

Macroeconomics Issues

Macroeconomics related problems are mentioned below, it is clear from that study of macroeconomics as a special branch is necessary.

Employment

In the decade of 1930, whole world was in the grip of Great Depression. Economic activities became very slow. The demand of goods and services had been fallen. As a result, massive fall in commercial benefit, investment cut down at large level and unemployment spread. If in the production field a large percentage of active population faces unemployment, then it becomes such a problem whose solution at the whole economy level becomes very essential. This is an important problem of macroeconomics. In India, unemployment continues to be a dreadful problem. Unskilled labourers at great scale has suffered from rural unemployment. In urban areas too in skilled artisans found amazing unemployment and under employment. In our country unemployment problem is so vast and long-termed that government has subjected to give reservation in government jobs. This reservation is trying to implement in private sector also. In fact, why reservation will be needed if all those who are ready to work on given wages, great number of jobs is created? It can be said certainly that our country is not developing at that rate on which whole manpower of country can be employed.

Unemployment is not a characteristic of underdeveloped country like India. This is a serious problem of developed countries like U.K. and U.S.A. In developed and underdeveloped countries only difference found in nature of unemployment. In underdeveloped countries its nature is chronic and its reason is shortage in production potentialities. Just its contrary, in developed countries its nature is cyclical for that reason there is decrease in the demand of goods and services. Still, an important problem of macroeconomics is unemployment and it is related to all economies of world.

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