CHAPTER - I

INTRODUCTION
"A sense of meaning in life can only arise out of a reasonable expectation that plans will be fulfilled"---Parkes (1984).

It is but natural that each adult strives to learn an occupational role for self-dependency and to establish a social identity. There are various formal and informal social institutions that regulate people's efforts in this direction. But the deprivation of today's youth to the right to work happens to be one of the greatest catastrophes of the present day economic and social systems. The problem of educated unemployed is considered critical in all countries, as it has implications for the economy (employment) and for society (since education is constructed as a social process). The expansion of higher education over the last four decades has made the unemployment problem very vital in numerous ways and particularly to the educated youth. Rise in unemployment rates poses acute problems for the young educated as they face ever-greater hurdles in the transition from education to work. Central to how youth are adapting to the tight job market is the question how they understand the unemployment problem. While they are forced to adjust their job expectations to the perceived realities of the workforce, their pregraduation employment experience may have a bearing on perceptions of the unemployment problem in future and the consequent occupational
patterns. Little is known about how educated youth react to the unemployment crisis and how they cope with the prevalent prospects and challenges.

While the democratic societies recognise the catastrophic socio-economic consequences of failure to guarantee the right to work, they tend to underplay the wastage of human resources, when educated youth are able and willing to work but are forced to accept idleness. Some social scientists maintain that an unemployed person goes through four psychological states - shock, a period of temporary optimism, protracted depression and a rapid growth in the number of mental cases. Unemployment, thus, creates economic and social disparities and intensifies frustration among those whose greatest need is idealism and opportunities for its expression. The problem of unemployment of the educated, therefore, requires all seriousness and calls for a constructive and more imaginative approach even for its understanding. A number of social psychological variables seem particularly relevant to the study of unemployment. Since the prevalent employment conditions are the experiential reference points with which unemployed compare their life situation, it stands to reason that the concepts and problems of employment and unemployment, should be properly understood.

1.1 Concepts of Employment and Unemployment

The concept of employment involves an economic, a sociological and a psychological meaning (Lauterbach, 1977). The
economic meaning refers to the sources of individual income derived from work and to one basic factor in the production processes of society. The concept of employment is, then applied to activities that are remunerated financially and are considered 'productive' either directly or indirectly. The sociological meaning refers to the fact that being employed communicates to the person an assignment of a definite role in the society. It gives people a sense of security as individuals and group members. In psychological terms, the lack of employment results in feeling of alienation from society and personal frustration.

Jahoda (1981) argued that employment refers to work under contractual arrangements involving material rewards. According to her employment is a tie to reality and we all need some tie to reality. She defines the work as 'activity for a purpose beyond its own execution', and; employment as opposed to work is not in itself an activity, but an institutionalised social relationship. Fryer and Payne (1986) observed that "employment is a voluntary, but institutionally regulated contractual exchange relationship between two parties, one of whom wishes to sell work and the other to buy it. This relationship entails rights and responsibilities, the province of powerful social norms and legislation, on both sides".

Employment, thus, may be the sum total of individual and group activities which combine supplying a source of personal
income from work, providing both objectively and subjectively an active social function to the person concerned, and contributing productively to the processes of society according to its own standards. Unemployment, on the other hand occurs when people do not have access to the means of production, and yet remain within the society as part of the potential workforce.

The concept of unemployment, like employment involves an economic, a sociological and a psychological meaning. The economic meaning refers to the absence of opportunities for people to engage in productive activities, which could serve as their principal source of income, were these available. The sociological meaning is concerned with the presence of a group of people in society who are workless from its own point of view. The psychological meaning refers to what unemployment may do to an individual’s psyche and personality such as loss of self-confidence, feeling of being unwanted and useless, rebellion alternating with apathy, and in extreme cases a chronic damage to the personality structure.

No single meaning of unemployment takes the various kinds of unemployment into account.Singhal (1988) argued that the unemployment figures do not always distinguish between people who actively look for job, those who should like to have regular jobs, but do not actively look for them, those who are just lazy and those who have a job are still registered and actively look for jobs. She argued that the definition and measurement of
unemployment should be formulated with reference to the dominant socio-cultural values and economic goals. The three meanings must be combined in order to understand the intensity of the search for a job, a characteristic of the 'genuine' unemployed.

