

**YOUTH LIFE STAGE TRANSITIONS IN THE SOUTH CAUCASUS:
THE EXPERIENCES OF THE FIRST POST-COMMUNIST GENERATIONS
IN ARMENIA, AZERBAIJAN AND GEORGIA**

**FINAL REPORT WITH CONCLUSIONS AND POLICY RECOMMENDATIONS FOR
ARMENIA***

* The research reported in this paper was funded by INTAS, project 05-100008-7803

CONTENTS

EXECUTIVE SUMMARY	3
INTRODUCTION	5
EDUCATION AND LABOUR MARKET CAREERS	10
Education	10
Labour market careers.....	12
Who succeeds?.....	27
General Employment	30
Self Employment	32
Non Active.....	34
Unemployment.....	36
Higher vs. Lower Job Employment	37
Path dependence?.....	40
FAMILY RELATIONSHIPS AND HOUSING	45
Family life stage transitions.....	46
Housing.....	51
Outlook	55
LEISURE.....	58
Why leisure matters	58
Measurements	60
Sport.....	61
Going out	63
High culture	65
Smoking and drinking.....	67
Religion.....	69
Conclusions.....	71
CONCLUSIONS AND POLICY IMPLICATIONS	73
ANNEXES	76

EXECUTIVE SUMMARY

This report is based on a project which has studied youth transitions and their family-household contexts in the South Caucasus. The research was conducted by CRRC-Armenia, Georgia and Azerbaijan. The South Caucasus Life History survey (SCLH) sample was young people born between 1970 and 1976 (about 400 respondents per country). The samples in each country were equally divided between the capital cities (Baku, Tbilisi and Yerevan) and specimen non-capital regions – Aran-Mugan in Azerbaijan, Kotayk in Armenia and Shida Kartli in Georgia. The focus was on collecting detailed data on employment, education, housing, family and leisure histories.

Over the past fifteen years, discourse on youth transitions has often focused upon theories relating to risk and individualisation. Thus it is very interesting to analyse the above-mentioned factors in transition countries such as the South Caucasian countries. During data analysis we used statistical programmes and software applications such as TDA, SPSS® and STATA®, and special techniques such as logistic regression, longitudinal analysis, descriptive statistical analysis, and other statistical toolkits.

The young people's education had not been seriously disrupted by their countries' historical transformations. Just over a half in Tbilisi, just under a half in Yerevan, and just under a third in Baku had completed higher education to at least BA level. Participation in higher education had been significantly lower in all the non-capital regions. Except in Azerbaijan where the numbers were approximately equal, more girls than boys had become higher education graduates.

The young people's labour market careers, in contrast to their education, had been seriously affected by the changes in their countries. Early in their working lives they had become divided into, then had tended to remain in, one of the following career groups:

- Employed in non-manual jobs
- Employed in other jobs
- Self-employed
- Unemployed/inactive

The young people who had made the most successful transitions into their countries' workforces tended to be from families with high socio-economic status, and with higher education.

Overall, just over a half of the respondents in Tbilisi and Yerevan had been (more-or-less) continuously employed up to age 30. It was just under two-fifths in Baku, just over two-fifths in Kotayk, only a fifth in Aran-Mugan and just a tenth in Shida Kartli.

Families had been a bulwark against social disintegration. Most of the young people were making conventional family life stage transitions (though at somewhat older ages than in the past). They were moving from being single to married, then becoming parents. Separations, divorces, unmarried cohabitation and lone parenthood were quite rare.

Most of the respondents were still living with parents at age 30 (when most had themselves become parents). In most cases the young couples had no real choice over this. However, there were advantages in the multi-generation household. Household costs and chores could be pooled, and young people could accomplish family life stage transitions without incurring the costs of new household formation.

Rates of participation in all out-of-home leisure activities were low, especially in Azerbaijan. Most free time was being spent at home, watching television, or just 'hanging about'. Many respondents' main items of 'leisure' spending were on alcohol and tobacco. The exceptions, where visits to cinemas, cafes, concerts etc had remained normal throughout the young adults' 20s, were mainly in the capital cities, and involved young people with better-paid jobs (who tended to be higher education graduates).

It is concluded that the most urgent need in the South Caucasus is to restore young people's routes from education into jobs that will support adult lifestyles, and this report concludes with recommendations for action towards achieving this.

INTRODUCTION

This report tells the life stories of the first generations of young people to grow into adulthood since the South Caucasus countries became independent post-communist states in 1991. The life stories are of citizens of Armenia, Azerbaijan and Georgia who were born between 1970 and 1976, who became 16 between 1986 and 1992, and who were interviewed in 2007 when they were aged 31-37. The interviews gathered information about the respondents' family backgrounds, education and qualifications gained, experiences in the labour market since completing education, family relations (marriages and cohabitations, divorces and separations, births of children), housing moves and household composition since age 16, and leisure activities. Thus we are able to describe how the biographies of the first generation to become adults in the new independent states unfolded alongside the eventful histories of their countries since 1991.

The life stories in this report are not from nationally representative samples. They are representative of residents in the capital cities - Baku, Tbilisi and Yerevan – and one non-capital region in each country – Aran-Mugan in Azerbaijan, Shida Kartli in Georgia, and Kotayk in Armenia. Although we all live in particular countries our lives are shaped by the opportunities that are available in the more local places where we happen to reside. The national rate of unemployment, whatever this might be, will not be the rate in the local labour markets that most young people enter, and in which adults try to obtain or maintain themselves in employment and advance their careers. Likewise leisure opportunities, and young people's chances of obtaining their own housing (and the price), depend on what is available locally.

We studied the capitals because, especially in Armenia and Georgia, high proportions of the total populations live in the capital cities. We then took another region in each country. These regions are not carefully matched. We do not claim that Shida Kartli is the Georgia equivalent of Armenia's Kotayk or Azerbaijan's Aran-Mugan. Nor do we claim that the selected regions are typical of all non-capital regions in the countries. They simply illustrate what life has been like for people who have grown into adulthood outside the capitals – always very different than in the capital cities.

Baku, Tbilisi and Yerevan are matched in so far as they are all their country capitals, but the Baku from which our sample was drawn extends over most of the Absheron peninsular whereas the official borders of Tbilisi and Yerevan (we used official boundaries to select all the samples) stop at the edges of the cities themselves. The fact that Baku is the city plus surrounding districts always needs to be borne in mind throughout this report when reading comparisons between the capitals.

In launching and conducting this research we used resources that were made available by the Caucasus Research Resource Centres (CRRCs), which are funded by the Eurasia Foundation and are located in Baku, Tbilisi and Yerevan. In 2004 the CRRCs launched the first of what has become a series of Data Initiative Surveys (DIS), the aim being to provide data for social scientists in the three countries to investigate a range of economic, political and social issues. The first DIS in 2004 was based on samples from the capital cities only. In 2005 non-capital regions were added – Aran-Mugan, Kotayk and Shida Kartli. Subsequently the DIS has been based on nationally representative samples, but for our fieldwork in 2007 we used the 2005 survey to identify everyone in the surveyed households who was born between 1970 and 1976. Our respondents, therefore, are representative of everyone in this birth cohort who was resident in the capitals and selected regions in 2005, and who

was still at the same address or had move locally and could be traced, and who was available and willing to be interviewed in 2007. We have no information about individuals who had moved out of the capitals and selected regions and who had settled elsewhere. However, our samples include domestic migrants (especially in the capital cities) and inward migrants, and also pendulum migrants who had returned after spells working abroad. We aimed for 200 interviews per region and a grand total of 1215 interviews was achieved.

This research used CRRC resources, but it was not funded or directed, and the results are not owned by the CRRC. The research was funded by INTAS (the European Union and other member countries), and was conducted collaboratively by a consortium of researchers from the three South Caucasus countries, Germany and the United Kingdom. This consortium, and they alone, are responsible for the findings, and for the interpretations in this report and other publications arising from the project.

The interview schedule used in 2007 was based on instruments developed for and first used in the British Household Panel Survey, which is an internationally recognised standard-setter for recording life histories. Needless to say, nearly all the questions had to be adapted to match South Caucasus specificities - types of schools and educational qualifications, for example. The interview schedule gathered information about:

- Family backgrounds, specifically mothers' and fathers' (of the respondents) education and normal occupations. Up to four points were awarded according to whether respondents' parents had graduated from higher education, and whether their normal occupations were

management or professional. The resultant 0-4 point scale was collapsed into lower, intermediate and higher socio-economic strata (SES).

- From age 16, all educational institutions that respondents had attended, start and end dates, whether full-time or part-time, and qualifications gained.
- All periods outside full-time education spent in employment, self-employment, unemployment, national service, and out of the labour market for family care and other reasons.
- All jobs, whether full-time or part-time, start and end dates, whether the employer was public sector, a private business or a non-governmental organisation (NGO), and whether the occupation was management, professional, clerical, farm, petty trading, or other manual.
- Start and end dates (if any) of all marriages and cohabitations, dates of any separations or divorces, and births of children.
- Housing moves, and for each dwelling occupied since age 16, whether it was rented or owned by the residents, reasons for moving (when applicable), and whether the move was within the same neighbourhood, city or region, and country.
- Frequencies of participation in 13 mainly out-of-home leisure activities (including alcohol and tobacco consumption, and religious participation) during each year from age 16.
- Income, which is notoriously difficult to discover. Survey respondents are known to understate their true incomes. They may suspect that their answers will not remain anonymous. They may state official rather than actual total earnings. They may ignore second jobs and casual earnings. In our survey non-response was minimised by using show cards from which each respondent was asked to name the band into which his or her personal income fell under a set of separate headings – paid employment, self-employment, state benefits, and other.

However, as we had expected, the bands that respondents nominated looked unrealistically low. Respondents were also asked about their entire households' total incomes under a set of headings which included income from relatives who were not necessarily resident in the households. They were then questioned about typical monthly household outgoings (also under a set of headings). Reported household spending was usually between two and four times as high as reported household income. We have used this fraction to adjust reported personal incomes. While it would be unwise to trust the adjusted figures for accuracy at the individual level, at the aggregate level the figures look realistic, and produce the expected relationships with different types of employment, between the capitals and the regions, and the earnings of males and females.

The interview schedule was initially prepared in English language. It was then translated into the three national languages and piloted in each country, following which changes were made. The schedule was fully structured – all the questions were closed, meaning that respondents had to select from lists of pre-determined response categories. However, the main survey was complemented by in-depth, open-ended, follow-up interviews with up to eight respondents per country. Evidence from these follow-up interviews has been used throughout the analysis to bring into focus the real lives that lie behind the tables of statistics from the fully structured interviews.

EDUCATION AND LABOUR MARKET CAREERS

Our respondents had completed their education during a turbulent period in their countries' histories. They had reached age 16 sometime between 1986 and 1992. In Georgia they had left education and tried to enter the labour market while their country fought wars over two territories, South Ossetia and Abkhazia, which established de facto independence. Amid these conflicts there was a 'Tbilisi War' between armed Georgian political factions. Between 1988 and 1994 Armenia and Azerbaijan fought for control of Nagorno Karabakh. Many of the young males in our survey had fought in these wars. Others had managed to avoid military service. In Armenia a devastating earthquake in 1988 was adding to the turmoil, and the economic blockade by all this country's Muslim neighbours (Iran and Turkey as well as Azerbaijan) was also aggravating the population's difficulties. All this was additional to the economic collapse experienced by all the new independent states when the Soviet Union ended and its system of central economic planning lapsed.

Education

A remarkable feature of this period is that many institutions continued to function more or less normally. These institutions included schools and universities. Teachers continued to teach and students continued to attend classes. They taught and learnt wearing overcoats during winter months when buildings were unheated. Teachers remained in post when their salaries shrivelled and fell into arrears.

It may be considered even more remarkable that, in many respects, the lives of our respondents had developed in an orderly way, almost as if the surrounding political and economic conditions were

tranquil. For example, all the expected predictors of success in education and the labour market continued to operate. The likelihood of the young people entering higher education and achieving a qualification at BA level or higher was strongly related to their parents' socio-economic status (SES). Across the combined samples, 21% from the lower SES group, 40% from the intermediate, and 69% from the highest SES group had done so.

Table 2.1
Percentages of males and females with higher education by region

	Males	Females
Armenia		
Yerevan	35%	58%
Kotayk	29%	50%
Azerbaijan		
Baku	28%	27%
Aran-Mugan	11%	10%
Georgia		
Tbilisi	49%	62%
Shida Kartli	26%	34%

There were also differences by gender, but only in Armenia and Georgia. In these countries girls had been more likely than boys to enter and graduate from higher education (see Table 2.1). This was not the case in Azerbaijan where roughly equal numbers of males and females had become higher education graduates. Girls now out-perform boys in education in most parts of the world, which is a turn-around from the situation up to the mid-20th century. Today, most of the countries that have not been part of this turn-around have Muslim cultures.

