

**UNEVOC**

International Project on Technical and Vocational Education  
Projet international pour l'enseignement technique et professionnel

# **Technical and Vocational Education in Azerbaijan**

The **International Project on Technical and Vocational Education (UNEVOC)** is a project of the United Nations Educational, Scientific and Cultural Organization (UNESCO). Its purpose is to contribute to the development and improvement of technical and vocational education in Member States.

UNEVOC works in three programme areas:

- *Programme Area A* deals with the international exchange of experience and the promotion of studies on policy issues. It is devoted to system development in technical and vocational education.
- *Programme Area B* is devoted to strengthening national research and development capabilities, that is to the development of infrastructures.
- *Programme Area C* concerns access to data bases and documentation, and strengthening of the UNEVOC network, in other words, with information and communication.

UNEVOC also serves to assist Governments and institutions in the development of technical and vocational education, as requested. This endeavour extends beyond the UNEVOC Network. International experts are included in this activity. Thus, a comprehensive, international perspective of technical and vocational education and the world of work is brought into focus.

UNESCO is assisting the Ministry of Education of Azerbaijan in its efforts to improve and develop the system of technical and vocational education. In this context, the current document has been prepared.



This study has been drafted by the Centre for Strategic and International Studies (CSIS) under contract with UNESCO and with technical assistance of the United Nations Development Programme (UNDP). It has been processed and printed by UNEVOC Berlin, with the editorial assistance of Mr Jim Sullivan.

The designations employed in this study do not imply the expression of any opinion whatsoever on the part of UNESCO concerning the legal status of any country, territory, city or area or of its authorities, or concerning its frontiers or boundaries.

Mailing address: UNESCO-UNEVOC Berlin • Fehrbelliner Platz 3 • D-10707 Berlin • Germany  
☎ [+49] (30) 86 49 15 41 • Electronic Mail: [info@unevoc.de](mailto:info@unevoc.de) or [berlin@unesco.org](mailto:berlin@unesco.org)  
WorldWideWeb: <http://www.unevoc.de>

© UNESCO 1997

Document Nr ED/IUG/013

# Contents

|   |           |
|---|-----------|
| <b>Foreword .....</b>   | <b>1</b>  |
| <b>1 Introduction .....</b>   | <b>3</b>  |
| <b>2 Institutional Structure and its Appraisal.....</b>   | <b>3</b>  |
| 2.1 From relative Prosperity to Crisis .....  | 3         |
| 2.2 Organizational Structure, Certification, and Profiles .....   | 5         |
| 2.2.1 Structure .....   | 5         |
| 2.2.2 Access and Admission .....  | 5         |
| 2.2.3 Legal Status of Trainees.....   | 5         |
| 2.2.4 Remuneration .....  | 6         |
| 2.2.5 Definition of Curricula.....  | 6         |
| 2.2.6 Standards for Delivery and Teaching Staff.....  | 6         |
| 2.2.7 Certificates .....  | 6         |
| 2.2.8 Articulation within the Education System .....  | 6         |
| 2.2.9 Planning, Administration, Supervision .....   | 7         |
| 2.2.10 Participation of Social Partners/Groups in Decision-making .....   | 7         |
| 2.2.11 Financing of TVCs.....   | 7         |
| 2.3 Crisis of the System .....  | 8         |
| 2.4 Basic Tasks of Transition Development Programming .....   | 8         |
| 2.5 Priorities in Profiles of Specialization in Technical and Vocational Education.....   | 9         |
| <b>3 Refugees, Labour Market, and Problems of Technical and Vocational Education .....</b>  | <b>10</b> |
| 3.1 The unfavourable Situation in the Labour Market.....  | 10        |
| 3.2 Refugees and the Labour Market.....   | 11        |
| 3.3 Labour Rehabilitation of IDPs.....  | 12        |
| <b>4 Proposals on further Decentralization and institutional Structure.....</b>   | <b>13</b> |
| 4.1 Decentralization.....   | 13        |
| 4.2 Partnership between governmental, non-governmental, and international Agencies in the Organization of Technical and Vocational Education..... | 14        |
| <b>5 Conclusions .....</b>  | <b>15</b> |



## Foreword

Within its International Project on Technical and Vocational Education, UNESCO is assisting its Member States in improving technical and vocational education. Development of national technical and vocational education policies and systems is a major focus in this endeavour.

This is a particular challenge in view of countries in Central and Eastern Europe and in Central Asia that face tremendous economic, social, and institutional transitions.

In 1995, the General Conference of UNESCO decided that both developing countries and countries in transition should be the prime beneficiaries of the UNEVOC Project (Resolution 28 C/1.16).

It was a logical step that UNESCO, at the request of the Ministry of Education of Azerbaijan, dispatched a consultancy mission to assist the Government of Azerbaijan in its efforts to develop and improve technical and vocational education. This mission was undertaken in late 1995.

Among the findings and recommendations were the following:

- Knowledge about the education system of Azerbaijan in general, and of technical and vocational education in particular, was fairly limited abroad. This was not only true for Western countries, but likewise for various international donor agencies.
- The dramatic decline in economic activity and in public expenditure in recent years had an immediate impact upon technical and vocational education. As the demand for qualified human resources declined at a similar pace, the Government had to close or merge many technical and vocational education establishments. This, of course, limits future supply of a qualified human resources, and may thus limit the country's potential for economic recovery.

As a consequence, UNESCO offered its assistance to improve and develop technical and vocational education in Azerbaijan, and to enhance international cooperation:

- Under contract with UNESCO, the present study on “Technical and Vocational Education in Azerbaijan” has been prepared. This study is the first comprehensive document on technical and vocational education in Azerbaijan that has become available in a Western European language.
- Furthermore, UNESCO is providing intellectual and financial assistance to the Ministry of Education of Azerbaijan to convene a national conference on technical and vocational education.

