

LEARNING: THE WAY OUT

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Skills have become the global currency of 21st-century economies. Without sufficient investment in skills, people languish on the margins of society, technological progress does not translate into productivity growth, and countries can no longer compete in an increasingly knowledge-based global economy (OECD, 2013, p. 261)

With *Education at a glance 2013: OECD indicators* the process ongoing for several years within the OECD publication series has been completed: education and training focus has totally shifted to the problem of the long-lasting crisis, that has stolen the global show and monopolized international concern.

Youth, education and skills – i.e. essentially employability skills – the three current key issues, have been quite compulsively forced to face the gravity and length of the world recession.

For a long time it has especially plagued young people between the ages of 25 and 29. They have paid the highest price in the short-term and have suffered permanent unemployment and underemployment: all the negative consequences – skill loss, failure in acquiring skills, difficult social integration, increasing hopelessness, demoralization, persistent lack of motivation – has spread like wild fire across societies, pervading individuals, families, whole communities.

The transition from education to work has been very adversely influenced by the crisis: “in 2000, an average of 44% of 15-29 year-olds in OECD countries were not in education, but employed. In 2008, this proportion fell to 41% and dropped again in 2011 to 37%” (p. 328).

At the same time, across OECD countries the “neet phenomenon”, regarding individuals between the ages of 15 and 29 neither in education or training nor employed, has perilously increased in strength, because of an extended lack of prospects: the neet population has settled down, slightly fluctuating from 15% in 2000 to 14% in 2008 to 16% in 2011.

In most OECD countries education has sturdily confirmed itself,

once again, as the only effective bulwark against unemployment, primarily for young people: everywhere length, quality and effectiveness of education have a significant impact on employability and they are critical assets in all the advanced countries, whose economies are increasingly based on an adequate and continuous supply of high-skilled workers.

Across OECD countries “having a tertiary education increases the likelihood of being employed. ...over 80% of tertiary-educated people are employed compared with over 70% of people with an upper secondary or post-secondary non-tertiary education and less than 60% of people with below upper secondary education” (p. 76). Symmetrically, between 2008 and 2011 the unemployment rate had grown sharply by 3.8% for lower-educated people and only by 1.5% for higher educated people. In more details, in 2011 on average 14.0% of 25-29 year-olds with a below upper secondary education were unemployed, 7.9% of those with an upper secondary education were unemployed, and 6.5% of those that had attained tertiary education were unemployed.

There is strong evidence that the influence of educational attainment is much more relevant for younger individuals than it is for older individuals.

As repeatedly highlighted by international media, the most hard-hit low-educated young people are in Ireland (21.5% increase in unemployment among 25-34 year-olds without a secondary education), Estonia (17.6% increase), Spain (16.0% increase) and Greece (15.0% increase). However, there are strong differences: during the same period, a few countries – among which Austria, Chile and Germany – have experienced a substantial decrease in the unemployment rates for low-skilled youth.

Addressing employability issues and emphasising their solid connection with skills and knowledge have appeared crucial in order to successfully contain the increase of unemployment rates. Consequently, in the last years a soft and effective – i.e. well designed and managed – passage from school to work has become more and more important.

Vocational Education and Training (VET), for a long time at the core of specific EU programmes, has come to the fore. It was defined by the International Standard Classification of Education (ISCED-97) as “education which is mainly designed to lead participants to

acquire the practical skills, know-how and understanding necessary for employment in a particular occupation or trade or class of occupations or trades. Successful completion of such programmes leads to a labour-market relevant vocational qualification recognised by the competent authorities in the country in which it is obtained” (UNESCO, 1997). It is mainly intended for students with upper secondary or postsecondary non-tertiary education.

In recent years, the range of vocational programmes provided by the national and international institutions has considerably expanded: close bidirectional links with tertiary education have been established or strengthened, apprenticeship and work-study programmes have been included to meet the labour market demands through enhanced cooperation with employers.

In the countries where the VET systems have been well-established and developed, such as Germany, there have been the greatest successes in tackling youth unemployment; vice-versa, where they have been insufficiently improved and exploited or completely neglected, youth unemployment has been more severe and long-term.

Programme orientation greatly influences the labour force status. Learning skills directly needed in the labour market hugely facilitates the job search. Finding a job is much easier for candidates with a vocational qualification than for candidates with a general upper secondary education. In other words, attending a vocational programme reduces time-to-first-job and improves chances of getting a job more quickly.

“Across OECD countries ...76% of individuals with a vocational upper secondary or post-secondary non-tertiary qualification are employed – a rate that is 5 percentage points higher than that among individuals with a general upper secondary education as their highest qualification” (p. 81).

Therefore, in order to fight against youth unemployment and underemployment it is essential to ease, support and smooth the move from education to work, multiplying its chances and channels: thus in several countries pathways between academic and vocational programmes have markedly increased, gradually converging on curriculum orientation and learning outcomes; and partnerships between schools and companies have significantly multiplied.

Everywhere, in OECD countries, educational attainment not only has an immediate impact on young people’s employability, but

steadily reduces the unemployment risk, enabling “them to pursue increasingly flexible pathways through lifelong learning during their working lives” (p. 261). Its effects are enduring and get stronger over their lifetime.

Mutual connections among education, employment and earnings come into the foreground: in the last years, young people “literally learned their way out of the crisis”, investing in education and providing themselves with skills and knowledge more complex and competitive (p. 15).

