

Unemployment

[Literature](#), [Russian Literature](#)



Unemployment Unemployment can be defined as the number of people of working age (between schoolleaving and retirement) who are willing to work at market wage rate but are unable to find employment. Employment can be measured by the claimant count or the standardized ILO employment measure. One must be aware of the technical and definitional pitfalls in a controversy over American employment statistics, which is involved in a preparation of series of a single unemployment rate. It is one of the arduous jobs to compare unemployment rates within a country as it consists of huge amount of statistical data. So just imagine comparing nations with each other in unemployment rates where the data that needs to be compared have no basis in common in political institutions, social institutions and economic structure. Unemployment is a simple concept amongst industrial workers whereas it is a multi dimensional and complex phenomenon in industrial nations in West and is also measured imperfectly. An interest in unemployment, both as a factor that is strongly able to influence various roles of nations in the world economy and as an aspect of comparative development of economies on a national level, has helped in the past to stimulate efforts to gain some measure of unemployment which was moving beyond national boundaries. The most significant attempt was to construct an index that could internationally be used for unemployment. This was constructed by John Lindberg of the International Labour Office (ILO) (Bowley 104). The significance of altering statistical practice has been agreed by successive international conferences of labour statisticians. ILO reports have helped a lot in tackling with the problems on an international basis that deal in unification of unemployment statistics. The fact that the trade union

unemployment statistics, despite their defects, do not come off so badly after all may be ascribed to the following factors: In some cases the sample of employment covered is relatively large (e. g. 25 per cent of all male employment in Australia as early as 1912, 65 per cent of all Danish wage earners in 1930). This renders the problem of error in collection and sampling less critical. Secondly, given the difficulties involved in defining unemployment to begin with, there are certain advantages in having the initial collection and processing of the data done by experts. The local trade union secretary, particularly if he is concurrently operating an unemployment insurance fund, is uniquely in a position to know the state of trade in his area and to appraise the employment status of each individual worker. Thirdly, One of the limitations of certain types of unemployment statistics (e. g. those emanating from public employment offices) is that reporting is incomplete because of lack of incentive of the unemployed worker to report 'himself as such. (Ashley). In the case of trade union statistics, reporting may be of personal advantage to the unemployed on one or more of three counts: he may be eligible for unemployment benefits, he may be excused from paying his union dues, and he may be able to secure a new job by referral from the union in the event that unemployment registers are kept. In a specific situation, the greater the advantage that accrues to the worker from registering, the more complete the count of unemployment is apt to be. Unemployment data has been assembled for ten various countries. The period involved is 1900 to 1950 and mostly the countries involved are mostly industrialized countries. The choice as to which country to choose for comparing unemployment rates was governed by the minimum

material available for evaluating and describing these statistics, the amount of time that we had and the availability of unemployment statistics.

However, the half century from 1900 to 1950 does not mark a historically homogenous time period. It is the time period when there were several historic events that took place and they were successful in bringing up variations in unemployment rates in different nation varying from one nation to another. The unemployment rates are compared as following :

INTERNATIONAL COMPARISON OF RATES TABLE 1 Unemployment Rates, Nine Countries, 1900-1950 (Per cent) The Nether Year Australia Belgium Canada

Year	The Nether	Year	Australia	Belgium	Canada	Denmark	Germany	lands	Norway	Sweden	Kingdom
1900	2.5	1901	3.3	1902	4.0	1903	13.0	4.7	4.7	1904	12.0
1905	13.0	3.0	4.4	5.0	1906	8.0	2.7	3.2	3.8	1907	7.0
1908	11.0	4.4	3.7	7.8	1909	13.0	4.3	5.0	7.1	1910	10.7
1911	9.5	3.1	2.5	1.9	5.6	3.0	1912	7.6	3.2	4.0	1.3
5.4	3.2	1913	5.4	7.5	4.2	5.0	1.7	4.4	2.1	1914	7.4
9.9	7.2	13.8	2.3	7.3	3.3	1915	8.3	8.1	3.2	12.0	1.9
7.2	1.1	1916	4.8	1.9	5.1	2.2	5.1	0.9	4.0	0.4	1917
6.1	1.9	9.7	1.0	6.5	0.9	4.0	0.7	1918	4.6	1.3	18.1
1.2	7.5	1.5	4.6	1.3	1919	4.6	3.4	10.9	3.7	7.7	1.7
5.5	5.2	1920	5.5	4.6	6.1	3.8	5.8	2.3	5.4	3.2	1921
10.4	9.7	8.9	19.7	2.8	9.0	17.7	26.8	17.0	1922	8.5	3.1
7.1	19.3	1.5	11.0	17.1	22.9	14.3	1923	6.2	1.0	4.9	12.7
10.2	11.2	10.7	12.5	11.7	1924	7.8	1.0	7.1	10.7	13.1	8.8
8.5	10.1	10.3	1925	7.8	1.5	7.0	14.7	8.8	8.1	13.2	11.0
11.3	1926	6.3	1.4	4.7	20.7	18.0	7.3	24.3	12.2	12.5	1927
8.2	1.8	2.9	22.5	8.8	7.5	25.4	12.0	9.7	1928	10.0	0.9
2.6	18.5	8.6	5.6	19.2	10.6	10.8	1929	10.2	1.3	4.2	15.5
13.3	5.9	15.4	10.2	10.4	1930	18.4	3.6	12.9	13.7	22.7	7.8
16.6	11.9	16.1	1931	28.5	10.9	17.4	17.9	34.3	14.8	22.3	16.8
21.7	8.8	21.0	1932	14.8	10.9	17.4	17.9	34.3	14.8	22.3	16.8