I am convinced that the present study as well as the conference will contribute to enhance not only Azerbaijan's own capacities to develop its system of technical and vocational education. They are also intended to attract attention of international partners, and stimulate international cooperation in this field.

Berlin, August 1997



Hans Krönner  
Chief, UNEVOC Berlin  
UNESCO



## 1 Introduction

The Law on Education adopted by the Azerbaijan Republic on 07 October 1992 provides for the following system of education throughout the country:

- pre-school education;
- general education:
  - primary (years 1 to 4) - 1<sup>st</sup> level;
  - basic (years 5 to 9) - 2<sup>nd</sup> level (certificate of basic education);
  - secondary - (years 10 to 11) - 3<sup>rd</sup> level (certificate of secondary general education).

General education is compulsory. The leavers of the basic and the secondary levels of general education have the right to enter the vocational school. The leavers of the basic level of education can continue with education in more complicated disciplines:

- Specialized occupational education:
  - technical occupational education (1 to 3 years);
  - specialized secondary education (2 to 3 years);
  - specialized higher education (4 to 5 years, after general secondary education or completion of 3 years of technical education).
- Post-diploma training:
  - Magister (first post-graduate diploma);
  - doctorate course;
  - out-of-school education;
  - independent training;
  - improvement of skills and re-training of key personnel.

The Law on Education has introduced new democratic principles into existing practice. However, the economic realities of the transition period impede the full implementation of these principles. Azerbaijani society has to find a solution to a difficult problem: how to preserve the positive achievements of the past educational system during the construction of the social institutions of an open society.

The educational system of the country has inherited the main principles of the former soviet educational system: over-centralized and mostly based on the teaching principles of the old regime. The centralization of the educational system is a total one for the levels of general education and somewhat less for the other levels. Although the 1992 Law on Education permits the activity of public and private educational institutions, the latter are so far undeveloped that their number is insignificant within the total system of educational institutions in the country. The mass training of workers for various branches of industry, transport and agriculture is ensured due to the network of technical-vocational schools and colleges. Over the past 10 to 12 years, a number of such educational institutions, including the persons engaged in them as well as the number of special courses offered, have undergone a considerable change: from a relatively successful development to a crisis.

Relative successes over the period prior to 1985, especially from 1976 to 1985, arose from sufficient youth involvement in the educational process, plus the provision of key educational personnel and logistics. It should be noted that the level of technical-vocational college leavers reflected the then existing level of technology in the country and met the requirements of that time. Thus, unlike other sectors of education, the training system of technical-vocational education, which is closely related to industry, was adversely affected by the low quality of industrial facilities and processes.

This notwithstanding, due to more than 180 special courses in various years, the scope of technical-vocational education ensured a wider youth access to well-paid, skilled jobs.

## 2 Institutional Structure and its Appraisal

### 2.1 From relative Prosperity to Crisis

For the preparation of the present report, data on 118 of the country's TVCs have been analyzed.

The existing network of TVCs is fairly evenly distributed over the territory of Azerbaijan. In the main, this distribution is consistent with country's general demographic indicators and the profile of economic production in TVCs. Of the 118 TVCs surveyed:

- 38 are located in Baku;
- 6 in Gyandja;
- 4 in Sumgait;
- 7 in Nakhichevan Autonomous Republic.

The activity of 9 vocational schools was stopped because of their location on territories recently occupied by Armenian forces.

Two Colleges are located in each of the regions of Sheki, Imishly, Balaken, Guba, Jalilabad, Khachmaz, Lankaran, and in Mingachevir Town. One college is located in each of the remaining regions. The main profiles of technical-vocational training are as follows: agronomy, mechanical engineering, other agricultural specialities, metal processing, metallurgy, chemistry, automation servicing, woodworking, transport, communication, trade, construction, etc.

The numbers of TVCs which train workers for the main profiles are:

|                            |    |
|----------------------------|----|
| Agriculture                | 61 |
| Construction               | 10 |
| Light industry             | 7  |
| Trade                      | 4  |
| Mechanical engineering     | 4  |
| Radiotechnics, electronics | 3  |
| Oil                        | 4  |

92 TVCs are located in 28 regions and regional centres; each with 2 to 4 colleges. One college is located in each of the remaining 26 towns. The main profiles of technical-vocational training are agronomy, mechanical engineering, other agricultural specialities, metal processing, oil

processing, metallurgy, chemistry, automation servicing, wood-working, transport, communication, trade, etc.

The most frequent specialization of the TVCs is agriculture (85 located in the 64 regions). 14 TVCs train workers for construction and 11 for light industry enterprises. In some regions, 1 to 3 TVCs offer training for highly paid jobs. According to the Ministry of Education, a pilot production system is set up in 50 TVCs with an agricultural profile. 3,500 ha of land are allocated for these purposes. In 1994, about 100 million Manats<sup>1</sup> income, at that time about US\$ 82,000, was obtained from the sales of horticultural products. Some TVCs also gain income from the work of TVC-owned industrial workshops as well as from the basic enterprises they are attached to. In 1994, TVCs gained an income of 50 million Manats, at that time about US\$ 41,000, from the above-mentioned kind of activity. This combination of training and production may considerably reduce the pressure on the Government budget. The majority of existing TVCs are located simply in buildings equipped with specialized rooms, workshops, and technological facilities that correspond to the type needed. At the same time, the data of the Ministry of Education show that the provision of computers for students is poor: there are only 58 computer class-rooms in a total of a 169 TVCs.

