
Analysis of The Impact of Unemployment for Individual, Social, and Economics

SISWOYO HARYONO^{1*}, SITI NOORDJANNAH DJOHANTINI²

¹Doctoral Management Program, Universitas Muhammadiyah Yogyakarta,

²Management Program, Universitas Muhammadiyah Yogyakarta,

*Corresponding Author

Email ID: profsis12@gmail.com, siti.norjanah@umy.ac.id

Abstract: Unemployment is one of the social problems in economic development. The unemployment problem is an individual problem and a state problem that must be resolved to realize economic growth. This research is a descriptive study using a qualitative approach. The purpose of using this approach is so that researchers can obtain a complete picture of the problems formulated by focusing on the process and the search that is studied is more comprehensive, in-depth, natural, and as it is. This study uses interview and document methods by collecting and classifying data according to the type of data to determine how the actual impact of unemployment in Indonesia is. This study uses the Milles and Huberman data analysis method, namely "the technique of data analysis which consists of 3 activity streams, namely: (1) data condensation, (2) data presentation, and (3) concluding / verification. Based on the research results, it can be seen that the majority of unemployed feel a negative impact on themselves and the environment. For a country's economy, the impact of unemployment is that the country cannot promote economic growth both in the long term and in the short term.

Keywords: Unemployment, Economic, Social Problem

JEL Classification: A1, A10

INTRODUCTION

One of the problems in employment in Indonesia is unemployment. It is caused due to the growth of personnel working new much more outstanding than the growth of the field of work that can be provided every year. Growth in work labor is larger than the availability of fieldwork lead to unemployment. Unemployment is one of the main problems in the short term that is always faced by every country. Because any economy and the state must have faced the problem of unemployment, is unemployment natural (natural rate of unemployment) (Muslim &Rifqi, 2014).

Every n Negara always strives to be ting kat prosperity of a society is maximized, and the economy always achieves growth that is steady and sustained (Panjawa, Jihad, &Soebagiyo, 2014). One of the efforts that can be done to tackle unemployment in Indonesia is d ith develop the creativity of individuals through self-employed independence (Aruan, Luther, and Sriyono, 2014). Unemployment which increasingly higher cause, affects badly on equitable distribution of income. Unemployed workers do not earn income. The greater unemployment will be more groups of workers who do not have income. Hence, too large unemployment tends to perpetuate or reduce wages for low-income groups (Bakare, 2011).

According to Fujita, Shigeru, and Moscarini (2017), unemployment is generally understood as a condition of search of work and measured way. Because of the imperfections of information, workers cannot immediately find the type of work they want and are offered the market in one place. One interpretation of the principle of friction search is the heterogeneity of the job's extremes: salary, schedule, locations, tasks, environment work; and workers: with various types of skills, work ethic, and collegiality. It took time and effort from both sides of the parties to identify and organize a counter that fits.

The government should continue to strengthen its ability to generate revenue and capacity for governance that is good. The initiative will help close the infrastructure funding gap, increase the economy's growth, and gradually reduce poverty. The main consequence of improving a country's economic fundamentals is structural transformation, which is defined as the reallocation of economic activities across broad sectors: agriculture, manufacturing, and services. Structural or industrial change makes economic growth sustainable because it leads to the reallocation of labor to other sectors. In addition to that, the economy's growth without transformation structural only benefit mover major (mainly through innovation technologies) and can lead to unemployment and low productivity in sectors that lagged (Lanzona, 2016).

A new contribution to this research is that researchers can determine what respondents feel during a pandemic like this. Of course, individuals who are currently unemployed will feel higher pressure because there have been many layoffs and reduced opportunities for employment in Indonesia. Researchers can see how unemployment status affects individuals during a pandemic like today.

LITERATURE REVIEW/STUDY SITE

Definition of Unemployment: According to Fujita, Shigeru, & Moscarini (2017), unemployment is generally understood as a job search condition and measured. Due to imperfections of information, workers cannot immediately find the type of job they want and offer the market somewhere. One significant interpretation of this search friction is the extreme heterogeneity of jobs: salary, schedule, location, assignment, work environment, and workers: various skills, work ethic, and collegiality. Because of this, it takes time and effort on both sides to identify and arrange a suitable match.

Economic growth: The government must continue to strengthen its ability to generate revenue and its capacity for good governance. Such an initiative would help close the funding infrastructure gap, promote economic growth, and gradually reduce poverty. The main consequence of improving a country's economic fundamentals is structural transformation, which is defined as the reallocation of economic activities across broad sectors: agriculture, manufacturing, and services. Structural or industrial change makes economic growth sustainable because it leads to the reallocation of labor to other sectors. Economic growth without structural transformation only benefits the main drivers (primarily through technological innovation) and can lead to unemployment and low productivity in lagging sectors (Lanzona, 2016).

MATERIALS AND METHODS

This research is an exploratory type of research using a qualitative descriptive approach because the data analysis focuses more on digging deeper into the physical, psychological and social impacts of unemployment. The purpose of using this approach is so that researchers can obtain a complete picture of the problems formulated by focusing on the process, and the search being studied is more comprehensive, in-depth, natural, and as it is.