1.2 Unemployment in India

Unemployment is seen as a mismatch of the output of higher education with needs of the economy. There is a heavy backlog of unemployment in India from year to year. The backlog was 5 million at the beginning of the Second Five Year Plan (1956). At the beginning of the 4th Annual Plan (1966), this figure had doubled to 10 million (Blaugh, et al 1969). The backlog of unemployment at the outset of the Seventh plan was put at 92 lakhs. The net addition to the labour force was estimated at 394 lakh (TCM, 1991).

The National Sample Survey (NSS) data showed that the backlog of unemployment was about 28 million at the beginning of the Eighth plan (1990), while the Employment Exchanges data showed the backlog of about 29 million unemployed in the beginning of 1990. Thus, the NSS data is marginally lower than the Employment Exchanges data (Datt, 1990).

The Planning Commission used NSS data for making projections of unemployment for the 1990s. Taking 28 million as the backlog of unemployed in 1990, net additions to the labour force during 1990-95 were expected to be 37 million. Thus, the total number of persons requiring employment during 8th plan
would be around 65 million, and only 26 million of the 37 million new job hunters in 1990-95 will secure employment. It is expected that during 1995-2000, labour force would increase by 41 million and only 29 million of the 41 million will be absorbed. Thus, by the year 2000 AD, the total number of job seekers would be around 106 million and the backlog of unemployed would burgeon to 51 million (Roy, 1991 and Datt, 1990).

Thus, the figures indicated how the employment situation deteriorates each year as lakhs of fresh graduates join the labour force in the search for elusive jobs.

1.2.1 Variations in Unemployment Pattern :-

The imbalance between demand and supply of educated personnel varies over time, across region, education and gender.

(a) Variations by Region :- The NSS data revealed that over the period of 15 years (1973-88), rural employment had grown at a rate of 1.75 per annum, while urban employment had grown at a relatively much faster growth rate of around 4.5 per annum (Datt, 1990).

Likewise, differences were noticed between metropolitan and non-metropolitan unemployment rates. The data collected by Council of Scientific and Industrial Research (CSIR), in 1981 showed that graduate unemployment rate of Delhi (a metropolitan city) was different than in other major States. For instance, while
13.71% graduates were trying for job in Delhi the percentage of graduates trying for job in Bihar, Madhya Pradesh, Orissa, Tamilnadu, Uttar Pradesh and West Bengal were 28.67%, 18.19%, 25.11%, 27.15%, 22.28% and 35.71% respectively, thus much higher.

(b) Variations by Education :- Within the graduate labour market, there are persisting variations across faculties and subjects. The NSS data revealed that during 1972-73, unemployment among general and professional graduates were 7% and below 5% respectively, and the corresponding figures became 9% and below 6% in 1977-78 (Datt, 1990).

The CSIR data (1981) revealed that among general graduates (mainly, Arts, Commerce and Science), 47.35% were wage employed and 27.14% were trying for job, whereas the corresponding figures for professional graduates (mainly, Agricultural Science, Medicine and Engineering) were 69.89% and 8.23%. Employment exchange data showed that during 1975-85, the average waiting period for general graduates to get a job was 1.17 years, whereas for the professional graduates the average waiting period was .33 years. In 1985, the average waiting period for general and professional graduates were 1.13 and .54 years respectively (Lakshman, 1986).

The CSIR data by fields of study showed that among the professional graduates there were about 78% Agricultural Scientists and Engineers, who were wage employed. The percentage
of wage employed Medical scientists were 53.67%, thus, significantly lower than others. The Medical graduates constituted the largest group (29.82%) of self-employed. Medical graduates had the lowest percentage (6.02%) of unemployed trying for job than Agricultural scientists and Engineers (9.61% and 9.16% respectively). Similarly, among general graduates, Science graduates constituted highest percentage (51.07%) of the wage employed. The percentage of wage employment for Arts and Commerce graduates were 43.30 and 47.69 respectively. The graduates who were trying for a job in the discipline of Science, Arts and Commerce were 24.85%, 28.74% and 27.93% respectively. Commerce graduates constituted highest percentage (9.11%) of self-employed followed by Science (7.6%) and Arts (5.11%) graduates.

