



TYPES, CAUSES AND CONSEQUENCES OF UNEMPLOYMENT

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ABSTRACT	KEY WORDS
The article is devoted to a comprehensive analysis of the problem of unemployment, its causes, types, consequences and methods of public policy in this area. Macroeconomic factors are considered, such as the decline in production and structural changes in the economy, as well as the individual characteristics of workers that affect their competitiveness in the labor market. Particular attention is paid to the economic, social and personal consequences of unemployment. Key areas of state employment policy are analyzed, including measures to stimulate the creation of new jobs, social support for the unemployed and activities employment services. The article may be useful to economists, labor market specialists, as well as anyone interested in employment issues	Unemployment, employment, labor market, public policy, consequences of unemployment, employment stimulation, social support, employment services.

Introduction

In order to ensure the will of our people to build a free and prosperous, strong New Uzbekistan, to create all opportunities for every citizen to develop their potential, to raise a healthy, educated and spiritually advanced generation, to build a strong economy that has become an important link in global production, as well as to guarantee justice, the rule of law, security and stability, the strategy “Uzbekistan-2030” has been approved, developed on the basis of the experience gained in the process of implementation of the strategy.

About the State program for the implementation of the Strategy “Uzbekistan - 2030” in the “Year of Support for Youth and Business”[1]

To take into account that the Strategy “Uzbekistan - 2030” reflects the following main ideas:

1. Reduction of poverty in the country:

Reduction of poverty until 2026 by 2 times in relation to 2022, cardinal reduction until 2030.

Increasing the income of 4.5 million people at risk of falling below the poverty line.

Training of 500 thousand qualified specialists on the basis of social partnership.

2. Ensuring employment of the population by income-generating labor, improvement of the social insurance system:

Reducing the unemployment rate to 7 percent by ensuring stable and effective employment of able-bodied population, including youth and persons with disabilities.

Organization of payment of benefits for pregnancy and childbirth, temporary disability, dismissal from work in cases of liquidation of the legal entity - employer and lack of funds for payments at the liquidated enterprise, insurance payments due to accidents at work through the system of guaranteed social insurance.

3. Training citizens in professions at the expense of the state, developing their professional skills and qualifications in the use of modern techniques and technologies:

Training of 2 million citizens in professions, business skills and foreign languages.

Upgrading the qualifications of 1.6 thousand teachers of vocational training centers based on international standards.

Bringing the share of the private sector in vocational training to 30 percent [1]. Unemployment is a situation when a person who is able and willing to work cannot find a suitable job. It is an important economic and social phenomenon that has a significant impact on society. Economically, high unemployment leads to lower productivity, lower tax revenues and higher government spending on social benefits. Socially, unemployment leads to an increase in poverty, social tension, crime and deterioration of the psychological state of the population. Thus, the problem of unemployment requires close attention of the state and society, as it affects key aspects of economic development and social well-being.

Main part:

The problem of unemployment is relevant in many countries of the world. According to the International Labor Organization, in 2023, the unemployment rate in the world was about 6.1% of the total labor force, which corresponds to about 207 million unemployed. At the same time, the highest unemployment rate is observed in some developing countries in Africa and Latin America, where it reaches 20-25%.

In Russia, the unemployment rate is also a significant problem. According to FSSS, in 2023 the unemployment rate in the country amounted to about 4.9%, which corresponds to about 3.7 million people. The highest unemployment rate is traditionally recorded in the regions of the North Caucasus, as well as in some depressed industrial centers. Solving the unemployment problem remains one of the key tasks of the socio-economic policy of the Russian state.

The key economic factors causing unemployment are production decline, structural changes in the economy and technological changes. A decline in production caused by economic crises or recession leads to downsizing and closure of enterprises, which directly leads to an increase in unemployment. Structural changes in the economy, such as the shift from manufacturing to services or digitalization, can also cause structural unemployment, when skills and occupations that were previously in demand become redundant. Finally, the introduction of new technologies, automation and robotization of production processes push people out of the labor market, leading to technological unemployment. All these economic factors require the state and employers to take timely measures for retraining, professional development and creation of new jobs in order to mitigate the negative impact of such transformations on employment. [1]

In addition to economic causes, unemployment also has serious social preconditions. One of the key social factors is demographic change, such as population ageing, an increase in the share of young people in the labor market, or an increase in migration flows. For example, an influx of migrants can intensify competition for jobs and increase unemployment among the local population. Ineffective public employment policies can also contribute to unemployment. Insufficient investment in job creation, underdeveloped system of professional training and retraining, weak support for the development of small and medium-sized businesses - all this aggravates the unemployment situation. Thus, in order to solve this problem, a comprehensive approach is needed, taking into account not only economic but also social aspects. Only coordinated actions of the state, employers and society as a whole can contribute to the reduction of unemployment.

