

## ARE WE ON THE VERGE OF REVOLUTION-LOSS OF HOPE

*Mr. Pranjal<sup>1</sup> and Ms. Shalini Survi<sup>2</sup>*

### INTRODUCTION

From the ashes rises a more beautiful phoenix, every time things get destroyed, new things come to life. Destruction leads to the creation and vice versa.

Same is the case with the financial systems around the globe, from Marxists to capitalists to socialists all have given their version of system and principles followed knowingly or unknowingly get accumulated in our financial systems. As soon as they become obsolete there should be some changes but every change has resistance to it, and at a global level reformation does little to bring in change.

What we are currently seeing at a global level is one of the 1<sup>st</sup> salvos to be fired against the economic system. People have started believing that these institutes have hood winked them and are responsible for unemployment. The underlying feeling of disparity of income has also led them to come to the streets and protest.

In US the protests have been largely non-violent with protestors standing at marked places but the numbers are swelling the consistency of protestors is increasing with trade unions and other factions of society joining them. The demands are versatile and still no single leader among them is visible which has acted as a boon for protestors as range of demand is increasing. Most of the demands do not have straight answers can be given by the current financial systems for them.

An example is of a college graduate who asks, "I have worked according to your system of education, got a good score, have all the qualifications and done all those things that the system has asked me to do yet when I have completed my studies there is no job for me."

The accountability of these institutions lays bare. In case of US, the protestors are non-violent while in Europe acts of violence are increasing especially in case of Madrid (Spain) and Athens

---

<sup>1</sup> Faculty Amity Global Business School, Email id- occult87@yahoo.co.in

<sup>2</sup> Faculty GJIMT, Email id-shaliniurvi@gmail.com

(Greece) where government properties and banks have been burned down by people. Every day the top financials bankers are not able to do anything for countries which collapse with people of no money, no food, no shelter and above all they have no hope but to protest in ways they feel fit and vent their anger and frustration.

In Sun Tzu's book "Art of war" he says that when your enemy is weak never corner it always give it a passage to run as long as there is hope of survival he will focus more on running if he gets cornered and has no other way he will fight like a lion and your losses will be very high. The same logic applies here as most of the countries thought at this time are way behind it seems like most European Nations have lost all hope of a better tomorrow.

### **UNEMPLOYMENT LIST OF EUROPEAN COUNTRIES:**

<b>Country Name</b>	<b>UNEMPLOYMENT RATE</b>	<b>Date of Information</b>
<b>Austria</b>	<b>4.3</b>	<b>2011 (May)</b>
<b>Belgium</b>	<b>7.3</b>	<b>2011 (May)</b>
<b>Bulgaria</b>	<b>11.2</b>	<b>2011 (May)</b>
<b>Cyprus</b>	<b>7.4</b>	<b>2011 (May)</b>
<b>Czech Republic</b>	<b>6.5</b>	<b>2011 (May)</b>
<b>Denmark</b>	<b>7.4</b>	<b>2011 (May)</b>
<b>Estonia</b>	<b>13.8</b>	<b>2011 (May)</b>
<b>Finland</b>	<b>7.8</b>	<b>2011 (May)</b>
<b>France</b>	<b>9.5</b>	<b>2011 (May)</b>
<b>Germany</b>	<b>6</b>	<b>2011 (May)</b>
<b>Greece</b>	<b>16.5</b>	<b>2011 (May)</b>
<b>Hungary</b>	<b>10</b>	<b>2011 (May)</b>
<b>Ireland</b>	<b>14.5</b>	<b>2011 (May)</b>
<b>Italy</b>	<b>8.1</b>	<b>2011 (May)</b>
<b>Latvia</b>	<b>16.2</b>	<b>2011 (May)</b>
<b>Lithuania</b>	<b>16.3</b>	<b>2011 (May)</b>
<b>Luxembourg</b>	<b>4.5</b>	<b>2011 (May)</b>
<b>Malta</b>	<b>6.2</b>	<b>2011 (May)</b>
<b>Netherlands</b>	<b>4.2</b>	<b>2011 (May)</b>
<b>Poland</b>	<b>9.2</b>	<b>2011 (May)</b>
<b>Portugal</b>	<b>12.4</b>	<b>2011 (May)</b>
<b>Romania</b>	<b>7</b>	<b>2011 (May)</b>
<b>Slovakia</b>	<b>13.3</b>	<b>2011 (May)</b>
<b>Slovenia</b>	<b>8.3</b>	<b>2011 (May)</b>
<b>Spain</b>	<b>21.5</b>	<b>2011 (May)</b>
<b>Sweden</b>	<b>7.7</b>	<b>2011 (May)</b>
<b>United Kingdom</b>	<b>7.6</b>	<b>2011 (May)</b>

