# Example of effects of unemployment on family research paper

Countries, United States



Unemployment is the term used to describe the process by which the people so much willing and able to work at a given wage rate in the market, but they do not get the jobs and thus they ended up being unemployed. These people are economically active as they seek employment. When the demand for labor exceeds the supply for labor then unemployment arises. If an economy has a higher unemployment rate, then this is a clear indication that the resources in that economy are used inappropriately.

# **Background**

This study is conducted mainly to investigate the effects of unemployment on the stability of the family. Research has shown that people who just become unemployed due to various circumstances such as closing of industries or factories experiences financial difficulties which affects them and their families (Broman C., Hamilton V. & Hoffman, W., 1997). The history of the United States dating back from 1948 to 2012 has shown that the economy has suffered 11 recessions since postwar period. The federal government has tried to apply various macroeconomic policies such as the increased government spending and tax cuts so as to push back unemployment during the recession.

According to the Bureau of Labor Statistics' reports on 5th October, 2012, the unemployment rate had decreased to 7. 8 percent in the US and this was a 0. 3 percent decrease. The number of unemployed was 12. 1 million initially, but has reduced by 456, 000 people (Bureau of Labor Statistics, 2012, October 5).

The table below shows the changes in the rate of unemployment in the United States since January, 2011 to October, 2012.

The highest rate of unemployment as shown above was recorded on the month of December, 2010 which rose up to 9. 8 percent. Afterwards, there has been a series of decline until it reached 7. 8 percent in September, 2012 which has been the lowest percentage recorded.

Though the number of unemployed has reduced, many of these unemployed people are not receiving the emergency unemployment benefits and the congress is about to determine whether to continue giving those emergency benefits to the most affected areas. It is estimated that the initial number of unemployed people receiving checks was 78 percent but it has reduce to 48 percent and thus indicating the increase in the number of unemployed people (Foxnews. com, 2012). In addition, the census reports shows that last year, about 3. 2 million people were being hold from falling into the trap of poverty - defined as those receiving the annual income of \$22, 314 in the family of four members - by the emergency benefits they received.

U. S. Suicide Rates, 1950-2003

(per 100, 000 populations)

All ages, age adjusted

5–14 years

15-24 years

15-19 years
20–24 years
25-44 years
25–34 years
35-44 years
45-64 years
45-54 years
55-64 years
65 years and over
65-74 years
75-84 years
85 years and over
Male, all ages
Female, all ages
Source: Centers for Disease Control and Prevention (CDC)
Note that:

In the period between 1950 to 1980, the suicide rate has decreased from 13.

2 to the present rate of about 11. An increased suicide rate has been realized for ages 5-24 from 1950 to mid 1990s but has then decreased. From 1950 to present suicide rates for ages 45 to 85 and above has decreased.

## **Depression Rates**

Depression is the greatest killer of time for the unemployed people. It is reported an approximation of about 18. 8 million of people living in the U. S. suffer depression disorders. This is about 95 percent of the total adults' population in the United States. They mainly suffer the dipolar disorder, depression disorder and dysthymic disorder (Murray, B. & Fortinberry, A., 2005, January 15).

Depression is mostly caused by trauma in adulthood which entails sexual abuse, divorce, neglect when parents are working, violence in the family and poverty due to unemployment. The current statistics show that southeastern estates have the highest rates of depression with Mississipi leading at a 14. 8 percent followed by West Virginia, Alabama, Oklahoma and Arkansas. Colder states had least depressed rates where North Dakota had 4. 8 percent followed by Alaska, Iowa and Colorado.

#### **Suicides rates**

Consequently, the reports have also indicated that the suicide has been on the rise and a total of 38, 000 people die in the U. S. annually by committing suicide.

