



WE STRIVE FOR WISDOM

WOLKITE UNIVERSITY

COLLEGE OF SOCIAL SCIENCE AND HUMANITIES

DEPARTMENT OF CIVICS AND ETHICAL STUDIES

**ASSESSING THE UNEMPLOYMENT AND ITS SOCIO ECONOMIC
IMPACT THE CASE OF WOLKITE TOWN, GURAGE ZONE, SNNPR,
ETHIOPIA**

**A SENIOR ESSAY SUBMITTED TO PARTIAL FULFILLMENT OF
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BY

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ABSTRACTS

The main purpose of this research would assess the unemployment and its socio-economic impacts in the case of Wolkite town. The researcher used both source of data collection primary and secondary source of data instrument. The researchers would also have employed qualitative and quantitative research approach and the design and the design are cross sectional where researcher meet the respondents once and was used questionnaires and interview and also the researcher used purposive sampling technique for 30 respondents from the Wolkite town social and workers and youth and sport office. The study finding get show that the unemployment in the town are due lack of sufficient job opportunity and population growth through migration from rural to urban for search of better life. The researcher finalizes that in Wolkite town even if currently the town administrator gives main emphasis to reduce unemployment it causes huge social and economic impacts on unemployed people which are male dominants than female. The researcher has duty to recommends that unemployment in the town are hinders many youths from social and economic benefit, there for town administrator should works to reduce this impacts of joblessness around the youth particularly from age ranges of 25-31 because this age groups are the productive age. So to the best of anyone who are response towards unemployment must be done to fill the impacts of joblessness.

**KEY WORD UNEMPLOYMENT, SOCIAL IMPACT,ECONOMIC IMPACT,
YOUTH**

LIST OF ACRONYMS

CSA-Central Statistical Agency

GoE-Government of Ethiopia

GTP-Growth and Transformational Programs

ILO-International Labor Organization

NGO's- Non Governmental Organization

PASDEP- Plan for Accelerated and Sustainable Developments to end Poverty

SNNPR- South Nation Nationality and People Regional State

USD-United States of Dollars

WB-World Bank

UNSECO-United Nation of Educational, Scientific and Cultural Organization

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CHAPTER ONE

1. INTRODUCTION

1.1. BACK GROUND OF THE STUDY

Unemployment are defined as the number of the economically active population who are without work but available for and keeping to work, including people who have lost their job and those who have able to work. For instance, housewives, full time student, invalid, those below the age of 30years and retired person. The unemployment expressed available for employment at any time (WB, 2010).

General speaking, unemployment is global trends but however occur in developing countries, include with the attendant social, economic, political and psychological consequences. Massive youth unemployment in many countries is an indication for more complex malaise. The proportion of the world's unemployment are steading increase and that the number of those without job remained at an all-time high of more than 195%million, or 6.5% in the world are unemployed(ILO,2007,2012).

Unemployment especially youth unemployment represent the growing concerns worldwide .It also one of the cause for several socio economic and political impacts spreading in almost all countries of the world .It has long been one of the several feature of the urban phenomena in many countries .Youth unemployment has a serious effect on not only the living standard of people (negative effect on the psychological ,socio economic ,political and physical wellbeing but also on the socio economic statues of one nation (brhanu,2014)

Individual wellbeing (happiness) depends on many things among these income ,labor market statues ,job character ,health ,leisure ,family ,social relationship ,security ,liberty and moral value are most influential .But joblessness workers are usually suffers on socio economic impacts to a reduction of income ,its extent varies depending on other source of income such saving and income generation asset holding non peculiar consequence such as loss of identity and self-esteem ,stress and depression .(Dendire,2004)

The challenge of youth unemployment in Africa is large. In sub Saharan Africa, young people aged at 15-24accounts 36%Of the working age populations are without work. Due to population growth, the number of the young people looking for work in government employee is expected to increase (Gearcello, 2007).

Ethiopia is a poor agrarian country with the per capita income of USD 350\$(WB,2014).unemployment implies the failure to make of important factors of production for fostering economic growth .Then the government of Ethiopia (GoE) gives due emphasis to employment creation as asserted in PASDEP and GTP1,2 and different policies and strategies have been adopted and implemented by government for employment generation According to the town workers and social affairs office after a few decade the towns unemployment rate are increase over than the expected .This raising of joblessness cause a huge impacts on the towns unemployed persons .And this leads them to a higher socio-economic impacts and there are several factors lead to the increasing of joblessness in the study area like ;migration, urbanization, low level of job creation by the government and by unemployed individual ,absence of good governance are the major causes of unemployment in the study areas.