Countries like Spain and Greece are already facing the situation of major unrest due to unemployment. While the future for countries like Latvia, Lithuania, Estonia, Ireland and

Portugal seems bleak as they are on the verge of another protest. The analysis shows that as soon as the average unemployment for these countries crosses 10 the situation becomes precarious.

### **Recent developments in unemployment at a European and Member State level**

Eurostat estimates that 23.264 million men and women in the EU-27, of whom 16.198 million were in the euro area (EA-17), were unemployed in September 2011. Compared with August 2011, the number of persons unemployed increased by 174 000 in the EU-27 and by 188 000 in the euro area. Compared with September 2010, unemployment increased by 215 000 in the EU-27 and by 329 000 in the euro area.

The euro area seasonally-adjusted unemployment rate was 10.2 % in September 2011, compared with 10.1% in August 2011; it was 10.1 % in September 2010. The EU-27 unemployment rate was 9.7 % in September 2011, compared with 9.6% in August 2011; it was 9.6 % in September 2010.

Among the Member States, the lowest unemployment rates were recorded in Austria (3.9 %), the Netherlands (4.5 %) and Luxembourg (4.8 %), and the highest rates in Spain (22.6 %), Greece (17.6 % in July) and Latvia (16.1 % in the second quarter of 2011).

Compared with a year ago, the unemployment rate fell in fourteen Member States and increased in thirteen. The largest falls were observed in Estonia (17.9 % to 12.8 % between the second quarters of 2010 and 2011), Latvia (19.4 % to 16.1 % between the second quarters of 2010 and 2011) and Lithuania (18.2 % to 15.5 % between the second quarters of 2010 and 2011). The highest increases were registered in Greece (12.6 % to 17.6 % between July 2010 and July 2011), Spain (20.5 % to 22.6 %) and Cyprus (6.0 % to 7.8 %).

Between September 2010 and September 2011, the unemployment rate for males remained stable at 9.9 % in the euro area and fell from 9.6 % to 9.5 % in the EU-27. The female unemployment rate increased from 10.4 % to 10.6 % in the euro area and increased from 9.7 % to 9.9 % in the EU-27

In September 2011, the youth unemployment rate was 21.4% % in the EU-27 and 21.2% % in the euro area. In September 2010 it was 20.9 % and 20.8 % respectively. The lowest rates were observed in Austria (7.1 %) and the Netherlands (8.0 %) and the highest in Spain (48.0 % ) and Greece (43.5 % in July).