In addition to macroeconomic and social factors, the unemployment problem is also influenced by the individual characteristics of job seekers themselves. One of such key factors is low qualification or lack of necessary professional skills. In the context of rapid technological changes and structural shifts in the economy, those workers whose competencies are outdated or do not meet the current needs of the labor market become less competitive in the market. Lack of work experience also significantly hampers employment, especially for young professionals without sufficient practice. In addition, an individual's health status can be a serious barrier to finding a job, especially for those with disabilities or chronic illnesses. Overcoming these individual barriers requires both personal efforts to improve skills and gain experience and active support from public employment services and employers. [1]

Unemployment takes various forms, each of which has its own characteristics and causes of occurrence.

Cyclical unemployment is associated with a general decline in business activity in the economy during economic crises and recessions. It is caused by a reduction in demand for goods and services, forcing businesses to lay off workers. Cyclical unemployment is massive and affects almost all sectors of the economy.

Structural unemployment is caused by changes in the structure of the economy and the labor market. It arises when there is a mismatch between the skills and qualifications of workers and the needs of employers. Structural shifts, such as the automation of production or the shift from industry to the service sector, make a number of professions unclaimed.

Frictional unemployment is related to the natural process of job search and occurs when workers voluntarily change jobs or enter the labor market for the first time. It is temporary unemployment while an individual finds a suitable vacancy.

Seasonal unemployment is caused by the cyclical nature of production activity in certain industries such as agriculture, construction, and tourism. During periods of seasonal decline in these industries, some workers temporarily lose their jobs.

A comprehensive solution to the problem of unemployment should take into account the specifics of each type, requiring the state to apply different employment policy measures. [2]

Unemployment has a serious negative impact on both the economy, social sphere and the well-being of individuals. In the economic sphere, a high level of unemployment leads to a decrease in the gross domestic product (GDP) of a country. Working citizens stop producing added value, which reduces the total output of the economy. In addition, the unemployed stop paying taxes, which reduces tax revenues to the budget. At the same time, the state has to incur additional expenses on social payments to the unemployed, benefits and programs to support them, which worsens the state finances.

At the social level, unemployment leads to an increase in poverty, because depriving a person of a source of income inevitably leads to a decline in his or her standard of living. This, in turn, contributes to the aggravation of social tensions in society, an increase in crime, family conflicts and other negative social phenomena. [3]

On a personal level, unemployment causes serious damage to people's psychological and emotional well-being. The loss of a job and source of income, the feeling of redundancy and social isolation often cause depression, stress, loss of self-esteem and motivation in the unemployed. These consequences make it difficult for a person to find further employment.

Thus, unemployment is a complex problem that requires a systematic approach to its solution both at the macroeconomic, social and individual levels.

Results and Discussion: State employment policy plays a key role in overcoming the problem of unemployment. The main directions of this policy are measures to stimulate employment, social support for the unemployed, and the activities of public employment services.

Measures to stimulate employment include the creation of new jobs, including through public investment in infrastructure projects and innovative production. Supporting the development of small and medium-sized businesses, which are a key source of new vacancies, also plays an important role. In addition, the state should finance programs of retraining and advanced training of workers to help them adapt to structural changes in the labor market. [4]

To mitigate the effects of unemployment, the state implements measures of social support for the unemployed. This is, first of all, the payment of unemployment benefits, which allow to maintain the level of income of citizens who are unemployed. There are also programs of professional retraining and advanced training that help the unemployed to find a new job.

Public employment services play a key role in facilitating employment. They mediate between employers and job seekers, helping them to find each other. In addition, employment services provide consulting and information support to the unemployed, as well as implement various programs of active employment policy [5]. The integrated application of these employment policy measures allows the state to effectively counteract the growth of unemployment and promote the employment of citizens.

Conclusion:

Unemployment is one of the most acute socio-economic problems of modern society. It has many causes, including production decline, structural shifts in the economy, technological changes, demographic shifts, as well as individual factors related to the qualifications and health of workers. [5] An effective solution to the problem of unemployment requires a comprehensive approach that includes measures to stimulate employment, social support for the unemployed, as well as the active work of public employment services. Creation of new jobs, support for small business, retraining of workers, payment of benefits and implementation of professional retraining programs - all these should become the main elements of state policy in the field of employment. Only balanced and coordinated actions at the macroeconomic, social and individual levels will make it possible to effectively overcome the problem of unemployment and ensure a high level of employment.

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