1.2. STATEMENT OF PROBLEM

One of the greatest challenges of sub Saharan Africa today including Ethiopia are unemployment and poverty. These bring also another problem like the social, economic, and political impacts on unemployed. The impacts are leads the society to poor mental health, drug addiction, suicide, crime, and increase the rate of corruption due to lack of resource and joblessness follow these problems (Nazire,2006)

Unemployment is a problems of social and economic aspects as it have a bad consequence on both the social and economic aspects of the country .The unemployment cause social impacts in society Like, cause mental disease ,depression , social unrest ,insecurity among the unemployed ,crime and violence family problem , stigma are the major social impact of un employment .Unemployment also cause Economic impacts on unemployed person's such as financial cost , reduce spending power of the employed , loss of income , negative multiplier efforts loss of national output , low living standard are the Economic impact of unemployment (wB ,2006)

A high level of Unemployment indicate that failure of a country to use its labor resource ,and there are available factors for unemployment ,such as low level of general economic activities , migration ,urbanization i.e. flow of human from rural to urban in search of job and to live better life ,recession ,inflation ,rapid changes in technology ,disability ,less willingness and discrimination ,high population growth ,lack entrepreneurship ,low level in quality of

training on job creation, low level of education, lack of capital and financial support and lack of technological transformation (Bimalkanta,2014)

There Fore, the study will primarily focus on the impact of unemployment in social and economic. The study also tries to find out the impact that leads to continues increase of joblessness in the town. During this time the researcher identify the total number of unemployment in the town and are totally around 4684 people among this Male are 2708 and Female are 1976's is those who are without work in the town(serneel,2012,WB,2007).

According to the above data the number are very high and it bring huge impacts on unemployed people. So the researcher tries to find out the research gap as follow. To the best of researcher understanding there is no more investigation on the socio-economic impact of unemployment in Wolkite town. So as listed above the issues of unemployment are the issue of national phenomena that hider the unemployed, family, and society as whole. So the researcher is go through all this way to assess the socio-economic impacts of unemployment and additionally tries to find out possible remedies to the impacts of unemployment in study area. So the researcher tries to fills the listed gaps above.

1.3. OBJECTIVES OF THE STUDY

1.3.1. GENERAL OBJECTIVES

The general objective of this study would be assessing the unemployment and its socio economic impacts the case of wolkite towns in the south, nation, nationalities and peoples regional state.

1.3.2. SPECIFIC OBJECTIVES OF THE STUDY

- Assessing the cause for unemployment in the wolkite town
- Assessing the socio impact of unemployment in wolkite town.
- Assessing the economic impact of unemployment in Wolkite town.

1.4. RESEARCH QUESTION

- What are the causes of unemployment in the Wolkite town?
- What are the socio impacts of unemployment in wolkite town?
- What are the economic impacts of unemployment in the Wolkite town?

1.5 SIGNIFICANCE OF THE STUDY

The importance of the study would be going to provide some important information to government institution and to the society about the issue of the socio economic impact of unemployment particularly to the unemployed person in the Wolkite

1.6 SCOPE OF THE STUDY

As regarding to the coverage of the study would conduct in south nation, nationalities, and people regional state (SNNP), The case of Wolkite town and Would primarily focus on the unemployment and its socio economic impacts particularly the unemployed

1.7 LIMITATION OF THE STUDY

In conducting these research researchers face money hindrance like lack of related material, lack of internet access, unwillingness of respondents, especially unemployed are not willing to respondents are limitations of the study. But the researcher was pass those obstacles by using different systematic techniques by using time wisely , to read different research materials to improve research experience and to approach sisterly and brotherly to respondents to get real information for the topic.

1.8 ORGANIZATION OF THE STUDY

This study would contain five chapters. The first Chapter would deal about with the introduction parts like background of the study, statement of the problem, objective of the study....., the second chapter would also focus on the review of related literature, the third chapter contain research methodology whereas chapter four deal with data analysis and interpretation and finally, chapter five consisted conclusion and recommendations.

CHAPTER TWO

2: REVIEW OF RELATED LITERATURE

In these chapters, definition, theoretical and related works are more emphasized about the unemployment and its socio economic impacts have been briefly discussed

2.1 WORKING DEFINITION OF UNEMPLOYMENT

According to Izzi (2013), The International Labor Organization (ILO) definition of unemployment that comprise three condition; being without work, currently available for work, and actively seeking for work has been criticized for its rigidity to accommodate peoples temporarily laid off or peoples discourage of job prospects. Therefore, this study has also used a relaxed concepts of unemployment that include not only persons without work, currently available for work and actively seeking for jobs, but also those who wish to work but discouraging to actively seek to work.

2.2 CONCEPTS OF UNEMPLOYMENT

Like any other markets have both supply side and demand sides. The supply side is the labor force or the economically active population which comprise of both the employed and the unemployed. The demand sides, on the other hands, consist of jobs filled posts and jobs vacancies /unfilled posts (WB, 2007). The prevailing situation in countries around the world is the demand for labor is less than the supply thus; there is an excess supply of labor.

The International Labor Organization (ILO) define the unemployed person as a number of the economically active population who are without work but available for and seeking work including peoples who have lost their jobs and those who have voluntary left work (Ibid). According to Belchamber and Schetagene (2013), argued that the unemployment concept is problematic .Particularly in the sense that the house workers (those who engaged in households activities)are neither counted in the labor force and nor in unemployed .

2.3 TYPES OF UNEMPLOYMENT

Scholars like Smith in 2000 and other authors have identified around four types of Unemployment with their respective cause.

2.3.1 SEASONAL UNEMPLOYMENT

Seasonal variation in employment some job business inevitable source as long as continue to grow crop building house go asking a certain season, thousand a worker most go speaking for new job experience same new job. Some second unemployment on the process of second invitation also arises on the supply side of market tern age unemployment rate. For example, rise sharply in the summery season as a student looks for temporary jobs to avoid such unemployment completely we should either have to deep everyone is school or ensure that all students go immediately from the class room to the work room.

