

Influence of The Global Economic Crisis upon The Bulgarian Students Foreign Work Trips

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Abstract

This paper represents the results and conclusions from a survey that was held between 2011 and 2013 in Blagoevgrad municipality, Bulgaria. It concerns the changes, caused by the global financial crisis upon the students work journeys in foreign countries. This research is focused on the changes in participant's attitudes and activities after 2008.

Keywords: students, work, employment, crisis, trip, international, Bulgaria

Introduction

This paper is based on two separate surveys, undertaken in the end of 2011. It concerns unique topics, observed predominantly in the Eastern and Central European countries. Both surveys are made by the author. The first is among 75 students from the three universities in Blagoevgrad in September 2011. The second one is made in December 2011 among 101 students. Their results and conclusions are considered representative at a national level. Students who participated in these surveys come from all over Bulgaria and from foreign countries as well. They come from big cities, small towns and villages. They study under the same legislative, tax, and social circumstances as all other Bulgarian students. The concentration of students per capita in Blagoevgrad is probably the highest in the country. This creates convenient conditions to study student's phenomena exactly in Blagoevgrad, due to the big diversity of the students and their concentrated area of accommodation.

Both presented surveys were anonymous in order to raise the level of honesty of participants and to encourage them to share some sensitive details of their lives as well as additional information if needed.

In nowadays situation of a global financial and economic crisis student's foreign work trips are a relatively phenomenon, who creates opportunities for Bulgarian students and their families. These seasonal migrations haven't been seriously researched so far. Their importance is however impressive for many students and for Bulgarian economy in general. They are the so called "invisible" export of labor forces and import of financial funds. These work trips put the young people in new environment, culture and society. They must overcome different obstacles and hard times. They work in a medium of foreign laws, language, currency etc.

Students sacrifice their period of a deserved summer vacation in order to work and be more sustainable and self-dependant. In some favorable cases they can collect small financial capital for their own business at a later stage. Their effort and ambition are admirable, and the positive effects they cause upon the national and regional economy is undeniable.

Study Area

The objects of research in these two surveys are the students in Municipality of Blagoevgrad. There are two universities and a college in the town – The South-West University "Neofit Rilski", The American University in Bulgaria (AUBG), and The College of Tourism.

Representatives from all these educational centers are included in the surveys. As mentioned above, even focused in a single municipality, the results can be accepted far more representative. In this case they may be accepted as valid for the whole country. Students studying in Blagoevgrad come from the whole country and from many foreign countries as well. The procedures for appliance in the universities, taxes, conditions, laws, terms and deadlines are identical with all other Bulgarian cities. The share of students compared to the total population share in Blagoevgrad is probably the highest in the country, which facilitated the surveys.

Methods of Research

The statistical data was collected through a representative survey by self-filling a statistical card. The September survey was made online, while the December survey was paper-based. The share of people interviewed compared to the total number of targets exceeds the common practices. We believe, this makes our results reliable and comprehensive. Usually the sample-size surveys (samplings) achieve accurate results based on percentage of people interviewed of approx. 0,015% of the total aggregation at a national level. In the presented survey we reached levels between 50 and 200 times higher share of people participated.

Results and Conclusions

The **first aspect in the September 2011 survey** is to reveal the average monthly incomes per a family/ household member in the student's families. We asked the students: **"What is the monthly income per member of your family/household?"** The results are shown at Fig.1.

At the time of the survey the minimum wage in Bulgaria was 120 euro, the average - about 250 euro. This was decisive in the formulation of the possible answer intervals. The information from this stage of study was a little surprising. Contrary to initial attitude, that to the foreign work trips participate mainly students, who are in great need of funds, it appears that it seems that program participants are better financially secured. At Fig. 1 is shown that the largest proportion of them, 33% have an income of 120 to 250 euro per family/household member, 29% - incomes between 250 and 500 euro, and 15% - even more than 500 euro per member of the family/household. In other words, entire 67% of participants (nearly two thirds) have incomes above the minimum wage of a family / household, and only 23% have incomes below these levels.