3 1932 28. 1 19. 0 26. 0 31. 7 43. 8 25. 3 30. 8 22. 4 22. 1 1933 24. 2 16. 9
 26. 6 28. 8 36. 2 26. 9 33. 4 23. 3 19. 9 1934 19. 6 18. 9 20. 6 22. 2 20. 5 28.
 0 30. 7 18. 0 16. 7 1935 15. 6 17. 8 19. 1 19. 7 16. 2 31. 7 25. 3 15. 0 15. 5
 1936 11. 3 13. 5 16. 7 19. 3 12. 0 32. 7 18. 8 12. 7 13. 1 1937 8. 4 11. 5 12.
 5 21. 9 6. 9 26. 9 20. 0 10. 8 10. 8 1938 7. 8 14. 0 15. 1 21. 5 3. 2 25. 0 22. 0
 10. 9 12. 9 1939 8. 8 15. 9 14. 1 18. 4 0. 9 19. 9 18. 3 9. 2 10. 5 1940 7. 1 9.
 3 23. 9 19. 8 23. 1 11. 8 5. 0 1941 2. 8 4. 5 18. 4 11. 4 11. 3 1. 5 1942 0. 7 2.
 2 15. 1 7. 5 1. 0 1943 0. 2 0. 8 10. 7 5. 7 0. 5 1944 0. 3 0. 5 8. 3 4. 9 0. 5
 1945 0. 3 9. 1 1. 4 13. 4 4. 5 1. 0 1946 0. 5 3. 9 1. 4 8. 9 7. 5 3. 6 3. 2 2. 5
 1947 0. 3 2. 2 1. 3 8. 9 5. 0 3. 1 2. 8 2. 0 1948 0. 3 5. 3 2. 2 8. 6 4. 2 2. 7 2. 8
 1. 6 1949 1. 4 11. 1 3. 0 9. 6 8. 3 2. 2 2. 7 1. 6 1950 0. 4 10. 1 3. 8 8. 7 10. 2
 2. 7 2. 2 1. 6

However, as we look at the table above, it can be easily concluded that the unemployment rates differ from country to country and from one year to the other. Of course, in each year, there were variations in unemployment rates between different countries. It is also impossible to isolate international influences occurring. It is also said that World War made a huge difference which brought up a new era by ending the first one. The relative power of nations also changes with the help of fundamental changes. Other changes that brought up changes in unemployment rates within nations are the nature and pattern of international trade, industrial expansion rates and relative power of countries. The time period of 1914 to 1920, was mostly affected by the World War. It is because of the inclusion of the two post wars that many countries were trying to recover from recession and the economic growth was too low to hire more people. This era not only affected a single country, but its effects can be seen through all nations.

Other countries not affected with this problem were not left happy but they had other problems to handle such as reconversion and inflation. All these issues varying from nation to nation had their own drawbacks but the world economic relations that were disrupted were caused by the war and this had a huge impact on unemployment leaving so many workers unemployed (Ministry of Labour 70-73; Ministry of Labour 50). This series of unemployment rates that was used to produce a historical study may not be considered as one of the best to achieve results for various countries. (Keynes). Instead, it is a series which was used because it was the only one that was available and was common for all countries and is available for the period under review. It is due to these reasons that the series that has been presented in this paper rely heavily on statistics provided by trade union since they are the principal and, in some cases, the exclusive source of unemployment information until recent years. The writer further points out that the statistics provided by trade union are subject to numerous and serious deficiencies. But on close examination, they find them less objectionable than such statistics would at first appear when used in particular situations such as the estimation of short term trends. Finally, it has also been concluded that even to obtain absolute level of unemployment, the trade union statistics are better than one might suppose for the following reasons. For instance, in some cases coverage is relatively large. (This may be true of recent times but I feel that it would not be true over time). Secondly, there are advantages to having the initial collection and processing of data done by experts like trade union secretaries as opposed to labor force enumerators, on the grounds that the latter are often

ill prepared. (I would submit that the differences in these collection procedures make such a comparison of little use). Thirdly, Reporting may be more complete in the case of trade union statistics because of a personal advantage, usually monetary, to the unemployed person. (For just this reason, reporting under these circumstances may be over complete.) With this in mind, I return to comments made at the beginning of the paper. Data for international comparisons have no common basis in economic structure or in political and social institutions. I wonder at the usefulness of these data, having due regard to the need for them or the lack of them, and to the inherent qualifications. One wonders whether so much effort might not have been applied to greater advantage in other directions. For example, the usefulness of historical comparisons between nations on a somewhat insecure basis does not appear as great as the usefulness of current comparisons on a firmer basis. Comparisons can be made on the more all-inclusive basis of labor force concepts between the United States and Canada. Similar material is becoming available from other countries—Italy, France, West Germany, and Denmark—and is contemplated in others—Sweden, Norway, and Australia. I would suggest that analysis of these data would yield more useful comparisons. Even here the differences in economic and social climate may be too much for the data.

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