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Entrepreneur *Ship* – The Winds of Change

Round Table: European Young Entrepreneurs – Opportunities and Challenges

STATEMENT

by

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Dear Friends,

It is a great honour for me to be invited to this panel and participate in the discussion of the most exiting and important issue facing Europe: the future of the young generation from an entrepreneurial point of view. As you know, a nation that does not invest in its youth does not plan for its future.

There is no doubt that the UNECE as a Regional Commission and part of the UN Secretariat has a responsibility to follow Article 1 of the charter namely *to maintain international peace and security, and to that end; to take effective measures for the prevention and removal of threats to peace* etc. When the framers of the Charter were writing they focused in on military threats. Military threats still exist. But today, threats to peace from poverty, jobless have become ever more alarming, and the principle reason for the UN remains as clear as it ever was. Poverty in the new EU countries amounts for 15-30 % and Tony Blair request the newcomers to sacrifice themselves in order to provide more aid to the healthy UK.

The recent youth riots in France, Belgium and Britain and in Voivodina, where Serbs are beating the Hungarian minorities, as well as problems in many other countries are a precursor of things to come. Where violence flares, order has to be restored, but repression alone is no long term solution.

The unemployment rate of youth, ages 15-24, is 62 % in the Republic of Macedonia, 32 % in Croatia, and around 25 % in Azerbaijan, Albania, Bulgaria, Georgia, and Republic of Moldova. In Hungary, one of out five university graduates remains unemployed. Is it any wonder that unemployed youth are disappointed and angry? They feel marginalized, lacking the skills employers seek, and believing that a lifetime of poverty is their future. Solutions – and help - can only come from working through organizations to develop

policies and programmes which provide youth with opportunity, access to employment, and hope. The UNECE is one such organization.

As one of the five United Nations Regional Commissions, the UNECE has a special role in addressing policy decisions made by the General Assembly as they affect a region and in the context of the UN Charter, rather than functioning as a political union in the sense of the European Union. The UNECE consists of 55 countries. It includes North America, the European Union, the countries of the Commonwealth of Independent States including the Caucasus and Central Asia as well as Israel, Malta and Turkey. The value of such a regional basis for policymaking was demonstrated during the Cold War. Both US and Russia could meet together with other members to settle basic issues such as financing the sustainable development or the cross border transport of hazard waste. The UNECE's First Regional Forum on Youth "Security, Opportunity, Prosperity", held on 26-28 August 2002 in Geneva, highlighted the crucial importance of young people in the future. The young generation without job and perspectives will lead to violence, use of drugs and prostitution.

As a Regional Adviser for the UNECE, I have been able to see directly the problems of the society and youth across European national boundaries in Eastern, Central and Western Europe. There has always plenty of discussion on youth issues and on the entrepreneurship. But policy initiative has been too often dispersed. In one country, 27 institutions have some connection to youth. But where is the "one stop shop" to which the unemployed could turn, be helped directly, or redirected to other possibilities? Education for the labor market is a major concern of Governments. But too often it is out of touch with employer needs in a rapidly changing, interdependent, technology driven world. There needs to an exchange of best practices in combining education and work rather than a proliferation of "make work" projects. Since 2002 the UNECE has used limited resources to address these issues.

The External Evaluation Report on the Status of the UNECE and Its Future, prepared by the members of the EU, recommended that the activities on industrial restructuring and enterprise development be discontinued. Dear Friends, what narrow-mindedness! The Division of Statistics, which reports e.g. that 50 young women left the Republic of Moldova last month for the purpose of being trafficked in Europe, gets a "yes" for continuation of its activities. But who will provide advisory services to create new jobs and a better and prosperous future in order for these women to remain at home? We need new winds of change in the mentality and approaches of policy-makers in the whole of Europe.

Trafficking networks can be highly complex. Girls and women can find themselves literally being sold like dolls, from one trafficker and one country to the next. Women and girls, from Albania, Moldova, Romania and Ukraine, are known to be trafficked into Europe for sexual exploitation. Their number we estimated round 25,000 in EU25. Women and girls from CIS and SEE are often sold several times while in transit. Once in Kosovo, they may be beaten and raped. Many are virtually imprisoned, working in bars and cafés during the day and "servicing" 10 or 15 clients each night after being locked up

by the man they refer to as their “owner”. They are mostly too frightened to escape. What is missing, are child-focused strategies to prevent trafficking in the long term, and first of all to create and provide job at home.

Last, but not least I would like to emphasize the need for renewal of the primary, secondary and high-school curricula and make it more entrepreneurial. According to the Latin proverb “Non scolae sed vitae discimus” – We learn not for school but for life. The development of entrepreneurship programme in education institutions should be continuing. Here I just would like to draw your attention to a new initiative ERENET – Entrepreneurship Research and Education Network of Central European Universities, which has been created in 2005. It is an open-ended network based on research and development partnership, aiming at cooperation among the institutions in this area.

CONCLUSION

- Investment in youth must be the top priority of National Development and Security Policies in every European nation.
- Youth investment should be elaborate at strategic level – transparent, accountable and responsible system of financing of youth-development related programmes and not on a charity basis, which could serve as addition to the main stream efforts. I suggest creating a World Youth Bank in Europe – a global public financial institution focused on youth development and based on the tripartite cooperation between Governments, business community, and the civil society.
- Both the UN and the EC should highlight the problems of youth, including youth entrepreneurship, and build this into their policies. These organizations should elaborate new and innovative approaches to developing and promoting youth entrepreneurship, which is the pledge of the European competitiveness of the 21st Century.
- EC and UNECE should build the “We learn not for school but for life” principle in the school and university curriculum making it truer to life.