According to the latest data a total of 38, 364 deaths were reported in 2010 due to suicides cases. Suicide is the fourth leading cause of death in the United States for adult between the age of 18 and 65 years. In addition, the suicide rates of men are more after the age of 65 while women suicide rates peak between the ages of 45 and 65 years old. These suicides are due to presence of mental illness, social isolation, substance abuse and possession of fire arms. Ideally, these are necessitated by the fact that they are not preoccupied and this gives more room for these behaviors to crop up.

Suicide among the youth is also relatively high; rose from 6. 3 percent per 100, 000 in 1955 to 21. 3 percent in 1977.

In summary, suicide rates are influenced by political, moral, social, biological, psychological and economic factors. United States suicide prevention efforts focus on education and counseling. The suicide rates by states as at 2005 was highly recognized in Montana 22. 0, Nevada 19. 9 and in Alaska 19. 7. Low suicidal rates were experienced in New York 6. 2, New Jersey 6. 1 and District of Columbia 6. 0.

### The statement of the problem

The objectivity of this research aims at determining the unemployment effects on the stability of the family and the possible remedies to this problem. Policy intervention is required so as to save the society as a whole from the unemployment problems. Therefore, this study aims at determining unemployment's effects on the family in the United States and the possible way out.

# Effects of unemployment on the family stability

The effects of unemployment on families have been a major problem in the United States for many centuries as was explained earlier on. The issue of unemployment which might be caused by losing job or when not initially employed has affected these families in various ways which are discussed below.

If one of the member the family becomes unemployed, the entire family would suffer an abrupt change in their living style because they will lack money to meet their daily expenditures and as a result a lot of stress and depression will start to crop up in the family due to the fact that there are no securities in terms of finances as it used to be before. The older family members will have to look for other possible sources of income so as to meet their basic needs and for their dependants. These might result to frequent domestic conflicts and disagreements.

Another negative impact of unemployment will be experienced on the children of the affected families. The quality of education that they would receive will be affected much due to lack of financial support from their parents. The children will therefore, develop psychological stresses since they might not be able to attend school, instead they would be looking for casual jobs for sustainability of the family and this would affect the relationship between the children and their parents.

The loss of job would affect the retirement security of the family. This is because the money which was initially saved as the retirement benefit is no

longer there and thus the family would have no future money for their old age expenditures. This would cause too much stress in the family.

Unemployment would also increase the dependency on the government laid welfare programs which aims at assisting those families which are not employed to meet their daily consumption expenditures. The children of these families would much be affected in terms of their performance in academics and they would later become hopeless.

Furthermore, the unemployment condition would bring about negative impact on the health conditions of the family. This would result because the family can no longer access the dietary food due to lack of money. The family could also not afford medical services from good hospitals and thus they may suffer other disease like bronchitis, diabetes and other illnesses. These would later result to depression and other types of disorders.

Similarly, unemployment of parents would also mean that the family will have to move from expensive housing to those which are cheap since they can afford with the little money they have. This will affect the family's lifestyle and thus causing conflicts.

The most affected families are those families who had younger children who were below 18 year old since unemployment on them doubled between the year 2007 and 2009. The report from the Census Bureau shows that single parents are affected less that the two parents in the family. On the other hand, the population survey of March 2009 indicated that Hispanic together

with black families tend to suffer more that those who were white and non-Hispanic in case of unemployment (Valle E., 2010, January 20).

According to the brief of January, 2010, children living with unemployed parents have poor school performance. A key study on the data shows that the earlier estimate of 10. 5 million children included, 8. 1 million children truly live with unemployed parents. Those children living with other unemployed families according to December, 2009 data was over 2. 3 million.

The reports from the Bureau of Labor Statistics as at August, 2012 indicated that the unemployment rates were lower in 325 of the 372 metropolitan areas, higher in 40 areas and remained unchanged in 7 areas. The highest rate of unemployment rates were registered in families living in Las Vegas-Paradise, Nevada and Riverside-San Bernardino-Ontario, California each with 12. 3 percent as at then (Bureau of Labor Statistics, 2012, October 3).

