

## Unemployment as a Crucial Factor of Social Destabilization

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### Abstract

*Within the framework of this paper we will talk about a very important element that affects the standard and quality of people's life. According to this, we are witnesses that the transition countries (or developing countries) all around the world and especially in the Balkans, have faced and are still fighting with various negative phenomena that belong to the macroeconomic level. These negative factors have affected and left many consequences on society, causing a large percent (%) of poverty, social destabilization, social dissatisfaction and thus a large number of immigrants. One of those phenomena is unemployment, which will be elaborated through this paper, where for its realization I have made a research in Kosovo's town of Peja. The information's that are contained in the paper will give you answers to many questions and dilemmas that concern all people around the world and especially the citizens of Peja. What are the reasons of the high level of unemployment? Why the unemployment rate rises every day instead of subtracted? Is that percent (%) of unemployment due to wrong actions of our politicians? Does the education level have impact on unemployment rate? Are "interventions" one of the reasons of unemployment? Do family businesses affect the unemployment of capable people (qualified)? Answers to these and many other questions you will get through this paper.*

**Keywords:** Unemployment, Consequences, Standards, Demography, Transition, Negative Phenomena.

### 1. Introduction

One of the elements that is present throughout the world, especially, in third world countries, phenomenon that affects the social welfare state and in many individual and collective aspects, is in fact, the second element or macroeconomic variables, unemployment. The presence of this phenomenon reflects and essentially affects the demographics of the state, creating social instability. Therefore, we can say that one of the most damaging individual (human) experiences is unemployment.

Communities that belong to developing countries suffer greatly from this deadly disease and ruining social welfare. In most cases, this result as a consequence of various wars and conflicts, for various reasons, and that in fact suffer only innocent people. Essential factors that caused these kinds of disturbances is uncompassionate policy led by individuals.

However, despite the fact that the unemployment level for years is high, the community manages to survive and hope for a better future, thanks to numerous aid and remittances from foreign countries, i.e. more developed countries. Where, based on them developed countries reach to function without much effort, recognizing revenue from developed countries. In most cases, family members of society who live abroad are those that provide certain financial assistance and promotion materials.

Based on the attractiveness of this topic there have been made numerous researches on different countries worldwide, making multiple comparisons in order to find a solution or recovery from this disease. The fact that I live in such a country, where, unemployment is also present whether for the political, economic or social reason, has prompted me to make a qualitative study and clarify some dilemmas or problems that afflict our people (citizens).

The paper includes data about people with different profiles, ranging from age, ethnicity, marital status, religion, employed, unemployed, poor, rich, educated, uneducated, different professions, people with remittances, people receiving social assistance, those who are well paid.

It is worth to add, that this paper does not include 100% of the municipality demographics. However, the information that is included is real and concise.

### 2. Literature Review

The second indicator or macro variable that creates social instability is undoubtedly the phenomenon of unemployment,

which is present all around the world, especially in countries that are creating and forming their own country.

The duration of unemployment is one important variable that affects the satisfaction levels among the unemployed. The immediate consequences of unemployment are (usually) a reduced income and an increased amount of time spent in non-labor market activities such as leisure. Consequently, the satisfaction level regarding income decreases and with respect to leisure time it increases. Concerning the satisfaction level with main vocational activity, unemployment tends to have negative psychological consequences, including the loss of identity and self-esteem, increased stress from family and social pressures, along with greater future uncertainty with respect to labor market status (NamkeeAhn, Juan Ramon Garcia and Juan Francisco Jimeno, 2004).

Extension of unemployment varies between workforces, reaching out in particular with age. Periods of unemployment are more likely to end up with the flow of labor force among young men than among older men, this difference does not exist between young women and older. However, Idle is the one who is looking for work and the one that wants to work but can't find a job. Then, people who are and are not in working relationship can be divided into 3 (three) categories:

- ✓ Employed
- ✓ Unemployed
- ✓ Economically inactive

To calculate the unemployment rate, the following formula can be used (RudigerDornbusch and Stanley Fischer, 2000).

$$\text{Unemployment rate} = \frac{\text{nr.of the unemployed}}{\text{total work force}}$$

Although represents one of the phenomena that mostly negatively affect social welfare, the question raised is: is unemployment each time and for all negative indicator? We have situations where someone is able to work but does not wish to work, or when someone wins the lottery and decides to live with that money or even a situation when someone prefers to pretend that it can't find work and fits more remittances, or maybe someone does not fit the type of work and wages. As you can see, there are different situations and reasons when it comes to unemployment or employment.

However, unemployment affects demographic in many aspects thus creating many negative effects that indicates on social destabilization. Some of the disadvantages or challenges that creates this phenomenon are: (see figure 1).