Overall, the proportions of males and females who had graduated from higher education were lower in Azerbaijan than in Armenia and Georgia. In all three countries, graduation rates were highest in the capital cities. This particular difference in graduation rates was narrower in Armenia than in

either of the other two countries. The most likely explanation is that Kotayk is closer to the capital city, Yerevan, and is also more urbanised than either Aran-Mugan or Shida Kartli.

We shall see in what follows that, for those young people who gained them, higher education qualifications proved a career asset.

Labour market careers

Our sample was aged 31-37 when interviewed, which means that we have complete biographical information for everyone up to age 30. We have information about all periods since age 16 that were spent in full-time and part-time education, full-time and part-time jobs of different kinds, family care, military service, out of the labour market for health and other reasons, and unemployment. Following analysis of all the data we have found that the most useful way of describing and classifying the young adults' careers after leaving full-time education is according to the proportions of time, up to age 30, which they had spent in different positions. These positions are listed in Table 2.2. To be included in the first five positions individuals had to have spent at least 50% of their time in the position in question. So those in the 'unemployment' career group had been mainly unemployed, and so on. We have separated non-manual from other kinds of employment because, as we will show, these occupations tended to be entered by different kinds of young people, and the occupations themselves differed in important ways, specifically in the greater likelihood of employment in non-manual jobs proving continuous. We have not separated management and professional from other non-manual occupations, a division that we could make with our data and which is normally made in western countries. This division is not applied because the sum of our

evidence suggests that up to now, in the South Caucasus, there has been no clear division between management and professional, and other non-manual jobs.

Table 2.2
Career groups by region and sex (in percentages)

a. Males

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
1. Non-manual	29	15	26	13	41	9
2. Other employment	31	21	16	15	18	5
3. Self-employment	16	18	21	11	16	48
4. Unemployment	18	46	10	24	10	32
5. Inactive	-	-	12	19	-	1
6. Other	6	-	15	18	15	4
N =	85	82	81	96	73	93

b. Females

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
1. Non-manual	33	19	32	17	47	14
2. Other employment	12	4	5	7	9	5
3. Self-employment	3	10	5	3	5	22
4. Unemployment	38	58	29	58	16	50
5. Inactive	12	8	28	8	15	6
6. Other	1	-	2	6	8	3
N =	117	119	110	95	114	101

Respondents are placed in career groups according to whether they had spent at least a half of their time since leaving full-time education in the relevant positions, but in most cases the proportion was closer to 100% than 50%. Some young people had established themselves in jobs soon after (or even before) completing full-time education and had then remained continuously employed even if they had changed jobs (and most of them had held two or more jobs). Those who failed to obtain any official paid jobs early in their careers stood high risks of becoming long-term unemployed or otherwise inactive. We shall see that how the young adults' careers developed had depended far more on their family and educational backgrounds, and their early achievements in the labour market, than upon how the regions' and countries' economies had developed during the samples'

working lives. This means that the benefits of economic growth, which resumed in all three countries around the mid-1990s, were reaped mainly by the young adults who had already established themselves in decent jobs.

The largest number of self-employed young adults in our research were farmers (on family farms). Others were involved in petty trading. Very few were running substantial businesses. Our evidence shows that, up to now in the South Caucasus, self-employment has more often been an alternative to unemployment, a last resort, rather than a first choice glamour career.

Some members of the 'other employment' career group (but very few) were working in manufacturing. Others were employed in construction. However, the majority were working in service sectors as drivers, and in shops, restaurants etc.

The 'other' career group in our typology (career group 6) comprises young adults who had not been formally employed or formally self-employed for at least 50% of the time since they left full-time education, but did not regard themselves as having been unemployed or inactive for at least half of this period in their lives. Some had been and some still were working, and some of these reported quite high incomes despite being neither employed or self-employed. They were working entirely in the unofficial economies. This had been most common in Azerbaijan and in Tbilisi. Other respondents, of course, were likely to have been working partly in the unofficial economies.

The proportions of respondents in the different career groups varied considerably by place and gender. Except in Aran-Mugan, over half of the males had spent at least a half of their time since

leaving full-time education either employed or self-employed, and this was also the case in Aran-Mugan if those in the ‘other’ career group (working unofficially) are included. Except in Tbilisi, at least a half of the females had spent at least 50% of their time since leaving full-time education either inactive in the labour market (usually for family care reasons) or unemployed. Self-employment was always more common among males than among females. There were always far more females in the ‘non-manual’ than in the ‘other employment’ career group. Among males, this was the case in only three out of the six regions. The non-manual career group was always larger (for both males and females) in the capitals than in the comparator regions. Unemployment, again among both males and females, was always higher in the non-capital regions than in the capital cities. Self-employment was most common in Shida Kartli, mainly on family farms. In most cases, this self-employment was not yielding a regular income for the young adults. They were working exclusively on family farms only because they were unable to obtain ‘proper jobs’.

In both regions of Azerbaijan it was more common than in Georgia and Armenia for males to define themselves as ‘inactive’ (not working and not looking for work). There was just one male in any of the other locations (Shida Kartli) who self-defined in this way. Among females, those in Baku were more likely to have been inactive for at least 50% of their time since leaving full-time education than in any of the other locations. In this (and in other respects as we shall see), Azerbaijan appears culturally different from Georgia and Armenia. It appears, from our evidence, that ‘housewife’ is a more acceptable status in Baku than in Tbilisi or Yerevan where mothers without jobs usually defined themselves as unemployed. In Aran-Mugan there were actually more men than women who had been long-term inactive in the labour market.

The labour market experiences of the young adults up to age 30 proved good predictors of what they would be doing at the time of our interviews when they were aged 31-37 (see Table 2.3). Respondents were more likely to be still in the non-employed than in the employed statuses, but this is mainly due to 15% of each of the employed (non-manual and other employment) groups dropping into inactivity, which typically represented females withdrawing from the labour market.

Table 2.3
Career groups and current labour market status (in percentages)

	Non-manual	Other employment	Self-employment	Unemployment	Inactive	Other
Full-time job	68	55	8	10	4	27
Part-time job	8	7	3	2	2	3
Self-employed	4	10	82	4	-	31
Unemployed	5	13	4	62	2	11
Other	15	15	3	22	92	28
N =	271	123	163	384	118	62

- 92% of the inactive career group were still inactive at the time of the survey: only 4% had moved into full-time jobs.
- 62% of the unemployed career group were still unemployed and another 22% had become inactive: only 10% had moved into full-time jobs.
- 82% from the self-employed career group were still self-employed.
- Just 68% from the non-manual career group were still full-time employees: 15% had become inactive, 5% were unemployed, 4% were self-employed, and 8% were currently part-time employees.
- Only 55% from the ‘other employment’ career group were still in full-time jobs: 15% had become inactive, 13% had become unemployed, 10% were self-employed, and 7% were in part-time jobs.

- The ‘other’ career group had proved extremely unstable. By the time of our survey 61% had become either employed or self-employed.

There were also impressive continuities in the types of jobs that the respondents had held (see Table 2.4).

Table 2.4
Career groups and types of current occupations (those with jobs at time of survey only) (in percentages)

	Non-manual	Other employment	Self-employment	Unemployment	Inactive	Other
Management	7	2	6	1	-	12
Professional	42	8	3	25	14	14
Clerical	47	13	3	17	7	20
Farm	-	4	47	3	14	10
Manual	2	67	23	42	54	30
Petty trading	1	6	18	12	11	14
N =	224	90	154	69	28	50

- Of all the current jobs held by the non-manual career group, 96% were non-manual.
- 77% of the jobs currently held by the ‘other employment’ career group were manual, farm or petty trading.
- These were exactly the same kinds of jobs – manual, farm and petty trading – occupied by persons from the inactive career group who had subsequently become employed: 79% of their current jobs were in these categories.
- Persons from the unemployment career group who had moved into employment had a rather different job profile: 43% of their jobs were non-manual, and the remaining 57% were manual, farm or petty trading. We will explain below that some of the respondents who had completed full-time education then became continuously or mainly unemployed were well-qualified academically, the implication being that they had been waiting (probably wisely in some but not all cases) to be offered commensurate employment.

- Members of the ‘other’ career group who had moved into employment were scattered across all types of occupations.

Table 2.5 gives a complete breakdown of the labour market positions of our respondents at the time of our survey without breaking-down employment into different kinds of jobs.

Table 2.5
Positions of the respondents at the time of the interviews, 2007 (in percentages)

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Full-time education	1	-	-	-	-	-
Full-time job	50	27	27	17	45	10
Part time job	4	2	4	3	8	5
Self-employed	8	14	11	14	14	40
Unemployed	23	47	8	20	18	31
National service	1	-	2	-	2	6
Maternity leave	3	1	-	-	1	-
Family care	11	10	37	28	12	7
Long-term sick/disabled	1	-	2	1	-	1
Retired	-	-	2	3	-	2
Something else	-	-	8	15	-	-
N =	198	199	186	181	161	196

Again, we can see in Table 2.5 that respondents in Azerbaijan were more likely than in either of the other two countries to be out of the labour market. This was usually for family care reasons, but in some cases it was due to chronic medical conditions, and some respondents defined themselves as ‘retired’. Also, it was only in Azerbaijan that any respondents said that they were doing ‘something else’ at the time of the survey, which in practice meant that they were working wholly unofficially.

The types of jobs that were available varied from place to place, and who filled the different kinds of jobs was always related to gender. Table 2.6 shows that non-manual occupations were consistently higher proportions of all jobs in the capitals than in the comparator regions. The table also shows that females were consistently more likely than males to occupy non-manual jobs. In each of the

capital cities over four-fifths of the jobs held by females at the time of our interviews were non-manual.

Table 2.6
Currently employed respondents: types of jobs (in percentages)

a. Males

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Non-manual	57	32	45	29	63	13
Other employment	43	68	55	71	37	87

b. Females

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Non-manual	83	51	82	56	85	46
Other employment	17	49	19	44	15	54

In Georgia public sector jobs were a higher proportion of the total in Tbilisi than in Shida Kartli, but this particular capital-region difference did not exist for males in Armenia or for females in Azerbaijan. Table 2.7 shows that in every region females were more likely than males to be in public sector employment. The proportions of females' jobs that were in the public sector were especially high in Azerbaijan: 73% in Baku and 79% in Aran-Mugan. At least 70% of males' jobs were in the private sector everywhere except in Baku where it was just 55%.

Table 2.7
Currently employed respondents: sectors of employment (in percentages)

a. Males

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Private	72	72	55	76	71	90
Public	28	28	45	24	22	10
NGOs	-	-	-	-	8	-
N =	64	47	55	45	51	64

b. Females

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Private	52	59	27	21	48	70
Public	48	41	73	79	50	28
NGOs	-	-	-	-	2	2

N =	58	37	22	14	54	43
-----	----	----	----	----	----	----

The stratification of the countries' workforces

We have seen above that young adults who were employed in non-manual jobs from age 16 to 30 were more likely than those who had worked in other kinds of jobs to be still in employment at the time of our interviews. Non-manual employment was the more likely to be continuous (even when individuals changed their jobs). Were non-manual jobs also better-paid?

Table 2.8

Currently employed respondents: adjusted total personal monthly incomes by types of occupation (in percentages)

	Armenia Non- manual	Armenia Other	Azerbaijan Non- manual	Azerbaijan Other	Georgia Non- manual	Georgia Other
Up to \$150	25	18	36	29	33	52
- \$300	35	42	16	18	32	32
-\$500	21	25	16	20	13	12
Higher	18	15	32	33	23	3
N =	110	72	56	49	92	65

We need to be cautious with our data on earnings. As already acknowledged, there was a tendency on our respondents' part to seriously under-report, and we can report findings only from those respondents who agreed to answer our money questions. Non-response was (unsurprisingly) more common here than to any other section of the interview schedule. We have adjusted (always upwards) reported personal incomes using the formula that was explained earlier. This produces ranges of earnings that look realistic, and the differences between types of occupations and types of people reflect reality (when this is known independently).

Non-manual jobs tended to pay higher salaries than manual jobs in Georgia but not in Armenia or Azerbaijan, and in all three countries, in both types of jobs, there was a very wide range of earnings from under \$150 to over \$500 a month. The lowest earners among our working respondents were

actually the self-employed. A third reported zero earnings, which was probably true. Most of the individuals concerned were ‘self-employed’ on family farms, mainly in Shida Kartli, and were not receiving regular salaries, which is not to say that they did not receive personal spending money from their families.

Table 2.9
Adjusted total current personal monthly incomes by country and sector of employment (in percentages)

	Armenia Private sector	Armenia Public sector	Azerbaijan Private sector	Azerbaijan Public sector	Georgia Private sector	Georgia Public sector
Up to \$150	19	29	23	44	42	40
- \$300	38	39	21	13	30	35
-\$500	27	16	19	17	15	10
Higher	17	17	37	27	13	15
N =	112	70	57	48	100	52

Private sector jobs tended to be better paid than public sector jobs in Armenia and Azerbaijan but not in Georgia, and once again, in all three countries there was a very wide range of earnings within both the public and private sectors (see Table 2.9).