In addition, the Employment Exchange data showed that the number (in thousands) of job seekers by the end of 1985 were 25.9, 35.5, 23.3 for Agricultural scientists, Engineering and Medicine respectively. Similarly, for Science, Arts and Commerce graduates, the figures were 484.1, 1,127.5 and 437.0 respectively (Lakshman, 1986).

(c) Variations by Gender: The NSS data showed that in 1977-78 while 8% of the male graduates were unemployed 16% females were unemployed. During the period of 1972-73 to 1977-88, the growth rate of employment for male was 2.19%, whereas for females it was 2.24%. Among the educated the figures of employment growth
rate for male and female were 7.3% and 9.7% respectively. During the period of 1987-88, open unemployment rate was 3.52% for rural females as against 2.87% for rural males (Datt, 1990).

Among the graduates, the percentages of wage employed females were 20.54%, 29.41% and 28.71%; the percentage of wage employed males were 53.54%, 56.85% and 49.29% in the faculties of Arts, Science and Commerce respectively (CSIR data, 1981). The percentages of unemployed female graduates, those who were trying for job were also higher than their male counterparts of all the disciplines.

Thus, the rising trend in unemployment was characterized by wide variations across region and faculties, and even within faculties by subject of specialization, and gender. Such a segmented labour market should have differential impact on the individual’s experiences and explanations of unemployment.

1.3 Socio-Psychological Dimension of Unemployment:

Employment tends to be viewed as the henchmark against which negative experiences of unemployment are compared. It has been a dominant social institution in which preparation for a vocation is acknowledged as a major challenge of adolescent psycho social development (Erikson and Gallatin, 1975). A satisfactory occupational role has been viewed as a source of identity consolidation (Erikson, 1971, and Department of Education and Science, 1983); self-actualization (Sullivan, 1972); healthy-ego-development (Tiffany 1970, and Taylor and
Gurney, 1984); and self-esteem and social support (Nathanson, 1980).

Jahoda (1981) argued that like all social institutions employment has manifest purpose (earning a living) and latent consequences (unintended by products of the purposeful action that is necessary to achieve the manifest consequences). Jahoda (1982) listed the following positive latent consequences of employment.

(1) Employment imposes a time structure on the working day.
(2) Employment implies regularly experiences and contacts with people outside family.
(3) Employment defines aspects of personal status and identity.
(4) Employment enforces activity, perhaps to excel and innovate.
(5) Employment links individuals to goals and purposes extending beyond one's own immediate needs.

In later research she observed that the employment produces access to certain categories of experiences denied to those not in formal employment, and that this experience is important for psychological well-being. Some impressionistic support for this is found in studies by Fagin and Little (1984); and Seabrook (1985). Later Jahoda (1986a) added a sixth consequence, 'control function'. It appears thus that employment determines, influences and shapes the individual's thoughts,
feelings and actions, and enables one to meet and satisfy the
different demands in life either directly or indirectly.

The systematic studies of the experiences of unemployment
reveal that the psychological debilitation of a large majority
of the unemployed is the result of deprivation of the
categories of experience that employment provides. Besides, loss
of economy and unstructured time becomes a heavy burden rather
than leisure which is a complement to employment. Many
unemployed feel isolated and cut off, abandoned by society,
without social identity and so on. They resent the enforced
uselessness and exclusion from participation in collective
purposes and feel inactive and bored. So devastating is the
effect of unemployment that social workers dealing with the
unemployed have equated it with learned helplessness,
bereavement, reactions to loss, grief and loss of control.

Fryer and Payne (1986) reported consensus among the
investigators on psychological burden of the unemployed as
follows :-

"In all cases, the evidence suggests that groups of
unemployed have higher mean level of experienced strain and
negative feelings and lower mean level of happiness, life
satisfaction, experience of pleasure and positive feelings than
comparable employed people, where there is longitudinal
evidence, groups who become employed during the course of
studies exhibit means which improve compared with continuously
unemployed groups".
The problem of unemployment becomes complex when it refers to costs which are to be borne not by the persons or enterprises that cause them, but by the people or society as a whole. When frustration, depression and resentment of an individual is multiplied by several millions it ensues the consequences for the entire society over and above the economic damage.

