


<p>MODELS AND CLASSIFICATION OF THE FUNCTIONING OF THE LABOR MARKET OF NORTH MACEDONIA</p>		<p style="text-align: center;">Economics</p> <p>Keywords: economic and social factors, institutions, current policies, government.</p>
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<p>Abstract</p> <p>Many factors influence the unemployment rate, including economic, social, political, and other factors. How a country fights unemployment and how successful it is also dependent on legal regulations, workforce training and mobility, and policies to encourage the employment of certain social groups, particularly those who, for one reason or another, have been discriminated against during employment and have limited or total access to the labor market. The study includes additional analyses of unemployment as well as the variables that affect unemployment reduction. The Republic of North Macedonia’s employment trends, the legal framework, which contains all the employment-related laws and regulations, the political programs put forth by the major political parties during the parliamentary elections - specifically the section relating to employment-related measures - have all been examined. A special emphasis has also been placed on the attitudes of the general public toward this issue. On this basis, information about the general foundation of the attitudes of citizens capable of working in the Republic of North Macedonia, the level of their trust in the institutions, and their views on policies have been gathered, too.</p>

Introduction

The high rate of unemployment in today’s society is a worrying indicator of the unfavorable social and economic climate in our nation and abroad. Based on a variety of indicators, including causes, volume, characteristics, trends, and complicated implications, unemployment characterizes the state of North Macedonia’s limited ability to provide for the basic needs of its citizens and, consequently, demonstrates the complete inability of North Macedonia’s macroeconomic policies to create an economic system that will effectively include its citizens in its operating system.

A country is harmed and damaged greatly by high unemployment. Despite the rise in poverty, unemployment weakens the middle class in society. It results in the partial or complete underutilization of human resources, “brain drain” abroad, an increase in “black” work, high levels of manipulation of the labor force, and discriminatory behavior on the part of job providers. This affects the young generation in particular, who lose motivation for further growth and re-education as a result.

Research Aim and Scope

In particular, the opportunities for employment, qualification, and re-qualification of the older category of candidates for employment—which frequently suffers from techno-stress—become almost impossible given the computer revolution and the penetration of computer technology in all segments of work. With new demands, the amount of knowledge, skills, and abilities required for the labor market to become competitive is constantly expanding.

How much does increasing labor market flexibility help lower the unemployment rate? It is crucial to understand how employment policies support opportunities for self-employment, the growth of small and medium-sized businesses, and opportunities for enterprise development, even though the Republic of North Macedonia's most desirable jobs are in the public sector.

Aims of the Study

The theoretical objective is to present a theoretical analysis of the supply and demand for labor, identifying the variables that affect the labor force's overall composition. The practical objectives of this academic paper are focused on the empirical findings that will come from this investigation, but they should aid in a realistic assessment of the state of the labor market. It is very important to express the respondents' opinions on this matter.

The emphasis should be on the actions because attitude is a persistent mental disposition acquired through socialization that manifests as a tendency to think, feel, and act in a particular way. The individual can act based on his perception and in line with his attitude even if reality does not match that perception. Although attitudes differ in terms of their tenacity, degree of consistency, and degree of belief, they have a significant impact, particularly on social and social behavior.

Research Method

On the economic level, the consequences of the high unemployment rate are as follows:

- The underutilized human resources, their knowledge and skills in the economic field, which causes low gross national production in relation to the potential,
- Budget revenues are lower than potential during high unemployment, due to unrealized contributions and taxes,
- The number of unemployed has increased the expenses in the budget in terms of social transfers for the unemployed,
- High unemployment causes stagnation of economic growth. Due to the lack of money, the increase in poverty, the economic decline and the consumer power of the population, they directly affect the closing of existing facilities and the non-opening of new ones.

Models of the functioning labor market

The goal is to realize a reciprocal transaction, in which case each party wants to realize his interests. Those who offer work are the buyers, and those who are looking for work are the sellers. The term "labor force" refers to the active population, which includes those who are employed (or actively seeking employment), unemployed, serving in the military or incarcerated, and those who have previously been economically active (Auer, 2000: 122). Marx defined the labor force or capacity for work as a compilation of the bodily and spiritual capacities that exist within a

person's living personality and which are activated whenever they produce any kind of values (Mark, 1975: 154). As a result, the worker freely disposes of his power as a commodity for sale, fulfilling the first condition. However, the worker does not dispose of anything else, i.e., the means of production. The second prerequisite for the labor market is met by the fact that the worker does not discard them. He offers the job market his knowledge, acquired experience, skills, and abilities. As a result, the worker is rewarded or gains something.

