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EDUCATED UNEMPLOYMENT AMONG QUALIFIED PROFESSIONALS: A CASE STUDY OF PALA MUNICIPALITY

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Abstract

Unemployment is a universal problem and is found in every country more or less, therefore it is categorized into a number of types. Unemployment occurs when people who don't have any job, are actively seeking employment. The growing unemployment is the biggest challenge faced by the Kerala economy. According to 68th round of NSSO survey in 2011-12, the state recorded the highest unemployment rate in the category of large states. Kerala's unemployment rate is 9%, which is more than three times higher than the national average of 2.7%. As per the live register of the employment exchange in Kerala the number of unemployed people stood at 39.78 lakhs in 2012. The problem of unemployment is acute among women. The total number of unemployed women in Kerala stood at 23.86 lakhs in 2012, making them 60% of the total unemployed persons in Kerala. The majority of unemployed women in the state are educated. Hence, the failure to generate regular and gainful employment for educated labour force is the most tragic failure of development in Kerala. The simple percentage method was used for the analysis of the data. There is sharp increase in unemployment due to inadequate employment plan of government. The lack of enough suitable employment opportunities along with aspiration for jobs specific characteristics has been fuelling the problem of unemployment among professionals.

Keywords- *Unemployment, Qualified Professionals, Pala Municipality, Job Seekers.*

INTRODUCTION

Man, the ends and means of all progress. Human resources are the most valuable asset. The efficient utilization of human resources is prerequisite for development. It means the human resources are involved in productive activities. Technology also enhances the productivity of the human resources. It can be effectively used by human resources. Partial or inefficient use of human capital adversely affect the development. It implies unemployment. Full employment means productive capacity of the human resources are fully utilized. So, unemployment is a condition of underutilization or inefficient utilization of human resources.

Unemployment is a universal problem and is found in every country more or less, therefore it is categorized into a number of types. Unemployment occurs when people who don't have any job, are actively seeking employment. The unemployment rate is a measure of prevalence of unused resources and it is calculated as a percentage by dividing the number of unemployed individuals by all individuals currently in the labour force. During periods of recession, an economy usually experiences a relatively high unemployment rate. According to International Labour Organization (ILO) report, more than 200 million people globally or 6% of the world's workforce were without a job in 2012.

There Remains considerable theoretical debate regarding the cause, consequences and solutions for unemployment. Classical economics, new classical economics and the Austrian school of economics argue that market mechanism is a reliable means of solving unemployment. Keynesian economics emphasizes the cyclical nature of unemployment and recommends government intervention in the economy that its claims will reduce unemployment during recession. In addition to these comprehensive theories of unemployment, there are a few categorizations of unemployment are used to more precisely model the effects of unemployment within economic system.

Classical or real wage unemployment occurs when real wage for a job is set above the market-clearing level, causing the number of job seekers to exceed the number of vacancies. On the other hand, other economists argue that as wages fall below a liveable wage many choose to drop out of the labour market and no longer seek employment. This is especially true in countries where low-income families are supported through public welfare systems.

According to Karl Marx, unemployment is inherent within the unstable capitalist system and periodic crises in the form of mass unemployment is to be expected.

There are also different ways national statistical agencies measure unemployment. These differences may limit the validity of international comparison of data on unemployment. Labour Force Sample Survey is the most preferred method of estimating unemployment. Unemployment is a worldwide phenomenon. In India, the rate is too high, with 5% per annum. Kerala is number one in unemployment rate in India with 9%. Most salient feature is that, unemployment is wide spread among educated youth. In Kerala, unemployed women outnumber job seeking men. It is more or less an accepted fact that all able-bodied persons above 15 years

and below 60 years must work if they are not otherwise productively engaged. The logic behind it is that a person who is just a consumer without being a producer will not be a good and responsible citizen. He should be either a worker under somebody or an employer of others or a self-employed person. Employment of children below 15 years is a crime.

EDUCATED UNEMPLOYMENT STATUS IN KERALA:AN OVERVIEW

Unemployment is a common problem. Generally speaking, unemployment decreases together with economic development. But there are always unemployed people in all economies. Economists distinguish between various overlapping types of and theories of unemployment, including cyclical or Keynesian unemployment and classical unemployment. Though there have been several definitions of voluntary and involuntary unemployment, in the economics literature, a simple distinction is often applied. Voluntary unemployment is attributed to the individual's decisions, whereas involuntary unemployment exists because of the socio-economic environment. "Education unemployment" or underemployment is the important among involuntary unemployment. It refers to that state in which self-employed working people aren't working according to their capacity. eg: a diploma holder in engineering, if or wants of an appropriate job, start any business may be said to be underemployed. Apparently may be deemed as working and earning in a productive activity and in this sense contributing something to Production. But in reality, he is not working to his capability or to his full capacity. He is, therefore, not full employed. This type of unemployment is mostly visible in urban areas.

