

# The unemployment in egypt economics essay



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Definition of unemployment is a situation where someone is not able to find work or job but would like to get full time job. Unemployment sometimes called body of economy. It is easily possible to measure rate of unemployment which is number of unemployed person over number of people in labor force. The level of unemployment may differ with economic situation and other condition. Unemployment is an important issue regardless the time, it's not possible to say that unemployment is important issue for only past, present or future. It's an important issue for all times, all places and countries and for all situation. It's the fundamental right to get job or to be employed for all citizen equally. Yet, every day on the news there are unemployed people and who are struggling for getting job and able to manage their living. In every society and country especially in 3rd world country, there is always a huge rate of unemployed people or not enough work for everyone. Each and every person on this world must do some work in order to get his living, in order to enable him satisfy his demand and need, in order to implement his hopes and dreams for future. An unemployed person can't achieve his or her living. He is considered as a burden to his family and society, he has to rely on others, it is easily recognized that unemployment is the very common problem in everywhere in this world. So Egypt can't run away from it. The unemployment is very significant problem for Egypt. Many people suffering dramatically from unemployment.

According to economoywatch website unemployment is the one most critical problem for Egypt over a few decades and it has increased significantly since year 1960. Total number of unemployment was less 200, 000 in 1960 but it increased to 850, 000 in 1967 and by 1986 this figure exceeds 2 million (economoywatch-website, 2010). Job opportunities have created at a slower

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rate compared to the growth rate of population. There are a lot of reasons for the unemployment but major reasons are overpopulation, lack of proper education, personal reason, government policies, effect of economic policies, lack of proper training, rapid changes in technology, economical recessions, willingness of work, undulating business cycles and attitude towards employers. Unemployment caused great deep effects on the Egyptian society and economy. Not only this, it has also horrible negative impact on personal mentality, psychologically and also physically on people. Nobody wants to be an unemployed person and play a miserable life and this is wished by most human beings. Moreover the problem of unemployment worsened and it is now one of the major causes of concern and something must be done to decrease unemployment rate and before the situation get more worse.

There are lot of reasons for unemployment but one of the major reason is overpopulation. The population is increasing day by day but job opportunity can't be created same proportion so a huge percentage of people remain unemployed. Unemployment always hits individual to hardest. Self respect, sense as well as income always decrease for this reason. An unemployed person is not only suffering from these problems but their family members also suffer with him/her. According to studymode-website unemployment can cause countless problems at same time and it is such kind of poison which pollutes society and country (studymode-website, 2006). Justice, sincerity, honesty, nobility, truth cannot be expected from a person who is unable to manage his living. According to economywatch-website Egypt had an average unemployment rate of 8.3 % in 2007 (economywatch-website,

2011). According to Egypt independent website Egypt unemployment rate rises to 12.4 % in 2011 which can be compared to 8.9 % in 2010 said by central agency for public mobilization and statistics (CAPMAS) (Egypt independent website, 2012). Egypt is over populated

Only 10% of area is used for living, agriculture and other 90% are unused. There are some cities and areas in Egypt which have higher density population pressure. Some areas contain a lot of people so it is very difficult to maintain good hygiene and optimum living space. According to lodinews-website there are some districts which have more than 41,000 people per square km (lodinews website, 2011). According to bbc-website Egypt has high birth rate equal to 2%. (bbc-web, 2012) Overpopulation and unemployment is a part of everyday for many Egyptian. So it's easily recognized that overpopulation increases the rate of unemployment.

Education system also plays a vital role in unemployment problems. The present bookish education is responsible for it. Subjects which are taught at school, college or university are not compatible or not related or not at the level of present job requirements. There is a mismatch between skills needed in the job market and skills provided by the Egyptian education system. There is a huge gap between what students study and what requirements are for getting a job. Students are studying some superficial subjects and they only run back to get high marks sometimes without understanding the subject itself. A lot of highly educated persons fail to manage a job and a lot of graduates are unable to find a job which relates to their study. The rate of unemployment problems among literate people is much higher than illiterates and the situation is getting much worse as 25% of youth are unemployed which leads

to frustration, crimes in society so as result it increases rate of unemployment desperately. Any country progression mainly depends on education and scientific research. Education system in Egypt at critical juncture there are a lot of reasons for this such as cost saving policy which affects quality of education, lack of proper training of teaching stuffs, low salary given to teachers which leads to encourage them to give private lessons to students. Such educational system encourage them in memorizing instead of thinking creatively, this education system doesn't help students to build their personalities, doesn't teach them how to be independent learner, how to become creative and think more effectively and developing.

According to professor Mohamed aboulghar (2011) states that Egyptian university graduates cant think, can't ask question, can't argue even don't know how to dialogue , they are only capable of waiting for order and execute them which means this education system make a personality that can't create or think.

There are a lot of other reasons for unemployment. It can be put in following lists:

One of major cause of unemployment is a falling economy, Government unable to fix up realistic fiscal policy, recession all over the world.