2.3.2 CYCLIC UNEMPLOYMENT OR DEMAND DEFICIENT

Cyclical unemployment is involuntary unemployment arising from the business cycle effect of insufficient effective aggregate demand for good and service. When is a recession or server slowdown in economic growth, economic face with a rising unemployment, because of closures, business failure and increase in workers lay off and redundancies? According to saps ford and Tornados 1993,this type of unemployment concedes with unused industrial capacity and as tradition Keynesian economics suggests cure lay on policies that success the number job available.it is no enough aggregate demand in the economy to provide for everyone wants to work. Demand for most good and service fails, less production is needed and consequently fewer work are needed, wages are sticky do not fall to meet the equilibrium mass unemployment results (keynes,2007).

2.3.3 FRICTIONAL UNEMPLOYMENT

Frictional unemployment is a time period between jobs, when a work is searching for or transitioning from one job to another. Because a person may take time after losing or quitting a job after entering or reentering the labor force following schooling, illness, or some other reason for being about the labor force. It usually occurs due to the imperfect information in the labor market (Mankiw,2002).frictional search unemployment is a consequence of short run change in the labor market that constantly occur in a dynamic economy in response to change in the product market. Normally frictional unemployment may not pose much threat to individual welfare as long as it's temporal and does not last long. It has exist because both job and workers are heterogeneous and a mismatch can result between the characteristics of such supply and demand :such can be related to skill, payment, work time, location, seasonal industry, attitudes, taste multitude of other factor (Quiggin,2003).

2.3.4 STRUCTURAL UNEMPLOYMENT

Structural unemployment focuses on a structural problem with an economic inefficiency in the labor market. It is a mismatch between the requirements of the employer and the properties of the unemployed. Structural unemployment is a mismatch between the skills of the unemployed worker and the skill needs for jobs that an economy has available. It is caused by long-run changes in the structure of the economy, which give rise to changes in the demand for labor in particular regions, industries, or occupations (EEA, 2007). Increased international competition due to globalization leads to changes in the pattern of trade between countries over time and hence, it could be one of the reasons for structural unemployment. It also arises from the immobility of labor.

2.4 THEORETICAL REVIEW OF UNEMPLOYMENT

Unemployment in general and the youth unemployment in particular is the problem that affects most countries. Because of this, it has given rise to major concerns both in the developing and developed countries and the main issues in the economy, social, and politics of both the South and North worlds. Worldwide employment opportunities and other social goods for young people have been affected largely by the effects of globalization, neoliberalism, and social reforms and labor market transformation (Jeffrey, 2010).

2.4.1 HUMAN CAPITAL THEORY

From the perspective of human capital theory, the perceived employability of an individual can either be determined by the individual and the resources possessed for employment. These two alternatives of employability, the human capital theory deals with the individual's resource options, particularly the individual's effort to invest in education and training (Berntson et al., 2006). Longer time education engagement and subsequent labor participation could provide youth with greater opportunities for upward social mobility and autonomy (Naafs, 2012). According to UNESCO (2012), it highlighted that the other major challenges currently affecting urban youth employment opportunities in developing countries are the less attention to entrepreneurial skill development in urban settings.

2.4.2 MARXISTS THEORY OF UNEMPLOYMENT

According to Marx, unemployment exists as a result of the capitalist system itself and gradually worsens. Marx did not believe that in the long term, capitalist economies could be managed to eliminate unemployment, nor did he think that market forces would reduce unemployment on their own consensus (Tesfaye, 2015). However, Marx did not believe that

capitalist economy always had and would have high level of unemployment .Marx believe that such economy are going through cycles .Periods of expansion in which there was full employment were followed by period of crisis during which unemployment rose.

2.4.3 MARKET LIBERAL THEORY

During much of the period since 1945 it was accepted by labor and conservative governments alike that the low level of unemployment. It was consequently the duty of the government to manage demand in the economy, an increase in government spending could cut unemployment. Government control over key industries would allow the government to manipulate the economy so that the mass unemployment could be avoided (Deribe etal, 2015

2.4.4 MONETARISM THEORY OF UNEMPLOYMENT

The government reduces or even eliminates the problem by reducing the money supply that is, allowing less money to circulate in the economy. The government could not reduce unemployment below the natural rate without causing excessive inflation unless there were other fundamental economic changes (Ibid).

2.5 SOCIAL IMPACT OF UNEMPLOYMENT

Social costs for instance: crime and social dislocation including, worsening health. Mental health: and hopelessness. With the loss of income, they feel frustration, they develop negative attitude toward common things in life, lower self-esteem, inadequateness and feeling dejected and haplessness. Health disease the unemployment overall tension can increase dramatically general health issues of individual

Tension at home may lead them to tension on their life style and ways to increase the divorce rates in the society tension over tax rise and payment it brings up discount and frustration amongst taxpaying. Insecurity employees the prevailing unemployment and plight of the unemployed people and their families may create fear and insecurity even in the currently employed people. Crime and Violence It increase in the rats of crime and violence in search of jobs by theft and kidnaping the society. Create Employment gap a situation where individuals live longer time out of job and it more difficult it becomes to find jobs. No one wants to hire a person who has been out of work. Lose of Skills Usage's the unemployed is not able to put his or her skill to use. And in a situation where it goes on for too long the person may have to lose of some of his or her skills.

