Marxian unemployment

- **Marxian :**When unemployment is needed to encourage workers to work hard and to keep wages down.
 - As <u>Karl Marx</u>said (and <u>Michal Kalecki</u> stress), some unemployment the keep army of the unemployed — is normally needed in order to maintain work discipline in jobs, keep wages down, and protect business <u>profitability</u>. If profitability suffers a sustained depression, capitalists can and will punish people by imposing a recession via their control over investment decisions (a *capital strike*). Incidentally, in this section the term "capitalism" is used to refer to a person who owns economic capital, whether or not s/he holds "capitalist" political views. To the<u>Marxian</u>school, these strikes are rare, since in normal times the government, responding to pressure from their most important constituencies, will encourage recessions before profits are hurt.
- To Marxists, this kind of unemployment cannot be stopped without remove capitalism from power as an economic system and replacing it with <u>democratic socialism</u> under which profitability is protected by the systematic use of direct force.
- **10-6.2.** Seasonal :where special industries or occupations are characterised by seasonal work which may lead to unemployment. Examples include workers employed during farm harvest time, or those working Winter jobs in the snowfields.
- **10-6.3.** Hidden unemployment: Hidden, or covered, unemployment is the unemployment of possible workers that is not shown in official unemployment statistics, due to the way the statistics are collected.
- 10-7. Measuring unemployment: unemployment rate: the unemployment rate is the number of unemployed workers divided by the total civilian <u>labor force</u>. The unemployment rate is used in economic studies and economic indexes.

Questions:

- 1. Give the Definition of Unemployment?
- 2. Give the Definition of Labor Force?
- 3. True or false and correct the false if necessary:
 - a. The average duration of unemployment for all unemployed workers over the past decade is 12.5 weeks.
 - b. Underemployed means the People who are out of a job that they don't belong (either over-skilled or under-skilled).

- c. Technological unemployment Caused by the replacement of machines by workers.
- d. Marxian unemployment When unemployment is needed to encourage workers to work hard and to keep wages up.
- e. Classical unemployment means the number of job-seekers over the number of jobs
- 4. List the Types of unemployment?
- 5. In Iraq we have (five) million persons who considered total labor force, from those labors are four million persons employed, Find unemployment rate?
- 6. Translate the fallowing paragraph:-

An economic conference on unemployment

An economic conference is being held in Baghdad under the slogan (rebuilding Iraq by the hands of Iraqis) on Monday.

This was announced by Mr. Raad Am'ar, Executive Director of the American Trade and Industry Chamber, the executive agency of the conference. said that the conference will be attended by Iraqi companies, the Office of Rebuilding Iraq, representatives of donor countries, the American embassy in Iraq, representatives of a number of ministries and the Iraqi government.

Am'ar explained that over two days the conference will discuss the phenomenon of unemployment and ways to develop solutions through the creation of successful employment opportunities within the campaign of rebuilding Iraq, and the reduction of unemployment in cooperation with concerned bodies.

He said that the conference will also focus on ways to find proper mechanisms for the recruitment of unemployed to serve reconstruction and to urge Iraqi companies to benefit from such employment.

A number of economic reconstruction projects will be highlighted in this forum before the business community, and a questionnaire will be distributed. The conference is the largest of its kind intended to support and provide jobs for the unemployed in the private sector working on reconstruction.