Political unrest, Governmental instability, social security, investment insecurity that's why some sectors are facing tremendous problem like, tourists visits, foreign investment etc

Government policy, the government has not a comprehensive strategy for job creation policy, poor governance, mismanagement of resources etc.

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Effect of Economic policies, the country weak and unrealistic economic policy is a direct cause of high unemployment in Egypt, Lack of open market economic policy, lack of competitive investment policies, and high tax rates policy are the main factors of unemployment.

Lack of proper world standard education and training, there is a mismatch of the skills provided by the Egyptian educational system and the skills needed in the job market. Egyptian Government allocates the lowest budget for Research and development in the world.

Imbalance between workers qualifications and the demands of the labor market. Egyptian workers are facing lack of skills and competent for a competitor jobs.

Still technical education does not get priority in the country, so workers usually fail to get good jobs. There are also some other reasons like social prejudices which pull them to join in some particular jobs.

According to El-Megharbel ( 2007) The private sector does not provide enough job opportunities, which contributes to the continual increase of the informal sector, as individuals resort it to provide a source of income.

Corruption has been a big disaster for a long time in Egypt which destroys the economical strength and one of the main reason for unemployment.

Effect

There are a lot of causes for unemployment which affects rigorously and bring new problems every moment.

The unemployment has nasty impact on society, economy, health etc. an unemployed person who does not have any job so it financial losses for the unemployed workers and individual losses his or her productivities and a bad effect of national gross domestic productivity. National economy suffers because of lower input. Due to unemployment problems an unemployed person's overall tension increase which may affect his/her physical such as blood pressure, depression, diabetes and mental health like grief, anxiety, loss interest in life and those physical and mental problems may affect or spread negative attitude his or her other family members and when this problems spread to other family members it may lead turmoil, quarrels, argument, develop negative attitude towards common things in life. Mental tension always exist which creates and leads to fear and unsecure.

Another bad effect of unemployment is crime and violence. Different studies had shown that crimes and violence are inversely proportional to unemployment because as an unemployed person fails to find his daily living and expenses he desperately and unintentionally does unethical things. It also may lead decrease social interaction with other people which include family members also not only this it may brings the disgrace to that person which unfortunately increase suicide and divorce rate in Egypt.

The unemployment has nasty impact on society, economy, health etc. In another word it has bad affect to whole nation so some solution must apply to decrease rate of unemployment in Egypt.

Solution of unemployment is an urgent need for Egypt. The number of unemployed person increase day by day. It is not possible to find only one

perfect solution for such huge problem. There are a lot of possible solutions provided in order to reduce the rate of unemployment. One of the solution is constructing and reform textile sector. Its known that Egypt is famous for cotton from ancient time and clothes are made from cotton. So it's great chance for Egypt to construct and reform textile sector in order to reduce the rate of unemployment. According to hashbd-website repair, reconstruct, reform the textiles sector could be beneficial for Egypt(hashbd-website, 2011). Another solution according to tarek2011blogspot-website to stop selling companies and to postpone privatization program, to encourage people to migration to other country for work and send back remittance to Egypt(tarek2011blogspot-website, 2011). So by stop selling companies and postpone privatization a lot of Egyptian can get job at same time under government direction and supervision. Another solution is desert reclamation. By desert reclamation there will be enough land for farming, industries etc which may decrease unemployment rate in Egypt. According to ahram weakly-website improving labour market function by reducing segmentation and by dersert reclamation is the most perfect solution for unemployment in Egypt(ahram-website, 2011).

There are a lot of solutions in order to decrease rate of unemployment but the best solution would be:

Establish large number of mills, factories, industries which creates a large number of job opportunities

Only 10 % area is used for living, agriculture and other 90 % is useless so it should be well- distributed all over Egypt



A great change needed in education system. More importance should be given on technical, vocational and professional education.

The educated youth should motivate attitude to life. They must know how to think not what to think and they should choose independent career. Self employment is best and also job perfect solution to this great problem.

If rich people in Egypt used to invest half of their wealth in development of Egypt the unemployment rate would decrease half so government must set up new rules and policy in order to rich people and investor get attract and feel comfortable to invest in Egypt.

before graduating from university, students should do their internship at prestigious companies, whereby youth can acquire their concern and increase their competitive qualities.

In conclusion, Unemployment is a serious matter in Egypt. Although its fundamental right for citizen to get job according to their qualification. However there is not enough job for everyone so huge number of people without any job cause a lot of problems. The number of unemployed people is increasing day by day and situation is getting much worsen. Main reason for unemployment is overpopulation, undeveloped and rotten education system, corruption, government policy etc. so jobless people spend miserable life without money. So that affects Egyptian economy, culture, society hardly. Several solution such as desert reclamation, constructing and reform textile sector, postpone privatization to company had done but nothing were much successful. So new solution such as Establish large number of mills, factories, industries and change in education system and <https://assignbuster.com/the-unemployment-in-egypt-economics-essay/>

youth motivation must needed in order to decrease rate of unemployment in Egypt.