2.6 ECONOMIC IMPACT OF UNEMPLOYMENT

Some of the well-known impacts of unemployment are also discussed in the first chapters which it may cause economically on the unemployed individuals and society as major. And the followings are mostly known impact among them:

Loss of Income: Unemployment normally results in a loss of income. The majority of the unemployed experience a decline in their living standard and are worsen off out of work. This leads individuals reduce the spending power and rise of falling in to debt problems. The closure of a local factory with the loss of hundreds of jobs can have negative multiple effects on both the local and regional economy.(Muhammad.,2003)

Loss of National output :Unemployment involves a loss of potential national output (i.e. .GDP operating well below potential) and a waste of scare resource .If some people choose to leave the labor market permanently because they have lost the motivation to search for work ,this can have negative effect on long run aggregate supply and damage the economy ‘s growth potential .Some economist call this the ‘‘hysteresis effects ‘‘ .When unemployment is high there will be an increase in spare capacity in other words the output gap will become negative and have deflationary force on the price ,profit and output .**Fiscal cost:** The government loses output because of a fall in tax revenue and higher spending on welfare payments for families with people out of work. The result can be increase a budget deficit which increased risk for government will have to raise taxation (Muhammad, 2003)

Reduce Spending Power of the employed: Increased taxes and the insecurity about their own work may affect the spending power of the working people as well and they too may start to spend less than before thus affecting the economy and also the society in a negative manner.

Recession: With the increase rates of unemployment other economic factors are affected such as: the income per person health costs, quality of health care, standard of living and poverty (Olsson, 2009)

Unemployment in the world

Unemployment is one of several socio economic problems prevailing in virtually all countries of the world.it has long been several features of urban phenomena in many countries through some countries have suffered the worth rate of unemployment than others(Nazir,et al,2009)

.the problem has serious effects not only of the living standard of the people(negative effects on the psychology, socio economic and physical wellbeing)but also socio economic status of a nation (Ibid,2009)

Unemployment in the Africa

A spatial perspective of African labor market outcome witness there is higher rate of Unemployment in urban area than rural Area (ECA,2005).There is no unique determinant of the youth unemployment challenge in the African, Combined Situation that has become a top political priority for the region.

In sub-Saharan Africa, unemployment rate remains relatively low, as a vast majority of employable active youth cannot afford not to work. However this youth regularly suffers From under employment and lack of decent working condition of the 38.1% estimated total working poor in sub-Saharan Africa, young people accounts for 23.5%, young girl tends to be more disadvantage than men in access to work.

In north Africa unemployment rate (among generally more educated labor force)are quite high(23.8% estimated 2012)with 3% point increase between 2010 and2011 and stead increase since 2007and projected to remain high over the next year.

Unemployment in Ethiopia

As many other developing countries, the urban labor market in Ethiopia is typically characterized by huge insufficient employment and under employment. Labor supply for exceeds labor demand and many men and women are looking unable to find jobs and stay unemployed(WB,2007).In urban Ethiopia the labor force grows with an increasing proposition, while the opportunity of employment is inadequate to observe the labor market enters and thus, unemployment presents a particular challenge. Despite some improvement in a recent year high level of unemployment continues to be a serious social problem and major policy challenge facing urban area(Bloquist,2012) In Ethiopia youth are more vulnerable to the problem unemployment than any other group of the population particular in urban(Ibid,).

2.7 UNEMPLOYMENT IN ETHIOPIA

Youth unemployment is a new concepts of global problems threatening a whole humanity including educated and illiterate mass especially youth to cope up the magnitude of the problem in their own respective locality. Developing countries are more victimized than

others and Ethiopia has its own long history of unemployment and poverty than any other countries. (World Bank, 2001). Recently the country had the fifth fastest growing economy in the world during the period of 2001-2010. Despite such improvement, unemployment is high and is one of the socio economic impacts in the country. This shows that the economy cannot provide adequate jobs to the growing population in both rural and urban areas. There are few studies that address the Employment challenges in Ethiopia are as follow:

Low quality of training: participation in vocational increase the probability of being employed. However, the quality of training and its impacts on the trainees in the actually equipping them with the necessary skill. Lack of entrepreneurial confidence and motivation are the other factors cause the unemployed to have low feeling and interest to ward job creation. Youth perception of employment: youth most of the time preferred to be employed in the formal sector such as engaged in self-employment. Public sector and formal sector are employment are considered to be “good job” due to their high wage, while self-employment casual and cooperation employment are considered to “bad jobs “. Low awareness level among the youth and. Lacks of initiative to start one’s own business and to stay in work are the core challenges to unemployment in Ethiopia currently face lots (Bimalkantt, 2014).

2.8 CAUSE OF UNEMPLOYMENT IN ETHIOPIA

A high level of unemployment indicates that the failure of a country’s economy to use its effectively. Various factors explaining unemployment such as a low level of general economy activity, recession inflation, and rapid change in technology dis ability willing ness to work and discrimination.

- Poor Economic performance: most problems to developing countries like Ethiopia are low economic growth which is manifested in low economic activity and low investment.
- Low level of education: In Ethiopia labor, a large number of individual enter the labor market below the age of 15 (<15) with little or non-formal education. Illiteracy is a major factors contributing to under employment and employment in the formal sectors.
- . High population growth: Ethiopia’s labor market is comprised of a large informal economy and its informal sectors are predominantly an employment of last resort rather than a performance by entrepreneur (WB, 2007).