### **Conclusion**

Since last year, the unemployment rate has declined up to nearly 10 percent. This is an encouraging attempt on the labor market. Long term structural changes, aging population has led to low demand for low-skilled workers which further resulted to the current low labor force participation in United States. Research clearly shows that facts will remains to be millions have given up trying to get job. For unemployment rate to fall the United States government should pass economic acts that cut taxes, housing prices should also decline and set money to act as stimulus packages to jump start

the economy as the one taken by Barack Obama when he got into office in order to lower unemployment.

Energy prices should also be moderated in order to ensure that the costs of production are kept low and also more people are absorbed. When there are job shortages, the jobs which were meant for low skilled are will be taken by the higher skilled workers which then force them into the unemployment queues. The government should then ensure that job creating activities are taken to ensure that all people have a chance to live a good life and reduce poverty levels in the country.

# **Analytical Summary of Unemployment**

Layoffs increased during the recession period, but they are not the cause of the nearly 10 percent unemployment rate. The main cause of unemployment in the U. S. remains to be sharp drop in creation of new jobs. The government spending also has necessitated the unemployment rate since it does not create jobs or prosperity. Private-sector investment and entrepreneurship should then be encouraged in Washington.

Unemployment has doubled way back from recession where 9. 7 percent of Americas are now unemployed due to increased lay-offs.

Private-sector job creation has lowered hence it has raised the unemployment rate. A 5. 9 percent decrease in employment has been due to lower job creation. Reduced hiring in small businesses has accounted for 36 percent of job loss in the recession to 12 percent in 2011. The congress

should set policies that encourage investment and risk-taking by entrepreneurs to reduce unemployment.

#### **Thesis Statement**

Unemployment have had a great and negative impact on the family's social setup and therefore, policy makers should put policy measures in place to help solve this problem, otherwise we will not have stable families anymore.

#### References

Bureau of Labor Statistics (2012). United States Unemployment Rate.

Trading Economics. Retrieved from:

http://www. tradingeconomics. com/united-states/unemployment-rate

Bureau of Labor Statistics (2012, October 3). Metropolitan Area Employment
and Unemployment Summary. Economic News Release. Retrieved from:
http://www. bls. gov/news. release/metro. nr0. htm

Clifford L. Broman, V. Lee Hamilton & William S. Hoffman (1997). The Impact of Unemployment in Families. MPublishing, University of Michigan Library, vol. 2(2). Retrieved from:

http://quod. lib. umich. edu/m/mfr/4919087. 0002. 207? rgn= main; view= fulltext

FOX News (2011, November 5). Most of U. S. Unemployed No Longer Receive Benefits. The FOX News Networks, LLC. Retrieved from:

http://www. foxnews. com/politics/2011/11/05/most-us-unemployed-no-longer-receive-benefits/

Murray, B. & Fortinberry, A. (2005, January 15). Depression Facts and Stats.

https://assignbuster.com/example-of-effects-of-unemployment-on-family-research-paper/

Uplift Program. Retrieved from:

http://www. upliftprogram. com/contact. html

National Centre for Health Statistics (2010). Facts & Figures. American Foundation for Suicide Prevention. Retrieved from:

http://www. afsp. org/index. cfm? fuseaction= home. viewpage&page\_id= 050fea9f-b064-4092-b1135c3a70de1fda

Priyanka 1980. (2009, July 11). What are the adverse effects of unemployment? eNote. Retrieved from:

http://www. enotes. com/soc/discuss/what-adverse-effects-unemployment-55513

Silva, P. (n. d.). Effects of Unemployment on Families. Ritchter, L. (Editor) (2010, October 30). Retrieved from:

http://www. brighthub. com/office/career-planning/articles/84886. aspx

Sonkushre, P. (2011, December 31). Effects of Unemployment on Families.

Buzzle. Retrieved from:

http://www. buzzle. com/articles/effects-of-unemployment-on-families. html

Suicide. org (n. d.). Suicide Statistics. Retrieved from:

http://www. suicide. org/suicide-statistics. html