The average student/teacher ratio in the system of colleges under the Ministry of Education is 4.3. However, this ratio is 1.5 to 2 times higher in many regional colleges. The duration of teaching in most TVCs is 2 years; with 3 years for special courses in chemical technology, metallurgy, instrument-making, etc.

All except 3 TVCs (see paragraph 2.2.1) are under the Ministry of Education.

In January 1997, there were 118 TVCs left with an enrolment of 25,189 students.

These indices are much lower than the ones which existed prior to the economic crisis in the former USSR. The TVCs reached their height in the period from 1976 to 1985. During that time the

|     |                                     |
|-----|-------------------------------------|
| TVC | Technical-Vocational Colleges       |
| VEI | Vocational Educational Institutions |
| IDP | Internally Displaced Persons        |
| HEI | Higher Educational Institutions     |
| TVE | Technical and Vocational Education  |

Abbreviations

<sup>1</sup> As of March 1997, 1000 Manat = ca 0.25 US\$



number of full-time TVCs rose from 125 to 176, while enrolment rose from 43,000 to 69,000. About 550,000 qualified young workers were trained in TVCs over this period.

TVC orientation by sectors of the economy and special courses reflected trends in the economic development of the country in this time. The dominating directions of training comprised special courses for industry, agriculture and construction. The number of special courses reached a total of 300 by 1985.

In the period under consideration, it was the State Committee for Technical and Vocational Education, a special government institution, that headed this sphere of education. In addition, many TVCs were set up under other ministries and committees (Agriculture, State Agro-Industry, etc.) as well as under major production enterprises and associations.

Such a system of organization best met TVC demands in financing and the arrangement of logistics. It should be regarded as a positive achievement of the former economic system.

The fact that technical and vocational education maintained closer relations with the production sectors of the economy (e.g. enterprise-sponsored TVCs) ensured a more advantageous position for technical and vocational education against a background of other fields of education financed by Government budget only.

However, even this successful functioning of TVCs failed to meet fully the requirements of the production sectors of economy for skilled workers. Thus, according to 1991 data, 3.2% of jobs in industry, 5.2% in construction, 12.4% in transport and 5 to 10% in other areas were not supplied with skilled workers trained by the system of technical and vocational education. Positive developments characterizing the correlation between TVC workers and the needs of production were accompanied by serious problems which included a discrepancy in the number of trainees in specific specialist courses in the areas of new production technologies (e.g. adjusters, operators, etc. to attend to automated production) as well as the problems of special courses applicable to female labour.

## 2.2 Organizational Structure, Certification, and Profiles

### 2.2.1 Structure

In 1995-1996, there were still 172 TVCs with 27,700 students. 169 TVCs were subordinated to the Ministry of Education and one each to the Railway Department of Azerbaijan, the Azerbaijani Consumer society "Azeritiffag", and the State Company "Azerkimiya".

The creation, organization, and closing down of TVCs is decided by the Cabinet of Ministers on the recommendation of the Ministry of Education.

In addition to these official institutions, the applicants may improve their skills (on a paid basis) in various specialities (office-workers, computer operators, bookkeepers, etc.) in different courses arranged by various organizations both governmental and private. No statistical data of such organizations are available.

In addition, there are vocational schools subordinated to corrective labour institutions. Unfortunately, it has been impossible to obtain data regarding their number and profile at our disposal.

### 2.2.2 Access and Admission

All citizens under 30 years of age have access to technical and vocational education for full-time study, part-time study being eligible for citizens without any age limit. Foreigners living in the Republic of Azerbaijan and citizens who do not have Azerbaijan citizenship have access to a TVC on condition that they meet all the necessary requirements.

### 2.2.3 Legal Status of Trainees

To enter a TVC, it is necessary to produce a graduation certificate for the 9 years of comprehensive school education.

*State and non-state general education institution leavers enjoy equal rights when entering an educational institution of a higher level.*

*Law on Education, Article 3, Paragraph 9*

*Certain restrictions may be imposed by the government on some specialities and professions due to qualifications of age, sex, state of health, and previous criminal convictions.*

*Law on Education, Article 3, Paragraph 1*

#### **2.2.4 Remuneration**

Tuition in all state TVCs (whether subordinated to the Ministry of Education or under state enterprises) is free. However, the recent resolution of the Government of 23 August 1996 presupposing transition of TVC financing to partial self-financing opens up the opportunity for the introduction of a paid form of tuition.

The rate of scholarships for TVC and vocational lyceum<sup>2</sup> trainees is decided by the Cabinet of Ministers of the Republic of Azerbaijan. During the practical training, students receive a salary calculated from the earned income.

No social support is rendered to TVCs and vocational lyceums.

#### **2.2.5 Definition of Curricula**

Curricula are drawn up by the methodology department for vocational education which establishes the required specialities, develops training programmes, defines the duration of studies and training, taking into account the professional profiles needed for the economy.

The curricula drawn up are agreed with sectoral ministries and departments and approved by the Ministry of Education. There are 250 curricula for special disciplines.

#### **2.2.6 Standards for Delivery and Teaching Staff**

In compliance with the 1992 Law on Education (Article 17), the staffing in TVCs is established on the basis of 15 students per class. The classes are divided into two groups for lessons of foreign languages, special vocational disciplines, and physical training.

Teaching standards are 480 hours teaching per teacher per academic year.

<sup>2</sup> A lyceum is not a vocational school. It is a new type of secondary school with focus on mathematics, computer science, etc., preparing students for technical higher education

According to the Ministry of Education, teacher groups are sufficiently staffed. However, recently many teachers have left their jobs due to low pay in order to find more profitable ones.

