CAUSES OF UNEMPLOYMENT IN INDONESIA

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Abstract

Economic development is very important for a developing country like Indonesia. The success of a country's economic development can be seen from economic indicators, one of which is the unemployment rate. This study aims to analyze the causes of unemployment in Indonesia. The method used is scoping review by analyzing journals from various online databases such as Pubmed and Google Scholar. Based on the results of research from two journals, it can be shown that the causes of unemployment in Indonesia are population, human development index, level of education, lack of adequate skills, minimal employment in the area, and limitations in receiving information.

Keywords: Unemployment; Causes of Unemployment; Scoping Review.

INTRODUCTION

The economic development of a country can be seen from several economic indicators. One of them is the unemployment rate. Based on the unemployment rate, it can be seen the condition of a country, whether its economy is growing or slow and or even experiencing setbacks. In addition to the unemployment rate, it can also be seen the inequality or gap in the distribution of income received by the people of that country. Unemployment can occur as a result of the high rate of change in the workforce which is not matched by the existence of jobs that are quite broad and the percentage of employment that tends to be small. This is due to the low growth rate of job creation to accommodate a workforce that is ready to work (Novriansyah, 2018).

Unemployment is one of the main problems that every country always faces. When talking about the problem of unemployment, it means not only talking about social problems but also talking about economic problems, because unemployment apart from causing social problems also has an influence on the economic growth of a country, especially developing countries such as Indonesia (Ishak, 2018).

One characteristic of development is the occurrence of a population explosion, as is the case in Indonesia. The total population of Indonesia, based on data from the Central Statistics Agency (BPS) for December 2018, is 265 million people, but given the limited sources of production on the one hand and on the other hand the limited

ability of the government associated with such a large population makes it unable to accommodate all workforce in the world of business/work. Conditions in developing countries such as Indonesia, the economic growth achieved is also accompanied by an increase in Indonesia's population. This condition is what triggers unemployment and unfortunately every year the number of unemployed continues to increase, because each increase in the number of labor force is not matched by the expansion and capacity of employment opportunities (Sugianto & Permadhy, 2020).

Data from the Central Statistics Agency (BPS) open unemployment rate in Indonesia in February 2020 was recorded at 05.01 percent (Indayani & Hartono, 2020). The increasing number of unemployed in each country has an impact on economic growth in a country. One of the causes of the large number of unemployed is the lack of jobs and the lack of expertise of job seekers, including educated worker seekers. The government must be able to immediately provide a solution regarding the high unemployment rate for the progress of the country's economy (Franita & Fuady, 2019).

Unemployment can be suppressed by the government with its policies, if the government can correctly make a policy regarding unemployment then the problem of unemployment will be resolved, but if on the contrary if the government's policy fails then the problem of unemployment will still exist and does not rule out the possibility of increasing unemployment (Johan et al., 2016).

RESEARCH METHODS

According to Arksey & O'Malley in Widiasih et al., (2020) scoping review is a method used to identify in-depth and thorough literature obtained through various sources with various research methods and has a relationship with the research topic.

Data was taken from various electronic databases, namely PubMed and Google Scholar. Data collection was carried out in several stages. First, enter keywords related to the topic in the online database search. Then, selecting articles through inclusion and exclusion criteria. Finally, analyze the articles obtained through the first and second stages.

RESULT AND DISCUSSION

Table 1. Relevant Research

No	Title, Year, Researcher	Research Purposes	Interventions/Methods of Measurement/Analysis	Results
1	Analisis Faktor-Faktor yang Mempengaruhi Tingkat Pengangguran Terbuka di Provinsi Lampung (Periode 2009-2015) (Sisnita & Prawoto, 2017).	To analyze how much influence Population, Regional Minimum Wage, and Human Development Index have on Unemployment in Lampung Province. The object of research	Literature study, namely techniques for obtaining information through records, literature, documentation and others that are still relevant.	Causes of unemployment: - Shows that the total population has a positive and significant effect on the open unemployment rate. - The Regional Minimum Wage

No				
		in this study is the cause of unemployment in Lampung Province by taking data from 12 regencies and 2 cities from 2009 to 2015.		has no significant effect on the unemployment rate. - The Human Development Index has a positive and significant effect on the open unemployment rate.
2	Faktor Penyebab Pengangguran Dan Strategi Penanganan Permasalahan Pengangguran Pada Desa Bojongcae, Cibadak Lebak Provinsi Banten. 2020 (Sugianto & Permadhy, 2020).	To find out the factors that cause unemployment and strategies for dealing with unemployment problems in Bojongcae Village, Cibadak Lebak, Banten Province, 2020.	Quantitative and qualitative analysis techniques (mix method) that focus on field conditions and the community in accordance with the research area. This research method prefers to use in-depth analysis techniques, namely examining problems on a case-by-case basis because the qualitative methodology believes that the nature of a problem is one will differ from the nature of the other problems.	One of the factors causing unemployment is in terms of education, not having adequate skills, minimal employment in the area and limited information access.

Based on the table above, the two articles explain the causes of unemployment in Indonesia.
1. In the first article, the causes of unemployment in Indonesia are:
   a. Total population
      With population growth that continues to increase, this will cause a problem in the population, including employment which explains that the absolute increase in population will certainly have an impact on the number of East Java's workforce. Also, the high population can even create a separate burden for each region because job opportunities are increasingly limited and are not matched by the large population which will then have an impact on the unemployment rate.
   b. Human development index
      If the human development index increases, it will increase the unemployment rate.
   In the first article, there are two variables that have a positive effect on unemployment, namely: population and human development index. And there is one variable that has a negative effect, namely: the regional minimum wage, the minimum

wage does not affect the unemployment rate, meaning that a change in the minimum wage will not affect the open unemployment rate. So it can be concluded that if the minimum wage increases, the open unemployment rate will decrease.

2. In the second article, the causes of unemployment in Indonesia are:
   a. Education

      The minimum level of recent education among residents makes it difficult for residents to find jobs due to their minimal skills and knowledge. The quality of existing education is reflected in the number of schools or places of education and the available infrastructure.
   b. Do not have adequate skills

      some residents who have more skills they have for entrepreneurship.
   c. Minimal job opportunities in the area

      The problem of wages makes residents want to find work outside their area, but due to limited knowledge, it makes it difficult for them to get these jobs.
   d. Limitations receive information

      There is no information to find work according to the abilities or skills that residents have, so residents tend to stay in the village following in the footsteps of their parents who work as farmers, farm labourers, traders or household helpers.

CONCLUSION

Based on the results of research on two journals, it can be concluded that the causes of unemployment in Indonesia are population, human development index, level of education, lack of adequate skills, minimal employment in the area, and limitations in receiving information.

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