	Youth unemployment rate				Youth unemployment ratio		
	2008	2009	2010	2011Q2*	2008	2009	2010
<b>EU-27</b>	15.8	20.1	21.1	21.0	6.9	8.7	9.0
<b>Euro area</b>	16.0	20.2	20.9	20.5	6.9	8.7	8.7
<b>Belgium</b>	18.0	21.9	22.4	18.3	6.0	7.1	7.3
<b>Bulgaria</b>	12.7	16.2	23.2	27.0	3.8	4.8	6.7
<b>Czech Republic</b>	9.9	16.6	18.3	18.7	3.1	5.3	5.7
<b>Denmark</b>	7.6	11.2	13.8	14.0	5.5	8.0	9.3
<b>Germany</b>	10.6	11.2	9.9	8.9	5.5	5.8	5.1
<b>Estonia</b>	12.0	27.5	32.9	21.8	5.0	11.0	12.6
<b>Ireland</b>	13.3	24.4	27.8	29.8	6.7	11.3	11.6
<b>Greece</b>	22.1	25.8	32.9	42.9	6.7	8.0	10.0
<b>Spain</b>	24.6	37.8	41.6	45.0	11.7	17.1	17.8
<b>France</b>	19.3	23.9	23.7	23.3	7.2	9.2	8.9
<b>Italy</b>	21.3	25.4	27.8	27.7	6.6	7.4	7.9
<b>Cyprus</b>	8.8	14.0	17.2	20.0	3.8	5.7	6.8
<b>Latvia</b>	13.1	33.6	34.5	30.2	5.6	14.0	13.9
<b>Lithuania</b>	13.4	29.2	35.1	33.2	4.1	8.9	10.4
<b>Luxembourg</b>	17.3	16.5	15.6	14.0	5.2	5.5	3.5
<b>Hungary</b>	19.9	26.5	26.6	25.1	5.0	6.5	6.6
<b>Malta</b>	11.8	14.4	13.1	14.7	6.4	7.4	6.7
<b>Netherlands</b>	6.3	7.7	8.7	7.0	3.9	4.8	6.0 <sup>b</sup>
<b>Austria</b>	8.0	10.0	8.8	8.3	4.9	6.0	5.2
<b>Poland</b>	17.3	20.6	23.7	24.9	5.7	7.0	8.2
<b>Portugal</b>	20.2 <sup>a</sup>	24.8 <sup>a</sup>	27.7 <sup>a</sup>	28.7	6.8	7.9	8.2
<b>Romania</b>	18.6	20.8	22.1	22.8	5.7	6.4	6.9
<b>Slovenia</b>	10.4	13.6	14.7	14.3	4.5	5.6	5.9
<b>Slovakia</b>	19.0	27.3	33.6	32.7	6.2	8.6	10.4
<b>Finland</b>	16.5	21.5	21.4	20.1	8.8	10.9	10.6
<b>Sweden</b>	20.2	25.0	25.2	22.8	10.7	12.8	13.0
<b>United Kingdom</b>	15.0	19.1	19.6	20.4	9.2	11.4	11.6

\* The quarterly youth unemployment rate is seasonally adjusted.

e: estimate

A Source: Eurostat (une\_rt\_q, lfsi\_act\_a)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Male</b>	7.8	8.3	8.4	8.5	8.3	7.6	6.6	6.6	9.0	9.7
<b>Female</b>	9.4	9.7	9.7	9.8	9.8	9.0	7.9	7.6	8.9	9.6
<b>Less than 25 years</b>	17.4	18.0	18.2	18.6	18.7	17.4	15.6	15.7	20.0	20.9
<b>Between 25 and 74 years</b>	7.2	7.6	7.7	7.8	7.7	7.1	6.1	6.0	7.6	8.3
<b>Long-term unemployment rate</b>	3.9	4.0	4.1	4.2	4.1	3.7	3.1	2.6	3.0	3.8
<b>Male</b>	3.5	3.6	3.8	3.9	3.8	3.5	2.8	2.4	2.9	3.9
<b>Female</b>	4.4	4.5	4.5	4.6	4.5	4.0	3.3	2.8	3.1	3.7
<b>Very long-term unemployment rate</b>	2.3	2.3	2.4	2.4	2.4	2.2	1.8	1.5	1.5	1.8

Source: Eurostat (une\_rt\_a, une\_ltu\_a)

The main problem is being seen with the youth (who form the backbone of this revolution). The Age group (less than 25) seems to be very volatile. Here we find that the youth are in the phase of revolution rather than reformation.