The young adult workforces were not being stratified according to whether they were in manual or non-manual, or in public or private sector jobs. This method of placing workforces into strata (by type of occupation) works well in the mature western market economies but not in the South Caucasus or, from the evidence we have seen, in any other countries of the former Soviet Union.

We are able to stratify our respondents more realistically according to whether they had been in paid work for most of their time since completing full-time education, that is, according to their continuity of employment, while taking account of (adjusted) earnings at the time of our survey. This is accomplished in Table 2.10. The top three groups in this table are those members of the

original non-manual, other employment and self-employed career groups who were still in employment at the time of the survey in 2007 and had adjusted reported earnings at that time of at least \$150 a month (a modest amount, which places only those on really low pay beneath the threshold). The next five groups in Table 2.10 are the remainder from the original non-manual, other employment and self-employed career groups, plus individuals from the original unemployed and inactive career groups who were in employment at the time of the survey, plus members of the original 'other' career group who had current adjusted reported earnings of at least \$150 per month. This leaves two groups – members of the original unemployed and inactive career groups who were still not in employment at the time of the survey, plus members of the original 'other' career group who had no reported income.

Table 2.10
Reconstituted career groups by region (in percentages)

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
1. Non-manual career, employed, >\$150	29	18	18	9	38	3
2. Other employment career, employed, >\$150	15	16	9	4	6	0
3. Self-employed career, in employment, >\$150	7	9	11	7	10	7
4. Other non-manuals	12	5	14	11	17	12
5. Rest of other employment career group	5	3	2	10	6	4
6. Rest of self-employment career group	4	13	4	5	3	44
7. Unemployed and inactive career groups, in employment in 2007	16	12	3	4	3	15
8. Other, income > \$150	3	0	10	7	7	4
9. Unemployed and inactive career groups, unemployed or inactive in 2007	7	24	25	28	6	9
10. Other	1	0	2	16	4	2
N =	137	113	126	114	126	126

This 10-group scheme can be simplified. In Table 2.11 the top three groups from Table 2.10 are described as ‘established’: they had been in fairly continuous employment since completing their education and earned reasonable salaries. The bottom two groups from Table 2.10 are described as ‘excluded’ in Table 2.11. This leaves five from the middle of Table 2.10 who are labelled ‘under-employed’.

Table 2.11
Simplified reconstituted career groups by region (in percentages)

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Established.	51	43	38	20	54	10
Under-employed	40	33	34	37	36	79
Excluded	8	24	27	44	10	11
N =	137	113	126	114	126	126

Table 2.11 portrays the structure of the workforces that had been formed in each of the regions among the first generations to enter the post-communist labour markets. Tbilisi and Yerevan had the highest proportions of young adults in ‘established’ positions – 54% and 51% respectively. These proportions were lowest in Aran-Mugan (20%) and Shida Kartli (just 10%). The proportions who were totally excluded from the workforces were highest in Azerbaijan: 27% in Baku and 44% in Aran-Mugan. This is due to the (presumably culturally approved) relatively high rates of labour market inactivity among both males and females in Azerbaijan. Kotayk had a higher proportion of its young adults in ‘established’ positions than either of the other non-capital regions. As noted earlier, Kotayk is a rather different kind of non-capital region than its Azerbaijan and Georgia counterparts. Kotayk is closer to its country’s capital city (Yerevan), and contains a number of medium-sized towns.

We will explain below why the proportions of potential young workers who were excluded (voluntarily or involuntarily) from employment cannot be equated with the size of socially excluded groups in any of the regions. The point that we must emphasise here is that while in mature western market economies the size of the unemployed and inactive groups can be used as good indicators of the degrees of difficulty confronting actual and would-be employees, this is not an appropriate indicator in the new market economies of the ex-USSR. The proportions of potential workers who are able to 'establish' themselves in continuous employment, earning 'full salaries', is a much better indicator. These established employees themselves are stratified by levels of income. They include (and our survey included) some with very high earnings (though never enough to make them feel 'rich' - see below). However, the entire 'established' group is situated above the substantial numbers who are under-employed or involuntarily unemployed.

With the wealth generated by its oil and gas revenues, one might have expected Azerbaijan, especially Baku, to have the highest proportion of 'established' and the lowest proportion of 'excluded' respondents. The relatively large numbers who are classed as excluded in our scheme is entirely due to the relatively high levels of labour market inactivity among both females and males. However, from our evidence, it appears that Azerbaijan's oil and gas revenues have not enlarged the number of 'established' workforce positions even to the levels achieved in Tbilisi and Yerevan. That said, in our research, overall, the Baku employees were the best paid. Males were better paid than their Tbilisi counterparts, though not in comparison with males in Yerevan, but females in Baku were more likely to be in our top earnings band (\$500 per month and over) than in either of the other capitals, and males in Aran-Mugan were more likely to be in this band than their Kotayk and Shida Kartli counterparts (see Table 2.12).

Table 2.12**Adjusted total current personal monthly incomes by region and sex (in percentages)****a. Males**

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Up to \$150	10	17	13	42	21	63
- \$300	33	36	26	14	33	26
-\$500	29	31	31	11	17	11
Higher	28	17	31	33	29	-
N =	58	42	39	36	48	38

b. Females

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Up to \$150	36	29	33	69	40	52
- \$300	44	41	17	-	32	37
-\$500	15	11	11	8	11	11
Higher	5	19	39	23	17	-
N =	55	27	18	13	53	19

We can now explain why, in the South Caucasus, the exclusion of many young adults from any employment (especially in Azerbaijan) and the under-employment of even larger numbers, is not creating the kinds of socially excluded groups that are an issue in western Europe and North America. Most people in the west live in single generation or two generation households. The countries have rising proportions of their adults who live in singleton households. There have been upward trends in rates of divorce and separation, and in the proportions of children being reared by lone parents.

As the next chapter will explain in detail, in the South Caucasus, especially in Armenia and Georgia, the three generation household remains the norm. Most respondents in this research, when aged 30, were still living with their parents or parents-in-law. Siblings or siblings-in-law of the respondents were often additional co-residents. These households typically benefited from multiple streams of income. Someone could be currently working away. The household could be receiving remittances

from abroad. The fact that a particular individual was not in employment, or earning a low salary, did not necessarily mean that he or she was living in poverty.

In the follow-up interviews that were conducted after our main survey, respondents were asked whether there were different 'classes' of people in their countries, if so, what these classes were, and where they would place themselves. Everyone said 'yes' to whether there were different classes of people, and they always identified classes in terms of money. One class mentioned was invariably 'the rich' and another was 'the poor'. Most respondents also identified a 'middle class'. Sometimes these classes were sub-divided. If a middle class was identified, this was always where respondents placed themselves, but what is most relevant here is that the unit that was 'classed' was always the family household, not the individual. It was 'we' rather than 'I' who belonged to a particular class.

During the last 30 years social researchers in western countries have been departing from their former practice of placing entire households in social classes; they have opted for individual classification. This has been partly in response to feminist arguments: women have objected to being located in their wider societies via the occupations or incomes of their husbands. However, it has also been in response to the plain fact that men's and women's life chances (in the broadest sense) now depend more on their own qualifications, occupations and earnings than on who they are 'partnered' by at any particular moment in time. As noted above, there have been upward trends in rates of divorce and separation, more adults living singly, and in the proportions of children being reared in lone parent, single adult households.

The South Caucasus are still very different. Risks of social exclusion rise when individuals become detached from their families. Socially excluded groups may be created in different (western) ways in the future if young adults who are unemployed or under-employed marry one another, form nuclear family households that are work-poor and income-poor, rear a generation of disadvantaged children who perform poorly at school then fail to establish themselves in employment. This is a future possibility, but it is at least a generation away. It is not happening among the first post-independence generations of young adults in Armenia, Azerbaijan and Georgia.

Who succeeds?

Neither type of occupation entered (manual or non-manual), nor starting out and remaining in the public or private sector, have been good predictors of ultimate success in the South Caucasus labour markets. By 'success' we mean becoming 'established' (as defined above) and achieving relatively high earnings. Our evidence suggests that, rather than job choice, success had depended much more on where young people have happened to live, characteristics they were born with (sex), over which they had no control (family SES), and achievements in education prior to embarking on their labour market careers.

It had proved a definite advantage to live in a capital city. In all three countries fewer young adults had become 'excluded' in the capitals except in Georgia which was different because in Shida Kartli many young people who would otherwise have become excluded had the option of working on family farms, typically for meagre if any personal incomes. In all three countries respondents who lived in the capitals had stood the best chances of becoming 'established' in employment (see Table 2.11). Young adult males in the capitals were more likely than females to feature in our top earnings

band (\$500 a month or more) except in Baku, but we need to be cautious in attaching any weight to the small number of cases in Baku where the number of females respondents who were in employment was rather low, and the number in employment who reported their earnings was even lower (just 18 individuals). In the non-capitals it was only in Aran-Mugan where males had a clear lead over females in their likelihood of featuring in the top income band, but in this region the number of female employees who volunteered information about their earnings was only 13.

Our evidence shows that, overall, males had better chances than females of succeeding in the South Caucasus labour markets. Between ages 16 and 30 females in all regions were the more likely to experience prolonged unemployment (Table 2.2), and except in Aran-Mugan they were also more likely to be inactive in the labour market for prolonged periods (usually for family care reasons). Among those in jobs at the time of the survey, in all regions there were lower proportions of males than females in the lowest income band (up to \$150 a month). However, males were better represented in the highest income band (\$500 and more) in Yerevan but not in Kotayk, in Aran Mugan but not in Baku, and in Tbilisi but not in Shida Kartli (see Table 2.12). The simplified reconstituted career group table (Table 2.13), shows a higher proportion of males in the established' group and a higher proportion of females in the 'excluded' group. Nevertheless, the total picture vis-a-vis gender in the South Caucasus labour markets is not of unmitigated female disadvantage. In Armenia and Georgia females had been more likely than males to become higher education graduates. When they entered and remained in employment, females were more likely than males to be in public sector and non-manual occupations in which chances of becoming continuously employed were highest. Males were more likely to become part of the 'other employment' and 'self-employment' career groups, and in most cases the latter was certainly not a good route to success.

The transformed economies in the South Caucasus had fewer jobs in manufacturing and more in services (finance, law, tele-communications and consumer services, for example) where female skills, not least foreign languages, were likely to prove assets.

Table 2.13
Simplified reconstituted career groups by education and family SES, combined samples (in percentages)

	Males	Females	No higher education	Higher education	Lower SES	Intermediate SES	Higher SES
Established	42	29	30	46	27	39	54
Under-employed	42	47	45	43	47	42	38
Excluded	16	24	25	11	26	19	8
N =	411	331	452	288	341	260	141

Table 2.13 shows that higher education and a high SES family background both predicted labour market success. It is sensible to examine these influences simultaneously since, as noted earlier, family SES had been an excellent predictor of whether respondents would progress through higher education: 21% from the lower, 40% from the intermediate, and 69% from the higher SES groups across all three countries. Respondents with higher education had been more likely than other respondents to have entered our non-manual career group (43% overall against 14%). The non-higher education group was more likely to have become self-employed (20% overall against 5%). The relationship between higher education and these careers held even with family SES held constant (see Table 2.14). In contrast, with family SES controlled, higher education was making little difference to respondents' chances of entering or avoiding the 'other employment' and chronically unemployed career groups.

Table 2.14
Parental class, education and labour market careers, age 16-30 (in percentages)

	Lower class, higher education	Lower class, other	Intermediate class, higher education	Intermediate class, other	Higher class, higher education	Higher class, other

Non-manual employment	28	8	45	23	54	32
Other employment	13	13	9	12	10	6
Self-employment	8	21	3	17	5	19
Unemployment	44	39	29	30	20	27
Non-active	6	14	8	9	7	10
Other	3	6	6	9	4	6
N =	119	447	161	235	140	63

Even with higher education (or none) controlled, family SES continued to make a substantial difference to respondents' chances of entering the non-manual career group, and to their risks of unemployment. The explanation cannot lie in the kinds of cultural capital signalled by higher education qualifications. The true explanation must lie in some combination of social capital (useful connections) and cultural capital directly transmitted by families and reflected in respondents' ambitions and strategies in the labour market, and their ability to signal employability to recruiters.

General employment

The table below (Table 2.15) shows that, in Armenia, the same variables which are significant for the type of job of the respondent, are also significant for being employed generally. Gender (code: s1), age (age7073), place of birth (s3_dfar), parental class (pclass_1), and finally education level (heq) are the most significant factors in the region for the likelihood of having any job. We have also another significant variable here: the number of children of the respondent in Armenia. There is positive correlation between the number of children and employment status. An increase in the number amount of children is an important factor, a motive for finding a job with a higher salary.

The main conclusion could be that the above-mentioned factors are crucial for developing a policy for decreasing unemployment and increasing the levels both of skills of individuals and salaries (creating higher jobs).