**Figure 1.** Disadvantages or challenges of the unemployment



**Resource:** Authors own resource

Despite social instability, unemployment also affects economy. Why? Simply because as many unemployed people, thus the economy can not work properly and opposite.

During the recessions and depressions, however, unemployment is definitely not frictional. In these downturns in the business cycle the unemployment rate can rise far above the level resulting from a normal and healthy process of job search. The market economy breaks down, falling to match workers willing and able to work with businesses that could put their skills and labor power to making useful goods and services (J. Bradford Delong and Martha L. Olney, 2006).

We can say that the unemployment is one of the best indicators to see how the economy operates, because the greater the level of unemployment that is known that the economy does not work correctly. Well functioning states only occur when all resources are in use. Three main factors that are used for economic progress are: human resources, land and labor.

**Figure 2.** Factors of the economic progress



**Resource:** Authors own resource

At the moment when these factors are put to use, then obviously the economy will be on the high level. There would be more productivity, it would create new jobs, the state would operate with positive economy (GDP +), and it would provide a better standard of living.

We can say that full employment means full use of all available resources of the state. Each country should aim to use all resources that possesses, because only then the society would realize full employment and productivity.

Labor demand, or demand for any other source, depends on productivity. In general higher productivity the higher is demand (Campbell R. McConnell and Stanley L. Brue, 2005). So, productivity plays a very important role when it comes to job search. In general, all jobs require, ranging from one who possesses certain criteria, such as education and professional skills to the one who does not possess these criteria.

**Figure 3.** The effect of using the resources that affects the society



**Resource:** Authors own resource

### 3. Research Methodology

There are different methods of research, and each in itself contains certain purposes and in such manner to implement them. The purpose of this study was to analyze the social situation in the Kosovo town of Peja, to find the polemics devoted famous Unemployment arising since the riots after the war.

In general, for the realization of such paper, a 100% data are required. However, since the situation in Kosovo does not differ much from family to family, this paper presents the state of the common families of every type and rank. Therefore, based on the data I collected, through the implementation of the questionnaire, I managed to introduce the real situation in Kosovo families. My focus was people of all ages, professions, ethnicities, different statuettes, and extraordinary living conditions.

#### 3.1 The Form of the Questionnaire

For the realization of this paper I have used the qualitative method or the questionnaire, as it was the most appropriate in terms of working conditions and environment. The questionnaire consists of 4 (four) parts, where the first part includes general details of place and time where the survey was realized, then the second part the data of the respondents, the third part consists the statute that reflects to the employment or unemployment and the fourth part contains the level of education in Kosovo families, especially in Pejatown and surroundings.

Part I - This part is composed of information that actually indicates the actuality or period of the survey. For the most current information, the more useful it is which affects more realistic assessment of unemployment.

Part II - The main focus is general information about the respondent and his/her family such as, initials, age, ethnicity, gender, marital status, religion, the environment where they live, the way of life (through family remittances or paid)...

Part III - In this section are involved two other parts, the first contains information regarding persons who are

employed in the family, while the second information to persons not employed in the family.

Part IV - This part relates to the level of education of all family members starting with the oldest one.

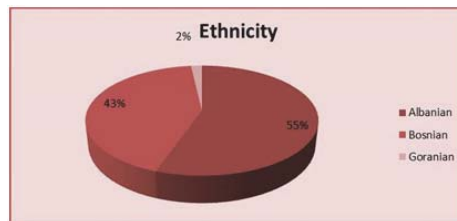
### 3.2 Results

The obtained data will determine what the social situation is in Kosovo, especially in the city of Peja and its surroundings. The data shows how one variable depends on other, how they function when they are completely independent and dependent. Each variable is represented in its domain, as well as the correlation with other variables. Based on data collected from surveyed families we have acquired these results for each category:

**Table 1.** Members of ethnic groups

Ethnicity		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Albanian	123	55.4	55.4	55.4
	Bosnian	95	42.8	42.8	98.2
	Goranian	4	1.8	1.8	100.0
	Total	222	100.0	100.0	

**Graph 1.** Members of ethnic groups

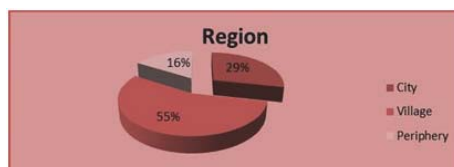


Kosovo has many ethnic groups, but Albanians represents majority, so do this paper work. Based on the above data, we can see that of the 222 respondents 55.4% are Albanians as a majority, 42.8% Bosnians and Goranians 1.8%. According to the data gained, each of them has been attacked of some kind of social threats.

**Table 2.** Respondents in the municipality of Peja

Region		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	City	63	28.4	28.4	28.4
	Village	123	55.4	55.4	83.8
	Periphery	36	16.2	16.2	100.0
	Total	222	100.0	100.0	

**Graph 2.** Respondents in the municipality of Peja



On the basis of the data in the table above and graphic, we can see that of the 222 respondents 28.4% live in the city, 55.4% live in rural areas and 16.2% live in the periphery.