The data collection technique in this study took three months, from July to September 2020. For three months, the researchers collected data by interviewing and collecting journals related to the research. The sampling frame for interview activities in this study is all unemployed people located in Bantul Regency, Yogyakarta Special Region. This population was chosen to reach a wider area because of the impact of the Covid-19 pandemic. The sample collection technique in this study used simple random sampling (SRS) techniques.

This study's questionnaire came from Ikawati's research (2019) with the title Impact of Unemployed Unemployment Viewed from The Physical, Psychical, Social and Solutions. In-depth interviews with informants carried out data collection techniques in this study.

Data Collection Method: This study uses interview and document methods by collecting and classifying data according to the type of data to determine how the actual impact of unemployment in Indonesia is. Data were collected by interviewing unemployed respondents, collecting journals scientific research on the impact of unemployment earlier, and collecting other data on the record field.

The interview activity in this study begins by identifying unemployed individuals with the help of a research assistant. They are tasked with finding respondents who fit the criteria in this study, namely, unemployed respondents for at least 14 days. After the respondent is identified, the researcher records the respondent's contacts and agrees on an interview schedule.

The interview activity in this study was carried out online using the researcher calling the respondents one by one and giving questions about the research being carried out. Of the 40 respondents who were identified, 32 respondents gave their statements. A total of eight respondents did not provide their statements because they could not be contacted and due to other technical problems.

Furthermore, the researchers collected research journals that examined the impact of unemployment in Indonesia. Of all the journals collected by researchers, not all of them can be used. This condition is because the journal is not following the variables studied in this study. After selecting existing journals, the researcher takes the essence of previous studies that are following this study to add data about the impact of unemployment in Indonesia.

Data Analysis Method: The data analysis technique in this study used a qualitative descriptive analysis technique with a presentation frequency distribution approach (%). The analysis stage is emphasized during the data collection process. The researcher has carried out an analysis of the respondent's answer. After data collection, the analysis is still carried out so that the analysis process flows from the initial stage to concluding the research results. According to Miles, Matthew, and Huberman (1992), the data analysis component includes

(1) data reduction (selecting, simplifying, summarizing, focusing, and transforming necessary and essential data or information following the research objectives). (2) data presentation (a description of the data information that has been reduced so that it is possible to conclude). (3) drawing conclusions (which is the configuration during the process and after the data collection process is complete). (4) verification are interactively linked during and after data collection.

RESULTS AND DISCUSSION

Research Results from Interviews and Documents

In part, these researchers describe how the impact of unemployment on the individual, social, and economical. Data on exposure is obtained from the interview results to the respondent and documents in the form of scientific journals.

The impact of unemployment on individuals (Physical and Psychic)

Based on the results of the interview to the 32 respondents who are spread throughout Indonesia are online, researchers get results as follows:

Table 1: Impact of Negative that Perceived Respondents on Themselves (Physical and Psychic)

Number	Perceived Impact	Total
1	Restless	2
2	Bored	1
3	Does not discipline	2
4	Not confident	2
5	Just ordinary	5
6	Depression	2
7	Stress	3
8	Sad	3
9	Gloomy	2
10	Jealous	1
11	Self-blame	3
12	Depressed	3
13	Confused	7
14	Economic problems	2
15	Temperamental	1
16	Not excited	3

Of the 32 respondents, only five people respondents felt not having an impact negatively on him. As many as 27 respondents, the rest felt the various impacts negatively that hurt him as depressed, anxious, and others.

Social Impact of Unemployment

Based on the results of the interview to the 32 respondents who are spread throughout Indonesia are online, researchers get results as follows:

Table 2: Impact of Negative that Perceived Respondents to the Environmental Social

Number	Impact of Negative the Perceived	Total
1	Shame	18
2	Be alone	12
3	Just ordinary	7
4	Family economic problems	1
5	Depressed	1
6	Not confident	2

Of the 32 respondents, only seven people respondents do not negatively impact the environment socially. As many as 25 respondents, the rest felt the various impacts negatively on the environment social like flavor shame, become aloof, and others.

The Impact of Unemployment on the Economy

In this section, researchers have summarized the various impacts of unemployment on the Indonesian economy obtained from scientific journal collections.

The impact of unemployment according to Fahri, Jalil, & Kasnelly (2019):

- Decrease in the average income of the population per capita
- Decrease in government revenue from the tax sector
- Increased social costs that must be incurred by the government
- Increase state debt

The impact of unemployment, according to Rianda (2020):

- Unemployment causes society to be unable to minimize the level of welfare it might achieve. Unemployment causes the output Actual, which reached lower than or below the output potential. This situation means that the level of community prosperity that is achieved is lower than the level that will be achieved.
- Unemployment causes government tax revenue to decrease. Unemployment is caused by low levels of economic activity, which in turn will cause the tax revenue to be earned by the government to be less. With such levels of unemployment are high will reduce the government's ability to carry out various activities development.
- unemployment that high would hamper, in the sense of not encouraging the growth of the economy. The state is evident that unemployment is not going to encourage companies to undertake investment in the future it will come.

