
Irena Kogan, Clemens Noelke and Michael Gebel (eds.): Making the Transition. Education and Labor Market Entry in Central and Eastern Europe

For both practical and theoretical reasons, the question of the labour market prospects for young people in Central and Eastern Europe today is an extremely pertinent one. On the one hand, reforms of the educational systems are still ongoing. The exigencies of technological and structural change, together with integrative tendencies at the European level have put a lot of pressure on the educational institutions to try and match their offer to the needs of both students and employers. On the other hand, the ability of the schooling systems to respond to the demands of unregulated labour markets constitutes in many ways the final verdict on the success of two decades of economic and institutional reforms in the region. An inquiry into how educational institutions mediated the success of school-to-work transition is not only important to the scholars of post-socialism. The diversity of solutions tried out in different countries as well as the unprecedented scope of reforms constitute a unique experiment that could shed light on multiple and intricate mechanisms linking the world of education to the world of work.

Making the Transition makes an important inroad into these debates, offering a comprehensive mapping of educational systems and labour market entry patterns for different categories of graduates across Central and Eastern Europe. The volume is the result of several years of collaborative effort involving more than twenty researchers from the region, coordinated by a team from the Mannheim Centre for European Social Research. The volume is unprecedented in scope: it brings together contributions from ten countries at very different stages of transition. It includes both cross-country and longitudinal analysis and combines statistical examination of large-scale survey data with an overview of country-specific degree structures. The breadth of coverage necessarily comes at some expense to empirical coherence. Most notably, the periods under consideration differ significantly. The studies on the Czech Republic, Estonia and Russia rely on surveys which date well back into the socialist period, for East Germany and Slovenia the information is only available since the early transition, while for others it only spans the period since the late 1990s (Hungary, Poland) or even the early 2000s (Croatia). For Serbia and Ukraine, only single surveys are available, conducted in both cases in the mid-2000s. In order to reduce the resulting complexity and ensure a degree of comparability, the editors have opted for a relatively narrow set of research questions, focusing on a small set of indicators and imposing a unified methodological framework.

The key question of the volume revolves around the labour market performance of different groups of graduates, with much attention to the differences between groups. The main intuition behind this approach is that as the market mechanisms of labour allocation replace socialist planning and/or clientelistic networks, the differ-
ences in performance will increase and human capital as measured by education will become the main predictor of economic rewards. Although the original body of work on which this hypothesis is based, by Szelényi, Nee, and others, relies on income as the measure of performance, due to data limitations the editors of this volume opted instead for another set of indicators which they believe to be better suited for measuring the success of school-to-work transition. The three main indicators are: speed of transition (number of months it takes to find the first significant job), quality (measured by the Standard International Socio-Economic Index of Occupational Status, ISEI), and stability of the first job (duration of employment and exit route).

More in-depth analysis is provided for two particular groups of graduates who were the most affected by the changes of Central and East European educational systems: students of vocational tracks and of tertiary educational institutions. Traditionally, graduates of vocational programmes had some advantage in terms of speed of employment, given the more specific skill content of their education. At the same time, they have suffered the most from the collapse of the links between industry and education and sparse employer involvement in education in the post-transition period. Various countries have therefore tried to reform this segment of education by either introducing more general content, trying to rebuild links with employers, or both. Higher education, on the other hand, has experienced rapid expansion and diversification, with new programmes forming on the lower tertiary level, the introduction of the sequential Bologna system in some countries, the mushrooming of private higher education institutions, etc. As in some countries the enrolment rate in tertiary education of the latest cohorts surpassed the 50% mark, it became necessary to examine the new lines of differentiation within this educational segment.

The result of this exercise is an enormous wealth of information which includes not only data on the effect of different levels and types of education, but also on the socio-economic background of students, and, depending on the structure of each national survey, information on regional inequalities, gender, ethnicity, types of training received, grades and other micro-level factors. In addition to the three lines of inquiry detailed above, each chapter adds another dimension which is of particular interest to that country. These include an in-depth examination of socio-economic background for Hungary, Serbia and Ukraine, a detailed analysis of different tertiary groups in Estonia, a focus on drop-outs in Croatia, and vocational training reform in Slovenia.

While immensely informative, this approach also constitutes the biggest weakness of the volume. In spite of the efforts to standardise methodology, small differences in groupings, time periods and model specifications make it very difficult to compare the findings across chapters. In the concluding section, which is the only truly comparative one in the whole volume, the editors resort to re-analysing the data in order to ensure comparability (p. 330), but due to limited space, they only focus on a small number of issues. The final analysis pays little attention to the question of job stability, which also turns out to be of limited value throughout the volume, thus begging the question of the initial choice of indicators. It remains unclear how the specific country topics were chosen, and it is never explained whether these are truly idiosyncratic or more regional in relevance. For instance, the East German contribution is titled ‘Hard Times for the Less Educated’ and dedicates much space to the worsening fate of young people with less than lower secondary education. Although this appears to be a general trend, this group of people does not even receive a cursory reference in the Estonian chapter (which fo-
cuses instead on tertiary education), although, according to the introductory overview, they account for a shocking 43.8% of the most recent cohort (p. 21).