*The TVC teacher's wages depend upon the amount of pedagogical teaching load and their category. In 1995, the average monthly wage of teachers was 43,700 Manats.*

*Teachers enjoy free municipal services and public transport.*

*Source: The Ministry of Education*

Currently about 4,000 teachers and masters of industrial training are employed in TVCs and lyceums.

#### **2.2.7 Certificates**

In order to be recognized, the TVC must have an appropriate certificate delivered by the Ministry of Education. Form, procedure, and terms of certification for trainees are determined by the "General Provisions on Vocational Colleges and Lyceums" approved by the Government.

Leavers' qualifications depend upon the status of the professional educational institution and the duration of education.

TVC and lyceum leavers with a 3-year period of education are awarded a diploma of general secondary education and a professional qualification.

The trainees who finished the TVC after 9 years of general education and without secondary education receive a certificate of vocational qualification. These trainees normally do not go to higher technical education.

#### **2.2.8 Articulation within the Education System**

The following provisions of the Law on Education are obligatory for the education system of the country and predetermine the TVC conjunction with the other levels of education.

Leavers of state and non-state educational institutions enjoy equal rights when entering an educational institution of a higher level.

Under these provisions, TVC and vocational lyceum leavers have access to vocational secondary and higher educational institutions.

### 2.2.9 Planning, Administration, Supervision

The Ministry of Education is responsible for planning, research, and development as well as for the administration and management of the TVC system.

The Ministry of Education exerts control over the functioning of the TVCs, while the Ministry of Finance is engaged in controlling the budget: i.e. funding and expenditure.

### 2.2.10 Participation of Social Partners/Groups in Decision-making

There are no grounds to verify any social partnership in the development and activities of the vocational institutions. The Ministry of Education states that no social groups and social partners are involved in the TVC system decision-making.

### 2.2.11 Financing of TVCs

In 1995, 12.3 billion Manats were spent on vocational education system needs. In 1996, 13.239 billion Manats have so far been spent, which totals about 13% of the expenditure for education provided for the Ministry of Education in the Government budget.

In appears that, at present, no clear estimates about the funds needed to rehabilitate the TVC system in the country are available.

*The recent resolution of the Cabinet of Ministers of 23 August 1996, # 116 presupposes a proper reply to the question. We believe that detailed and specialized research into the TVC and lyceums problem may bring us nearer to the answers. The said resolution of the Cabinet of Ministers provides for 115 TVC institutions with the status of professional vocational colleges and lyceums. 32 TVCs are closed down, 18 others have been merged into 9.*

Technical and vocational education is, for the present, free and financed from the Government budget. Its costs are considerably higher for the Government than expenditure for education in comprehensive secondary schools, mainly because:

- expensive technical equipment is required for the TVCs;
- the student / teacher ratio is half that of comprehensive secondary schools;
- TVC students are provided with a scholarship which is significantly different from that of higher educational students;
- TVC students are also provided with free meals, clothes (presently lacking), and accommodation in hostels.

At present, surveys of household budgets in Azerbaijan reveal no expenditure for education. Such a state of affairs is quite explicable since free, Government-subsidized education is dominant in the country. A smaller number of paid educational institutions mainly cover the sector of higher education. In addition, new fee-charging higher educational institutions (HEIs) offer some subjects (business, management, etc.) which were formerly lacking in the curriculum of soviet institutes and universities. The new HEIs are significantly different from the governmental institutions in the level of tuition and inferior to them: they have poorly developed material and bases from which to teach both technical subjects and natural sciences. The main motivation to study at these HEIs is, in most cases, a lack of competition. In some HEIs, there is a quota for students to pay tuition if they cannot be accepted through normal (competitive) university examinations.

No fee charging schools are available in the system of technical and vocational education. However, one cannot but expect that, owing to privatisation, a demand for skilled workers with secondary technical and vocational education and the number of non- schools in the HEI market will grow. In this case, business persons may initiate paid education in this sphere. For this reason, the governmental institutions of technical and vocational education cannot be inactive. First, this competition should facilitate Government expenditure for the implementation of a national technical and vocational education program; second, this should allow more qualitative implementation of this program due to the accumulated experience plus the material and technical base. In this case, no bases should be recreated, instead they should be adequately developed.

Despite the current decrease of students willing to receive an education at the level of secondary technical and vocational education, a demand for this kind of training is expected to grow.

It is most likely that, in the near future, TVCs will be subject to dynamic changes. Development of farms may further weaken rural youth involvement in technical and vocational education since the work in these farms will demand additional labour resources. In this respect, the policy of a government interested in the effectiveness of these farms should be aimed at improving the skills of an adequate youth contingent. Participation of the state in this process should combine a balance of paid and free education.

### 2.3 Crisis of the System

The continuing break-up of the system of technical and vocational education is directly related to so-called restructuring in the former USSR and the consequent dismantling of the social and economic institutions of the Communist regime.

The following table illustrates the dynamics of the decline in the system of technical and vocational education:

|          | 01.01.86 | 01.01.91 | 01.01.95 | 01.01.96 |
|----------|----------|----------|----------|----------|
| TVCs     | 186      | 176      | 162      | 160      |
| Students | 99,800   | 82,200   | 42,300   | 27,700   |
| Teachers | 4,302    | 3,465    | 2,905    | 2,288    |
| Masters  | 5,722    | 4,830    | 3,074    | 2,792    |

The significant decrease of student enrolment is determined by the sum of the factors typical for a transition period.

