

I. in particular, the
creation of low paying



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I. Introduction

In the past decade, the labor market in the US has been subjected to economic crisis. However, with the American economy reeling from the shocks of the economic crisis, companies are laying-off temporary workers and retrenching permanent workers in less active departments in order to protect corporate profits by reducing their expenses.

Economists argue that this situation negatively contributes of the US economy. The problem is that the companies are more focused on their labor costs and those savings fail to encourage new investments in the economy which is already damaged. In the course of the 2008 financial crisis, the US government took the course on organizing work places in private sector for creating the semblance of low unemployment rates. In fact, though a 10 % unemployment barrier has not been reached, the number of high-paying jobs has considerably decreased. The creation of the so-called “ bad” jobs has led to locking people in the closed circle of limited mobility and high risks. In this

regard, the majority of low-paying jobs are closely associated with informal employment.

This type of employment is connected with providing goods and services that are not protected or regulated by the government. With regard to the above-presented problems, the article under consideration reveals urgent issues connected with economic crisis and inconsistent financial and political reforms in the United States leading to more serious problems in this sphere. In particular, the article discloses the main gap in economy policies of the United States. In particular, the creation of low paying jobs contributes to increasing health care risk and earning loss.

In addition, increased attention to service and production sector can minimize the importance of knowledge professions, which are also under the financial risk.

II. Summary of the Article

The article under consideration is called America Needs to Make Its Bad Jobs Better and is dedicated to the rapidly emerging problem of low-paying jobs and high unemployment rates in particular sectors.

The author underscores the fact that the government has reduced the number of prestigious jobs. Instead, it is now more focused on forwarding “bad” workplaces to sustain the employment rate. According to the author, joblessness in the United States of America will be increased in the next decade, especially for the less skilled Americans who lack either degree or even college certificates. In the past, there has been elimination of the very

high paying jobs as the private sector has started dominating in the US market.

Author also mentions that a decline in unemployment rates was due to reluctance of people to apply for jobs. If the employment sector has to recover from the crisis, the low paying jobs will be transformed into better paying jobs and this might make more Americans look for jobs in this sector. Analyzing the problem in more detail the author highlighted the fact, although the government plans to create more than 15 millions of new job places, half of them will be low-paying. Moreover, another half will not require advanced skills and abilities and, therefore, “ four in 10 knowledge workers do not hold college degrees” (Florida 2). At the present moment, more than 60 million American workers already engage themselves in this kind of work, as it is reported by Florida. These jobs, thus, need to be upgraded and be turned into better paying jobs.

They can be created as a replacement to the blue collar jobs, which have already been destroyed. In the past, there have been strategies for improving these service sector jobs through joining unions that will protect human labor rights and through improvement in production methods and management of techniques for the service sector to increase the workers income. Service sector companies have recognized the fact that better conditions for their workers can contribute to better customer experiences and, thus, there are some efforts to minimize the outcomes of financial crisis. Further in the article, the author makes an important commitment to governmental concerns with the technological innovations and training programs which are poorly supported.

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In particular, Florida states that “ service jobs are the last frontier on inefficiency, providing abundant low hanging fruit for the innovation and productivity improvements that can undergird higher wages” (2). Such assumption is congruent with the idea that private sector does not have diligent financial assistance. What is more, the author exemplifies the cases of closures of service centre such as dry cleaning shops, day care centre, restaurants and even hair salons due to the lack of incentives to continue providing the services. While the government makes feeble attempts at assisting in high tech start up, it fails to introduce significant changes to the service sector, which leads to the high failure cases in service companies. There have been efforts by representatives of the public, the private and non- profit sectors to find and develop new methods for upgrading the service sector.

In this respect the administration under Barrack Obama should takes the same measures to improve the situation as such agendas could help the service sector in expanding and thus increasing job opportunities as well as improving employment conditions. Without such movements, unemployment in America is likely to increase.

III. Economic Analysis

Discussing the presented problem from the economic viewpoint, it is necessary to consider both sides of the medal. On the one hand, the policy of the U.

S. government is logical since it seeks to decrease the unemployment level and to take control of the economic crisis. On the other hand, the U. S.

administration policy was inconsistent because it failed to consider the consequences of private sector jobs creations providing even more complicated problems to the US economy. In particular, it touched upon such sectors as education, financial instability, technological recession, social degradation and the overall economic recession. Due to the fact that the current situation with employment decreases the importance of college degrees, the role of education can be minimized as well because even prestigious education does not guarantee a successful application for a job.

Such contingency can lead to aggravation of learning practices and approaches. The problem of education is really serious because it constitutes the basis of the country's welfare. The economic recession leads to a decline in a production sphere. Hence, when consumers are unemployed, they spend less money and, thus, they are forced to purchase fewer products. As a result of this, producers experience a decrease in demand for their goods and thus they are forced to slow down the production process to avoid overstocking their businesses. Unemployment also leads to technological fall as the contribution towards this sector also declines. This problem is closely related to the conditions created at job places and financial support for the service sector provided by the government. The technological advancement will not be encouraged resulted in the population's ignorance of recent introductions to improving the quality of working.

Finally, the creation of " bad" jobs will worsen the situation with brain workers employment. This is explained by the problems in the sphere of education.

IV. Conclusion and Personal Opinion

The service sector continues to lose more workers due to the poor conditions and wages associated with the sector. Therefore, the improvement of service sector in the United States is paramount for ameliorating the employment situation. In order to sustain high employment rates, as the service sector continues to lose more people, there is a need for the government to enact policies aimed at improving the sector by introducing innovations, which will increase financial stability of the state. All this concerns are explicitly presented in the article where the author clearly identifies the problem of unemployment rate and pseudo effect of jobs creation on economic stability in the country. In my own opinion, job losses in the service sectors will lead to higher rates of unemployment in the economy as a whole.

This will also lead to aggravating the situation in the sphere of education, finance, and public administration. Therefore, I agree with the author's idea concerning the necessity to improve the conditions at job places in service sectors and to provide sufficient support to it from the part of the US government. However, I believe that author's criticism of employment policy is still exaggerated because it contributed to sustaining economy during the financial crisis.

Work Cited

Florida, Richard. " America Needs To Make Its Bad Jobs Better.

" Financial Times, 2010. 19 Jan 2011.