Table 2.15. General employment and the significant variables affecting it (Armenia)

Logit estimates Number of obs = 400
LR chi2(12) = 78.92
Prob > chi2 = 0.0000
Log likelihood = -231.28288 Pseudo R2 = 0.1457

epl_main	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
s1	-.5134429	.254656	-2.02	0.044	-1.01256	-.0143263
age7073	-.4507612	.2300942	-1.96	0.050	-.9017375	.000215
s3_dfar	-.4315265	.2605578	-1.66	0.098	-.9422105	.0791575
s3_dfcnt	.3585828	.4609624	0.78	0.437	-.5448868	1.262052
a1_1	.4755464	.3391145	1.40	0.161	-.1891058	1.140199
a2_4	-.3539059	.1611447	-2.20	0.028	-.6697436	-.0380681
a2_5	-.0765949	.1431962	-0.53	0.593	-.3572543	.2040645
a3_4	-.1980236	.1505375	-1.32	0.188	-.4930717	.0970246
a3_5	-.0334321	.1647385	-0.20	0.839	-.3563137	.2894494
pclass_l	-.8622566	.2578604	-3.34	0.001	-1.367654	-.3568596
pclass_h	-.0267659	.3305356	-0.08	0.935	-.6746038	.6210721
heq	.9131257	.2530915	3.61	0.000	.4170754	1.409176
_cons	.5356582	.785796	0.68	0.495	-1.004474	2.07579

Another interesting output from the regression analysis concerns the effect of parental status on the employment of the respondent and his or her likelihood to have a “higher” job compared with a “lower” job. As we can see, the type of the job has a positive inter-relation with the “class” of the respondent’s parents. High class (status of father and mother of the respondent - education, employment) has a positive impact on their children’s future and job type in Georgia. However together with the variables mentioned, it is important to consider the age of the respondent: the likelihood to have a higher job is greater among the older generation compared with younger respondents (please refer to Table 2.16).

Table 2.16. General employment and the effect of parental class (lowest, intermediate and highest), Georgia

Logit estimates Number of obs = 398
LR chi2(11) = 75.56

k1	-.1416753	.5458093	-0.26	0.795	-1.211442	.9280913
a3_5	.140033	.2358154	0.59	0.553	-.3221567	.6022226
pclass_l	-.5140375	.3817631	-1.35	0.178	-1.262279	.2342045
pclass_h	.6719352	.5224291	1.29	0.198	-.352007	1.695878
heq	-1.75934	.4823319	-3.65	0.000	-2.704693	-.8139864
_cons	.6184783	1.165159	0.53	0.596	-1.665191	2.902148

There are significant differences in Georgia in the case of self-employment compared with Armenia and Azerbaijan. As we can see from Table 2.18, the significant variables affecting self-employment and increasing the likelihood of being self-employed in Georgia are parental class and higher education, which leads to a greater likelihood of being an employee rather than self-employed.

Table 2.18. Self employment, Georgia

Logit estimates	Number of obs	=	398
	LR chi2(11)	=	88.39
	Prob > chi2	=	0.0000
Log likelihood = -177.95124	Pseudo R2	=	0.1989

self_main	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
s1	-1.165897	.299471	-3.89	0.000	-1.752849 - .5789445
age7073	-.0352091	.2724084	-0.13	0.897	-.5691198 .4987015
s3_dfar	.2736397	.3069727	0.89	0.373	-.3280157 .8752952
a1_1	-.7531394	.3305083	-2.28	0.023	-1.400924 - .1053551
a2_4	.1658675	.1638518	1.01	0.311	-.1552761 .487011
a2_5	-.1550789	.2083918	-0.74	0.457	-.5635193 .2533616
k1	.2737843	.3480672	0.79	0.432	-.4084148 .9559834
a3_5	-.1160593	.1326775	-0.87	0.382	-.3761025 .1439838
pclass_l	1.663399	.3597782	4.62	0.000	.9582463 2.368551
pclass_h	.035822	.5176997	0.07	0.945	-.9788508 1.050495
heq	-1.003113	.3317721	-3.02	0.002	-1.653375 - .3528521
_cons	.867402	.9166367	0.95	0.344	-.9291729 2.663977

In Georgia the parents from the higher class are the most likely to secure some employment for their children. In case of Azerbaijan, the main variable affecting self-employment is the educational level of the respondent. Here, as in Georgia, the higher education predicts having a job and not being self-employed.

Non-active

Interesting observations arise from analysing the factors which are related to people being non-active in the labour market. In case of Armenia, the main factors are the number of children and the parents of the respondent, as well as his or her marital status (see Table 2.19). This can be explained by the close relations between family members in the South Caucasus region. However, in Armenia it is not dependent (at least as an effect) on the age and gender of the individual, while in Azerbaijan and Georgia gender plays big role. In Armenia, marital status is the really significant variable (widow, separated, divorced). In all these cases the respondents (mainly women) become non-active in the labour force.

Table 2.19. Non-active people, Armenia

Logit estimates	Number of obs	=	184
	LR chi2(13)	=	22.90
	Prob > chi2	=	0.0429
Log likelihood = -70.370351	Pseudo R2	=	0.1400

nact_main	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
age7073	-.6642117	.4597227	-1.44	0.149	-1.565252 .2368282
s3_dfar	.2218171	.464763	0.48	0.633	-.6891016 1.132736
s3_dfcnt	-.2398085	.9333175	-0.26	0.797	-2.069077 1.58946
a1_1	-1.202894	.5717551	-2.10	0.035	-2.323514 -.0822747
a2_4	.5957738	.2680199	2.22	0.026	.0704645 1.121083
a2_5	.2041004	.1756458	1.16	0.245	-.1401591 .5483598
a3_5	-.4884886	.4610911	-1.06	0.289	-1.392211 .4152335
m1_m	16.60774	1.437973	11.55	0.000	13.78937 19.42612
m1_d	18.98327	1.563911	12.14	0.000	15.91806 22.04848
m1_w	17.11434	1.796586	9.53	0.000	13.59309 20.63558
pclass_l	.5875425	.5388557	1.09	0.276	-.4685952 1.64368
pclass_h	.6434461	.6795127	0.95	0.344	-.6883743 1.975267
heq	.051667	.495259	0.10	0.917	-.9190228 1.022357
_cons	-17.39174

In the case of Azerbaijan parental class is also a significant variable affecting non-activity of the respondents. We can assume that the high class families offer their children longer education or

more time for finding a better job. Like in Armenia, in Azerbaijan the marital status of the respondent also plays an important role, and the likelihood for widows to be non-active is very high.

Table 2.20. Non-active people, Azerbaijan

Logit estimates Number of obs = 407
LR chi2(15) = 26.35
Prob > chi2 = 0.0345
Log likelihood = -213.75059 Pseudo R2 = 0.0581

nact_main	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
s1	.5303483	.2620735	2.02	0.043	.0166937 1.044003
age7073	-.0454198	.2459376	-0.18	0.853	-.5274486 .436609
s3_dfar	.0286211	.272819	0.10	0.916	-.5060942 .5633364
s3_dfcnt	.7839193	.6667127	1.18	0.240	-.5228136 2.090652
a1_1	.4600616	.5432926	0.85	0.397	-.6047723 1.524895
a2_4	.1117412	.1464678	0.76	0.446	-.1753303 .3988128
a2_5	-.1411825	.3138987	-0.45	0.653	-.7564127 .4740477
k1	-.0452462	.4443209	-0.10	0.919	-.9160992 .8256068
a3_5	-.0259525	.2373576	-0.11	0.913	-.4911649 .4392598
pclass_1	.6488637	.2704423	2.40	0.016	.1188065 1.178921
m1_m	.5214271	.4877904	1.07	0.285	-.4346246 1.477479
m1_d	1.597244	1.094188	1.46	0.144	-.5473238 3.741812
m1_w	1.68958	.9229891	1.83	0.067	-.119445 3.498606
pclass_h	-.0776273	.457695	-0.17	0.865	-.9746931 .8194384
heq	.0316838	.3268788	0.10	0.923	-.6089868 .6723545
_cons	-3.634453	1.563902	-2.32	0.020	-6.699645 -.5692611

In the case of Georgia the only significant variable affecting non-activity besides gender (the likelihood to be non-active in the case of women is higher compared with men), is place of birth. As we can see from Table 2.21, place of birth plays the crucial role, and likelihood to be non-active is higher in small cities and villages rather than in the capital city.

Table 2.21. Non-active people, Georgia

Logit estimates Number of obs = 397
LR chi2(14) = 49.12
Prob > chi2 = 0.0000
Log likelihood = -111.59878 Pseudo R2 = 0.1804

nact_main	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
s1	2.382429	.6383869	3.73	0.000	1.131214 3.633645
age7073	-.449429	.3644401	-1.23	0.217	-1.163719 .2648605

s3_dfar	1.008424	.3805213	2.65	0.008	.2626162	1.754232
a1_1	-.0666535	.4455524	-0.15	0.881	-.9399201	.8066131
a2_4	.2505485	.2330044	1.08	0.282	-.2061318	.7072287
a2_5	-.0644007	.2867723	-0.22	0.822	-.626464	.4976627
k1	-.2421503	.5753394	-0.42	0.674	-1.369795	.8854942
a3_5	.1153668	.2221347	0.52	0.604	-.3200093	.5507428
pclass_l	.3489851	.4429132	0.79	0.431	-.5191087	1.217079
m1_m	-.4978611	.4952167	-1.01	0.315	-1.468468	.4727458
m1_d	-.2176741	1.172034	-0.19	0.853	-2.514819	2.079471
m1_w	-.8800976	1.190883	-0.74	0.460	-3.214185	1.45399
pclass_h	.028235	.5522406	0.05	0.959	-1.054137	1.110607
heq	-.4655133	.4423763	-1.05	0.293	-1.332555	.4015283
_cons	-6.049311	1.768476	-3.42	0.001	-9.51546	-2.583162

Unemployment

Finally, we make a regression analysis for unemployment and the variables affecting it. As we can see from Table 2.22, the significant factors in Armenia are the demographic status of the respondent (gender, age), place of birth, marital status (separated) and parental class. We have already seen the effects of the above-mentioned variables on the employment chances of respondents, and the likelihood to be unemployed is generally the obverse. However, we would like to underline that separated individuals (mainly women) and individuals from lower class families are more likely to be unemployed.

Table 2.22. The inter-relations with variables affecting the level of unemployment, Armenia

Logit estimates	Number of obs	=	399
	LR chi2(16)	=	62.67
	Prob > chi2	=	0.0000
Log likelihood = -239.23387	Pseudo R2	=	0.1158

unem_main	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
s1	.75037	.2582856	2.91	0.004	.2441396 1.2566
age7073	.3823443	.226971	1.68	0.092	-.0625108 .8271994
s3_dfar	.5862518	.2485307	2.36	0.018	.0991405 1.073363
s3_dfcnt	.0190994	.4573594	0.04	0.967	-.8773086 .9155074
a1_1	-.0019036	.3209316	-0.01	0.995	-.630918 .6271109
a2_4	.0356377	.129567	0.28	0.783	-.2183088 .2895843
a2_5	.107375	.1260123	0.85	0.394	-.1396046 .3543546
k1	-.0596609	.4954434	-0.12	0.904	-1.030712 .9113904

a3_5	.1138324	.1572507	0.72	0.469	-.1943732	.422038
m1_m	.5514879	.5458671	1.01	0.312	-.518392	1.621368
m1_s	2.479375	1.241281	2.00	0.046	.0465087	4.912241
m1_d	.3761074	.848202	0.44	0.657	-1.286338	2.038553
m1_w	-.2735126	1.06957	-0.26	0.798	-2.369832	1.822806
pclass_l	.9005351	.2517203	3.58	0.000	.4071725	1.393898
pclass_h	-.4458216	.365984	-1.22	0.223	-1.163137	.2714939
heq	-.1681163	.2470824	-0.68	0.496	-.652389	.3161563

In case of Azerbaijan, the most significant variable affecting the level of unemployment is the individual's gender (men are unemployed more often). Another important factor is parental status, as in Armenia.

Table 2.23. The inter-relations with variables affecting the level of unemployment, Azerbaijan

Logit estimates	Number of obs	=	407
	LR chi2(15)	=	75.37
	Prob > chi2	=	0.0000
Log likelihood = -229.09482	Pseudo R2	=	0.1413

unem_main	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
s1	1.616747	.2576916	6.27	0.000	1.11168	2.121813
age7073	-.3244072	.2338176	-1.39	0.165	-.7826813	.1338669
s3_dfar	-.3255081	.2626448	-1.24	0.215	-.8402824	.1892662
s3_dfcnt	.9279567	.6811201	1.36	0.173	-.4070142	2.262928
a1_1	-.545604	.4600274	-1.19	0.236	-1.447241	.3560331
a2_4	.0668354	.1488196	0.45	0.653	-.2248457	.3585165
a2_5	-.2134428	.28212	-0.76	0.449	-.7663879	.3395024
k1	.9560886	.4158972	2.30	0.022	.140945	1.771232
a3_5	.3133958	.2217555	1.41	0.158	-.121237	.7480285
pclass_l	.5127681	.252693	2.03	0.042	.017499	1.008037
m1_m	.6500739	.434019	1.50	0.134	-.2005878	1.500736
m1_d	1.246265	1.103536	1.13	0.259	-.9166257	3.409156
m1_w	.6817707	.9356894	0.73	0.466	-1.152147	2.515688
pclass_h	-.535227	.4194251	-1.28	0.202	-1.357285	.2868312
heq	-.3639927	.31872	-1.14	0.253	-.9886724	.2606871

In Georgia the significant variables are gender and the age of the individual, and likelihood of being unemployed is high in case of women and the younger generation, which could be explained in terms of years spent in education or becoming a more skilled member of the workforce.