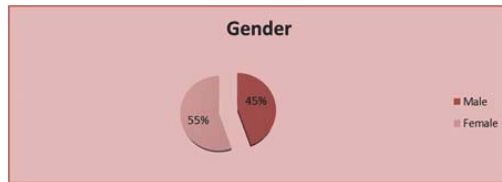
Since the people who live in villages are the most affected from the phenomenon of unemployment, I have surveyed them the most. Why? I wanted to know how many of them are in working relationship, how they are surviving, how many of them are educated....

Without any doubt I can say that people from villages in relation with those from city and periphery are much more in job stagnation. Many reasons were mentioned, some of them are: lack of interventions, familiarization, lack of belief, lack of job opportunities.... However, even if they are the most affected, they still can live, because they have their lands and tools for surviving and living even better than people from city and periphery.

**Table 3.** The percentage of Gender

Gender		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	99	44.6	44.6	44.6
	Femal	123	55.4	55.4	100.0
	Total	222	100.0	100.0	

**Graph 3.** The percentage of Gender



The higher % of surveyed were composed of females, were of the 222 people female sex reaches a higher percentage compared to males, where 55.4% is coverage of women while 44.6% men.

Since women in relation to men are more affected from unemployment, I have surveyed more females than men, just because they are the one who are the most discriminated in every aspect.

Our tradition has always been a little cruel. Before the war, females were totally discriminated when it comes to education and more to professional job. They couldn't be involved in any professional process. But after the war, situation seems to be changed in many aspects. Almost in every family there are students, no matter if they are males or females. The point is that people in Kosovo have woke up from a long run dream and start to think and offer their children better life and opportunity to be somebody in this life. By educating youth our country can prosper and get the positive feedback.

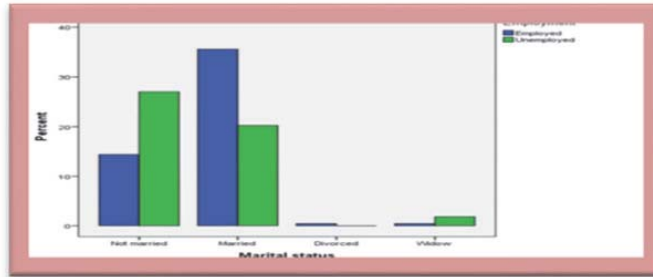
**Table 4.** The percentage of marital statuses of the respondents

Marital status		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not married	92	41.4	41.4	41.4
	Married	124	55.9	55.9	97.3
	Divorced	1	.5	.5	97.7
	Widow	5	2.3	2.3	100.0
	Total	222	100.0	100.0	

**Graph 4.** The percentage of marital statuses of the respondents



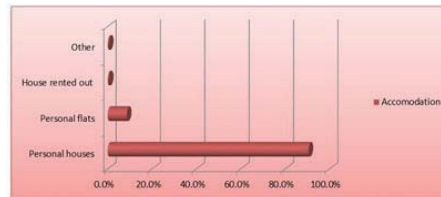
**Graph 5.** Employment in relation to the marital status



**Table 5.** The accommodation of the respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Personal House	201	90.5	90.5	90.5
	Personal Flat	19	8.6	8.6	99.1
	House rented out	1	.5	.5	99.5
	Other	1	.5	.5	100.0
	Total	222	100.0	100.0	

**Graph 5.** The accommodation of the respondents

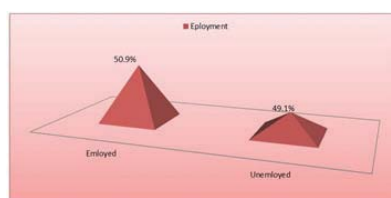


Almost all surveyed people live in their personal houses, which are inherited from their descendants, and that is very positive for local standards. Because, if you are unemployed, it is of great importance to have personal house, for the simple reason that in this way you simply have a basis for the life. Also, there are some people who live in personal flats, and who have the basis for life if they are unemployed. At least they don't depend on job in every aspect. But, for those who live in rented houses and flats, situations can go downstream.