The loss of jobs, both full and part-time, and the low incomes of those still employed resulted in a decrease in production. These circumstances led, in turn, to a weakening of motivation among the youth regarding receiving education in general and technical-vocational education in particular.

Another factor curbing development of technical and vocational education and the adaptation of the system to a changing economy is the problem of financing. Although budget expenditure for educational purposes is not being reduced proportionally, the volume of public financing itself, due to inflation, is insufficient for the promotion of the

system. Another channel of financing - enterprise funds - is also restricted due to the financial crisis of the majority of production enterprises in the country.

### 2.4 Basic Tasks of Transition Development Programming

Forceful action is required to revise the special courses, the enrolment, the sources of financing, and the technical equipment of class rooms in the light of the structural transformations in the economy, the closing of certain productions, and the opening of new ones, which, in some cases, need workers with new skills.

Society cannot afford to be tardy in resolving these problems (an economic crisis cannot be allowed to last endlessly), otherwise new production with requirements for new skills may find itself with no work-force capable of meeting the requisite standards.

The democratic reforms taking place in Azerbaijan have given birth to unusual elements of previously hidden and suppressed individual behaviour.

The phenomenon of the economic crisis and the social transformations of the transition period have led to changes in the system of priorities among the youth with respect to education as a whole and to the choice of profession in particular.

The phenomenon mostly deforming the future of society is the alienation of a growing number of the youth from education. The problem is that, in terms of the considerable reduction in the living standards of the youth, teenagers are eager to earn a living as soon as possible. Many of them are engaged in informal sectors of the economy, sometimes within criminal structures.

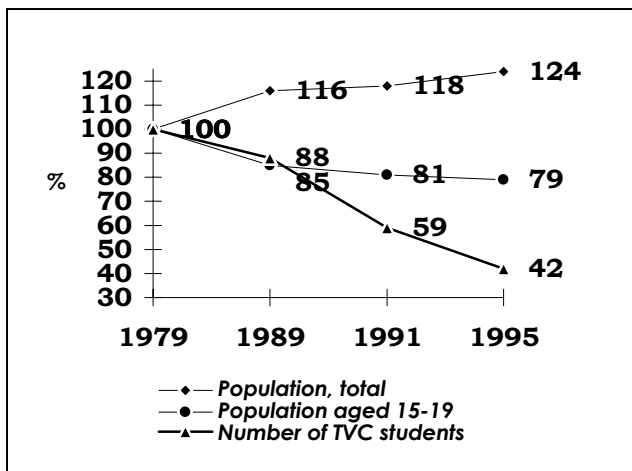
The statistical data on the growth of crime among the youth attest to the spreading of these tendencies.

The latest statistical data bear to the reduction of the number of students despite an overall rise in population, including the particular age group under consideration. With the beginning of the so-called restructuring in the educational system, negative tendencies emerged.

From 1985 to 1990, full-time educational personnel engaged in training institutions decreased

- by 20.2 % down to 12,600 for qualified working cadres;
- by 4.9 % down to 1,200 for technicians; and
- by 10.8 % for specialists in higher education.

In the area of technical and vocational education, the number of students for the period under consideration dropped by 32,000, or 27.6%. Except for branches of agriculture and the public utilities sector, training declined in all specialities. In particular, the training of skilled workers for the power engineering sector was reduced by 34 %, ferrous metallurgy by 26 %, and non-ferrous metallurgy by 23 %, respectively. Trends towards a reduction in the system of technical and vocational education have continued to the present time. On the whole, training in the system of technical and vocational education has decreased by 51.2% (or 41,000) over the past decade.



Decline in the number of TVC students

One of the latest goal-oriented programs of the former regime was “Demographic Development and Rational Use of Labour Resources”. This practically non-implemented program provided for the organization of new jobs and the involvement of 460,000 to 500,000 persons in the labour market. As for technical and vocational education, the program provided for the construction of 31 TVCs, with 360,000 students over the 5-year plan. Of 23,000 additional training places envisaged under the programme only 11,100 were filled.

Among the basic factors threatening the effective functioning of technical and vocational education are included:

- The decreasing income of the state budget restricts its social expenditure, including support for technical and vocational education as a part of the social program.
- The deformations of the transition period have destroyed most previous orientations. The reduced incomes of households forced parents to send their children out to earn a living. Thus, the reduction in the supply of jobs in the labour market due to the transition period is additionally affected by pressure from the proportion of the youth deprived of education.

## 2.5 Priorities in Profiles of Specialization in Technical and Vocational Education

The framework of these priorities cannot so far be defined exactly since the country is still experiencing an initial stage of structural transformations in production. Nevertheless, as an industrially developed country with its own agrarian sector, Azerbaijan will be in need of industrial, construction, and agricultural workers.

The main areas of industrial workers’ specialization are related to branches of production as follows:

- oil production and processing;
- chemistry and chemical technologies;
- mechanical engineering and metal processing;
- foodstuff manufacturing technology;
- light industry;
- instrument-making and electronics.

Greater demands (as compared with former times) on the part of the infrastructural and servicing sectors of economy will be made on the labour market.

### 3 Refugees, Labour Market, and Problems of Technical and Vocational Education

#### 3.1 The unfavourable Situation in the Labour Market

Reduced demand for personnel in the labour market of Azerbaijan leads to the growing isolation of citizens from labour and gainful occupation. This is evidenced both by official statistics and independent expertise on unemployment growth in the country. However, different sources differently assess the scope of this factor threatening the economic security of members of the society.

Unemployment in Azerbaijan does not only arise from the transition: it manifested itself, latently or openly, in the past years as well.