## No Career Opportunities

European nations with high debt tend to have the most youth unemployment. Rates for people under 25 and for all ages in selected countries:



USA

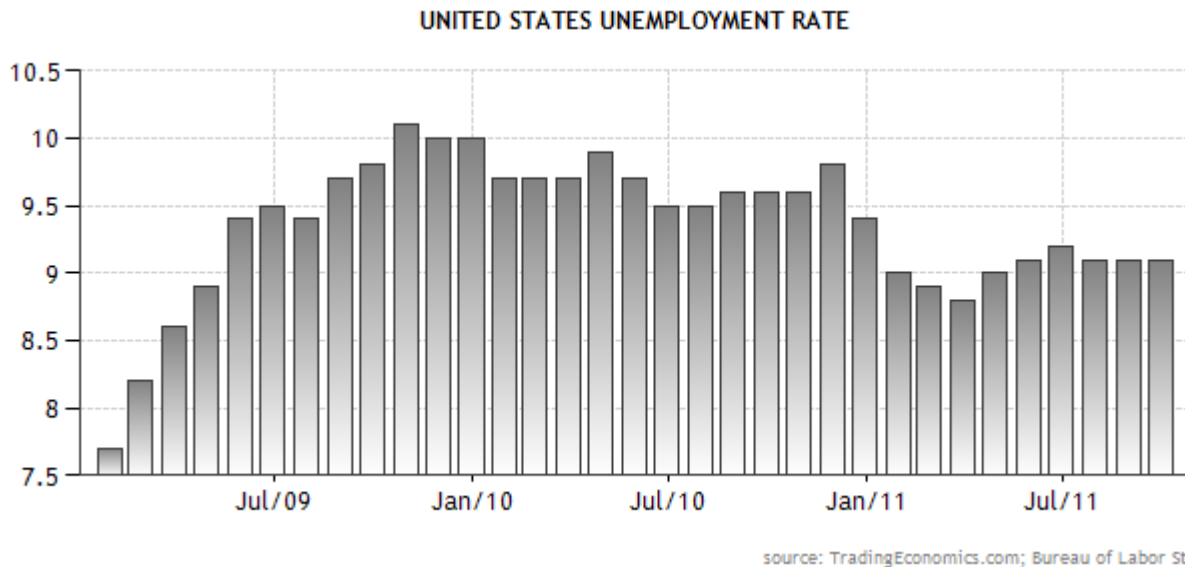
## Unemployment Rate

2000 - 2011

Year	J	F	M	A	M	J	J	A	S	O	N	D	Year
2000	4.0	4.1	4.0	3.8	4.0	4.0	4.0	4.1	3.9	3.9	3.9	3.9	2000
2001	4.2	4.2	4.3	4.4	4.3	4.5	4.6	4.9	5.0	5.3	5.5	5.7	2001
2002	5.7	5.7	5.7	5.9	5.8	5.8	5.8	5.7	5.7	5.7	5.9	6.0	2002
2003	5.8	5.9	5.9	6.0	6.1	6.3	6.2	6.1	6.1	6.0	5.8	5.7	2003
2004	5.7	5.6	5.8	5.6	5.6	5.6	5.5	5.4	5.4	5.5	5.4	5.4	2004
2005	5.3	5.4	5.2	5.2	5.1	5.0	5.0	4.9	5.0	5.0	5.0	4.9	2005
2006	4.7	4.8	4.7	4.7	4.6	4.6	4.7	4.7	4.5	4.4	4.5	4.4	2006

<b>2007</b>	4.6	4.5	4.4	4.5	4.4	4.6	4.6	4.6	4.7	4.7	4.7	5.0	<b>2007</b>
<b>2008</b>	5.0	4.8	5.1	5.0	5.4	5.5	5.8	6.1	6.2	6.6	6.9	7.4	<b>2008</b>
<b>2009</b>	7.7	8.2	8.6	8.9	9.4	9.5	9.4	9.7	9.8	10.1	10.0	10.0	<b>2009</b>
<b>2010</b>	9.7	9.7	9.7	9.9	9.7	9.5	9.5	9.6	9.6	9.6	9.8	9.4	<b>2010</b>
<b>2011</b>	9.0	8.9	8.8	9.0	9.1	9.2	9.1	9.1	9.1				

Above table indicates the rate of increase in unemployment. If we see the periods that is from (2000-2007) where the range falls between 3.8-6.3 but the average marks up to 4.5-5. And 7.7-10.5 from 2008-2011. But the actual average falls at 9.5.