Social costs include not only the lost productivity of the unemployed workers, but also the cost of providing other social services that are needed to deal with the psychological problems stemming from long term unemployment. The social cost of unemployment, thus, tends to be cumulative. Chronic unemployment may foster social rootlessness and with it, crime, alcoholism, or political polarization and violence. These phenomena, in turn, may absorb resources which otherwise could have been channelled into socio-economic transformation and retard the latter.

Less visible to the naked eye than symptoms of social pathology captured in indices, but equally threatening, is the polarization of the population according to employment status. The trend in polarization in attitudes is paralleled by a significant polarization in living standards. Together with the defensive attitude of groups towards each other. It may produce among the employed a rejection and contempt for the unemployed and envy and resentment among the unemployed.

The psychological consequences of unemployment may even
extend to the students who plan for the future. The choice of educational stream may get affected by the prospects of unemployment. Their aspirations might be dampened and their psychological well-being reduced. One therefore, needs to understand the effects of potential unemployment on the students. It would be relevant from a developmental as well as socio-psychological perspective to examine how the young educated adapt to the prevalent unemployment situation.

1.4 Theoretical Frameworks

The present research proposes to utilise the relevant arguments of the following theoretical frameworks.

(1) Deprivation Theory :- Jahoda (1979) maintains that the core of the psychological problem of unemployment for the individual is the removal of specific supports provided by employment, namely (i) structured time; (ii) broad social horizon; (iii) demonstrated goals and purposes; (iv) defined status; (v) enforced activity.

There is abundant evidence to support the theory that beyond financial problems unemployment is psychologically destructive. Fagin and Little (1984) concentrated primarily on positive aspects of employment, which the jobless were likely to miss, when out of work. Warr (1982) wrote that those who become unemployed may be expected to suffer due to the withdrawal of positive features stated by Jahoda. Hartely (1980) was of the view that losing a job is often a double loss; not only being
deprived of the rewards of the exchange relationships, but also the benefits of the activity.

Jahoda argued that unemployed people were deprived of what employed get from employment and the deprivation is the cause of the distress. But employment and unemployment are two relatively distinct and discrete states, each with its own demands, supports and constraints, advantages and disadvantages, problems and solutions. The disadvantages of later are not necessarily the lack of advantages of the former. It is possible, indeed likely that some problems are not just the result of a withdrawal of support on which people depend but are consequences of actually trying to understand and cope with a different new situation. Unless one looked at behaviours as attempts to cope with, one will not be able to understand the effect of unemployment from a socio-psychological perspective. From Jahoda’s point of view it may be argued that when negative experiences of unemployment are caused by the deprivation of experiences of employment; in a labour market situation, the students who look for jobs may have negative experiences of unemployment, when they have fear of failure of getting jobs or when they perceive that getting jobs is out of their control, and these may be positively related to feelings of alienation and nature of attributions of unemployment.

(2) Fryer’s Agency Theory:— The underlying assumptions of agency theory are that people are agents who strive to assert
themselves, initiate and influence events. They are intrinsically motivated and live in a world in which what is attempted depends on their view of the future as well as on the memories of the past. They try to make sense of what goes on and to act in accordance with these interpretations in line with the values and purposes and in the light of estimations of possible scenarios and outcomes. These attempts are routinely, restricted, frustrated, discouraged and undercut by the social context of unemployment. Some of the agency restrictions include: the frustrated search for meaning in the arbitrary; intrinsically distressing reality of unemployment; the restriction of choices, stymying of hopes; confrontation with threatening novel problems without appropriate skills and adequate resources at one’s disposal.

Agency theory focused on what people bring with them to a situation which is unfamiliar and problematic rather than upon what is taken away from them by removal of a habit-bound set of imposed consequences. It emphasised the destructive aspects of unemployment and the humanity of those who experience it rather than the constructive aspects of employment and the sub-humanity of those who rely on it. It emphasised the desire for self-directedness born of a sense of future and agency rather than the dependency born of habit and passivity. It recommends the investigation of considered action and inaction elucidating the options perceived, the impediments encountered and the reasons
behind choices. It makes use of the relevant cognitive and intentional concepts such as planning and future orientation although these are agency restrictions. It is the frustration of agency by relative poverty and associated social, psychological repercussions, which is at the core of the theory.

