

Has anyone of you
ever been a victim of
unemployment?

Sociology, Empowerment



Has anyone of you ever been a victim of unemployment? Do you have a family member who has remained unemployed for more than 12 consecutive months in spite of searching for a full-time job? If you are not aware of the latest official unemployment statistics, then let me give you some shocking statistics. According to a monthly news release of Bureau of Labor Statistics, the total number of unemployed people in our country rose by 851, 000 to 12. 5 million in February 2009. The official unemployment rate for the same month was reported to be 8.

1%, which was 7. 6% for the preceding month. The Bureau of Labor Statistics also highlighted that there was a shocking increase of 5 million unemployed people during the past 12 months, and the unemployment rate was only 4. 8% just a year ago. Friends! These statistics are alarming, and equally disappointing to you as they are to me. When the main bread earner of a family is laid off, it brings a financial loss not only to the immediate victim, but also to the entire family.

Much more than the financial loss, there is a loss of confidence; there is a loss of self-esteem; there is a loss of happiness that radiates in the cozy home of a family. But let me tell you my dear compatriots: “ This surge in unemployment is not going to continue for very long. ” Although the unemployment epidemic in the U. S. A. has spread to almost all major industry sectors and states, it shall be eradicated from its roots by our persistent efforts. It may have caused some hindrance to the dreams of our aspiring technocrats, and to the vision of our policy makers.

However, it shall lead us to a solution soon, for necessity is the mother of invention. Just to remind you of the decade of Great Depression when our economy had plunged to its lowest level, and unemployment rate, as quoted in the annals of Bureau of Labor Statistics, was at its peak of 24.9% in 1933. During those tough times, our ancestors did not lose faith in themselves. The love of their families grew stronger and provided emotional support to each member.

We, American citizens, are sons and daughters of same fathers and mothers, who have given us the courage to valiantly fight the ongoing economic crisis, and eventually emerge as winners. We are striving to devise effective solutions to the causes of unemployment. Our intellectuals have been suggesting brilliant ideas, and I shall quote an article, "The U. S. economic crisis: Causes and solutions," which was published in International Socialist Review (Moseley, March-April 2009). According to Moseley, the root cause of crisis was the collapse of the housing bubble.

When the housing prices started to decline in 2007, the real estate market witnessed an increasingly number of foreclosures, with nearly 3 million mortgage foreclosures till January 2009. This caused huge losses to the lending banks: commercial and investment banks. Moseley reported that the losses from mortgage foreclosures were predicted to be at least \$ 1 trillion, while losses in the financial sector were forecast to be around \$ 2 trillion. It is clear that the economic onus eventually fell on the citizens, who got entangled in the catastrophic whirlpool.

According to Economy Watch, the contemporary recession is a kind of “cyclical unemployment,” which happens when the surplus labor becomes redundant due to a decrease in the demand for labor. As a scholarly thinker, I would encourage innovation and development of cost-effective technology to overcome cyclical unemployment. Economy Watch also lists other forms of unemployment like frictional, structural, classical and seasonal types of unemployment, which occur both during the boom stage and the bust stage of economy.

Since the existing unemployment is causing a loss of equilibrium in the assets of an individual, I would strongly recommend every citizen to maximize the savings, and minimize the extravagant expenditures. Every cent of your savings will accumulate to pay for your basic utility bills. This recession has come like a disease, and it shall be cured by us through our collective and united efforts. Let’s keep the spirit of our dollar motto alive “In God We Trust. ”

References

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