The reasons here are probably both objective and subjective. Objective reasons are relatively high prices of the programs for departure. So the most deprived students are often unable to take advantage of them. Although agencies offering programs in credit the difficult economic situation in Bulgaria and the world probably make the poorest students to be cautious about making loans for student brigades. Global economic crisis at the moment reflects the situation in the host countries. Often in recent years, students have difficulties in finding the second and third additional work, which leads to very low sums saved, and sometimes literally, and up to financial losses at the end of the season.

Subjective reasons may hide in the education and motivation of the wealthy students. Descendents from a more affluent families, they probably are "absorbed" by the ambition and the desire for better realization of their parents, and would not satisfy the minimum wages which they will eventually get in Bulgaria for summer jobs. Furthermore, we should not neglect the stimulating role of parents, wanting the best for their children and often encouraging them to participate in trips to have higher self-esteem and self-realization through satisfactory performance and money saved at the end of the season.

The complex influence of the two groups of factors most accurately explains the observed dependence of the first stage of research.

The **second stage of September's survey** attempted to reveal the sources of financing the student's work programs. We asked the participants: **"How did you manage to finance your abroad working program?"** The results are shown on Fig. 2.

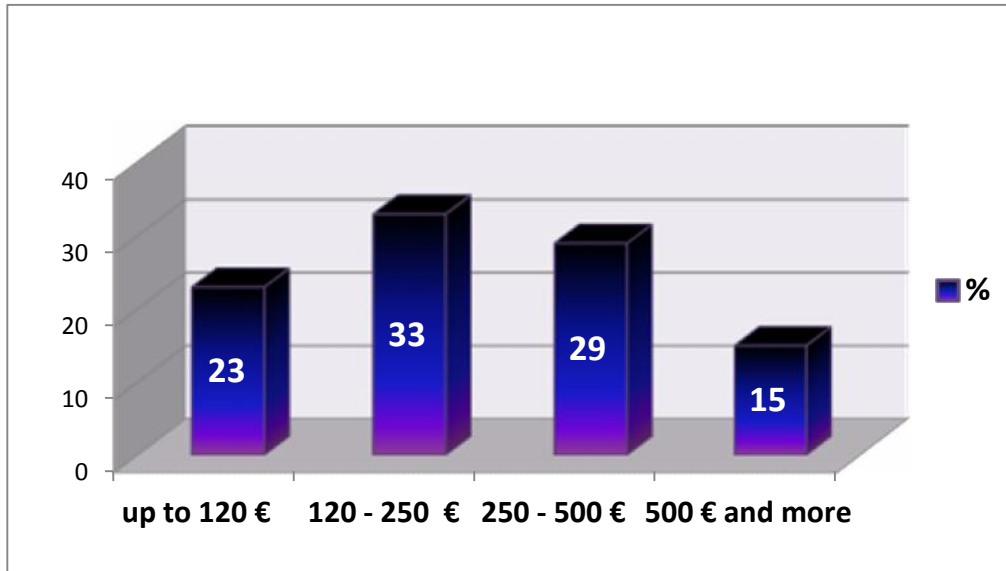


Fig. 1: What is the monthly income per member of your family (household) ?

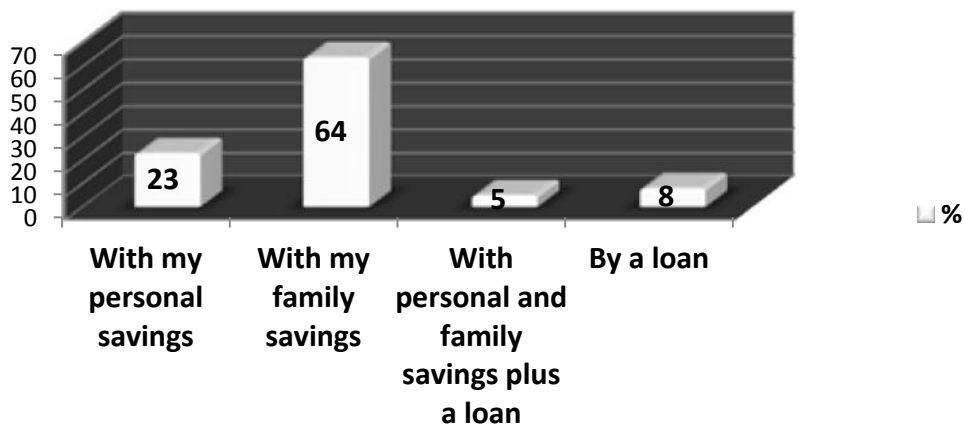


Fig. 2. How did you manage to finance your abroad working program?