The need to summarise the trends in ten very different countries forces the concluding chapter to abandon systematic analysis of regional heterogeneity and provide very general conclusions, which are hardly surprising to any student of the region. Thus the authors find that inequality in labour market performance indeed increased compared to the socialist period, but their main explanatory variable, the ‘extent of market reforms’ remains a black box. In fact, the only counter-example is Russia, where the growth of inequality has been minimal (and supposedly also the degree of market competition), but there is no explanation of the differences among other countries or any effort to identify the elements of labour market reforms that really matter for school-to-work transition.

More interesting conclusions relate to the two sub-questions, the fate of vocational graduates and those of different tracks within tertiary education. However, even here the lack of a clear benchmark and cross-country comparisons makes it difficult to understand the main factors driving the change. Students of higher education institutions are the clear winners of transition. University graduates still enjoy the highest rewards in terms of occupational status, although with regard to speed of employment they are closely tracked by lower (vocational) tertiary graduates (pp. 337–341). The volume also finds that the expansion of the tertiary sector has not eroded status-related advantages for the most highly educated, although the choice of indicators might obscure the most recent trends. Occupational status, unlike income, appears to be less responsive to the changing supply conditions: the chapter on Hungary, which is the only one using income data instead of ISEI classifications, finds that the wage premium for higher education graduates began to decline in recent years. It is similarly difficult to interpret the volume’s finding that, in spite of the initial expectations, graduates of vocational tracks still perform better than the general secondary graduates in terms of speed to transition to the first job and upper secondary vocational graduates even get jobs of comparable quality to their gymnasium-educated peers. On the other hand, general secondary graduates have substantially lost out with the expansion of the tertiary sector. It would thus appear that overall, vocational education is much less of a safe choice than it used to be.

Clearly, some of the difficulty a reader has in compiling a larger picture from these detailed analyses stems from the volume’s overwhelming breadth. This is partly a problem of plenty and could easily be solved through more focused comparisons that would control for country-level diversity and tease out the specific shifts. The book remains an immensely valuable mapping exercise and both the regularities and heterogeneity it reveals constitute a useful guide for all future researchers of the area. However, a much larger problem is that, in spite of its proclaimed aim to ‘elucidate the differences in education systems [and] how they are related to the school-to-work transition’ (p. 15), the analysis remains on the individual level throughout without any attempt to evaluate the overall institutional performance.

In other words ‘making the transition’, as a double pun referring to both the individual transition into the world of work and the systemic adjustment of educational institutions to the exigencies of the new labour markets, is deceiving. The authors never venture to pass a verdict on the ability of the different educational systems to deliver. For instance, while they focus on growing internal inequalities, they rarely stop to note what portion of the youth is affected. References to the actual institu-
tional change are sparse. While explaining the surprising finding that vocational graduates, in spite of technological change, adverse selection and lack of employer involvement, do not fare much worse than their peers with general education, the authors observe that ‘in some countries sustained attempts to consolidate vocational education have been made and [the] demand for vocational graduates may have persisted’ (p. 322). This is indeed an overly cautious assessment for a volume that claims to proceed in the tradition of institutionalist sociology, and does little justice to the diversity of these countries’ attempts to salvage their vocational educational systems.

The main shortcoming of Making the Transition as an attempt to elucidate the interface between changing educational systems and changing labour markets is that institutions, much like transition itself, remain a black box. Based on the information provided it is impossible to conclude which educational reforms actually improved young people’s employment chances. By refusing to relate the changing employment patterns back to the institutional set-up and, more broadly, the changes in demand and labour market regulation, the research presented in this volume remains exceedingly descriptive, which is definitely a pity given the amount of quality data and expertise it otherwise offers.

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Gareth Dale (ed.): First the Transition, Then the Crash. Eastern Europe in the 2000s

This edited volume is a timely contribution to multiple issues that grasp one’s attention amidst the economic, political and social crises that have rocked Eastern Europe since the EU enlargements in the 2000s. It is relevant to a plethora of streams of literature that have dealt with Eastern Europe since the beginning of the 1990s. While the volume offers a crucial contribution in particular to the political economy literature on Eastern Europe, it also relates itself to and successfully revives the transition literature that dealt with Eastern Europe in the early 1990s. The volume also contributes to the Europeanisation literature, especially in terms of its critical assessment of socio-economic transition in Poland, Hungary, the Czech Republic and Latvia during their course of convergence with the EU. The importance of the volume rests with its rich historical and theoretical elaboration on the roots of the recent economic crash in the ‘success stories’, underlined by the transition and Europeanisation literatures, critically assessing the crisis of the 1970s that shook Eastern Europe, later NATO and EU accession as part of a neoliberal project, and uneven development and foreign (dis)investment. The authors make an effort to interpret the process of the economic crash in Eastern Europe by re-evaluating historical legacies and Marxist theories. Let us now debate more specifically how the contributors pursue these goals.

The volume starts with a general introduction to the topic of transition in Central and Eastern Europe. In a way, this introduction deals with why re-visiting transition in the region is timely. The elaboration of economic and political trends in the 1970s, especially with regard to the demise of various types of ‘national economic’ model, including, in the words of Gareth Dale, ‘Soviet-style state capitalism, national planning in the West and import-substitution industrialisation in the South’ (p. 5), is comprehensive. But the introductory chapter does not offer tremendously novel food for thought to experts of East European politics. Its efforts to situate the roots of