- Skill mismatch: mismatch of education and education skill with the requirements of labor market is another important reason for a high level of unemployment. Unemployment in urban area are as a result of young's education who attained high school and higher educational level (Denu etal ,2005)

Different studies also identified the impact of unemployment negatively affect the socio – Economic statues of family .They founded that the unemployed leads to poor mental health and increase the magnitude of corruption ,drug addiction, crime, and suicide are face the unemployed (Nazireetal ,2009).Other study show that the relationship between unemployment and health and morality follow four mechanism need to be considered ; the role of relative poverty , Social isolation, and loss of self-esteem and health related problem (including the associated with the membership of certain type of ‘‘Sub culture ‘’ and the effects that spell of unemployment has on subsequent employment patterns (Bartle, 2009)

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1 DESCRIPTION OF STUDY AREA

Wolkite is the administrative city of Gurage zone that found in the southern, nation, nationalities and people region (SNNPR). The town has far 158 KM from the capital of the country. This town has a latitude and longitude of 8.17 N 37 47 'E/8.283E and an elevation between 1910 and 1935meter above sea level. It is surrounded by kebana woreda and it was part of former goro woreda and by in the East bordered by Abeshge and in North by the kebena and in North Westby Oromia region (CSA, 2007)

According the towns human resource, the total population number are about 80,395 among them male are 29065 and female are 27834 and13897 are children's (CSA, 2007). The plurality of the population of the inhabitants practiced Ethiopia orthodox Christianity, with 48.17% of the population reporting that beliefs. While 43.31 were Muslims, 7.86 were Protestants and 1.34 was catholic.

According to human resource, the five largest ethnic group were the Gurage (90.12%), the Oromo (3.94%), the Tigrigna (1.81%), the Argoba (1.2%) and other ethnic group made up of (1.33%) of the population. Amharic and gurage are largely spoken language has a first language by 93.81%. Afan Oromo was spoken by 3.04 and 1.5 spoken and the remaining 1.65%Spoken all primary languages (CSA, 2007).

3.2 RESEARCH APPROACH

In this study, the researcher would use both Quantitative and Qualitative research approach. In quantitative research the study deal with mostly about the statically data that would obtained from the responsible town government institutions from social and workers affairs, and from young and sport office about the unemployed person in town. And the data in quantitative are list in number, graph, table and the result come from quantitative research would be analyses by using qualitative research check and would analysis by using qualitative research in order to get the relevant and accuracy information about the unemployment and its socio-economic impacts.

3.3 RESEARCH DESIGN

The study would use a cross sectional research design. The study also uses both quantitative and qualitative research design and use probability and non-probability sampling technique from probability simple random and from non-probability purposive sampling technique are employees. Make contact with study population 's means to the responsible institution like the town workers and social affairs office and sport and youth office and others once to a phenomena and an issue that the study population is carried out on the socio-economic impact of unemployment.

3.4 SAMPLING TECHNIQUE AND SAMPLING SIZE

This research would employs non-probability sampling technique. From non-probability purposive or judgmental sampling techniques are used because to study deeply and the research feel that those who have good judgment about the research to collect the relevant and accurate information about the study particularly to wolkite town social and workers office and sport and youth affaire and the unemployed people about unemployment and its socioeconomic impacts for interview and questionnaires. At the same time sampling size are selected depends on our time and money we required to complete the research. The researcher needs to know the target population and the unemployed person in towns. Then according to wolkite town social and workers office the total number of unemployed are about 4684 among them male are 2708 and female are 1976, then the researchers are purposively selects 40 respondents 25 are from unemployed and 15 government officials for interview and questionnaires. But from questionnaires 10 are invalid due to respondents are not given back to researcher.

3.5 SOURCE OF DATA COLLECTION

The study would use both source of data collection method primary and secondary source of data.

3.5.1 PRIMARY SOURCE OF DATA COLLECTION

Questioners

The study distributes questioners for respondents in the town for government official like worker and social affairs youth and sport office of the town and for unemployed person. And the study employees the two forms of questioners close and open ended

Closed ended questioner; are questioners any fixed range are possible use the close ended for the respondent to have detail information about the study. Open ended questioner; are used and give opportunity to express their view on unemployment in the form of the yes or no forms.

Interview

The study would use interview to collect data. The researcher would conduct interview orally or face to face forwarded for the respondent in the Wolkite town like; worker and social affairs, youth and sport office, civil servant, and unemployed persons in the town. Because to get depth information about the study and to have a complete freedom.

3.5.2 SECONDARY SOURCE OF DATA COLLECTION

The study would use secondary source of data collection from second hands like Websites, internet, Book and other written documents

3.6 METHODS OF DATA ANALYSIS

The study would use both Quantitative and Qualitative data method to analyses and interpret the gathered data from different respondent. After the data would collect using interview and questioners by different language such as Amharic are translate to English, reduced and rewrite once and presented using Table and interpreted using words for Qualitative. Quantitative data also would analyses, present, and interpreted by using numerical value statistical expression on collected data.

3.7 ETHICAL CONSIDERATION

In this study the researcher would ensure that the right of all participant would safeguard the researcher received the informed consent and allowed voluntary participation of all subjects. Prior to conduct interview and distribution of questioner's participants would not asked for purpose of political and other things which denied their freedoms.

