tuition fees or get scholarships, etc. positive discrimination is not something bad because it is the outstanding, the very gifted and hardworking few, the elite that will shoulder the greatest burdens of society and not those who have special needs and need to be helped out of humanitarian reasons.

- Discipline is an awkward issue now that democracy and human rights have come up (again) in post-communist societies. A very well prepared and reliable TEACHER will have no problems with sustaining and maintaining it though.

- The financial situation of families as well as the economic development of a certain country are also important influencing factors of school performance and success.

- Teachers' expectations towards their students are key impact factors: the higher but still attainable they are, the more successful students will become.

- Teachers' expertise and experience, their motivation and mission also contribute to school success.

- The whole educational system can „produce” added value, which we could name pedagogical value in one phrase: schools have a socio-cultural damage compensating role, a developer and developing function compared to the previous stages and phases.

- Meeting special needs in education has always been something typical mainly of the British culture, with some kind of a break in the socialist era in Hungary and Romania (when false equality has prevented providing any kind of extra care to anybody in need); nevertheless, after the 1990s it has becoming an evergrowing issue of all societies and educational systems.

And who are going to be those who will carry out all these and how? The answer is simple: TEACHERS, who else? In the most noble sense of the word, with the greatest sense of responsibility and dignity, for the sake of the whole community and the nation.

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