The impact of unemployment according to Franita (2016):

Judging from the terms of the Economic Unemployment will increase the number of poverty. Because many are unemployed, the impact on their economic income is low. At the same time, the cost of living continues to run. These circumstances will make them unable to be independent in generating finance for the needs of the unemployed.

The impact of unemployment according to Basrowi et al. (2018):

- Unemployment can cause people not to maximize the level of prosperity they achieve. It is happening because unemployment can lead to revenue nationwide real (real) which reached the public will be lower than the revenue potential (revenues that should have been).
- Unemployment will cause revenue nationwide that comes from the reduced sector taxes. It is happening because unemployment that high will cause the economy's activities to decrease so that the income of society was going downhill. Thus, the tax that must be paid out of the public also will decline. If receipts tax decline, the funds for the economy's activities also will be reduced so that the activities of development also will continue to decline.
- Unemployment does not promote economic growth. Unemployment will cause the power to buy the people will be reduced so that the demand for the goods - goods result of production will be reduced. Circumstances thus do not stimulate the Investor (employers) to perform the expansion or establishment of industrial new. With such levels of investment decreased so that growth in the economy was not going to be encouraged.

CONCLUSION

The government should immediately respond and quickly resolve the problem of unemployment. The government must foster and strengthen the spirit of entrepreneurship and creativity of people that will emerge various efforts of Micro Small and Medium Enterprises (SMEs) as one solution to overcome the problem of unemployment. The government must continue to support and facilitate the perpetrators of SMEs to be self-sufficient in the economy. Cooperation of the government with education institutions of education both inside and outside the country also can be the solution to generate a source of power man of quality who have competence so easily absorbed by the power of work.

The limitation in this study is the limited number of respondents, which is only 32 respondents. The condition of the Covid-19 pandemic caused researchers to be unable to reach a wider area and more people. The researcher's suggestion for further research is that if the situation has returned to normal, it would be excellent if the respondents studied more.

Funding Statement: Universitas Muhammadiyah Yogyakarta funded this research with a letter-number stipulating the receipt of research grants 030/PEN-LP3M/I/2020.

Acknowledgments: Thanks are given to Dr. Ika Nurul Qamari, L. Jatmiko Jati, and all those who have helped compile this research.

Declaration of Conflicts of Interest/Ethical Declaration: The authors declare that there is no conflict of interest regarding the publication of this paper.

REFERENCES

1. Aruan, Luther, N., & Sriyono, D. (2014). Faktor-faktor yang mempengaruhi tingkat pengangguran di Daerah Istimewa Yogyakarta (DIY) tahun 1985-2011. *MODUS*, 26(2), 173-187.
2. Bakare. (2011). The determinants of urban unemployment crisis in Nigeria: An econometric analysis. *Journal of Emerging Trends in Economics and Management Sciences*, 2(3), 184-192.

3. Basrowi, Yuliana, S., Prayogo, A. D., Liana, J. E., Andriansyah, M., & Astridinata, I. K. (2018). Pengangguran (Perspektif teoretis). Sekolah Tinggi Ilmu Ekonomi (STIE) Mitra Lampung, 1-14.
4. Fahri, Jalil, A., & Kasnelly, S. (2019). Meningkatnya angka pengangguran di tengah pandemi (Covid-19). *Al-Mizan: Jurnal Ekonomi Syariah*, 2(2), 45-60.
5. Franita, R. (2016, Desember). Analisa pengangguran di Indonesia. *Nusantara Jurnal Ilmu Pengetahuan Sosial*, 1, 88-93.
6. Fujita, Shigeru, & Moscarini, G. (2017). Recall and unemployment. *American Economic Review*, 107(12), 3875-3916.
7. Ikawati. (2019). Impact of unemployed unemployment viewed from the physical, psychical, social, and solutions. *Media Informasi Penelitian Kesejahteraan Sosial*, 43(1), 1-10.
8. Lanzona, L. (2016). The sustainability of recent philippine economic growth. *Southeast Asian Affairs*, 281-292. Retrieved from <https://www.jstor.org/stable/26466931>
9. Miles, Matthew, & Huberman, A. M. (1992). Analisis Data Kualitatif: Buku Sumber tentang Metode-metode Baru. (T. R. Rohidi, Trans.) Jakarta: Penerbit Universitas Indonesia (UI-PRESS).
10. Muslim, & Rifqi, M. (2014, Oktober). Pengangguran terbuka dan determinannya. *Jurnal Ekonomi dan Studi Pembangunan*, 15(2), 171-181.
11. Panjawa, Jihad, & Soebagiyo, D. (2014). Efek peningkatan upah minimum terhadap tingkat pengangguran. *Jurnal Ekonomi dan Studi Pembangunan*, 15(1), 48-54.
12. Rianda, C. N. (2020). Analisis dampak pengangguran berpengaruh terhadap individual. *AT-TASYRI' Jurnal Ilmiah Prodi Muamalah*, 12(1), 17-26.