CHAPTER FOUR

4 DATA ANALYSIS AND INTERPRETATION

The following chapter deals with the analysis of the data and findings data based on the collected data from primary source such as questionnaires and interview conducted. These chapters are divided in to four parts. The first part are deals about demographic background of the respondents which include about the sex, age, marital status, educational level and occupation of our respondents are discussed. The second parts cause of unemployment. The third parts social impact of unemployment. The final parts four are deal with Economic impact of unemployment. So under these chapters all this are going to be analyzed.

4.1 DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

TABLE4. 1 SEX DISTRIBUTION OF THE RESPONDENTS

Sex	Number of respondents	Percentage %
Male	20	66.6%
Female	10	33.3%
Total	30	100%

Source: Own survey, 2020

As the above table show that, most of the respondents was Males from my total sample which accounts 20 (66.6%) of the respondents are Males and the others our respondents are Females which accounts 10(33.3%) are less than women. So that Male had high rates than Females and males are more exposed to be unemployed. Because women are more involved in house holed in their families and other area like in hotels restaurants and child cares and others. But males are less participates on these areas.

TABLE4. 2 AGE CATEGORY OF THE RESPONDENTS

Age category	Number of respondents	Percentage%
18-24	8	26.6%
25-31	15	50%
32-38	5	16.6%
39-45	2	6.6%
Below 45	0	0%
Total	30	100%

Source: Own survey, 2020

The above table indicate that about 8(26.6%) of the respondents were 18-24 of the age ranges. 15(50%) of the age respondents were from 25-31 are age ranges. 5(16.6%) were from 32-38 age ranges, and 2(6.6%) of the smallest number of respondents are form 39-45 age ranges. Above 50 are 0(0%) no one unemployed above 50 years and they are not productive groups. Generally, the age distributions of our respondents are shows that 24-31 are high ranges because of this group are more productive than the others. The unemployed in town are those who are below the age of 30 and above 21 which have huge potential for works

Table 4. 3 Martial status of respondents

Marital status	Number of respondents	Percentage%
Single	17	56.6%
Married	13	43.%
Divorced	0	0
Total	30	100%

Source: Own survey, 2020

As the above table show that most of the respondents are single which accounts 17(57%). And most of others our respondent’s response is married which have Family and children and these respondents are the government employees of the social and worker affairs and youth and sport office of the town. So from the above table of the marital status of the respondents are single which have job and have no source of income by their own which are enable them to feed their families and themselves as a result of absence of job.

TABLE4. 4EDUCATIONAL BACKGROUNDS OF RESPONDENTS

Level of education	Number of respondents	Percentage %
Elementary	2	6.6%
10 complete	7	23.6%
Diploma	6	20%
Degree	15	50%
Masters	0	0%
Total	30	100%

Source: Own survey, 2020

As above the table show on the level education almost half of the respondent's response are unemployed people which accounts 2(6.6%) are elementary students, 7(23.6) are from 10 complete, 6(20%) are diploma graduate and 15(50%) are degree holders of the wolkite town government employees from social and workers office and youth and sport office town. Even those, the unemployed are from higher schools like ten complete and diplomas there are also other elementary students are without works in the town. In generally from this point of view Of unemployed in the town are those who are educated able to write and reads. Generally results gained demonstrate that degrees are high which wait to involve in governments employees rather than to self-employed due to this degrees are high.

TABLE4. 5 CURRENT POSITION OF RESPONDENTS

Occupation	Number of respondents	Percentage%
Self employed	0	0%
Unemployed	15	50%
Government employed	15	50%
Total	30	100%

Source: Own survey, 2020

As the above table shows that here our study is more emphasis on both government employees and unemployed in the town. With regard to this the above table show us that unemployed person in the town accounts that 15(50%) and the employees of government from workers and social affairs and youth and sport offices are accounts also 15(50%). So here the results gained respondents are equals. And 15(50%) are unemployed those who are without works. Because we are purposively selects the government's official and unemployed peoples in town to have full information about unemployment and its socio-economic impacts deeply.

4.2 MAJOR CAUSES OF THE UNEMPLOYMENT IN SOCIO-ECONOMIC IMPACTS

There is major cause for socio-economic impacts of unemployment in the town according to the response gained from our respondents among the cause lots are listed here below. Such as corruption committed by government employee, ethnicity based selection of employees are also a causes. Lack of sufficient job opportunities and legal and illegal movement of peoples by the form of migration from rural to urban, population growth and choice of works, lack of

transparency and accountability are the major causes of unemployment. Results from interview and source demonstrate that poor economic performances, low level of education, skill mismatch and population increase are major cause i.e. low economic growth which manifest low economic activity and low labor markets are another impacts of unemployment.

According to the structural unemployment cause of unemployment are lack of knowledge on particular about availability of workers and mismatch of workers and availability of the existed job. So governments should balance labor demand and availability of worker force.

