The unemployment in Europe

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Abstract: *The paper present the evolution of two characteristics, the unemployment rate and the medium level of education rate also in European Union (28 countries) and particularly in Romania. The analyzed was made during six years, between 2008 and 2013. At the end of the paper it was applied a correlation coefficient in order to demonstrate if there is any link between the two characteristics. The results show that also in the European Union, as well as in Romania the evolution of the two characteristics has almost the same tendency during the entire period. Also the Pearson correlation coefficient shows that between the two indicators, the unemployment rate and the medium level of education rate there is a negative link but with a very small value which get us to the conclusion that the correlation is insignificant.*

Key-words: *unemployment rate, medium level of education rate, labour force*

1. Introduction

The unemployment is an economic and social phenomenon when a part of the active economic population is not occupied in the production and social process.

Even there is not a general definition, the unemployment is defined by most of the economists and sociologists as the inactivity of a person who wants to work.

From the historical point of view the concept of unemployed worker started to be used at the end of the XIX century beginning with the development of the industrial society. The concept was strongly linked with the wage earner concept and involves the existence of a contract formal or not formal between the employee and the owner of the company.

There for the unemployed worker is the person who in exchange of remuneration offer his labour force but he das not found a person to hire him.

When this situation take high proportions serious economic problems appear in that region or in that country, consists in an increase of social expenses with supporting the unemployed, increasing the poverty rate and criminality.

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2. Objectives

The main objective of the research consists in an analyze of the two characteristics take into consideration, the unemployment rate and the medium level of education rate. The two characteristics were analyzed in evolution for a period of six years, between 2008 and 2013, also in the European Union 28 countries as well as in Romania in order to be able to compare the evolution tendency. Also, an objective was to apply a linear model of correlation using the Pearson correlation coefficient in order to demonstrate if there is any link between the two indicators, unemployment rate and medium level of education rate.

3. Materials and Methodology

This paper is based on official statistical information about unemployment in the European Union and in Romania. There were used statistical methods of analyze, tables and figures, time series, correlation coefficients

4. Results and Discussions

The lowest rate of unemployment in the European Union Countries was registered in Austria at the end of 2013. In Austria only 4,8% from the population did not have a place to work. Germany situated on the second place with an unemployment rate of 5,2%, followed by Luxemburg with 6,1%.

Romania situated on the eighth position with an unemployment rate of 7,3%, closely followed by Great Britain with 7,4%. At the opposite side situates Greece and Spain with rates of unemployment of 27,4% and 26,7%.

The country outside the European Union with the lowest rate of unemployment is Monaco were practically this phenomenon does not exist.

4.1. The unemployment rate in Europe

The unemployment represents a lack of balance situation on the labour market in which there is a surplus of labour offer comparing with the labour request meaning a surplus of active population which does not found a work place.

In the analyzed period 2008-2013 in the European Union, the evolution of unemployment rate is presented in Figure.1 (EUROSTAT):
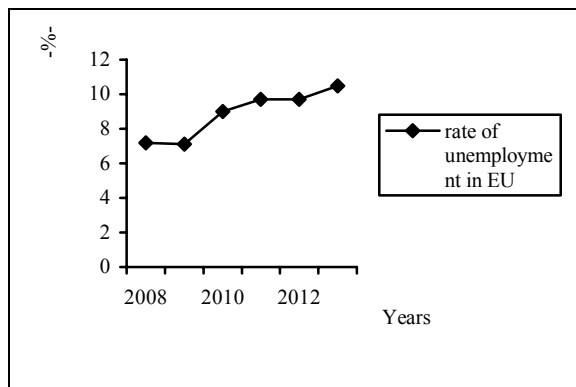
Fig. 1. *The unemployment rate evolution in European Union*

The unemployment rate in the European Union during the analyzed period had an increasing evolution. In 2009 we can observe a small decrease with 0,1% in comparison with the previous year 2008. In the following years the unemployment rate increase continuously with 1,8% in 2010 in comparison with the basic year 2008 and reaching at 3,3% in 2013 also in comparison with the basic year 2008.

If we compare the unemployment rate each year in comparison with the previous year we can observe that the situation is almost the same. That means that we have a decrease in 2009 in comparison with the previous year 2008 with 0,1%.

In the following years the unemployment rate in European Union (28countries) increase continuously reaching in 2013 at a level higher with 0,8% more than in the previous year 2012.

The highest increase was in 2010 with 1,9% more than in 2009.

In Romania, in the same period 2008-2013, the unemployment rate evolution is represented in Figure 2 (EUROSTAT):
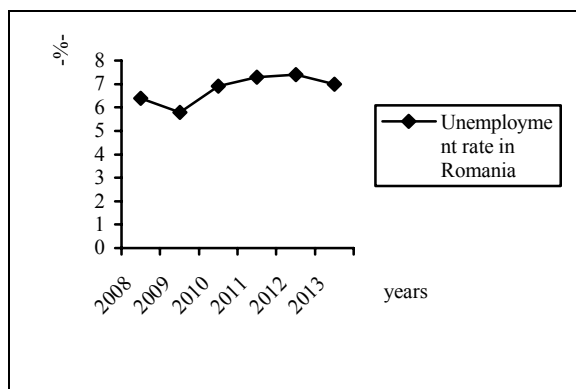

Fig. 2. *The unemployment rate evolution in Romania*

In Romania the unemployment rate had almost the same evolution than in the European Union. If we analyze the evolution in comparison with the basic year 2008 we can observe that we have a decrease in 2009 with 0,6% less in comparison with 2008. In the following years we have a constant increase, with 0,5% in 2010, 0,9% in 2011 and 0,6% in 2013.