According to Marx, the qualities of labor power are:

1. User value, or the capacity to create value greater than one's own; and
2. Order (ibid.), which is determined by the length of the production process. The value of the labor force varies according to the stage of social development in the society where it is provided, the location, and of course, the degree of professional training. The neoclassical model and the model of incomplete competition are two models of how the labor market functions that are recognized by economic theory (Lehmann & Kluge, 2008). The labor market, like all other markets, is viewed as being perfectly competitive in the neoclassical model of how the labor market operates. This implies that labor prices (wages) will develop freely, as in all other markets, based on supply and demand.

Longer term balance is thus achieved by eliminating the excess supply, which lowers labor costs.

Labor Market Classification

Primary and secondary labor markets make up the two main labor market segments.

The primary labor market is characterized by things like:

- Stability and safety at work;
- High salaries and qualifications for employees;
- Realization of compensation in case of unemployment; and so forth.

It can also be broken down into two subgroups: the subordinated primary labor market, which provides qualified workers, and the primary independent labor market, where highly qualified labor force is offered and demanded, and where the relationship between supply and demand ensures good, safe jobs with high salaries.

Unskilled labor is offered and purchased on the secondary labor market, which is unstable and characterized by offers for workers at the lowest pay levels. Here, jobs from the agricultural sector and in the informal economy are available to at-risk groups. In this market, services are offered and demanded by immigrants, kids, women, and all other groups that experience the greatest levels of discrimination in both the hiring process and the actual work (Krstiq, Arandarenko et al., 2010: 18).

The Regional Labor Market, which is Determined by Location

The labor markets in question can be local, regional, national, or global. The likelihood that the specific workforce will be found increases with the size of the labor market where it is needed. For special and subspecialty professions, larger labor markets are used geographically; however, for regular jobs, even local markets are adequate. As a result of capital mobility and the need for a more affordable labor force that would produce higher wages, the global labor market has emerged. The use of these markets necessitates an understanding of not only various dialects and languages but also minute cultural distinctions that can influence desires and interests.

- Labor markets that have been segmented and made smaller due to the demand for particular professions are known as labor markets by profession. They could be nurses, hotel employees, truck drivers, etc. These labor markets are very helpful for businesses that deal with particular activities and require a workforce with particular knowledge and abilities.

- The markets that include offers and demands for people with special permits, specific certificates, or special education are the educational and technical labor markets. Finally, it is important to note that large corporations also have internal labor markets (Dimov, 1999: 96). They are based on the hierarchy of jobs, and these markets' movement is affected by professional advancement.

Labor Mobility

The labor force's mobility can be seen from a variety of angles, such as: - On a state's borders. Most frequently, laborers move from rural to urban areas in search of jobs with higher pay and better living conditions. The labor force is shifting in this way toward auxiliary and service industries.

- External to the state (international migration). Migration from Eastern European nations to the nations of the European Union and the United States is a continuous process. In recent years, the scale of "emigration of all peoples" has been reached as a result of the massive migration processes from the Middle East and Africa. Obstacles and issues with the workforce's mobility and adaptability. The following are some potential barriers to workforce mobility and adaptability:

- Housing for working families. It can be challenging to find solutions for the housing issue, particularly in nations with low standards of living. If we are talking about an individual, it is probably easier to overcome, but moving is harder for families because, in addition to the financial aspect, there are also needs for the partner's employment, children's education, relationships, and family ties, which are hard to break due to a workplace that will likely not be active for as long.

Language. This is especially relevant to international economic migration. The first barrier that arises in these situations is a complete or partial lack of language proficiency, which necessitates (re)education in the language's fundamentals (<http://www.hzz.hr>).

- Immigration and/or working abroad can lead to administrative and legal issues. In order to deter economic migration, underdeveloped nations typically impose strict regulations and tiresomely protracted administrative processes, which we will discuss below.

Conclusion

The world is currently facing enormous challenges as a result of global processes, whose action has accelerated in recent decades. The world economy and all institutions connected to it are greatly impacted by these changes, which are primarily motivated by political factors. It should be noted that only in the past three decades have the geographic and demographic makeup of Eastern Europe changed. This change is the result of a significant increase in military and economic alliances that have furthered market globalization and increased population mobility. What is the labor market, what are its conceptual forms, and how is its fundamental quality—its dynamism—explained. Also mentioned are the neoclassical model of market functioning and the imperfect competition model, which is a more accurate representation of how the labor market functions in the modern era.

Theoretical discussions also cover various classifications of the labor market in terms of their prevalence, professionalism, adherence to established rules, or the markets they generate. A special section is devoted to the factors affecting the supply and demand of labor, which is a fundamental component of the labor market.

Other major areas of interest include the definition of unemployment as it appears in international agreements, the composition of the working-age population, the nature of the active job search, and the extent to which the entire working-age population is represented in the labor market. What are the potential causes of a portion of the population remaining unemployed and not actively looking for work? Unemployment that falls under the traditional categories of normal, structural, and cyclical unemployment as well as forms caused by current trends, such as new structural unemployment and technological unemployment brought on by a lack of technological literacy.

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