Higher vs. lower employment

We created a new variable for jobs that could be observed as higher (that assume a high level of knowledge, therefore a high level of salary: code, emp_hi). The regression analysis (Table 2.24) shows the inter-correlation between job type (higher and lower) and other variables, such as the gender of respondents, household composition, parental status etc. The important fact is that although the table shows data only for Armenia, the regression analyses for the other two countries - Georgia and Azerbaijan - are similar and conclusions can be generalised for the whole South-Caucasus region.

Table 2.24. Correlation between types of respondents' jobs (higher vs. lower) and other variables (Armenia)¹

Number of obs = 160
 LR chi2(12) = 56.79
 Prob > chi2 = 0.0000
 Log likelihood = -77.954377
 Pseudo R2 = 0.2670

empl_hi	Coef.	Std. Err.	z	P> z ²	[95% Conf. Interval]
s1	1.263664	.4490268	2.81	0.005	.3835873 2.14374
age7073	.5200999	.4228003	1.23	0.219	-.3085733 1.348773
s3_dfar	1.567222	.5583255	2.81	0.005	.4729244 2.66152
s3_dfcnt	-1.259074	.8057666	-1.56	0.118	-2.838348 .3201992
a1_1	.9639372	.7101938	1.36	0.175	-.4280171 2.355891
a2_4	-.2683884	.2728382	-0.98	0.325	-.8031414 .2663646
a2_5	.1752239	.3023607	0.58	0.562	-.4173921 .7678398
k1	-.1035596	.5518195	-0.19	0.851	-1.185106 .9779867
a3_5	-.1008401	.290162	-0.35	0.728	-.6695472 .467867
pclass_1	-1.54096	.4742017	-3.25	0.001	-2.470378 -.6115414
pclass_h	.2852771	.579929	0.49	0.623	-.8513629 1.421917
heq	.575692	.4314514	1.33	0.182	-.2699373 1.421321
cons	-3.187758	1.835272	-1.74	0.082	-6.784824 .4093086

As can be observed from the table, gender), place of birth and parental class are statistically significant for the respondent's type of job.

¹ The selection of variables for our regression analysis from whole list of variables was done subjectively, taking into account the most important ones that will have an impact on the particular issues of interest.

² These columns provide the z-value and 2-tailed p-value used in testing the null hypothesis that the coefficient (parameter) is 0. If you use a 2-tailed test, then you would compare each p-value with your pre-selected value of alpha. Coefficients having p-values less than alpha are statistically significant. For example, if you chose alpha to be 0.05, coefficients having a p-value of 0.05 or less would be statistically significant (i.e. you can reject the null hypothesis and say that the coefficient is significantly different from 0).

- The significant coefficient for emp_hi suggests that a male respondent is more likely to find a job with a high salary compared with a female. Another important observation is that place of birth is significantly important, taking into account that jobs that require a skilled workforce are created mainly in capitals and big cities. The lower jobs are in such sectors as agriculture (villages and small towns) and processing industries.
- Finally, the parental class of the respondent is another important variable that affects the further professional growth of the individual in the South Caucasus. The high level inter-link between parents and their children has its influence also in further achievements of the child, related with education (mainly children from higher class families receive a good, higher education) and job type (parents, also with their relatives, help their child to enter a “good” job and become a person in the higher class, just as the parents are).

Table 2.25. Correlation with types of respondents job (higher vs. lower) , Azerbaijan

Logit estimates	Number of obs	=	121
	LR chi2(11)	=	37.66
	Prob > chi2	=	0.0001
	Pseudo R2	=	0.2476
Log likelihood = -57.229718			

empl_hi	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
s1	1.58298	.5341309	2.96	0.003	.5361028 2.629858
age7073	-.9283915	.5079379	-1.83	0.068	-1.923931 .0671485
s3_dfar	-.3168881	.51915	-0.61	0.542	-1.334403 .7006272
a1_1	.8239623	.9295197	0.89	0.375	-.9978628 2.645787
a2_4	-.3520857	.365756	-0.96	0.336	-1.068954 .3647829
a2_5	-.0214284	.9249657	-0.02	0.982	-1.834328 1.791471
a3_4	.0953273	.2881063	0.33	0.741	-.4693506 .6600053
a3_5	-.1402397	.6771552	-0.21	0.836	-1.467439 1.18696
pclass_l	-.5449547	.5152176	-1.06	0.290	-1.554763 .4648531
pclass_h	.4681115	.7836377	0.60	0.550	-1.06779 2.004013
heq	2.500543	.7303535	3.42	0.001	1.069076 3.932009
cons	-2.781128	1.946556	-1.43	0.153	-6.596308 1.034052

Some deviations from the above can be observed in the case of Azerbaijan. The type of the job (higher vs lower) is partly dependent on the age of the respondent, and the level of education (higher

vs other, code: heq). The respondents who were older had found better jobs. An interesting observation could be that the experience of the respondent, rising with years at work, is important for achieving a higher job position. Another important fact is that that the older generation became active before the collapse of the Soviet Union and its centrally planned economy. Consequently, they were better able to adapt to the changes than younger ones (the next generation, born 1973-76).³

Path dependence?

The subjects in this research were, still are and will always be their countries' first post-communist generations of adults. They completed their education and entered the labour market during their countries' most difficult years. One might imagine that the prospects and experiences of younger, more recent school and university leavers will have been much improved. They will have entered the labour markets during their countries' years of economic recovery. Per capital GDP in all the countries more than doubled between 1995 and 2006: from \$461 to \$1281 in Armenia, \$488 to \$1571 in Azerbaijan, and \$458 to \$1075 in Georgia at USA \$ values in the year 2000. The respondents in our surveys might be regarded as members of a highly untypical 'lost generation'.

This will not necessarily be the case. Economic growth was not promoting our respondents into employment or better jobs during the course of their working lives. Between the ages for which we collected complete career information from everyone (16-30) and the time of our survey in 2007 when the respondents were between one and seven years older, a higher proportion from the fully employed 16-30 career groups had moved into unemployment or inactivity than the proportion from the unemployed and inactive career groups that had moved into employment. There was little difference in the proportions of the older and the younger respondents in the proportions who were

³ Here, we should consider also nuances that are related with the variable higher and lower job. We determine the job higher if the respondent worked there 50% and more from his or her total work time.

‘established’, ‘under-employed’ and ‘excluded’ (see Table 2.26). We can also note that in all three countries the adult (16-59 year olds) employment rates declined between 1995 and 2006: from 65.5% to 50.8% in Armenia, 79.9% to 69.8% in Azerbaijan, and 67.2% to 61.9% in Georgia. The fall in the employment rates in Armenia and Georgia occurred during a period in which the countries’ total populations were declining: from 3.5 million in 1989 to 3.2 million in 2006 in Armenia, and from 5.4 million to 4.4 million in Georgia. In Azerbaijan the population grew from 7.0 million to 8.4 million.

Table 2.26
Simplified reconstituted career groups by birth cohort (in percentages)

	Born 1970-73	Born 1974-76
Established	35	37
Under-employed	43	44
Excluded	21	19
N =	409	333

A contrary prognosis is that during the transitions into employment of the first post-communist generations, new career groups and labour market segments were created, and the workforces and labour markets became structured in ways that will endure unless prevented from doing so. This is an example of ‘path dependence’. The countries’ most recent school and college leavers will have had no alternative but to enter the same labour markets in which our samples were working or not working – labour markets that are structured in the ways revealed by our respondents’ career records and most recent positions – and so these same structures, career groups and labour market segments will be reproduced in successive cohorts’ working lives.

Restructuring the labour markets in the South Caucasus may require a new set of transformative conditions, comparable to the transition from communism. Sustained employment-generating economic growth, leading to excessive demand for labour, would be truly transformative. This

would pull all willing labour into full-time continuous employment, and competition for workers would eliminate insecure, low-paid and other poor quality jobs. However, we may have entered a global era in which the rate of job creation lags well behind the rate of economic growth. The South Caucasus countries are examples of economies that have grown since the mid-1990s while reducing their employment rates. Growth can be entirely jobless or even employment reducing as when new technologies or working practices reduce labour requirements and thereby cut costs, thus enabling sales and turnover to expand.

One school of thought maintains that the advanced, high-tech post-industrial economies will create more-and-more high-level jobs and eliminate most low-level occupations. A contrary view is that few additional high-level staff will be required, and that any net employment growth will be mainly in routine office and sales employment, and customer contact jobs in consumer services. While there are surpluses of labour it will be possible for employers to fill these jobs while offering low salaries, and part-time or temporary contracts, whatever is cheapest and maximises employers' flexibility.

Economic growth alongside reduced employment rates since the mid-1990s in the South Caucasus has enabled employees to be rewarded with higher salaries, but the findings from our research suggest that most of the growth in salaries has boosted the pay of the minority in really good jobs in the public and private sectors – those jobs that were paying, or enabling the incumbents to earn (officially and unofficially), \$500 a month or more in 2007. If so, future school and college leavers will have to compete vigorously for a relatively small number of really attractive jobs – far too few for everyone to be a winner.

Young people in the South Caucasus had, under communism, been used to stable and predictable transitions into employment. Education figured strongly as did family support in terms of providing accommodation and a generally secure environment for young people as they grew into adulthood. There were social divisions where parental influence over their children's education and subsequent employment stratified experiences such that life chances were not uniform despite government rhetoric. The transition to post-communism has disrupted these predictable trajectories. Summarising the material, we can point to several measures that should be implemented to help youth find appropriate jobs, and to be aware of the available opportunities, and to be active in the workforce. Particularly in transition economies such as is Armenia, these measures are really needed, and truly important.

Conclusions

The main conclusion from above analysis using STATA regression analysis shows, that employment as well as the type of job and status of the respondent (active vs. non active) are mainly dependent on the demography of the population, educational level, marital status, as well as parental class. The close relations in families and between children-parents-grandparents are a well-suited social system in the South Caucasus region, and in all the countries represented there: Armenia, Azerbaijan and Georgia.

There are several points that differentiate the South Caucasus region and the level of employment - factors that affecting employment in many other countries and regions. Let's try to bring them together:

1. There are social divisions whereby parents influence their children's education and subsequent employment. Parental class is very important factor for the future of their children. The likelihood to be employed, and to have higher job with a higher salary, is greater in the case of high class families compared with low ones.
2. The cultural routines, attitudes, habits and customs, and informal social "laws" play a significant role in all three countries. This is clear in the case of women and their marital status.
3. Age plays significant role because of the changes in the 1990s. The changes in the social, economic and political situations, have had considerable influence on employment, the educational level of the people, as well as on their further development.
4. Education plays big role (maybe not the first condition for good job, as it is in many advanced economies), but we may assume that it is strongly linked with the family, which means if someone takes time and pays money for education, the likelihood to find job and to be employed is higher. The inter-linkages of three variables - parental class, level of education, and employment - clearly indicates this.
5. Finally, the marital status of the individual has positive and negative impacts on the employment status of the individual. Separated, and widowed persons (mainly women), are more likely to be non-active and will not look for jobs or will just be unemployed. This is a big issue and should be considered while developing and implementing policies against unemployment.

FAMILY RELATIONSHIPS AND HOUSING

Schools and colleges helped to keep young people's lives on course during the years of war and economic crisis in the early-1990s. Families also kept young people integrated into their societies. Throughout the South Caucasus, the family as a social institution acted as a bulwark against social disintegration. Thousands of young people who had no proper jobs, or whose proper jobs did not pay salaries that they could live on, were supported by their families. So were older persons who were victims of the transition. State welfare ceased to be an effective safety-net but families stood firm. It was families that prevented the first post-communist generations becoming lost generations. Of course, there were individual casualties, but the South Caucasus did not have (on the same scale) the numbers of street children or armed criminal youth gangs that were formed in parts of Russia. There were no international press stories of hundreds of children abandoned in orphanages, as in Romania. Young people in general survived the 1990s with their lives intact. Most, though far from all, made school-to-work transitions (though not necessarily into what they regarded as satisfactory jobs), whereas according to our evidence, for the vast majority, family life stage transitions remained remarkably orderly.