The situation is not the same if we analyze the evolution of unemployment rate in comparison with the previous year. We have a decrease in 2009 in comparison with the previous year 2008 with 0,6% and also a decrease in 2013 in comparison with the previous year 2012 with 0,4%.

In all the other years we have increases the highest one being in 2010 in comparison with the previous year 2009 with 1.1% more.

4.2. Medium level of education rate

The other characteristic take into consideration was medium level of education rate, analyzed during the same period 2008-1013 and also in the European Union (28 countries) and in particularly in Romania.

In the European Union, the evolution of medium level of education percent is presented in Figure 3 (EUROSTAT):
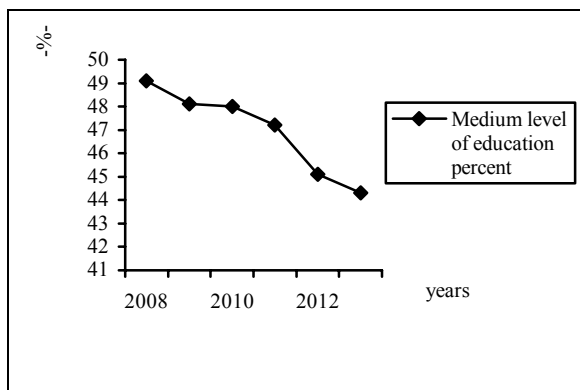

Fig. 3. *Medium level of education percent evolution in European Union*

The medium level of education percent in the European Union during the analyzed period 2008-2013 follows a decreasing tendency in the entire period. The highest decrease was in 2013 in comparison with the basic year of analyze 2008 with 4,8% less.

Almost the same situation appears if we analyze the evolution of the indicator in comparison with the previous year. We can observe also a continuous decrease during the entire analyzed period, but the highest decrease was in 2012 in comparison with the previous year 2011 with 2,1% less.

In Romania, in the same analyzed period 2008-2013, the evolution of medium level of education percent is presented in Figure 4 (EUROSTAT):
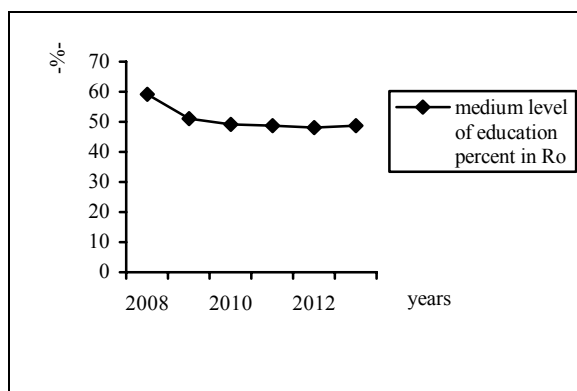

Fig. 4. *Medium level of education percent evolution in Romania*

In Romania, the medium level of education percent had a decreasing tendency also, during the analyzed period. .Analyzing the evolution in comparison with the basic year 2008 we can observe a continuous decrease with 8.2%in 2009 and with 10,4% in 2013. The highest decrease was in 2012 in comparison with the basic year 2008, with 11,1% less.

Analyzing the situation in comparison with the previous year we can observe a continuous decrease between 2008 and 2012. The highest decrease was in 2009 in comparison with the previous year 2008, with 8,2% less. In 2013, in comparison with the previous year 2012 we have an increase of medium level of education percent, with 0,7% more.

4. Correlation

After analyzing the two characteristics also in Romania and in the European Union, it was made a research in order to demonstrate if there is any link between the two indicators.

Using the official statistical information from EUROSTAT, it was applied a linear function of analyze and, using the Pearson correlation coefficient, try to determine if there is or not any link.

After calculating the coefficient we determine that it has the following values: -0,1 for the European Union and -0,0069 for Romania. The values show us that, according with the statistical information we almost don't have a link between the two characteristics take into consideration. Infect it is a negative correlation but this one has a very low value.

5. Conclusions

The evolution of the two analyzed indicators, unemployment rate and medium level of education rate in 2008 - 2013 was almost the same also in Romania as well as in the European Union 28 counties.

As well as in Romania and in the European Union the unemployment rate registered the lowest level in 2009. After that it was an increase, increase which stops in Romania and, starting with 2012 reduce. In the European Union the increasing tendency continues in comparison with Romania.

The European Union region is characterized with a continuous decrease of medium level of education percent, with a very high level in 2011 and 2012. In Romania this indicator decreases in 2008 and 2009, after that period being almost constant. This means that those indicators stabilize quickly in Romania than in the European Union after the world economic crises starting with 2008.

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