**Table 6.** The percentage of the employment

<b>Employment</b>		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Employed	113	50.9	50.9	50.9
	Unemployed	109	49.1	49.1	100.0
	Total	222	100.0	100.0	

**Graph 6.** The percentage of the employment



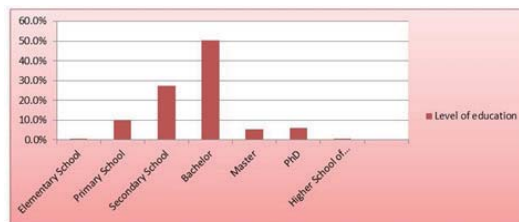
Unemployment as the greatest social challenge is largely present in our country. Almost 50% of respondents belong to a group of unemployed people. However, there are many reasons of unemployment in Kosovo. In many cases, these are people who can't find jobs for the simple reason that the state does not give them that kind of service. Other reasons could be: lack of a certain level of education, family finance, intervention, etc. However, the level of unemployment reaches the level of 50%, which means that by the total number of respondents only 50.9% were employed.

In general, Kosovo as a country in transition has an unemployment rate that reaches 45% in total. It is quiet alarming because till we have this problem we can't even imagine joining EU.

**Table 7.** The level of education of respondents

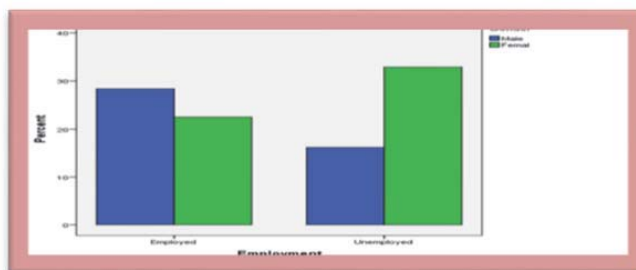
Level of education		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Elementary School	1	.5	.5	.5
	Primary School	22	9.9	9.9	10.4
	Secondary School	61	27.5	27.5	37.8
	Bachelor	112	50.5	50.5	88.3
	Master	12	5.4	5.4	93.7
	PHD	13	5.9	5.9	99.5
	Higher School of Economics	1	.5	.5	100.0
	Total	222	100.0	100.0	

**Graph 7.** The level of education of respondents



We can see that by the surveyed people, the highest number belonged to people who have a basic level study (Bachelor), while the lowest level of elementary school belongs to a very small number of people. In principle, these are people over the years. Education system in our country seems to be in progress.

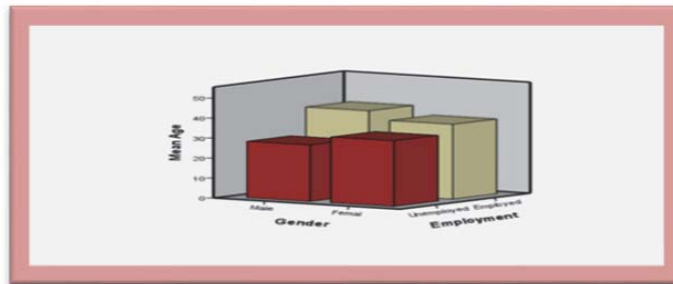
**Graph 8.** Employment in relation to the Gender



According to the data, men reach the highest level of employment of 29% employed men in relation to 22% of employed females. Likewise, when it comes to unemployment, men are far more stable with 18% compared to the females that have reached the level of 35% of unemployment.

Why is this differentiation so high? Many reasons are involved such as: lack of confidence from companies, institutions, etc; lack of liberty; lack of trust; tradition reasons; female discrimination; lack of professionalism; lack of education; job borders; much more jobs for men; much more job substitutes for men; etc.

**Graph 8.** Employment in relation to Gender and Age



#### 4. Conclusions and Recommendations

The information gathered, although not 100% includes residents of Peja city, is concise. On the basis of the data, processed from certain questionnaire, we can conclude that:

- ✓ The inhabitants of Kosovo, especially the citizens of Peja and surroundings, to a large extent have social destabilization, especially the women. The fact that the men are more employed in relation to women is worrying. Because in this way it reduces the level of satisfaction and the desire for the work.
- ✓ State must take into account the interests of its citizens, to fight for them and try to create better conditions for a better life and prosperity. Because only in that way it can keep its citizens in the country, otherwise everyone will try to immigrate to better places.
- ✓ The fact that a person in the family is working, and the other five don't, creates many dilemmas and concerns. However, many families have their relatives abroad, out of which receive financial aid or remittances.
- ✓ The larger number of surveyed people possesses basic education studies (Bachelor), where the first place by percentage is occupied by men, and then female. However, it is important to stress that this percentage is applied to all those who have completed a Bachelor studies and those that are still ongoing.
- ✓ It can be seen that the people of Kosovo, in a large number are educated, but that is not useful when it comes to employment. Moreover, in some cases we have some people who work with secondary schools, while those with a higher education remain jobless. Therefore, this is worrying, because people become pessimistic when it comes to education.
- ✓ Definitely, the launch of the workforce, use of all available resources such as material and financial, may allow the state to prosper in many aspects, starting with the improvement of living standards up to increase economic growth and thus placing the country among the best. So something like that is really needed to the countries such as Kosovo.

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