TABLE4. 6 MAJOR CAUSES OF THE UNEMPLOYMENT

Do you think the cause of unemployment	Number of respondents	Percentage %
Lack of transparency and accountability	4	26.5%
Population growth	4	47%
Choice of work	7	26.5%
	15	100%

Source: Own survey, 2020

4.3 SOCIAL IMPACT OF UNEMPLOYMENT

TABLE4. 7 SOCIAL IMPACTS OF UNEMPLOYMENT

Do you think that can unemployment cause social impacts on unemployed society?	Alternative	Number of respondents	Percentage %
	Yes	15	100%
	No	0	0%
	Total	15	100%

Source: Own survey, 2020

The above table indicate that all of the respondent’s answer was said yes by representing 15(100%) and 0(0%) was say no. Therefore, unemployment can bring social impacts on society on both unemployed people and society. Depend on the above table show that all the respondents say that unemployment can bring social impacts such as; poor mental and psychological disorder theft, addiction mean when they are stay without works they involved and addicted to different drugs, hungers, homelessness and shortage of house, crime, social

isolation and family disorganization and the most and major one are straight children are social impacts of unemployment as response gained from respondents.

The results obtained from interview demonstrate that they faces social impacts like tension at home, social outings where unemployed are reduces social relation and instruction with people and relatives. At the same time researcher identify impacts from secondary sources insecurity employees, health decrease and social cost which is relate to social deprivation

TABLE4. 8 POPULATION GROWTH FOR UNEMPLOYMENT CONTRIBUTION

Does population growth have contribution for unemployment in the town?	Alternatives	Number of Respondents	Percentage
	Yes	10	67%
	No	5	33%
	Total	15	100%

Source: Own survey, 2020

As the above table show us, most respondents are saying yes which accounts 10(67%) and the others respondents says no 5(33%). So most respondents are saying yes population growth can contribute for unemployment in the town.

From the above table there are also other respondents who are saying population growth cannot contribute for unemployment in the town, because as population increase different viewpoints had been emerged which is best for employment creation in the town. Other saying that as population number increase human resource are also considered as good for development and human labor are also resources.

As the above table show that half of the respondents are say they are involved in unemployment reduction which accounts 10(67%) are saying yes. While others half our respondents are saying 5(33%) no they are involved Saied.

From the above table there are respondents who are saying that family, NGO's are involved to reduce joblessness by; motivating and questioning the government as unemployment bring huge social impacts on the society, on the economy of the country. NGO's are also involved in reduce of joblessness through opening and constructing different institution like construction of health care schools, water service, and different infrastructural development are the major way by which NGO's are involved and reduce the unemployment rates.

According to cyclic unemployment, unemployment is the results of demand deficient due to in adequate effective aggregate demands. Private investment spending high rate of tax and no private consumption leads to low export, under demands deficient. So government should encourage the private and NGO's to involve in the reduction joblessness.

4.4 THE ECONOMIC IMPACTS OF UNEMPLOYMENT

Questionnaires prepared for economic impacts of unemployment to government employees.

TABLE4. 9 ECONOMIC IMPACTS OF UNEMPLOYMENT

What are major economic impacts of unemployment in the town?	Alternative	Number of respondents	Percentage
	Poverty	4	26.5%
	Low income	7	47%
	Low per capita income	4	26.5%
	Total	15	100%

Source: Primary source, 2020

As the above show that unemployment can bring economic impacts on the society as accounts 4(26.5%)are say that poverty can cause economic impacts, the other respondents accounts 7(47%) are saying low income, and 4(26.5%) are saying that economic impacts cause low per capita income. Generally, from the total respondent's majority of them are saying that economic impacts of unemployment can cause low income on unemployed individual and society. According to results obtained from books and interviews are unemployed has low spending power, reduce the spending power of employed one by tax rise and insecurity about his/her job and major impacts are Recession with increase rates of unemployment's cause economic factors through income per person health cost, health quality . Standards of living and poverty are what gained by researchers.

Questionnaires for unemployed people in the town

TABLE4. 10 YOUR CURRENT POSITION

Have you employed or not?	Alternative	Number of respondents	Percentage %
	Yes	0	100%
	No	15	0%
	Total	15	100%

Source: Own survey, 2020

As the above show that almost all our respondents resaying no which accounts 15(100) of the respondents are unemployed those who have job and source of income. Because of unemployed in town has choice jobs, lack of sufficient job opportunities, poor payment and job inconvenience are reason for lack of job in town. Fractional unemployment is deals about unemployment by lack of necessary skill, immobility of labor, shortage of raw material. Then unemployed individual in town are show this features. So to the best of reducing rate joblessness in Wolkite Town the skill of youth and the job exist should be compatible

TABLE4. 11 SOURCE OF INCOME UNEMPLOYED PEOPLE

If you don't have job opportunities, where are your sources of income?	Alternative	Number of respondents	Percentage
	Friends	2	13.3%
	Abroad	0	0%
	Family	13	86.6%
	Total	15	100%

Source: Own survey, 2020

As the above table show that the source of income of the unemployed of 2(13.3%) are from their friends, while other source of their income are comes from the family which accounts 13(86.6%). From the above table the unemployed people gained source of income from their family and sometime they are involved in unnecessary acts crime like theft. Because they have no job opportunities and has no source of income by their own income as a results of this they gained incomes from families and friends.

4.5 ANALYSIS FOR INTERVIEW QUESTION

1: perception of the youth to involve in job creation

According to the data that gathered from the town worker and social affairs and youth and sport offices, they are responding us that by saying that they are involved by the number of those unemployed are few and they lack knowledge, their continuity in works are much more narrow that they are obliged to stop the job within five month when they face social and economic impacts as a results less profit, less market access, lack quality of their work, some of this are thing related to their involvement.