Our interviews collected detailed information about all major events in respondents' careers in education and the labour market: dates when courses started and ended, and likewise with jobs. We collected equivalent information about family biographies: dates when cohabitations and marriages started and, if they had ended, dates of divorces and separations, and birth dates of all children. Another set of questions was about housing careers since age 16: type of tenure (owned or rented), type of dwelling (house or flat), reasons for any moves, from where and to where, and co-residents at

the time. Just as we have been able to divide our sample according to their labour market careers (mainly in non-manual jobs, mainly unemployed etc), we can divide them according to their family and housing careers.

Family life stage transitions

In practice there proved to be just one overwhelmingly dominant and by implication normative sequence of events in family careers. The start point was always being single at age 16. The next major event was marriage. This was followed by parenthood. This was nearly always the order of events. Serial partnerships, divorces and separations were rare, and likewise single parenthood. The differences by region were mainly in the pace at which family transitions were proceeding. This was most rapid in Kotayk where just 7% of the respondents were still single at age 30. Elsewhere between 22% and 27% of the young adults were still single. Marriage was usually being followed quickly by parenthood. The proportions of respondents who were living as couples without children were no higher than 5% except in Aran-Mugan (11%) (see Table 3.1). In Table 3.1 marriages and cohabitations are merged together, but we will disaggregate them later.

Table 3.1
Family biographies up to age 30 by region (in percentages)

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli	Total
Single	22	7	25	27	23	26	22
Single-married	3	3	5	11	3	2	5
Single-married-parent	65	85	65	59	56	61	65
Other	10	6	5	3	18	12	9
N =	202	200	201	214	199	199	1215

In the South Caucasus there has been an upward trend in the typical ages when young people marry. Between 1989 and 2006 the mean ages of women marrying for the first time rose from 22.3 to 24.1

in Armenia, 22.8 to 23.3 in Azerbaijan, and 24.5 to 25.4 in Georgia. A point to note is that the current ages of first marriages are still well beneath the ages of first-time marrying women in western Europe and North America. Today in Britain the typical woman is 29 on giving birth to her first child.

The slow-down in the pace of family transitions in the South Caucasus was evident within our samples. Among those born between 1970 and 1973, 17% were still single at age 30 compared with 27% of those born between 1974 and 1976. Later marriage was also related to social origins and type of labour market career. Those delaying marriage tended to be from families in the higher socio-economic strata, and to be in our non-manual labour market career group. Perhaps surprisingly, higher education was unrelated to the likelihood of the young adults being married at age 30 (see Table 3.2.).

Table 3.2
Percentages who were still single at age 30

Sex	
Male	24
Female	20
Parental class	
Lower	20
Intermediate	21
Higher	30
Education	
Higher education (at least BA)	23
Lower	21
Career group	
Unemployed	21
Self-employed	23
Non-manual	30
Manual	19
Date of birth	

1970-73	17
1974-76	27

Since 1989 there have been steep declines in the birth rates in the South Caucasus (as in all the transition countries), to sub-population replacement levels in Armenia and Georgia. Between 1989 and 2006 the mean number of births per woman declined from 2.61 to 1.35 in Armenia and from 2.13 to 1.46 in Georgia. In Azerbaijan the birth rate has also declined but less steeply, from 2.79 to 2.33 (still above population replacement level). According to our evidence, this inter-country difference is not because young women (and men) in Georgia and Armenia are now less inclined to embark on new family formation than in the past, or than in Azerbaijan. The samples in Azerbaijan in our research were just as likely as their Armenia and Georgia counterparts to be still single at age 30. Key events (marriage and parenthood) were occurring at later ages than in the past in all three countries, but moreso in Armenia and Georgia than in Azerbaijan. Young adults were still marrying and becoming parents, but at older ages than in the 1980s. Also, it seems very likely, especially in Georgia and Armenia, that more couples than in the past will have just one child, but there is no current wholesale flight away from marriage and parenthood in any of the South Caucasus countries.

If this research had been conducted in Northern Europe or North America, we are confident that the findings would be very different. Rates of divorce and separation have risen to far higher levels than in the South Caucasus. Likewise the proportions of children being reared by lone parents. Cohabitation outside marriage has become socially accepted. It has become normal for young people to experience several sexually active relationships prior to settling down (cohabiting or marrying), and settling down is often temporary. The normal social expectation is still that relationships will be monogamous, but it is serial monogamy that has been normalised, not lifelong monogamy.

Alternative sexualities (gay, lesbian and bi) have become socially accepted, and are recognised in law and by some churches in an increasing number of countries. It has been argued in the west that a new postmodern type of family is being created in which couples are united by pure love, in ‘pure relationships’, rather than held together by custom, morality or economic necessity. If a relationship ceases to be mutually satisfying – emotionally, sexually and socially – the relationship ends. In North Europe and North America we would expect to find a wide variety of family life stage transitions, but in the South Caucasus, according to our evidence, there is still just one dominant and traditional sequence.

However, some respondents had departed from this sequence, just 9% overall, but most of these were in Georgia, especially in Tbilisi where they amounted to 18% of the sample.

- Just 3% of all respondents, but 10% in Tbilisi, had ever lived (married or cohabiting) with more than one partner.
- Just 5% overall, but 10% in Tbilisi, had ever terminated a marital or cohabitation relationship.
- Just 2% overall, but 4% in Tbilisi, had become parents prior to marriage.
- Just 8% overall, but 36% in Tbilisi, had ever cohabited outside marriage.

There are alternative ways of interpreting ‘other’ family life stage transitions in the South Caucasus, that is, transitions that have departed from the normal sequence. These could be cases of individual deviance, their frequency indicating the degrees of moral breakdown in different places. Alternatively, the ‘other’ cases could be trend-setting young people, perhaps a sub-culture, maybe pioneering western ways of living within their own countries.

Later marriage is a historical trend in the South Caucasus – it was most common among the younger respondents in this research. It appeared to be sub-cultural, pioneered by high status groups in terms of family backgrounds and labour market careers. ‘Other’ family transitions did not possess these features. They had been more common among our older rather than our younger respondents. In Georgia, those who had made ‘other’ family transitions tended to be from low status families and had disadvantaged labour market careers. Elsewhere there were no social patterns whatsoever. This evidence is more supportive of the ‘deviance’ than the ‘trend-setting’ interpretation of ‘other’ family transitions.

However, there is a third possibility. There was a period in the early-1990s when public administration in much of Georgia broke down, and when couples who had married in church were unable, for a time, to register their marriages with the civil authorities. So for a period they were cohabiting outside lawful marriage. This explanation is consistent with the greater frequency of ‘other’ family transitions in Georgia than in Armenia or Azerbaijan. It is also consistent with the greater frequency of ‘other’ transitions among the older rather than the younger respondents: the older respondents were in their late-teens or early-20s in the early-1990s when public administration broke down. The explanation is also consistent with the links between ‘other’ family transitions, and low status family backgrounds and disadvantaged labour market careers in Georgia, because these were the members of their age group who were the most likely to marry in their teens or early-20s. Also, 68% of cohabitations had lasted up to the time of our survey, by when some had become marriages.

We doubt if there is just one explanation that can account for all the ‘other’ cases. Thirty-two percent of respondents who had ever cohabited compared with just 7% of the rest of the samples had departed from the main family transition sequence in additional ways, like divorcing or separating, or becoming a single or non-resident parent. This evidence fits the ‘deviance’ explanation. But we suspect that most of the excess number of ‘other’ family transitions in Georgia owed more to a breakdown in public administration rather than in the surrounding social and moral orders. That said, a breakdown in public administration cannot explain the higher rates of terminations of cohabitations and marriages, or serial partnerships in Tbilisi.

Housing

At age 30 most of our respondents were still living with their parents or parents-in-law (see Table 3.3). They were most likely to have their own places in Azerbaijan, especially in Baku (45%). In Aran-Mugan 28% were living independently of their family elders. In the Armenia and Georgia regions the proportions living independently were between 16% and 22% (see Table 3.3).

Table 3.3
Percentages who were still living in parental home at age 30

Place	
Yerevan	80
Kotayk	78
Baku	55
Aran-Mugan	72
Tbilisi	81
Shida Kartli	84
Marital and parental status at age 30	
Single	97
Married, no children	82
Married, one child	68
Married, two or more children	68
Married respondents: age at time of marriage	

Up to 22	64
Older	74
Total	75

Whether the 30 year olds had independent accommodation was unrelated to the socio-economic status of their families of origin, whether or not they were higher education graduates, or their careers in the labour market. It was related to marital status: 97% of the singles were living with their parents, 82% of those who were married without children, and 68% of those who were married with children. Those who had married at the youngest ages were the most likely to have their own places by age 30. Note, however, that majorities in all these groups were still co-resident with their elders at age 30.

Table 3.4
Tenure at time of survey (in percentages)

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Privately owned	97	85	82	42	95	99
Publicly owned	2	15	16	57	3	-
Privately rented	1	1	1	1	2	1
Other	-	-	1	1	2	1
N =	202	200	201	214	199	199

Most of the dwellings in which our respondents lived were owner-occupied. Most of the publicly-owned stock had been privatised except in Aran-Mugan where in 2007 more households were still renting from public authorities than were living in owner-occupied dwellings (see Table 3.4). Privatisation, where this had occurred, had been into the ownership of our respondents' parents and grandparents. This had instantly created frozen housing markets. Dwellings had become assets that could be bought, sold and rented, but no-one would sell at a price beneath construction costs, which were vastly in excess of what all but a small minority of young people, even couples, could afford to

pay. Even if full-value house purchase loans had been available in their regions, the repayments would have been far too onerous. Only the very few high earners could afford to buy or rent from their own resources, so just 4% from the combined samples had ever made a housing move to buy or rent their own places (see Table 3.5). In Aran-Mugan no-one had done this. The maximum was 11% in Tbilisi (see Table 3.6). There was no longer social housing available at affordable rents for young singles and young couples.

Table 3.5
Percentages of all respondents who had ever moved for different reasons by gender

	Male	Female
Family decision	28	9
Marriage/relationship began or ended	10	67
Other dwelling made available by family	4	4
Work/partner's work	5	4
To buy/rent own home	5	3
Wanted larger/better home	4	5
War, natural disaster	3	4
Other	2	2
N =	515	700

Table 3.6
Percentages of all respondents who had ever moved for different reasons by region

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Family decision	39	49	4	1	10	3
Marriage/relationship began or ended	43	54	47	38	38	37
Other dwelling made available by family	2	1	8	2	7	4
Work/partner's work	9	8	2	1	7	1
To buy/rent own home	6	1	2	-	11	5
Wanted larger/better home	3	19	2	1	3	-
War, natural disaster	2	1	8	9	4	1
Other	-	-	6	7	-	-
N =	202	200	201	214	199	199

In the short-term, young adults depended on their families for accommodation. They had no alternative but to remain in their families' homes. In the longer term, it was only with family support

that they had any real hope of occupying their own places. This could occur through a family property being vacated on the death of parents or grandparents, or a family pooling resources to purchase an additional property. This was giving their elders considerable control over the younger generation, and this control is one likely reason why family transitions remained so conventional.

The most frequent reason given by our respondents in every region when they had changed dwellings was marriage, and it had usually been the bride who had joined her husband's family (see Table 3.5). There had been moves for other reasons more often in Armenia than in the other two countries, and in these cases the young adults had normally moved as part of an existing family household (see Table 3.6).

Why did more of the young adults have their own dwellings in Azerbaijan than in Georgia and Armenia? Azerbaijan, especially Baku, could have possessed a larger housing stock relative to demand, but this seems unlikely because Azerbaijan was the only country that had increased its population since 1989 (the populations had declined in Armenia and Georgia), and Azerbaijan was coping with the largest number of displaced persons (from Nagorno Karabakh and its surrounding territories). Their greater likelihood of having moved into their own places could have been because our respondents in Azerbaijan had married younger than in Georgia and Armenia, and were having more children, thereby increasing their need for more space, thereby enabling them to claim family support in moving out of their parents' homes. It could also be because in Armenia and Georgia there is a stronger cultural preference for living in multi-generation households, and more dwellings built for three generations. However, our follow-up interviews indicated that any such cultural preference was not shared by the majority of young women in these countries. Those who were

living with their in-laws expressed various degrees of frustration. Those who could never envisage moving out found this depressing. Husbands, who remained living with their own parents and siblings, seemed much more content. The young women who had moved into independent accommodation with their husbands and children regarded these moves as major life events, a cause for celebration. This applied even when their new homes had less space and fewer amenities (no piped water or gas in one case) than their in-laws' homes. However, a plain fact of the matter was that the majority of young adults had no alternative but to remain in dwellings headed by the older generation, and await their turn to become senior occupiers.