This stage of the study aims to reveal how the participants in student brigades financed trips. Fig. 2 reveals, that participants, who finance their departure with their own savings, are 23% of all. These are probably the students making a second, third or other consecutive trip. From other stages of the September survey, we know that these are 49% of the participants. Therefore, it can be reasonably assumed that young people continue to rely on their parents for funding even after they have participated in one or more student abroad work trips. Probable reason might be the mismanagement of savings, accumulated after the first participation. Young people often spend emotionally, without planning. Another reason might be the the excursions undertaken at the end of each campaigns, aimed at more thoroughly exploration of the host country, and for

entertainment. Many students use the opportunity to invest in branded clothes, laptops, digital audio and video equipment, smartphones and more. at promotional prices. It should be noted that this seems justified after comparing the prices of those goods at promotions in the U.S. with the prices in Bulgaria. Market economy of the countries, where Bulgarian students are traditionally working, have longstanding traditions and strategies of attracting customers and organizing discounts, far superior to Bulgarian standards. This does not remain unnoticed by the young people. Logically, they take advantage of the massive discounts offered at the end of their working season.

With money saved by their families are leaving most of the students - 64% of all. This confirms some of the previous conclusions of the study. For example, that participants are mainly financially satisfied students, with ambitious parents, who can afford and even gladly invest in abroad work programs for their children.

Smallest proportion of people are departing with partial (8%) or full loan (5%). As already noted, the unstable economic situation, the recession in the host countries, the lack of additional work, the high loan interests in Bulgaria (among the highest in Europe), etc. make the participants careful in the use of loans to finance their working trips.

The **second survey** in this report **was undertaken in December 2011**. This was a separate research, fulfilled among 101 students. It was paper-based; the cards were self-filled by the participants. The survey was anonymous.

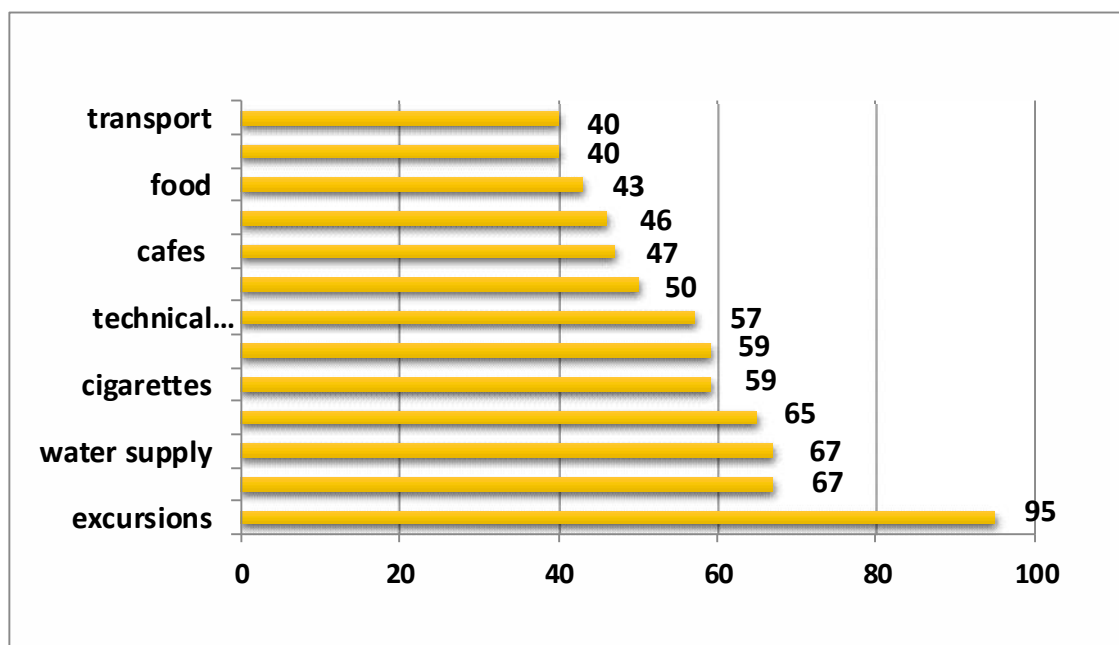


Fig. 3: Products and services less consumed in %

The aim of the survey was to find out what material goods and services are cut out by students in the situation of economic and financial crisis.