In the territory of the former USSR, there existed the so-called regioning into labour-redundant and labour-lacking Republics according to the availability of jobs and demographic indices. Hence, an organized displacement of work-force from one Republic to another was carried out on the basis of economic regulation typical for a command economy. The priority creation of jobs in low-populated regions of Russia, as well as restrictions imposed on the creation of jobs in other Republics, economically favoured the compulsory migration of the work-force. Azerbaijan was a Republic demographically related to the regions with a labour-redundant population. However, the native population of Azerbaijan is not traditionally inclined to migration and is distinguished by its affection for its ancestors' habitat. For this reason, the population was unamenable to compulsory economic migration. There was, therefore, an imbalance between the growth of labour resources and the creation of new jobs in the country. As a result, unofficial studies pointed to the number of unemployed no less than 300,000 in soviet times.

However, with the beginning of economic transformation and the de-ideologizing of the economy, officialdom started publishing statistical information on unemployment:

|   | 1990    | 1991    | 1992    | 1993    | 1994    | 1995    |
|---|---------|---------|---------|---------|---------|---------|
|   | in 1000 |         |         |         |         |         |
| Labour resources                                    | 3,959.9 | 3,990.7 | 4,036.0 | 4,013.4 | 4,100.0 | 4,102.0 |
| Economically active population                      | --      | --      | 2,749.4 | 2,729.6 | 2,697.8 | 2,637.7 |
| Employed in economy                                 | 2,788.6 | 2,901.1 | 2,743.0 | 2,710.1 | 2,674.2 | 2,610.0 |
| Unemployed total                                    | --      | --      | 6.4     | 19.5    | 23.6    | 27.7    |
| Unemployed (in % of economically active population) | --      | --      | 0.2     | 0.7     | 0.9     | 0.7     |

Unemployment in Azerbaijan  
(State Statistics Committee data of 01 December 1995)

According to the State Statistics Committee, the number of employed in the economy in 1995 made up 2,837,300 with 1,622,900 of them in the state sector.

However, this information is based on imperfect initial employment registration and ensuing distortions in enterprises, shortcomings in the system of registration by employment services, the inactive behaviour of citizens in establishing their employment status, etc. According to the provisions of the International Classification of Employment Status (ICES), the number of unemployed in the country would be much higher since they would include persons not only registered as unemployed but those with no incomes and seeking jobs. Even if we confine ourselves to the framework of those of employable age, the most optimistic assessment of the unemployment aggregate in the country would reach 800,000.

Numerous indirect data would tend to confirm this assessment. During the period of 1991-1995, the difference between the number of labour resources and those engaged in all the spheres of the economy rose from 1.1 million to 1.5 million. The recent armed conflict, followed by the occupation of territory, resulted in losses of more than 200,000 jobs in which 250,000 people were employed (some in two shifts). According to independent expertise, the rate of unemployment in the country is 24%. This is the lower "optimistic" assessment; the upper limit, as insisted on by many experts, is 31.6%.

### 3.2 Refugees and the Labour Market

663,100 people, Azeri citizens, were banished during 1992 to 94, following the partial occupation of the country by Armenian forces. This contingent falls under IDP status. According to the data of 1 July 1995, the number of refugees totals 233,682 and that of IDPs 692,651.

Lack of appropriate standard acts in 1988 to 1989 as well as contradictions on the issue between the Republic and the bodies of state power of the USSR at that time (i.e. unpreparedness for such a situation) predetermined the legal vulnerability of those exiled from Armenia and Uzbekistan.

A similar situation arose later because of the mass influx of those injured as a result of the occupation of Azerbaijani territory.

The legal regulation regarding the status of these contingents came into force only after the adoption of the Law on Status of Refugees and Forced Migrants in 1992.

The lack of a program of social development with due regard for the presence of refugees and forced migrants in the country served as a factor to produce complexities in the process of their accommodation and adaptation.

The adaptation of refugees and IDPs under new conditions of residence, despite their high level of homogeneity, is proceeding differently. The factors which predetermine it are as follows:

The proportion of the refugees and IDPs distributed in rural areas have discovered for themselves, in more habitual conditions of residence, the solution of assimilation problems. This group, by focusing on the settlement of economic problems connected with agricultural production and its concomitant processing branches, has created the conditions to develop both community and individual family prosperity. In these cases, the task of the state bodies in rendering them material and social assistance becomes much easier.

Refugees and IDPs are distributed throughout the whole country. If the refugees from Armenia are provided with the basic minimum for normal life, i.e. shelter and jobs, the same cannot be said about

the IDPs which found themselves in an equally difficult situation. The overwhelming majority of them are concentrated in the towns directly bordering the zone of military operations (Imishli, Barda, Beylagan, Bilasuvar, Agdjabedi, etc.)

A considerable proportion of the IDPs are accommodated in tent-towns which are characterized by a lack of social and cultural facilities. In addition, life in these towns is beset with serious psychological problems. As the forced migrants are not sure of their future, insecurity gives birth to a negative attitude towards any labour activity. Many of them lose their sense of self-respect and develop depressive attitudes.

293,420 (42.4% of a total number of 692,651) of forced migrants are stationed in Baku, Sumgait, Gyandja, Mingechaur, and Naftalan, including those directly in Baku - 196,639 (28.4%). Proceeding from their being rural dwellers, the adaptation to life in towns is difficult and complicated. Moreover, 45,000 persons of those 86,000 of employable age, i.e. 52.3%, are engaged in agriculture, a fact which creates certain difficulties.

Of the total number of IDPs, 380,265 (54.9%) are female and 312,386 (45.1%) are male.

