Globalisation, transition and economic development bring about an ever increasing pace of economic restructuring, technological change and sectoral reallocation which changes the demand for skills in the economies of the Western Balkans as elsewhere. A skilled labour force is increasingly seen as an essential factor in improving competitiveness and in supporting a new growth model based upon endogenous resources to meet the challenges of the global economic crisis. Yet education systems in the Western Balkans have failed to adapt to the rapid pace of change in demand for skills, while employers seem unwilling to make significant investments in workforce training. Lifelong learning and adult education are under-developed, and while the other countries are making the transition towards a learning society the Western Balkan region is falling behind in this respect. The session firstly investigates the extent of skills mismatch and skills gaps in the countries of the Western Balkans and considers the methods which are or could be used to identify the extent of the problem. Secondly, it debates the possible and appropriate policy responses which could redress this unfavourable situation.

A: Measuring skills mismatch and skill gaps

1. “Skills mismatches and anticipation of future labour market needs: the case of Croatia”
   Predrag Bejaković, Institute of Public Finance, Zagreb

2. “Occupations and skills most demanded by enterprises - the case of South Serbia”
   Galjina Ognjanov, Economics Faculty, Belgrade

3. “(Over) Education as a cause of (un) employment: the case of Montenegro”
   Božidar Šišević, Research Department, Employment Agency, Podgorica

B: Policies towards skill mismatch

4. “A skilled workforce for avoiding the middle-income trap in BIH”,
   Vjeko Domljan, Centre for Regional Development Studies (CRES), Mostar

5. “Promoting human capital: are governments effective? The case of Macedonia”
   Nikica Mojsovska, School of Business Administration, Skopje

6. “Policy responses to skills mismatches in transition countries of the Western Balkans”
   Will Bartlett, LSEE, London