It can be argued on the basis of above that since labour market structures of metropolitan and non-metropolitan areas differ, students in these two contexts would differ in their perceptions of employment prospects and feeling of alienation.

(3) Attribution Theory :- Attribution theory developed within social psychology, primarily, as a means of dealing with the question of social perception. Its origin can be traced to Heider's (1958) work on the notion of phenomenal causality. Heider (1958) assumed that individuals are motivated to see their social environment as predictable and hence controllable, and that they apply the same kind of logic to the prediction of social events as to the prediction of physical events. He broke down ordinary explanations into personal and situational causes. In Heider's words, attribution in terms of personal and situational causes are everyday occurrences that determine much of our understanding of and reaction to the surroundings.

A variant of Heider's principles of ordinary explanation was the Jones and Davis's theory of correspondent inference. This was a theory about the way in which people arrived at a dispositional explanation of a given behaviour. The second major
variant of Heider's internal and external attributions for other's behaviour was Kelley's suggestion of a mental computation along the lines of a logical analysis (Kelley, 1967). Whereas Jones and Davis have concentrated on how the perceiver attributed the behaviour to person's internal dispositions, Kelley was concerned with how the perceiver decided whether the cause of the action was a personal disposition or something in the actor's environment or an interaction between the two sets of causes.

Kelley proposed that the perceiver collected consciously or unconsciously, information about how often the actor had taken that action in similar circumstances elsewhere in the past (consistency information); how often the actor took same action in different (distinctiveness information), and finally how many other people took similar action in those types of circumstances (consensus information). In general, the promise of research on Kelley's model was that it could allow the specification of the ways in which people pick-up and put together the social information that is involved in making explanations.

Using Heider's attributional analysis, Jones and Nisbett (1972) proposed that there are differences between the attributions of observers and those of the actors. According to them there is a pervasive tendency among actors to attribute their actions to situations, whereas the observers tend to attribute the same actions to personal dispositions. They
proposed two reasons for the difference. One class of reasons had to do with the informational and perceptual difference between actors and their observers, the other class with more ego involving motivational reasons. They paid more attention to the informational and perceptual reasons for the difference. As they put it, "for the observer, behaviour is figural against the ground of the situation. For the actor it is the situational cues which are figural and that are seen to elicit behaviour."

The attribution theory is a theory about how people make causal explanation, about how they answer questions beginning with 'why'. The major area of attribution research is explicitly concerned with differences between how people attribute characteristics to themselves and others. It deals with the information used in making causal inferences and the use of this information to answer causal questions. Consistent with the argument of Heider that explanations relate to positive self-evaluations, it may be assumed that the internal locus of control may have positive relationship with positive perceptions and internal attributions and vice versa. Using the actor-observer attribution differences (Jones and Nisbett, 1972) it may be argued that students as observers of the unemployment situation may attribute it both to internal and situational factors.

(4) Implicit Personality Theory :- The implicit personality theory (Passini and Norman, 1966) explained the behaviour on the
basis of assumed motives, intentions, roles etc. According to the theory because of the learning experiences of people, definite conceptions are developed about persons and are distinguished in terms of specific characteristics. These are 'naive' assumptions as to what extent certain characteristics or ways of behaviour appear together or cancel each other out. Individuals, on the basis of these assumptions, organise their perceptions of the ongoing interaction process. Special conditions located in the social situation are considered important in determining either an internal or external explanation of behaviour. These may facilitate a tendency to report undifferentiated judgements, because the attributions are forced to use global terms. It may thus, be assumed that the students, based on the observation of social interaction processes, may attribute their possible unemployment either to internal factors or external factors or to both.

(5) Social Learning Theory:— Social learning theorists have mainly been concerned with one's belief in exercising control over a situation, which determined the outcome expectancy. According to them person's actions are related to the expectations of the person or to valences of outcomes following actions. They also put emphasis on the importance of taking anticipated consequences into account in cognitive explanations of human behaviour. The expectancy may be determined by a variety of factors that include a person's perceptions of
his/her ability and skill, and the difficulty of the present task. People who see themselves as relatively low in competence and who perceive that few jobs are available would tend to have lower expectation of success, and thus lower employment prospects. The external locus of control and alienation may be positively related to lower perceptions of employment prospects and external attributions of unemployment.