OVERVIEW BY NSSO

In India, unemployment is a largest problem. The labour force in India increased from 24 crores in 1972-73 to 41 crores in 1999-2000. It means that the labour force increased by $2/3^{\text{rd}}$ during this period of 27 years. While the rural labour force increased from 20 crores to 30 crores, a little over 50%. Urban labour force increased from 4 crores to 10 crores, by 150%, during the same period. Migration from rural to urban areas may be an important reason for this. The urban females in labour force increased by 200% during that period though they formed only 5% at the end of that period.

Unemployment in India in 1972-73 was 0.39% of the labour force. It increased to 0.80% in 1999-2000. The increase was 100% during that period and it was according to the usual status. Unemployment according to the daily status rates was twice as high as usual status unemployment. The educated unemployment for urban male is 6 to 7%, and that for rural female is 30% for graduates and 15% for metric passed. In 1983, the government of India announced a scheme for providing self-employment in the fields of industry, business and service to about 2 to 2.5 lakhs educated unemployed youth every year.

UNEMPLOYMENT STATUS IN KERALA

The growing unemployment is the biggest challenge faced by the Kerala economy. According to 68th round of NSSO survey in 2011-12, the state recorded the highest unemployment rate in the category of large states. Kerala's unemployment rate is 9%, which is more than three times higher than the national average of 2.7%. As per the live register of the employment exchange in Kerala the number of unemployed people stood at 39.78 lakhs in 2012. The problem of unemployment is acute among women. The total number of unemployed women in Kerala stood at 23.86 lakhs in 2012, making them 60% of the total unemployed persons in Kerala. The majority of unemployed women in the state are educated. Hence, the failure to generate regular and gainful employment for educated labour force is the most tragic failure of development in Kerala.

Employment and unemployment survey conducted by NSSO during the year 2011-12, among the larger Indian states, Kerala is the state having the highest unemployment rate under all approaches of measuring unemployment. The survey reveals that only two small states, namely, Nagaland and Tripura, have a higher unemployment rate than Kerala. A comparison between different estimates of unemployment indicates that Current Daily Status (CDS) estimate of unemployment is the highest. As per CDS, Kerala's unemployment rate for those aged between 15 and 59 was 15.6% against the national average of 5.6%.

A peculiar feature of unemployment in Kerala is the high incidence of unemployment among women compared to men. The unemployment rate based on both CDS and UPS (Usual Principal Status) approaches among males has decreased over the years. However, unemployment among females in rural areas has been increasing both under CDS and UPS approaches.

Another notable characteristic feature of unemployment in Kerala is the heavy incidence of unemployment among youth and the educated. The NSSO survey results of 2011-12 showed a slight fall in unemployment among youth in urban areas and a rise in rural areas as compared to that of 2009-10. The incidence of unemployment among youth is still alarming high both in rural and urban areas with 34.8% in rural areas and 45% in urban areas.

The problem of unemployment in Kerala is basically one of educated unemployment. The educated can be defined as persons of age 15 and above with the academic qualification of secondary and above. Nearly 30% of the educated labour force based on UPS approach both in rural and urban areas was unemployed in Kerala in 2004-05. It has declined to 17.3% and 12.9% for rural and urban areas respectively in 2011-12. The employment opportunities in the state didn't rise commensurate with the rapid expansion in the number of educated person. Consequently, the stock of the educated unemployed citizens has increased over time. The educated unemployment is also more severe among the youth.

Live register figures of the employment exchanges furnish information on the number of job seekers on the basis of their educational qualifications. This indicates that there has been explosive expansion in the number of educated job seekers in the state. The incidence of educated unemployment mainly among qualified

professionals in Kerala has been severe and worsening till 2004-05 and thereafter it exhibited a slight difference. The worsening unemployment is obviously related to the inability of the economy of the state to generate any fresh employment during the last decade. While this phenomena of “jobless growth” are observable in all states in the country the situation in Kerala is particularly distressing because most of the labour-intensive traditional industries are facing a survival crisis in the liberalized trade environment.

PERCENTAGE SHARE OF PROFESSIONAL AND TECHNICAL WORK SEEKERS IN KERALA

EDUCATIONAL QUALIFICATION	SHARE % IN 2009
Medical Graduates	1.60
Engineering Graduates	5.87
Diploma Holders in Engineering	23.65
ITI Certificate Holders	67.99
Agricultural Graduates	0.43
Veterinary Graduates	0.45
Total	100

Source: Economic Review 2009

METHODOLOGY

The main purpose of this study is to systematically analyse the problem of educated unemployment. This study is both descriptive and analytical in nature. This study is mainly based on primary data. A sample of 50 households has been selected at random from the educated unemployed in the Pala Municipality required data has been collected from the respondents using an interview schedule. The secondary data are collected through related websites, journals, books, discussion and interaction with the officials.