According the data of State Committee for Statistics of 1 January 1995, of the total number of IDPs, 115,535 (16.7%) were children of 5 and under; 160,276 (23.1%) children from 6 to 15; 92,696 (13.4%) pensioners, and 324,144 (46.8%) employable persons, of which number 178,802 were women.

Just 100,037 out of 324,144 employable IDPs are provided with jobs, i.e. 30.9% of their total number.

Of the total number of employable IDPs, 132,279 (40.8%) were engaged in agriculture; 18,942 (5.8%) were teachers, 11,083 (3.4%) were public health workers, 15,082 (4.7%) were builders; 42,823 (13.2%) were workers in other specialities; and 103,935 (32.1%) had no speciality.

Persons aged 16 and older make up 416,840 of the forced migrants. 47,609 (11.4%) of these persons have higher, 47,849 (11.5%) unfinished higher or

secondary specialized education, 181,050 (43.4%) common secondary education; and 116,754 (28.0%) unfinished secondary education.

The present economic crisis and growing social tensions make it easier for political and socio-economic conflicts to arise. This can be demonstrated in the form of the negative attitude towards refugees and IDPs on the part of the native population who regard them as rivals in the labour market.

Thanks to the efforts of the government, a good number of them are provided with jobs in governmental and public structures and live on the salary they earn. A certain proportion (statistics are either lacking or unreliable) of those not provided with jobs are engaged in casual labour (street trade, casual hourly labour, etc.). But a considerable proportion are engaged in no labour activities at all: for them, the only means of survival are charitable donations rendered by local, international, and foreign organizations.

As a result of the Armenian occupation of Azerbaijan's territory, the education system of the country suffered great damage. Azerbaijan lost 616 comprehensive schools, 5 secondary specialized educational institutions, and 12 TVCs which enrolled ca. 5,000 students. As a whole, the losses in the educational system include interrupted tuition for 130,000 students and a loss of jobs for more than 11,000 teachers.

The relationship between this contingent of the unemployed and the labour market is not harmonious, since this contingent with no vocational training has complicated the tense situation connected with the provision of new jobs for the employable population. Taking into consideration that a considerable number of the refugees and IDPs are located in Baku and other towns where there is no need for agricultural workers (they constitute a greater part of the unemployed under consideration), these agricultural workers may be equated with those of no profession. The provision of employment in towns for workers in education and public health is also difficult. Therefore it seems expedient to recommend the government to realize effective protectionist

measures that motivate people to leave towns and habitually settle in rural areas.

### 3.3 Labour Rehabilitation of IDPs

Approximately 325,000 people from the occupied territories require jobs they lost during the armed conflict. The majority of them expect to return to their places of permanent residence and to their previous jobs. About 31% (93,200) of displaced people are currently employed. Due to inadequate housing and living conditions, they regard their present jobs and homes as temporary.

The return to the labour market of these jobless as a result of forced migration from occupied territories is taking place in the context of other problems connected with market reform realization.

The labour rehabilitation of those returning to their homes will greatly depend on how effectively the balance between quantity and quality of jobs in the areas to be liberated will be determined. Such a problem is typical for the country on the whole in the period of transition to a market economy, but there are some peculiarities for the regions which have been damaged as a result of the occupation. In the first place, there is no need to reduce jobs because of the IDPs absence: these should be recreated.

The agrarian sector and the construction sector are to become the main spheres of work-force application in the first post-war years. The restoration of the agrarian sector and the production of agricultural produce should be accompanied by the restoration of the methods of production that process agricultural output. Housing and road construction, the creation of a service infrastructure, the objectives of public health, education and culture are also spheres of application in creating employment. In the former instance, individual farms should become the dominating sphere of productive employment of the population and its integration in the economy of the country. Since the previous state (sovkhoz) and co-operative (kolkhoz) farms are destroyed, and there is practically no command economy as such, the agrarian reform could be realized at a faster pace by the help of granting land to the population and ensuring an equal access to the resources for the producers. A network of training and consultative



organizations for the section of the population returning to a rural mode of life contributes to the creation of qualitatively new jobs, and expands the labour market possibilities. Such training-consultative organizations are necessary to teach farmers and to retrain persons in conformity with labour market demands.

One source of financial aid for the labour rehabilitation programs for those displaced by the armed conflict are the properly mobilized internal financial resources of the country.

Another source is international aid and direct foreign investment. It is to be hoped that the appropriate government program providing the return of the jobless population to the labour market will be backed up by international financial organizations, including the International Monetary Fund's soft credits for its realization.

About 70% of the former population of the occupied territories are rural dwellers who currently have to live in tent camps for refugees. In addition, soil uncultivated for two years falls into decay, and dwellings were either destroyed by the aggressor or have fallen into disrepair.

These are the priorities in order to revive that land, regarding both the habitation and the labour activity of those who left this region but hope to return:

The basic priority for these territories is, naturally, a revival of the agricultural production to provide for the material well-being of the population and the participation of the region in the food supplies of the country. A natural continuation of the agricultural production involving a greater part of the population, is the processing of food and its concomitant light industry.

Demand for agricultural machinery services and repair will increase after the agrarian reform is carried out and the family farms are created. Not all farms, especially small ones, will be able to purchase agricultural machinery. For this reason a great demand for the hire of such machinery as well as for mechanized agricultural work services may arise.

A large-scale program of housing and manufactory construction will be realized in the region. It should be noted that the region is rich in building materials whose processing is to become an important link in production infrastructure.

Such economic growth will give impetus to the emergence of a developed network of education, public health and other services. The revival of the economy will include a revival of trade and expansion of employment.