In the **first** stage we asked them if **the crisis affected them** strongly, averagely, slightly or not at all. Although shame or pride student's majority stated, that the crisis has impacted them averagely (grade 3) or strongly (grade 4).

In the **second** stage of it we asked the students: **"What have you deprive yourself from during the crisis?"** They had to fill some basic products and services. Some of the fields were

left blanks for additional products and services. Wherever possible, students had to reveal the level of deprivation expressed as a percentage. This wasn't easy. It took quite longer than usual to answer the questions. The results of Stage 2 are shown on Fig. 3.

The results of the December survey are alarming.

Three groups are formed of the reduction in consumption. The first - **up to 40%** reduced costs include **transport** and **telephones**. This reduced the number of trips to participant's home places and their conversations with parents, friends and others. That is a major prerequisite for depression, frustration and anxiety. If this trend continues it will increase health problems with the nervous system, depression and other adverse consequences.

The second group of higher deprivation (**40% - 60%** reduced costs) includes: **food** (43%), **clothing** (46%), **going out for coffee** (47%), **energy consumption** (50%), **purchase of technical devices and equipment** (57%), **textbooks** (58%) and **cigarettes** (59%).

The group of goods and services with the greatest decrease in consumption (**60% - 100%**) includes: **house rentals** (65%), **water supply** (67%), **alcohol consumption** (67%) and the **excursions** (95%).

In general, students are trying to save on flexible expenses. Cafes, clothes, phones, trips. The bad thing is that it is these items of expenditure form quality of life.

Fixed costs, such as: house rentals, electricity-, and water supply are actually less flexible.

Alarming is the trend of reduction of funds for textbooks and internet. It should be appealed for government subsidy measures/facilitate access to textbooks and books. Maybe it is time in Bulgaria to be applied a differentiated rate of VAT. For example, textbooks and books –should be with 5% tax. The state should monitor the unscrupulous practices of traders blowing their profits at the expense of reduced VAT.

It was shocking to be found, that students save on food! In the 21st century, in an EU Member State. Unfortunately, this finding is present in almost all the questionnaires, which is really scary! The logical question appears: "How to develop moral values, how to develop any knowledge on an empty stomach?" For students in geography school travelling deprivation impedes strongly the formation of professional experience and training. And for all students settled course of study will limit their worldview, general culture, discovery and respect for foreign cultures, values, lifestyle, etc.

A positive impression makes the the reduction of smoking and alcohol consumption. It is more healthy, and recently - modern in Bulgaria.

In the third stage of survey we asked the students about the measures they undertake or consider doing for increasing their incomes. About 65% are ready to start a new job, even part-time. Only 35% declare that they will rely on parent's support.

Delight causes the respectful attitude of students to their parents. Few are those who simply expect more money from them. Most prefer to work, some have already done so. Other take steps to improve their school success, rankings for a scholarship. Some participants in additional free comments indicate, that their parents are doing enough. The conclusion that is imposed by itself is that young people, though accused of irresponsibility and dispersion actually grow into responsible people. They strive to take over control of their lives.

In the **fourth stage of December's survey 2011**, we asked the students: "**Did the economic crisis affect on the way you communicate?**"

In general students try and manage to reduce their costs in areas subordinated to their conscious decisions to spend, i.e. what depends on them. The sacrifice of moral and material goods, however, is not without consequences. This is evident from the honest answers part of the group gave, that the crisis has affected their communication. If this trend is not back to normal, the consequences in long term would be seriously injurious. Generally - future adults will have massively reduced self-esteem and communication problems. In some cases risky behavior will

appear - consumption of cheap alcohol of questionable quality, behavior at the border or beyond the law and questionable affairs to provide benefits in the deadlock.

Disruption of communication due to the effect of the crisis manifests itself in another aspect - reducing the number of trips home. It is a sad fact painful for both parents and students. Family environment and family support are vital, essential for the human existence. Telephone and internet connections are partial substitute, but not full intercourse. It is the latter that provides a basis for confidence and self-esteem and prepares the ground for mental stability and maturity of young people.

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