### **PROTEST AND PHYSICAL IMPACTS:**

The high rates of youth unemployment that fed protests from Spain across the euro zone this year are likely to worsen before they improve, new data released Monday suggest, given the region's debt crisis and budget cutbacks. The European Union's statistics agency, Eurostat, reported that the unemployment rate among job seekers age 15 to 24 in the 17-nation currency

bloc is still over one-in-five, or 20.3%, despite an economic recovery that began in the second quarter of 2009.

That is off the peak of 21.2% reached 20 months ago, but economists expect the rate to climb again as budget austerity bites and temporary government jobs programs wind down.

"Youth unemployment is going to reach record highs," said Alessandro Turrini, head of the labor-market reforms unit in the European Commission economics directorate.

And it could well trigger more protests. Veronica Leandrez, one of Spain's "indignados," the group whose anger over unemployment and the crisis response prompted a wave of similar movements across Europe, is on a seven-week protest march with 50 others from Madrid to Brussels, where they expect to join with like-minded groups.

### **Conclusion:**

In most developing countries the unemployment rate is high since these countries are in stage of growing so hope remains in youth for better opportunities for a better future.

Whereas if we take European countries in account where the rate of growth is slow and almost saturated there is no hope among the youth in terms of employment. This is making the situation more obscure. According to Eurostat, the statistical offices of the European Union more than 23 million people were unemployed; of which 5 million in Spain. Which is an alarming situation?

The governments around the world will need to bring in a positive effect by generating employment and voluntarily distributing power and wealth among the masses. Disparity of wealth will act as a catalyst to this grim situation.

### **References:**

1. Who's got the highest (and lowest) unemployment rates? By Kyle Almond, CNN, July 14, 2011 -Updated 1505 GMT (2305 HKT)
2. www.politicalpress.com, European unemployment figures– NOVEMBER 2, 2011, POSTED IN: BREAKING NEWS, HOME, WORLD
3. European commission, Eurostat
4. <http://newsflavor.com/opinions/new-yorks-mayor-is-afraid-of-riots-high-unemployment-rate-could-trigger-similar-protests-in-europe/>
5. <http://www.onislam.net/english/news/europe/453400-unemployment-police-cause-london-riots.html>
6. [http://en.wikipedia.org/wiki/2010%E2%80%932012\\_Greek\\_protests](http://en.wikipedia.org/wiki/2010%E2%80%932012_Greek_protests)

7. <http://www.dailymail.co.uk/news/article-2054913/Europe-war-2018-As-Angela-Merkel-says-euro-meltdown-spark-battle.html>
8. <http://ezinearticles.com/?Mass-Unemployment-Sweeps-Europe&id=6499242>
9. [http://www.economywatch.com/world\\_economy/?page=full](http://www.economywatch.com/world_economy/?page=full)
10. [http://articles.timesofindia.indiatimes.com/2012-02-13/europe/31054611\\_1\\_riot-police-protesters-buildings](http://articles.timesofindia.indiatimes.com/2012-02-13/europe/31054611_1_riot-police-protesters-buildings)
11. <http://www.economywatch.com/economy-business-and-finance-news/europes-fate-rests-in-the-hands-of-the-ecb.14-02.html>
12. <http://emergingmarketsnews.com/archive/767-spains-unemployment-total-passes-five-million>
13. <http://www.frontlineonnet.com/fl2902/stories/20120210290200400.htm>
14. <http://economictimes.indiatimes.com/topic/Lewisham/news>