The natural health resort advantages of these territories will make them appealing for relaxation and tourism. Ensuring international standards in services will also attract visitors from neighbouring and distant foreign countries. It will also have a favourable effect on employment and the income of the population as well as on the local municipal budget.

The above-cited priorities should be considered for the organization of appropriate training of youth in technical and vocational education.

## **4 Proposals on further Decentralization and institutional Structure**

### **4.1 Decentralization**

In Azerbaijan there is a tendency towards the decentralization of powers in the educational system from the standpoint of organizational changes. These tendencies find their reflection in the 1992 Law on Education. As law provisions are implemented, these tendencies should ensure sufficient flexibility of the system of technical and vocational education. The main outlines of the strategy and institutionalization of technical and vocational education in this perspective are as follows:

TVCs act on the basis of Government regulation as well as on agreements concluded with institutions, enterprises, organizations, and individuals. Vocational educational institutions (VEIs) may dispose of their own basic enterprises to train key-personnel groups on long-term contracts. In separate regions, including rural localities, there may

be open vocational colleges and lyceums teaching traditional handicrafts and skills.

VEIs - e.g. college-plant, college-factory, college-farm and other self-financing vocational colleges - may also be created outside government structures: under associations, production organizations and HEIs. Vocational colleges and lyceums may create production enterprises jointly with other legal entities.

The current economic situation in the country hardly favours such development. However, the process of privatisation, the development of farms and other structural transformations should make it possible to release considerable amounts of the Government budget from expenditure within the system of education.

Of paramount importance in this context are the activities of foreign companies engaged in the oil industry of Azerbaijan and their interest in highly-skilled workers for related enterprises.

It would therefore seem advisable for the Government to encourage the development of partly or fully self-financed TVCs.

#### **4.2 Partnership between governmental, non-governmental, and international Agencies in the Organization of Technical and Vocational Education**

The Government, through the Ministry of Education, will remain the main instrument in determining the priorities of technical and vocational education and act as the chief organizer and financing participant in this area of education.

This does not imply a Government monopoly in the field or the suppression of the other participants. In application of existing legislation, the Government may finance the training of students in independent structures by means of regulations for training. Within the framework of subordination and without, the Government is intended to stimulate, through the Ministry of Education, the creation of institutions according to the "enterprise-college" scheme, especially in medium-sized businesses. Such a monitoring role of the Government in the transition period appears to be advisable and worth preserving in the post-transition

period. This is due to the fact that the unemployment problem is likely disturb society in the medium-term perspective. In this respect, it is important for technical and vocational education to play an effective role.

Another important participant in the organization and financing of technical and vocational education activities are (as a continuation of existing practice) the bigger industrial enterprises. The same is true of other enterprises which are not subject to privatization (e.g. the railways etc.). It is expedient for the Government to stimulate the activities of the above-mentioned enterprises while setting up TVCs either independently or jointly with other governmental and non-governmental enterprises and organizations.

As private enterprises in production develop further, these enterprises may independently, or jointly with others (regardless of facilities or property), participate in the training of skilled workers by means of appropriate arrangements with colleges. The development of such a practice should be backed and stimulated by the Government.

In our opinion, another important participant of technical and vocational education in agricultural specialities are agricultural communes which unite local farms. State-assisted agricultural communes may qualitatively revive existing rural and small-town TVCs. The suggested form of partnership presupposes organizational and financial partnership.

Foreign companies involved in the Azerbaijani economy must be regarded as a potentially powerful and effective participant of structures of technical and vocational education.

As member of many international organizations, Azerbaijan is open for international cooperation in many spheres. It is open for considering the experience of other countries, including technical and humanitarian aid for the restoration and restructuring of the system of technical and vocational education. In this respect, a key instrument would be, with the UN System and other international organizations, joint programmes for

development of technical and vocational education in Azerbaijan.

## 5 Conclusions

1. The imbalance between availability of jobs and labour resources is aggravating the labour market of Azerbaijan. At the same time, owing to the inevitable restructuring of profiles of production and technological innovations, there is expected a qualitative discrepancy between the qualification profile of the employed and the redundant, and the technological requirements of renewable and newly created jobs.
  2. In terms of social deformations and the slump in production traditionally accompanying a transition period, one of the most important directions of unemployment level reduction is the comprehensive involvement of the youth in vocational education and the retraining of workers released from production. Under economy recession and rise in unemployment, Government can reduce the pressure by attracting young unemployed to vocational training and retraining programmes. This may be accomplished by a wider network of training, retraining and improvement of skills (i.e. increased enrolment in vocational education) and by prolonging training periods.
  3. As the economy further develops and as there will be additional demand for trained personnel, the young unemployed who have already been trained or retrained, taking into account the future production needs and perspectives, can be absorbed by relevant enterprises and thereby contribute to the development of the national economy.
  4. Given the extensive damages to educational institutions following the recent armed conflict, Azerbaijan is being provided humanitarian aid by international organizations. However, this aid mainly focuses on general education. A reoriented emphasis of the aid provided (i.e. to include the professional training of youth) would significantly ease the problems the country is facing due to the slump in production and other consequences of the conflict.
  5. The Government, while drawing up a social policy, should make a choice between two options in the policy of the use of labour resources: either initiate additional expenses for the development of the vocational educational system at the expense of society, other enterprises, and the personal savings of citizens; or substantially increase expenditure for unemployment relief which may finally result in the non-productive use of the labour potential, a decline in quality, and the aggravation of social tensions.
  6. The realities of today, especially the risk of a further rise in the unemployment level, predetermine the conditions for priorities in the system of vocational education.
  7. In addressing these problems, Azerbaijan should rely on international experience and seek active cooperation from the competent United Nations agencies and other international organizations.
-