

Armelle actually  
available for  
work. according to  
frank newport,



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Armelle Ndjeumen Njinguet Macro Economics Unemployment. Ever since the revolution, employment and unemployment have had an impact on a country's economy.

By definition the fact that a person who does not have an occupation or a job does not mean that he/she should be classified as unemployed.

Unemployment is defined as the total amount of people who are not actually employed and who are actively looking for work. The U. S ' unemployment rose dramatically since the great recession which in in turns affected the economy. Today a great change in the unemployment rate is observed as it is gradually decreasing. Since there is a correlation between employment and the state of the economy, one could suggest that the United States' economy is actually thriving. Although statistics show the decrease of the unemployment rate , there are still millions of Americans who are unemployed. Because of this, there are opposing views of solutions regarding this macroeconomic issue.

According to CNN Money, unemployment fell below 5% for the first time in the United States since 2008. This unemployment rate dropped tremendously and looks better since the great recession in the 1930s.

During the Obama administration the government created over 14 million jobs which made an impact on the unemployment rate. Nevertheless, unemployment is still an issue in the United states which in turns affects the economy. Before recession was defined as when a neighbor lost his job. The average individual judges and views recession essentially by employment .

If employment positions are available then the economy does not suffer. If employment is rare then the economy is bad. Based on this criteria, the U. S economy is struggling, labor being in decrease in the beginning of the year seem to not reflect the claim of this unemployment drop.

The number of unemployed americans from ages 24 to 54 years old seems to be historically high. According to the United States department of Labor, the number of unemployed persons was essentially unchanged at 6.6 million. 13.1% of those people are not qualifies as unemployed but they are out of work. Why aren't those workers appearing in the official statistics? For the most part, this is because the governmental definition of unemployment does not include those who are not employed, and those who are actively looking for employment for over four weeks and are actually available for work.

According to Frank newport, 43% say that now is the time to find a quality job. The way americans view the job market has been fluctuating. When Gallup news started measuring them each month and observed roughly a positive job market. According to the ballance article on unemployment solutions, the solution is to create new jobs. In the article, Kimberly Amadeo the author states that Usually, a healthy economic growth rate of 2-3 percent is enough to create the 150,000 jobs needed to prevent high unemployment.

When unemployment creeps above 6-7 percent and stays there, it means the economy can't create enough new jobs. That's when the government

steps in. The first solution is the government to establish an expansive monetary policy from the Federal reserve.

Expansionary monetary policy is when a central bank uses its tools to stimulate the economy. A tool that increases the money supply, lowers interest rates and increases aggregate demand. That boosts growth as measured by gross domestic product. It usually diminishes the value of the currency, thereby decreasing the exchange rate. It is the opposite of contractionary monetary policy (Kimberly Amadeo, 2017). The Fed's most commonly used tool is open market operations.

That's when the Federal reserve buys Treasury notes from its member banks. The Fed simply creates the credit out of nowhere it is commonly said that the Fed is printing money. By replacing Treasury notes with credit in bank coffers, the Fed gives them more money to lend. Banks reduce lending rates, making loans for auto, school, and homes less expensive. Cheaper credit card interest rates boost consumer spending.

If the recession is really bad, then monetary policy might not be enough on its own. The fiscal policy could then be needed. The government must either cut taxes or increase spending to stimulate the economy. Expansionary fiscal policy is slower than monetary policy to get started. Apparently according to Kimberly Amadeo, it takes time for Congress and the president to agree on the next steps.

But it can be more effective once executed. "It also provides much-needed confidence that the government will turn things around" (Kimberly Amadeo, 2017). Unemployment benefits also could create more jobs. People who are <https://assignbuster.com/armelle-actually-available-for-workaccording-to-frank-newport/>

unemployed make use of those benefits to buy things they need on the daily basis such as clothing, food, rent and many more. As a result, more labor is needed from those providers due to excessive demand. One other solution is to reduce the productivity of the work, or rather to fight against its continuous improvement for at least 200 years. In practice, it means fighting against the mechanization and the automation of hard work, against the computerization and the algorithms in the services, tomorrow against robots. It can also lead to reduce salaries so that it becomes less profitable for the companies to invest in machines and thus put more people to work.

The idea to fight against the technical progress to save jobs does not date of yesterday: it was at the origin of the revolt of the silk workers in 1831, who protested. The fact that machines produce more and more on our place is a good news, if we know how to adapt our model of companies to manage the fatal consequences such as destructions of jobs loss of the social link, etc.

Another solution for to fight against unemployment is to allow the relaunching of the request, more exactly what the economists call the global request of the properties and the services or the aggregated request. To simplify, it is the sum of: The household consumption; the investment of companies and households; the spending of the government and the public administrations.

First lever of action is to thus boost the household consumption. It is necessary to be very watchful in this connection and to remember that we are already in a company of hyper-consumption which generates numerous abuses; and especially that it is urgent to reduce our ecological footprint and our greenhouse gas emissions. Another solution is to fund enterprises  
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which will employer people. It is complicated to connect financial means available of companies and investment. Especially, while we speak ceaselessly about the financing of companies, the investment is determined at first by the anticipation of a future demand. In this time of gloom for the world growth, it is complicated to identify clear measures to boost the investment of companies, beyond those already implemented (reduction in interest rates, research tax credit, public bank of investment, etc.) The last solution to remediate to this unemployment issue is to better share the necessary amount of work between all the people who wish to work. If we do not wish to slow down the technical progress, and if we are realistic on the growth perspectives of the production, then it is essential to share at first the existing employment in a fair way.

Statistics of the employment and the unemployment is a part of the most quoted and most commented macroeconomic issue. Employment is one of the categories the most complex statistics and its measure continues to be the object of a permanent debate because it raises numerous abstract and empirical problems, because it is a question of fixing the borders between the unemployment and the inactivity, or of determining which is or which is not used in a adequate way, as shown by the literature on the subject. In many low-income countries, stable employment is the exception and the biggest fraction of the working population works in a wide informal sector, characterized by a myriad of very small production units which operate without real legal frame, in which the employer is also the unique employee, or which employ a workforce established by assistants family members who are unpaid. In many cases, the relation employer / employee is governed by

rules which are not of the usual wage . It follows that the institutional frame of labor relations is generally little developed: collective bargaining's are frequent because of the absence of labor-union formation or their low power.

Unemployment is a very huge macroeconomic issue in all countries developed and underdeveloped. This is an issue which affects the country's economy if not controlled and maintained at a lower percentage. In order to do so. the government should implement laws which will aide in facilitating the creation of jobs. The government could also cut down in imports from other countries in order to increase domestic production. Reference" LE VRAI CHIFFRE DU CHOMAGE AUX ETATS-UNIS : 13%." Alterinfontet.

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