Outlook

The family as a social institution is not in crisis in the South Caucasus. True, birth rates are currently beneath population replacement levels in Georgia and Armenia, but this can be rectified, and the solution does not need to be implemented this year or next year. True, many young singles and young couples are living in accommodation that they find unsatisfactory and they are unable to move out, but this is not a new, post-1991 problem. Under communism it was treated as a supply-side problem: there were not enough dwellings and this problem was always being addressed with massive building programmes. Today the issue is said to be a demand-side problem: young people cannot afford their own places. The construction booms in all the capital cities where this research was conducted were not aimed at local young people. These booms had not extended into any of the non-capital regions except Kotayk where the infrastructure for what was intended to become a thriving tourism industry was being built. Young people's inability to quit what they regard as unsatisfactory housing is likely to be an enduring problem in the South Caucasus, but it is the kind of problem that families are able to live with, and have lived with for many generations. Families in the

South Caucasus have not been collapsing, and young people are not rejecting family life. They are continuing to marry and become parents. Rates of divorce, separation and single parenthood remain well-beneath western levels, and in the South Caucasus single parents are rarely lone parents – they are usually accommodated by their own families.

Multi-generation family households are constraining in some ways, but in other ways they have proved extremely functional under post-communist conditions. They enable young people to marry at younger ages than is now normal in the west; young couples in the South Caucasus do not need to incur the expense of new household formation. Local extended families are useful in providing support in child-rearing, which is especially valuable during times when nurseries and kindergartens have become expensive. The extended family household also allows housework to be shared, which is very useful when water and electricity supplies are unreliable. Also, households have needed multiple streams of income in order to be economically viable. In many cases it is elders who support young people, but there are also many instances where young adults feel that they cannot desert their parents because this would render the elders destitute. Multi-generation family households are not necessarily incompatible with the volumes of social and geographical mobility required by dynamic economies. Young people may migrate prior to marriage (and many have indeed migrated from the South Caucasus since 1991). Following marriage men (and sometimes women also) can continue to work away while remaining household members. In the South Caucasus they are often more valuable household members when they are away than when they living at home. Having survived throughout and, indeed, in some ways having been consolidated under communism, the traditional family in the South Caucasus has proved fully compatible with this world region's own version of late 20th and early 21st century post-industrial modernity.

Family life was not being westernised in any of the locations that we studied. This could happen in the future, and very quickly, if salary levels rise to levels that make housing affordable for young singles and young couples. A revolt by young women could then undermine the traditional family very quickly. Under these conditions the South Caucasus could experience the rapid evolution that has been observed elsewhere, in South Korea for example, where within a generation traditional families have been replaced by modern nuclear family households, which have almost immediately undergone post-modernisation as a result of rising rates of divorce, separation and lone parenthood.

LEISURE

Why leisure matters

Leisure has become an important business sector in the world's most economically advanced countries. In these countries leisure now accounts for high proportions of consumer spending, and the populations are mobile. Hence the competition to attract leisure spending. Towns and cities endeavour to make themselves attractive to shoppers and to people seeking evening and night-time entertainment. Regions and countries compete for tourists. Major events such as the Olympic Games and the football World Cup are still sought partly for the prestige, but nowadays more for the economic boost enjoyed by the hosts. Leisure has not yet become primarily important for these reasons in the South Caucasus, though all the countries hope to develop as tourist destinations. However, leisure matters for additional reasons which apply in all countries.

Leisure activities can improve people's well-being – make them feel good and protect them against psychological illnesses. Leisure can do this provided it is used for activities that persuade them to leave their homes and televisions, provided it is social (not solitary), and provided it is structured (organised and regular, which eliminates the need for individuals to be self-motivated on each occasion). As well as making people feel good, these uses of leisure also improve their physical health, but here particular forms of active leisure, those that involve exercise, are especially beneficial. Other uses of spare time and money (smoking, and heavy alcohol consumption) have negative health implications. Leisure is especially valuable for the well-being of sections of populations who are not in employment (unemployed, inactive or retired) and for whom paid work is not a source of structure in daily life, social relationships, or activity.

Uses of leisure can promote individual well-being and they can also generate 'social capital' – trusted social relationships. When social capital is high, people are healthiest, crime rates are lowest, and educational attainments rise. The results are good for everyone. People with shared leisure interests are likely to form voluntary associations to organise their activities. These associations are the foundations of civil society. Places that draw large numbers of people together often act as hubs for the creation, maintenance and activities of voluntary associations. These hubs may be churches, workplaces, and tertiary education institutions. These can become the bases from which clubs operate to run various kinds of sport, and to support different kinds of artistic and craft interests. In western countries the voluntary associations in which young people are most likely to gain experience of self-organisation, holding office etc, are sports clubs. The condition for all this to happen is that people are pre-disposed and can access facilities to participate in active, social, structured forms of leisure.

This chapter focuses on the overall levels of involvement in different kinds of leisure by respondents in the different regions in our research. There were differences within all regions. Males were more likely than females to play and watch sport, and to drink and to smoke. The higher SES groups, those with higher education, and those in the non-manual career group, were the most involved in all the main kinds of leisure activity that are discussed below (sport, going out, and high culture). However, the differences were around low centres of gravity. Rates of participation were especially low in Azerbaijan, and in the non-capital regions, especially Shida Kartli and Aran-Mugan.

Measurements

Respondents were asked about their participation in nine different leisure activities at each age from 16 onwards. These activities were:

- i. Playing sport, including physical exercise.
- ii. Going to pubs, cafes and restaurants.
- iii. Going to discos, nightclubs.
- iv. Going to the cinema.
- v. Going to pop and rock concerts.
- vi. Going to classical concerts, opera and ballet.
- vii. Going to the theatre.
- viii. Going to museums, art galleries.
- ix. Watching sport (not on TV).

For each year respondents were asked about their frequency of involvement in each activity on a six-point scale with a range from 'never' to 'every day'. However, throughout most of this chapter we divide the samples simply according to whether, at each specific age, they had 'ever' or 'never' taken part. We use 'ever' as the threshold because, on most activities, even with this very modest level for inclusion as a participant, the participation rates were rather low. Also, respondents were more likely to recall whether they had ever taken part at specific ages than exactly how often. The tables that follow present participation rates only for ages 16, 23 and 30, which is sufficient to indicate trends over time.

A factor analysis grouped the nine activities into three main types which tended to be done by the same individuals in the same years. These types are:

- i. Sport (playing and watching).
- ii. Going out (discos and nightclubs, cinema, pop and rock concerts, pubs, cafes and restaurants).
- iii. High culture (classical concerts, opera and ballet, theatre, art galleries and museums).

The bank of leisure questions included items about drinking where we separated strong drinks (vodka, brandy etc) from weaker drinks (wines and beers), smoking, and participation in religious services. We give the percentages who had ever taken part in these activities at ages 16, 23 and 30 in order to permit comparisons with levels of involvement in other uses of leisure time. However, we also present and discuss the full range of frequencies (exactly how often) at age 30 for consuming alcohol and religious participation: 30 turned out to be the peak age for smoking, drinking and religious participation also.

Sport

In every region participation declined with age (see Table 4.1). At age 16, when nearly all the respondents were officially still at school, one might have expected playing sport to be universal, but this was not the case in any of the regions. The highest participation rate at age 16 (65%) was in Kotayk. In this, and in other ways, the leisure of the young people in Kotayk, especially at age 16, resembled the capitals rather than the other non-capital regions. At age 16 the participation rate in Yerevan was 51%, in Tbilisi 44%, 31% in Baku , 20% in Shida Kartli and just 3% in Aran-Mugan.

Table 4.1
Sport: percentages who participated

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Played sport						
16	51	65	31	3	44	20
23	35	24	9	3	34	4

30	26	12	6	3	28	3
Watched sport (not on TV)						
16	25	33	4	1	42	12
23	12	12	2	-	35	9
30	11	11	6	-	36	6

At age 30 just over a quarter of the Yerevan and Tbilisi samples were still playing sport. It was just 3% in both Shida Kartli and Aran-Mugan. In Kotayk the participation rate was down to 12%. Baku, with a 6% participation rate at age 30, resembled the non-capital regions rather than its comparator capital cities.

The participation rates for playing sport in Table 4.1 are much lower than those recorded in western countries. For example, in Britain over 40% of the adult population (aged 16 and over) plays sport or engages in strenuous exercise at least once a month.

Watching live sport had been most common in Tbilisi: 42% at age 16 and 36% were still watching when aged 30. In Yerevan and Kotayk, 25% and 33% respectively were watching at age 16, but in each case just 11% at age 30. In Baku no more than 6% had watched live sport at any age. In Aran-Mugan no-one was watching by age 23. In Shida Kartli the watching rate fell from 12% at age 16 to 6% (the same as in Baku) at age 30.

Playing and watching sport had been more common in the country capitals than in the non-capital regions except in Kotayk in the case of playing sport at 16 and watching at all ages. As explained earlier, Kotayk is more urbanised and closer to its country's capital than either Aran-Mugan or Shida Kartli. Higher participation in the country capitals applied to most of the out-of-home activities

about which respondents were questioned. The most likely explanation is that the capitals have the most facilities and therefore offer the most opportunities to take part in sport and other forms of out-of-home leisure.

Going out

Pubs, cafes and restaurants had been visited by 60% of the Yerevan respondents at age 16, then after a drop when in their 20s the participation rate recovered to 61% at age 30 (see Table 4.2). In Tbilisi involvement rose steadily from 65% at age 16 to 75% at 30, and in Baku from 16% to 40%. In Shida Kartli involvement was around 20% throughout the life stage, but beneath 10% in Aran-Mugan. Kotayk was the sole region where this kind of going out declined – from 58% at age 16 to 43% at age 30.

Table 4.2
Going out: percentages who participated

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Pubs, cafes etc						
16	60	58	16	2	65	18
23	51	47	31	4	73	25
30	61	43	40	6	75	19
Discos, nightclubs						
16	18	13	3	-	8	1
23	11	9	4	-	8	1
30	10	5	3	-	7	1
Cinema						
16	64	72	30	3	80	10
23	40	15	6	1	58	10
30	44	9	3	-	59	5
Rock, pop concerts						
16	27	25	2	-	33	7
23	21	14	2	-	28	4
30	20	11	2	-	26	9

As with sport, involvement was highest in the capital cities. The most likely explanation, as with sport, will be the greater opportunities in the cities – more bars, restaurants etc. Also as with sport, levels of involvement were lower in Azerbaijan than in Armenia and Georgia, but in Baku the steep rise in participation after age 16 gave its 30 year olds a similar involvement rate to Kotayk, but still well beneath the levels in Tbilisi and Yerevan.

Visits to nightclubs and discos had been exceptional in all regions at all ages. The highest participation rate (18%) was in Yerevan at age 16, and here participation was down to 10% at age 30. In Baku, Tbilisi and Shida Kartli the participation rates were in single digits at all ages. In Aran-Mugan it appeared that hardly anyone had ever been to a disco or nightclub. In Kotayk the participation rate was 13% at age 16 but in single digits thereafter.

There had been more visits to pop and rock concerts. In Yerevan, Kotayk and Tbilisi between 25% and 33% had attended such events at age 16. In the capitals these levels of participation were sustained or fell just slightly (26% at age 30 in Tbilisi and 20% in Yerevan), whereas there was a dip to 11% in Kotayk. Less than 10% in Shida Kartli at all ages, just 2% in Baku, and again, hardly anyone in Aran-Mugan had attended these events.

Even the highest participation rates for the above kinds of going out are much lower than in present-day western countries where going to a pop concert, visiting bars and cafes with friends, then clubbing and a pop festival, have become standard *rites de passage* during the youth life stage.

A popular kind of going out in some regions of the South Caucasus, with participation rates similar to those recorded for cafes, bars and restaurants, was to the cinema. At age 16, between 64% and 80% had been in Yerevan, Kotayk and Tbilisi, but just 30% in Baku, 12% in Shida Kartli and 3% in Aran-Mugan. At age 30 the participation rates were beneath 10% everywhere except in Yerevan (44%) and Tbilisi (59%).

High culture

The highest rates of participation in any of the forms of high culture were for visits to the theatre: between 57% and 59% in Tbilisi, Yerevan and Kotayk at age 16 (see Table 4.3). Participation rates in all other regions were much lower (between 1% and 16%). By age 30 these visits were being made by only 15% in Kotayk, but participation had declined less steeply in Yerevan and Tbilisi – 43% and 48% respectively at age 30. Involvement in theatre visits (as in all the other high culture activities) in Baku bore a closer resemblance to the the levels in Shida Kartli and Aran-Mugan than in Tbilisi and Yerevan (and in Kotayk also at age 16).

Table 4.3
High culture: percentages who participated

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Theatre						
16	57	57	16	1	59	7
23	42	16	5	-	45	5
30	43	15	6	-	48	4
Museums, art galleries						
16	48	65	9	2	44	2
23	31	16	5	1	34	2
30	29	16	4	-	38	2
Opera, ballet, classical concerts						

16	32	11	3	-	25	1
23	24	5	3	-	21	1
30	22	5	3	-	24	1

The highest rate for visits to art galleries and museums was 65% at age 16 in Kotayk. This high rate for 16 year olds, and the high rates of participation in Kotayk in other high culture activities, and in sport also, are most likely due to the encouragement and support offered by the local schools. At age 16, 44% in Tbilisi and 48% in Yerevan had visited museums and galleries. As with the theatre, there was steep drop after age 16 to 16% at age 30 in Kotayk, whereas the visit rates at age 30 remained quite high, 29% and 38%, in Yerevan and Tbilisi respectively, almost certainly due to the fact that there were far more museums and galleries to visit in the capitals. In Baku, Aran-Mugan and Shida Kartli, participation was always in single digits.