In other way they are responding us that the unemployed are involved by their own ways without coordination among teams then after they are hindered and finally obliged to stop the works. There are areas that the youth are involved like in the area of small shops, metal and timber production are major of the youth in the town are enjoyed.

2: Involvement of the town youth in chance created by government

The town youth are more involved in trade. But the rest of unemployed are somehow enjoy to some extent but even if they are not as such stay long and successes with the works. Almost respondents say that majority of the youth in the town are choice the job which have enough payment and sometimes after they get in to the work they are become lack oneness in between members in the work place.

3: Town administrators providing the requirement for the youth

As the data gathered from respondents the town administrator are providing the requirement that needed like finance, short training on their work they involved, working place, loan, marketing the town administrator are providing all this. But with regard to the unemployed in the town sometimes seen as careless in work they involved and result to a bad condition that lead them to huge socio-economic impacts of unemployment. The requirement provide by the government like money are not delivered by higher institution are not well delivered to the required place and required time due to some hindrance like lack of good governances, corruption, and lack of responsiveness by the governmental officials.

CHAPTER FIVE

5 CONCLUSIONS AND RECOMMENDATION

5.1 CONCLUSIONS

According to the finding result from the chapter three the researcher gives his own conclusion. Unemployment is widely spread in wolkite town especially under the age of (24-31). As we know that these age groups are young generation which is productive age group mostly of male respondents. With regard to this unemployment has bring impacts like low income, poverty, low per capita income, and this is as a result of unequal distribution of resource, lack of job opportunities. Unemployed people are said that poor payment and job inconvenience are leads to economic

Unemployment has also cause huge social impacts on the unemployed one. According to the data collected the respondents are said that impacts like homelessness, and house stress, increase social isolation in between society, crime, family disorganization all this are contribute to the idea conflicts among community. Some respondents are said that unemployment in this town are by the population increase due to the movement of people from rural to urban to search good jobs.

Generally, Unemployment have social and economic impacts on the unemployed individuals they are more likely to develop violent acts, become addicted, involved in committing suicide, being stressed, shocked, and involved in bad habit like Gambling and others. So unemployed individual has faced social impacts when they are looking or searching for job like stigma and discrimination, gender based bias and discourage towards the job are some of the impacts related to unemployment.

5.2 RECOMMENDATION

As we know that joblessness is a serious impact on the society through the social and economic condition. Everyone has duty to solve that impacts that unemployment may bring to maximize the effort of the socio-economic development. But there is different problem that occurs incidentally due to economic and social issues. However, the researcher recommends to the town administrator, NGO's, small business enterprise and even town residents should play their role to solving the Impacts of unemployment as follows.

- The town administrators should care the entire burden and give additional vocational and short training for jobless individuals and indicates the ways how to create their own job.
- And if they are self-employed, they can develop self-confidents and independents i.e. they earn their own source of income by themselves and can leads their families, and there are nothings with regard to this if someone is employed.
- The government should encourage the establishments and expansion of private business and expansion of investments have a great chance to create new job for the public.
- In addition to the role of government, the NGO's and Families and other private institution should involve in unemployment reduction in the town.

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APPENDIX
WOLKITE UNIVERSITY

COLLEGE OF SOCIAL SCIENCE AND HUMANITIES

DEPARTMENT OF CIVICS AND ETHICAL STUDIES

Dear respondents

Dear respondents, this study are intended to focus on the unemployment and its socio-economic impacts in the case of wolkite town.

This questionnaire is prepared for gathering accurate and reliable information for partial fulfillment of bachelor art in civics and ethical studies. Then the researcher tries to inform you about the aim and objective of the study in the above. Then the researcher will ask you to put and show your accurate and reliable information for the fulfillment of the study by filling the question. The researcher appreciates your cooperation and the information you provide will be used only for academic purpose and will be kept confidentially. Therefore, you are kindly requested to sacristry your time and to complete the questions.

NB: for closed question use the sign of “X” on the space provided option.

For open ended write you answer on the space provided

No need to write your name

Demographic back ground of respondents

Part one

- 1: Sex Male Female
- 2: Age 18-24 25-31 32-38 39-45 >45
- 3: Marital status: Single Married Divorced
- 4: Educational level Elementary 10 complete Diploma Degree master
- 5: Occupation Self –employed government employed unemployed

Part two

Questionnaires prepared related to social impacts of unemployment

1: Do you think that unemployment can cause social impacts on the unemployed people?

Yes No

2: Does population growth have contribution for unemployment in the town?

Yes No

Part two

Questionnaires prepared related to economic impacts on the unemployment

1: What are the major economic impacts of unemployment on the unemployed?

Poverty low income low per capita income if any other specify it

Part three

Question prepared related to unemployed people in the town

1: Have you employed or not? Yes No

2: Based on the above question if you answer say no job opportunities, what are the sources of your income? Friends From abroad Family if any other specify it
.....

3: Have you ever facing any social and economic impacts while you are searching for job?

Yes No

4: What can unemployment cause economic impacts on the unemployed individuals?

Low living low level of income straight children Family hungers
if any others

5: What are the reason for the educate and illiterate youth in the town?

A Lack of commitments B Corruption and lack of good governance

C lack of accountability and transparency D if any others specify

Interview guideline

1 How the view or perception of youth in entrepreneurship by their own?

2 Does the youth in town are enjoying in job creation by government?

3What are the degree of the town administrators in providing the requirements for youth to enjoy jobs?