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**19/SCI17/006**

**SCIENCES / BIOTECHNOLOGY**

**COMMUNICATION IN ENGLISH ASSIGNMENT**

**PROBLEM OF UNEMPLOYMENT AND LACK OF ECONOMIC OPPORTUNITY**

One of the most undesirable things in the world as said by so many economists and academics is **“unemployment”**. Unemployment is the lack of utilization of resources and it eats up the production of the economy. It can be concluded that unemployment is inversely related to the productivity of an economy. The history of unemployment is directly related to the history of industrialization. It leads to unwanted job losses and willing workers without a job. It is worthwhile to mention here that not everyone who is out of work is seen as unemployed. A person with a large fortune not looking for a job is not counted in the unemployed population that he is not willing to work in the first place, though he’s officially out of work. As such, unemployment refers to the inability of willing workers to find gainful employment. One of the major indicators of the economic health of the country is the degree of unemployment. The impact is of high unemployment is seen in the difficulty in finding mid-level jobs. The fact is that minimum wage level jobs are adequate but not considered as gainful employment of the majority of the workforce.

Unemployment is not an advantage for anyone in our society, and even the people who remain employed will suffer as a result. The study of unemployment I believe will enable the governments to take initiatives to increase the productivity for overall development and reduction in unemployment, it will also provide comparative data between public and private sector. It will also give an indication of underemployment in the private and public sectors. These factors will become the basis for the formulation of the monetary policies of the country for the future years.

**CAUSES FOR UNEMPLOYMENT**

There are several causes for unemployment and it depends on prevailing conditions of the economy and also on an individual’s perception. The following are some of the causes of unemployment:

1. One of the many causes of lack of economic opportunities is the lack of necessary skills for employment, particularly among the youths.

v Economists’ estimates that there are as many as 290 million 16 – 29 years old around the world not participating in the labour market. These 290 million bright minds – a group almost as large as a country’s population – could be making our communities stronger and bringing fresh solutions to the world’s biggest challenges. By failing to invest our time, energy and resources needed to help these young people succeed, we are jeopardizing the future of the global economy.

v This crisis though has many roots, in some countries, the reasons are cultural – for instance, girls not receiving the same schooling or job opportunities. In others, they are tied to poor economic conditions or geopolitical issues like the refugee crisis.

v There’s also a real skill gap. Even in developed countries, where enrolment in upper secondary school is often near 100% but reports state that only 43% of employers can find enough skilled entry-level workers. That’s because we have come to realise that schooling and technical skills aren’t enough; young people also need “soft skills” like communications, problem-solving and cross-cultural competencies to be successful.

1. Change in technology is one of the serious cause of unemployment. As the technology changes employers search for people with the latest technical calibre. They look for better substitutes. Job cuts due to change in the technology bring unemployment problem in society.
2. Recession is a prime factor for unemployment in most of the countries. Because of the financial crisis in one country can affect the other countries economy due to globalization.
3. Changes in global Markets are another important factor. Any country economy adversely affects when its exports are down the line due to changes in global markets, and increase in price. With this production suffers and companies unable to pay on time and this increases the rate of unemployment.
4. Job dissatisfaction by many employees is another cause, this happens when less attention given by the employers on the performance of the employee. This leads to lack of interest and desire to work and unemployment becomes inevitable, as employees deliberately lose their jobs.

**IMPACT OF UNEMPLOYMENT**

**Effect on Economy**

Unemployment rate depends on the country’s economy. In developed countries like the United States and Europe, the unemployment rate is considered to be low because many people are self-employed people and working in the agricultural sector. In countries where there are less self-employed and more population with fewer resources, unemployment is bound to be known.

Unemployment affects the economy adversely as productivity falls below the normal level. When there is a high rate of unemployment in the country, the government has to suffer extra borrowing burden due to a decrease in the production and less consumption of goods and services by the people. Not only the unemployed people consume less, but even the employed also has weak purchasing power due to fear about their loss of their jobs. Unemployed not working and not contributing to income generation of the economy, but also they claim benefits from the government and it is an additional cost for the economy as a whole.

**Social Effects**

Moreover, the effects of unemployment are social, too, not just economic. As such the following are some of the social effects of unemployment:

1. Loss of skills: when there is unemployment in the society, people lose their skills due to no usage and it causes human capital loss.
2. Mental illness: There will be a loss of self-confidence, frustration, negative attitudes towards common things when there is a loss of income, and a person’s self-esteem gets hurt due to these mental illnesses.
3. Financial obstacles: Unemployment brings financial obstacles to the family. People cannot meet their financial obligations on time and it brings frustration among family members, brings tension at home and may lead to suicides.
4. Increase crime rate: When there is unemployment in the society crime rate increases. When people don’t have disposable income they can go to any extent like theft, robbery and also murders to survive their livelihood.
5. Political instability: Due to unemployment people lose trust in government and their administration and this may bring political instability.
6. Insecurity among existing employees: when the economy is facing unemployment problem it brings insecurity among the existing employees and their purchasing power decreases due to fear or insecurity on their jobs.
7. Poor standard of living: Unemployment causes poor standard of living as competition for jobs will increase and people accept fewer salaries and their standard of living will decrease due to their low income.
8. Employment Gap: Unemployment brings employment gap in the companies for hiring a suitable person and for an individual who is out of a job has to find another one in difficult situations. This brings the gap in income generation

Frequently, when there is high unemployment, the rate of homelessness rises, homes are foreclosed upon or abandoned, and neighbourhoods deteriorate as a result, people pay less in income taxes and also pay less in sales taxes because they purchase fewer goods and services.

**POSSIBLE SOLUTIONS**

We can solve this by ensuring social stability, controlling population growth in a country, encouraging entrepreneurship ( self-employment), reduction in taxation which brings higher purchasing power to the consumers, improving the standard of education, building more industries so it creates more job opportunities, participating in proper counselling and training sessions to improve performance levels and enhance skills, saying **“NO”** to laziness, trying to be creative and positively competitive and above all, we must be positively minded in our goal to stop unemployment around the world.

**CONCLUSION**

As we all know, unemployment has become one of the major problems our society is facing today. Graduates are jobless and undergraduates have lost hope. This cankerworm has made both the educated and non-educated to direct their knowledge and skills into a negative end. If the world wants the unemployment rate to be eliminated, this can only be achieved if the government and individuals work together harmoniously to achieve massive success in this problematic situation.