The participation rates for attending classical concerts, opera and ballet were 32% in Yerevan and 25% in Tbilisi at age 16, where 22% and 24% respectively were still attending at age 30. The attendance rate was nil in Aran-Mugan after age 16, and in single digits at all ages in all the other regions, except 11% in Kotayk at age 16.

These rates of involvement look modest, but we can note that at age 23 there were very similar attendance rates at rock and pop concerts on the one hand, and high culture live musical performances on the other. In the South Caucasus, among the first post-communist generation, the classical arts had not been completely swept aside by rock and pop.

Smoking and drinking

Table 4.4
Percentages who smoked cigarettes and consumed alcohol

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Smoked cigarettes						
16	23	7	10	10	24	21
23	40	31	29	24	42	37
30	43	30	29	28	44	34
Drank strong alcohol						
16	38	29	9	7	37	19
23	54	49	26	19	49	46
30	61	52	23	22	49	48
Drank less strong alcohol						
16	70	43	7	8	50	27
23	82	62	23	14	61	62
30	86	71	22	18	66	66

By age 30 these were far and away the most popular ways of spending spare time and money among young adults in the South Caucasus (see Table 4.4).

Involvement had risen with age for smoking, drinking weak alcohol, and drinking strong alcohol in all six regions. There had been no similar consistent trend with any other of the leisure activities that we investigated.

The percentages who were smokers at age 16 ranged from 7% to 24%, and by age 30 from 28% to 44% in the different regions. For consuming strong alcohol the ranges were from 7% to 38% at age 16 and 23% to 61% at age 30. For weak alcohol the ranges were from 7% to 70% at age 16 and 18% to 86% at age 30.

If people smoke, they are most likely to do so every day. At age 30, 43% and 44% in Yerevan and Tbilisi were smokers, and between 28% and 34% elsewhere.

Alcohol is rather different. Occasional consumption is both possible and common, and there is a difference between consuming strong or weak alcohol occasionally at celebrations such as weddings, and regular binge drinking, so frequency of participation is important. In Azerbaijan over three-quarters of all respondents were total abstainers, but Baku had more regular consumers of strong alcohol than Yerevan. The percentages of 30 year olds who were drinking strong alcoholic beverages monthly or more frequently were 36% in Kotayk, 33% in Tbilisi, 18% in Baku, 14% in Yerevan, 12% in Shida Kartli and 5% in Aran-Mugan (see Table 4.5). Kotayk and Tbilisi also head the 'league table' for consuming weak alcohol monthly or more frequently. The rates were 37% in Kotayk, 33% in Tbilisi, 17% in Baku and Yerevan, 15% in Shida Kartli and 5% in Aran-Mugan (see Table 4.6).

Table 4.5

Frequencies of consuming strong alcohol at age 30: in percentages

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Drank strong alcohol at age 30						
Never	39	48	77	78	51	52
Less than once a month	47	18	6	13	26	37
1-3 times a month	12	30	10	6	16	10
1-2 times a week	1	4	7	2	8	1
3-6 times	1	1	-	1	-	1

a week						
Every day	-	1	1	-	1	-
N =	202	200	200	214	199	199

Table 4.6
Frequencies of consuming weak alcohol at age 30: in percentages

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Drank weak alcohol at age 30						
Never	14	29	78	82	34	34
Less than once a month	69	36	6	13	34	52
1-3 times a month	12	30	9	2	19	13
1-2 times a week	3	5	7	2	10	1
3-6 times a week	1	1	-	1	3	1
Every day	1	1	1	-	1	-
N =	202	200	200	214	199	199

According to our evidence, Azerbaijan has few occasional drinkers, but an average number of regular drinkers by present-day South Caucasus standards among young adults. However, the main conclusion to draw from our evidence is that although alcohol consumption is widespread in terms of the numbers who ever consume at some time in any year, no more than a third in any of the regions could be described as regular drinkers, and less than a fifth except in Kotayk and Tbilisi. Most of the young adults in Armenia and Georgia were occasional drinkers, and the majority in Azerbaijan were complete abstainers.

Religion

Table 4.7
Participation in religious services: in percentages

	Yerevan	Kotayk	Baku	Aran-	Tbilisi	Shida
--	---------	--------	------	-------	---------	-------

				Mugan		Kartli
Took part in religious services						
16	68	84	21	6	67	16
23	69	84	24	7	73	26
30	75	84	25	9	78	44

Religious participation was high, 67% or more at all ages in Yerevan, Kotayk and Tbilisi, if everyone who had attended a service at least once a year is counted. Participation was much lower in Azerbaijan than in Georgia and Armenia: just 25% at age 30 in Baku and 9% in Aran-Mugan. The steepest rise between age 16 and 30 had been in Shida Kartli, from 16% at age 16 to 44% at age 30 (see Table 4.7).

However, as with alcohol, it is useful to make a distinction between occasional (christenings and weddings, for example) and regular worship. The proportions at age 30 who attended services monthly or more frequently were 50% in Tbilisi (on this measure by far the most religious location in the research), 25% in Kotayk, 14% in Shida Kartli, 9% in Yerevan, 5% in Baku and 2% in Aran-Mugan (see Table 4.8).

Table 4.8
Frequencies of attending religious services at age 30: in percentages

	Yerevan	Kotayk	Baku	Aran-Mugan	Tbilisi	Shida Kartli
Attended religious services						
Never	25	16	75	91	22	56
Less than once a month	66	59	21	5	29	31
1-3 times a month	8	21	3	1	33	10
1-2 times a week	1	4	1	1	13	3

3-6 times a week	-	1	-	-	3	1
Every day	-	-	1	2	1	-
N =	202	200	200	214	199	199

Conclusions

The main need for comment on the above evidence has to be the low levels of leisure participation, especially in Shida Kartli, Baku and Aran-Mugan. In Aran-Mugan after age 16 there was no leisure activity, except smoking and drinking, where at least 10% of the sample was involved. This was also the case in Baku, except for visits to bars, cafes and restaurants (40% at age 30), and in Shida Kartli except that here 25% continued visiting bars etc, and 14% were attending religious services monthly or more frequently.

In Kotayk there were very steep declines after age 16 in a number of leisure activities: from 65% to 12% for playing sport, 33% to 11% for watching live sport, 72% to 9% for going to the cinema, 57% to 15% for the theatre, and 65% to 16% for visiting art galleries and museums. Kotayk was joint leader (with Tbilisi) for regular alcohol consumption at age 30, but only a third of the samples in these places were drinking monthly or more frequently. The startling feature in the leisure profiles of the young adults in the South Caucasus, set in an international (western) context, is not their high levels of drinking and smoking, but their low levels of involvement in other kinds of leisure.

The capitals of Armenia and Georgia were partial exceptions, though even at age 16 only 51% in Tbilisi and 44% in Yerevan were playing any sport, and the participation rates declined subsequently. However, in these capitals it remained common up to age 30 for young adults to visit bars, cafés and restaurants, to go to the cinema and theatre, and to visit galleries and museums.

We can also note that Shida Kartli was the only place where there were signs of a religious revival (a rise in participation between ages 16 and 30). Levels of religious participation varied between the countries (low in both regions in Azerbaijan), and within countries. The highest proportions who were taking part in religious services at least monthly at age 30 were 50% in Tbilisi (a very high rate by western yardsticks) and 26% in Kotayk. However, only 14% in Shida Kartli, and less than 10% in Yerevan, Baku and Aran-Mugan were attending this frequently.

CONCLUSIONS AND POLICY IMPLICATIONS

This report has not unveiled a sensational, hitherto hidden crisis situation in any of the South Caucasus countries. The first post-communist generations in Armenia, Azerbaijan and Georgia have experienced, and are still experiencing, high levels of unemployment and under-employment, but relatively few of these individuals have grown desperate or despairing. They have not become excluded outsiders in their own countries. Families, more than anything else, have kept them integrated. It is true that birth rates have fallen, currently to sub-replacement levels in Armenia and Georgia. There have been net exoduses from these countries, and many of those leaving have been young people, but the economies are not running short of labour, and the young adults who have remained (majorities of those born in the countries) have been marrying and having children. The family as a social institution in the South Caucasus has not been undermined by the transition.

If asked what they would like to happen to improve their own lives, and those of successor generations of young people, our respondents would probably call, first of all, for more jobs, and not just any jobs. They would appeal for quality jobs that last, which keep them fully occupied, and which pay salaries sufficient to live on, then to enjoy some of the benefits of consumer markets. Many, especially women we suspect, would request more chances for young adults who wish to do so to move into dwellings of their own. To this list we ourselves might add provisions to boost participation in sport, cultural production and cultural consumption.

The lives of the first post-communist generations, now well into adulthood, are set on tracks from which they are unlikely to be dislodged, or to escape. They are now locked in labour market

segments from which economic growth is unlikely to lift them. Having waited and waited they will now have become, or can envisage the time when they will become, the senior occupants of their dwellings. The issue for policy makers is whether measures can be introduced, and need to be introduced, to prevent successive cohorts of young people having to follow in the tracks laid by the first generations to become adults in independent Armenia, Azerbaijan and Georgia. Must future generations wait for as long as most of our respondents were waiting to have dwellings of their own? Will the first post-communist generations' ways of life, including their types and levels of leisure participation, be the models that the next generations follow? How can fresh cohorts of young people be enabled to avoid the disadvantaged labour market segments evident in the careers and current positions of our respondents? This, in our view, is the most urgent youth life stage problem that needs to be addressed

So here are our recommendations for Armenia's policy-makers:

- ✓ Promote the exchange of experiences and best practices in developing youth entrepreneurship and partnerships.
- ✓ Mobilise government support for various initiatives that aim at reducing youth unemployment and poverty.
- ✓ Encourage cooperation among youth organisations in all areas and draw the attention to the problems of disadvantaged youth.
- ✓ Policies need to be reviewed to attract, inform and assist young persons.
- ✓ There is a need to review, rethink and reorient the legal and institutional framework for business to make it easier to start and run a business.

- ✓ Governments, at national and local levels, need to encourage a broad and dynamic concept of entrepreneurship stimulate initiatives which include, but reach beyond, the private sector.

ANNEXES

Annex 1. Gender-Current marital status-Region-Country Cross tabulation, results of the survey

Country	Region		Current marital status					Total
			never married	married	separated	divorced	widowed	
Armenia	Yerevan	male	16	69				85
		female	27	79	2	8		116
		total	43	148	2	8		201
	Kotayk	male	4	77			1	82
		female	8	98	5	2	5	118
		total	12	175	5	2	6	200
Azerbaijan	Baku	male	20	60		1		81
		female	32	83	1	3	1	120
		total	52	143	1	4	1	201
	Aran-Mugan	male	27	72			1	100
		female	32	77			5	114
		total	59	149			6	214
Georgia	Tbilisi	male	45	29				74
		female	56	62	1	3	3	125
		total	101	91	1	3	3	199
	Shida Kartli	male	31	62				93
		female	19	77		5	5	106
		total	50	139		5	5	199

Annex 2. Gender -Higher education vs. other – Region-Country Cross tabulation

Country	Region	Gender	Higher education v other		Total
			Other	Higher Education	
Armenia	Yerevan	male	55	30	85
		female	49	67	116
		total	104	97	201
	Kotayk	male	58	24	82
		female	59	59	118
		total	117	83	200
Azerbaijan	Baku	male	58	23	81
		female	88	32	120
		total	146	55	201
	Aran-Mugan	male	88	11	99
		female	99	11	110
		total	187	22	209
Georgia	Tbilisi	male	38	36	74
		female	47	78	125
		total	85	114	199
	Shida Kartli	male	69	24	93
		female	70	36	106
		total	139	60	199

Annex 3. 1st Employment Position

country	Region	gender	1st employment position							
			In full time education	ft work-1+jobs for 30+ hrs a week for an employer	pt wrk-1+jobs for less than 30 hrs a week for an employer	Self-employed (including farmers)	Out of Work	Nat service (inc military service)	Family Care	Long Si disa
Armenia	Yerevan	male	1	49	2	13	17	1		1
		female		50	5	3	29		5	
		total	1	99	7	16	46	1	5	1
	Kotayk	male		32	1	14	34			
		female		22	2	13	59		2	
		total		54	3	27	93		2	
Azerbaijan	Baku	male		33	5	17	3	4		
		female		18	2	4	12			
		total		51	7	21	15	4		
	Aran-Mugan	male		19	4	22	19			
		female		11	1	3	18			
		total		30	5	25	37			
Georgia	Tbilisi	male		31	4	16	7	2		
		female		41	9	8	22	2	1	
		total		72	13	24	29	4	1	
	Shida Kartli	male		9	3	53	21	4		
		female		10	7	26	41	7		
		total		19	10	79	62	11		