1.5 SIGNIFICANCE OF THE STUDY

As the employment opportunities are shrinking rapidly and the figures of educated unemployment are swelling, the graduates are forced to adjust their own job expectations to the perceived realities of the workforce. This makes the quality of their experiences prior to entering into employment market significant to their later development and social behaviour. In recent years, a consensus prevails that unemployment poses acute problem for the educated young people. It deadens one's mind, destroys capacity for continuous sustained endeavour, induces a living for idleness and self-indulgence, impairs technical skills, weakens ambition, nerve and will power, interferes with job search processes and thus, creates work inhibition syndrome and causes social problems. Therefore, from a socio-psychological point of view it would be important to examine the role of unemployment in determining the experiences and behaviours of students. A study of the perceptions and attributions of unemployment prior to graduation should help in
understanding how graduates are preparing themselves for the job prospects and challenges, and for adaptation to the job market. Thus, while the existing studies on effects of unemployment have been retrospective this study proposes to be prospective in nature.

The study of perceptions should broadly highlight the psychological consequences of unemployment such as the feeling of helplessness, hopelessness, distress and confidence. This should help in diagnosing certain ills and suggest suitable interventions. Since the efficient management of human resources requires knowledge about the variables that influence the human responses, the study of attribution of unemployment should help in understanding not only the intensity of various causal factors, but also the accommodation style of graduates to their job expectations. Knowing how students think about the causes would seem crucial to any changes in causal thinking.

Researches using attributional analysis indicate that there is a general tendency to attribute success in getting a job to individual characteristics, and the failure to find a job to structural conditions. This research proposes to take into account the relationship between perceptions and attributions of graduates in explanations of unemployment. This should broaden the scope of the attribution analysis. Moreover, while most researches so far have been done in developed countries, little is known about the psychological effects of unemployment and
attributions of unemployment in developing countries like India, where unemployment rate is very high and education has become highly subsidised. Even the more recent review of Indian psychological studies did not report studies on unemployment (Pandey, 1988).

The fact that those without job are not homogeneous mass, social scientists have described specific subgroups by their location, level of education, stream of education, ethnicity, age, gender and so on. The adoption of socio-psychological frame work should highlight how the actions and experiences of the unemployed may be related to their social contexts. This should provide an opportunity for a deeper understanding of the human consequences of unemployment for the unemployed, and for arriving at generalizations.

Though, unemployment pervades to all areas, the rates in metropolitan cities are known to be lower than in non-metropolitans (CSIR data). The percentage of unemployed graduates in Moffusil University has been found higher than the Metropolitan University (Panchamukhi, 1984). Such disparities in rate of unemployment and the structural characteristics can serve as the rationale for this research to examine differences in perceptions and attributions of unemployment between graduates in metro and non-metro areas.

As shown by the Census data, the rates of employment are higher among professional graduates than the non-professional
graduates. A study of the variations in perceptions and attributions of unemployment among graduates having different types of education should help in understanding the effects of job market on them and in understanding the process of adaptation to social realities. A study of the job prospects may throw some light on the under-currents of the brain drain.

Most educated men and women desire employment, yet data show that the percentage of female unemployed graduates was higher than male unemployed graduates. Relatively little attention has been given to gender differences in examining the prior employment experiences, though the sex-typing of employment has been well-documented. It should be logical to expect that the unemployment experiences would have different outcomes for men and women and should be so examined. It would help in understanding the gender specific processes of socioeconomic attainment.

Though independent effects of contexts, educational programme and gender on the cognitive functioning have been examined in some researches, no study has examined the interaction effects of these on perceptions and attributions of unemployment.

All the unemployed do not have similar experiences in life. Some have more favourable personality dispositions than others. Some have more vulnerability than others which may mediate the impact of being out of the job. There is little empirical evidence available. Therefore, there is need to
systematically examine some of the social and personal variables of graduates, and their perceptions and attributions of unemployment to understand differences in vulnerability. In brief, this research should help in a better understanding of the dynamics of unemployment and the misfit between socially imposed experiences and the human needs.

Fig. 1: The Model proposed for the Study:

The relationships among variables to be investigated are presented in the model as follows.