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Unemployment and its effect at the individual, societal and economy sector.

Unemployment is a state of joblessness. It refers to a situation whereby factors of production are not utilized in productive activities that can earn them income. It can also be referred to as a situation in which people who are legally qualified, willing to work and seeking jobs cannot secure gainful employment. Economically speaking, an increase in unemployment rate may be due to increase in the size of labour force

and decrease in employed persons which both may be as a result of the rapidly growing population of the country. Unemployment can be of different types; it could be as a result of economic recession- cyclical unemployment, it could be because of the normal turnover of labour-frictional unemployment, or it could even be from unwillingness to work- voluntary unemployment but no matter the reason it may be, unemployment still has grave effects on the individual, the society and also on the economy of a country. At the individual sector, people who are unemployed cannot earn money to meet their financial obligations which can hinder them from having a good standard of living. Unemployment can lead to homelessness, illness and mental stress. It can also cause underemployment where workers take jobs that are below their skills. The longer the unemployment goes on, it becomes more difficult for the workers to find employment again. Both because employers are wary of the long time

unemployed and also because over time, unemployed workers lose job skills.

At the societal sector, social insecurities arise when the unemployment rate increases. Those who are unemployed and who also are not seeking employment are likely to begin to indulge in criminal activities such as stealing, fraud e.t.c. just to be able to survive. This increases the crime rate of the nation.

At the economy level, the effects of unemployment are equally severe; a 1 percent increase in unemployment reduces the GDP by 2 percent. It indicates that the economy is operating below full capacity and is inefficient. This will lead to lower output and incomes and all this can contribute to an economic recession. During periods of recession, an economy usually experiences high unemployment rate. When unemployment rates are high and steady, there are negative impacts on the long -run economic growth. Unemployment wastes resources, generates

redistributive pressures and distortions, increases poverty, limits labour mobility and promotes social unrest and conflict. A high level of unemployment affecting a large proportion of the labour force reduces effective demand for goods and services. This lowers the output of goods and services in a country.

We have addressed the issues that are sure to resurface when unemployment hits a nation, the possible solution for this problem is what we are about to dive into now. The government should set up large enterprises and other labour-intensive industries to employ the surplus work force in the society.

Population growth rate should be controlled by imbining the culture of small family size. Monetary and fiscal policies like decrease in taxes and interest rate raises level of demand and economic activities. Then also, information about job opportunities should be disseminated through mass media so that it could be made known to everyone. Having said all this,

unemployment can be properly eradicated in the country if the government is ready to identify the problem and start working on the solution.