MATERIALS AND METHODS

In recent times, education unemployment is a serious issue. We have selected Pala Municipality, which is in the Meenachil Taluk of Kottayam district, for this study. Pala is a well-known place in Kerala due to higher standard of living and financial soundness. The area of Pala Municipality spread over 26 wards. Nearly 40% of the highly qualified persons in this area unemployed or underemployed. But, their standard of living is comparatively better. Rubber farming is also a major livelihood. But now, all of them are seeking for higher jobs. They don't get sufficient jobs. The study was conducted in Pala Municipality, ward XV, XVI, XVII, XVIII.

RESULT AND DISCUSSION

This segment of the paper aims at evaluation of the unemployment among qualified professionals in Pala Municipality. The primary data collected are analyzed and presented here in order to arrive at valid conclusion.

UNEMPLOYED PROFESSIONAL'S DISTRIBUTION AMONG FOUR WARDS

Ward	Number	Percentage
XV	25	35.71
XVI	17	24.28
XVII	16	22.85
XVIII	12	17.14
Total	70	100

Source: Primary Data

The table shows that ward 15 has a greater number of unemployment professionals with 25. Ward 16 consists of 16 unemployed professional. The near 17 ward has only 16 unemployed professionals.it is less compared to ward 15 and 16. Ward 18 has a smaller number of unemployed professionals consist of 12.

CAUSES FOR SELECTING PROFESSIONAL COURSES

Cause	No. of respondents
Self interest	8
Indument	10
Pressure/force	12
Ignorance	31
High salary	9
total	70

Source: Primary Data

The root cause is the ignorance of the educated youth. Everyone is attracted to professional courses. Every parent wants their children to become professionals. All are seeking for white collar jobs. This is present trend. 31 out of 70 respondents belong to this category. 9 unemployed professionals took the professional

courses due to high salary. It is also a causative factor. High salary and status are the main attractions of professional jobs. Only 8 persons took the professional course of their own interest. They are so much disappointed.

PROFESSIONAL COURSES OF RESPONDENTS

Course	No. of Respondents	Percentage
B. Tech	40	57.15
M.Tech	1	1.42
Diploma in Engineering	12	17.15
ITI Certificate	8	11.43
M.B.B. S	2	2.85
General Nursing	6	8.57
B.Sc. Nursing	1	1.42
Total	70	100

Source: Primary Data

Vast majority of the unemployed professionals are B.Tech graduates. It is a common trend that B.Tech holders are remaining unemployed. They go for bank coaching, PSC, SSC etc. The job market isn't sufficient to meet the demand of B. Tech holders. As a result, they remain unemployed or take other jobs below their qualification. It leads to the underutilization of generation. There is severe unemployment among B. Tech graduates with the emergence of private engineering colleges. The problem is that, students don't take appropriate courses as per their talent, skill, interest and taste.

OPINION OF THE RESPONDENTS ABOUT THEIR PROFESSIONAL COURSES

<i>LEVEL OF SATISFACTION</i>	<i>NO. OF RESPONDENTS</i>	<i>PERCENTAGE</i>
Fully satisfied	2	2.85
Satisfied	18	11.42
Moderate	22	31.42
Not satisfied	38	54.28

Total	70	100
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Source: Primary Data

It is evident that majority of the unemployed professionals are very desperate regarding their course. They aren't satisfied with what they study. There is feel of disappointment among them. Only 2 persons reveal that they are highly satisfied with the professional course of what they opted. They rated it as very good. 22 out of 70 respondents are satisfied with the professional courses. They rate it as average. It is clear that majority of the unemployed professionals are critical of the professional courses.

CONCLUSION

The problem of unemployment among professionals is of great significance. In Kerala, it is very important. Because, Kerala is number one in unemployment rate in India. Most salient feature is that unemployment is severe among educated and professionally qualified youth. There is sharp increase in unemployment due to inadequate employment plan of government. The lack of enough suitable employment opportunities along with aspiration for jobs specific characteristics has been fuelling the problem of unemployment among professionals. Low employment growth in organized sector, industrial backwardness, trade unionism and labour militancy, steep fall in the growth of employment opportunities due to global financial meltdown and related economic recession are the reasons identified for high incidence of unemployment in Kerala. The solution is that government should initiate effective steps to accelerate the rate of growth of employment opportunities in the state by implementing suitable strategies and programmes. Politicians, autocrats, stakeholders, private enterprises and the common people have key role in solving this problem. They should reach at a consensus. We should develop a positive attitude.

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