Generally speaking, education and skills have made a significant difference in the most serious crisis in recent history, determining how individuals, families, and entire societies live and face it.

For a segment of the work force, high skills - i.e. tertiary education - have meant high wages in a good life and professional balance; for other people, tertiary education has not brought the expected success and wealth, either because they have been crushed by the peak of the crisis, or because of their studies, carried out in a field saturated or far from meeting the real needs of the labour market. Upper secondary education, if firmly work-oriented, certainly offers an excellent long-term survival guarantee in the global labour shortage. In fact, since advanced economies keep becoming ever more knowledge-based, better educated people have lower difficulties in the labour market and earn higher incomes.

Conversely, who had not completed secondary education have been condemned to a precarious balance low skills-low wages and to a long-lasting unemployment.

Although a disenchanted vision pervades the OECD publication as a whole, the Editorial looks forward through a pragmatic and proactive perspective.

Europe is not irreversibly condemned to ever-high unemployment rates, i.e. to the decline. Instead, they are the product of the interaction between the ongoing economic context and the policies pursued by the governments.

In fact, public expenditure on education has remained nearly constant in all the countries during the first years of the crisis. Choosing how and where to allocate the resources and setting policies and initiatives to improve education effectiveness and relevance have made the salient difference, deciding the success or the failure of governmental actions.

The following practices and strategies, which proved winning, have

merged into the OECD *Youth Action Plan*:

- To ensure everybody achieves a good level of foundation skills and soft skills, providing him/her with a real resilience in a constantly changing labour market;
- To develop VET and to permanently connect education – that shall be more and more work-based – to the work world;
- To provide flexible pathways in education and training, bridging the deep-rooted gap with the actual labour situation;
- To offer high-rate guidance, placement and counseling services, in order to optimise studies and career choice and development, so that young people can make steady and aware decisions.

The *framework* in which the OECD education indicators have been distributed is characterised by three fundamental dimensions:

- explores the education systems, distinguishing among
 - the education system as a whole (macro-level);
 - the institutions and providers of educational services; the instructional settings and the learning environments (meso-levels);
 - the individual participants in education and learning (micro-level);
- has organised the indicators on the base of education and learning outputs and outcomes; of policy levers and contexts; of antecedents and constraints that contextualize – define or constrain – policy;
- focuses on policy issues and perspectives, within which indicators refer to quality, equality and equity in education and to adequacy, effectiveness and efficiency of resource management.

The A series of indicators, *The output of educational institutions and the impact of learning*, illustrates the outputs and outcomes of education and measures educational attainment for different generations.

The B series, *Financial and human resources invested in education*, includes indicators which describe policy levers and/or antecedents and constraints for policy development.

The C series, *Access to education, participation and progression*,

combines outcome indicators, policy levers and context indicators. In particular, one of most enlightening indicators about the current situation, the A5 *How does educational attainment affect participation in the labour market?*, outlines a clear trend, which has grown stronger in the last years. As already seen above, the completion of higher levels of education ensures substantial employment advantages and income gaps generally widen over time; higher levels of education are simultaneously the most powerful answer to unemployment: the lower their educational attainment is, the more unemployment rates grow among low-educated people.

In this regard, across OECD and EU21 countries the landscape is homogeneous and rather unitary.

The tendency observed in Germany, the European country that has resisted the best to the global crisis, is consistent with the general trends: there they have appeared even more marked and evident.

In Italy – where the relationship between education and the labour market is traditionally complex and difficult, especially in respect of the companies sector – employment and unemployment rates show a singular inversion. The secondary education levels, from lower to upper, suffer unemployment rates which are lower than post-secondary non tertiary education and, partially, tertiary education suffer: here the main tendency is specular to the OECD and EU21 average and quite different from the German one.

Source: OECD, Education at a glance 2013: OECD indicators, p. 74-89

INDICATOR A5 - HOW DOES EDUCATIONAL ATTAINMENT AFFECT PARTICIPATION IN THE LABOUR MARKET?

- Across OECD countries, employment rates are highest among people who have a tertiary education; and these individuals are also most likely to be employed full time.
- Unemployment rates are nearly three times higher among individuals who do not have an upper secondary education (13% on average across OECD countries) than among those who have a tertiary education (5%).
- Individuals who have at least an upper secondary education have a greater chance of being employed than those without that level of education.

Trends

Over the past 15 years, employment rates across OECD countries have been consistently higher for people with a tertiary education than for those without that level of education. Conversely, unemployment rates among lower-educated men and women have been higher than among those who have attained a tertiary education. The economic crisis only widened these gaps, and young adults who have just entered the labour market have suffered most.

Countries	Pre-primary and primary education	Lower secondary education	Upper secondary education - ISCED 3C (long programme)/3B	Upper secondary education - ISCED 3A	Post secondary non-tertiary education	Tertiary education - Type B	Tertiary education - Type A and advanced research programmes	All levels of education
OECD average	46	58	74	73	80	81	84	73
EU21 average	40	55	72	73	77	81	84	72
Germany	47	60	78	61	84	88	88	78
Italy	29	58	70	72	75	70	79	64

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Italy	29	58	70	72	75	70	79	64

Extracted from Table A5.1a. Employment rates among 25-64 year-olds, by educational attainment (2011)

Extracted from Table A5.2a. Unemployment rates among 25-64 year-olds, by educational attainment (2011)

Source: OECD, Education at a glance 2013: OECD indicators, p. 74-89