

Unemployment and Unrest

Lost amid the populist rhetoric over how to tackle the poor globally are the basics ignored by the crisis managers everywhere. The wild market rules the economy. Communists, socialists, capitalists—all are worshipping market god with folded hands as if there is nothing beyond market. These days even rag pickers in Indian metros talk about ups and downs of market. Sensex is for big players. Small operators make their presence felt in retail market. Official marxists in India are so obsessed with market culture that they simply do not know how to defend their contradictory stands on market behaviour and social justice. The only area of all encompassing market that attracts scant attention is job market. As job-related market scenario involves worsening unemployment, crushing poverty and unprecedented labour migration, nobody takes trouble to tell the truth. Even ILO Director-General Juan Somavia indulges in statistical jugglery to evade the real issue—how to create jobs. His stance highlighting a global strategy of communication, better training and the promotion of entrepreneurship as a way to create more jobs looks too evasive to deliver the house.

Some 40 million jobs, Somavia says, are needed each year over the next decade just to keep up with the number of young people looking for work. Last year the captains of international capital dueled at length at World Economic Forum meet at Davos over the impending global jobs crisis without really projecting any rosy picture for the ever growing job seekers in the South. In 2005 of the more than 2.8 billion workers in the world, 1.4 billion still did not earn enough to lift themselves and their families above the US\$ 2 a day poverty line. Despite the much publicised GDP growth factor India in South Asia is again the worst hit in terms of employment generation because of 'reforms' onslaught launched by successive governments under the diktats of WTO.

This way or that unemployment is at its highest point ever and continues to rise in almost all countries. In the last 10 years, official unemployment has grown globally by more than 25 percent and now stands at nearly 192 million worldwide or about 6 percent of the global workforce. Of these unemployed, as per ILO estimates, nearly 86 million or about half the global total, are young people aged 15 to 24. This is one reason labour migration has acquired such a menacing proportion in some parts of the globe fueling ethnic and social tensions. Though South Asia's unemployment was 4.7 percent last year, it did hardly reflect the gravity of the problem. Not a single country in South Asian region is free from insurgency-induced violence and it is too naive to overlook relation between unemployment, particularly among the educated youth and insurgency. Employment-to-population ratios, the share of people employed within the working age population, varied between regions. East Asia had the highest ratio with 76.1 percent in 2005 but was also the region with the biggest change in its ratio over the last 10 years, with a drop of 3.5 percentage points.

In a situation of jobless growth talking about high GDP makes little sense as no country, strong or weak, is in a position to turn GDP into job creation or wage increases. No doubt ILO views the global jobs crisis as one of the biggest security risks the governments face today. A continued lack of decent work opportunities, insufficient investments and under consumption lead to an erosion of basic social contract which in turn breeds antagonism and violence. Poverty alleviation is no answer to job creation. Without decent job dozens of poverty alleviation schemes are bound to fail.

For the ruling elites in India and elsewhere as well, the issue is social unrest, not unemployment but they cannot contain unrest by downplaying the inter-relation between unemployment and mounting social violence. ✍